

**Mitteilung an alle Anteilseigner der MFS MERIDIAN FUNDS**

Anbei finden Sie eine Information der Fondsgesellschaft MFS MERIDIAN FUNDS, folgende Fonds sind betroffen:

LU0125948108	MFS Meridian	Emerging Markets Debt - A1 CAP
LU0094560157	MFS Meridian	Absolute Return - A1 CAP
LU0219432076	MFS Meridian	Continental European Equity - A1 CAP
LU0219422606	MFS Meridian	Emerging Markets Debt - A1 CAP
LU0219432159	MFS Meridian	Emerging Markets Debt - A1 CAP
LU0125948280	MFS Meridian	Emerging Markets Debt - A2 CAP
LU0125946151	MFS Meridian	European Core Equity - A1 CAP
LU0219431268	MFS Meridian	Global Equity - A1 CAP
LU0125979160	MFS Meridian	U.S. Value - A1 CAP
LU0219418836	MFS Meridian	Global Total Return - A1 CAP
LU0219442380	MFS Meridian	Global Total Return - A2 DIS
LU0035377810	MFS Meridian	High Yield - A1 CAP
LU0219431771	MFS Meridian	Global Total Return - A1 CAP
LU0219431854	MFS Meridian	UK Equity - A1 CAP
LU0035378891	MFS Meridian	High Yield - A2 DIS
LU0094555157	MFS Meridian	U.S. Concentrated Growth - A1 CAP
LU0583241160	MFS Meridian	U.S. Value - A1 Hedged EUR CAP
LU0219440335	MFS Meridian	European Research - A1 CAP
LU0125944966	MFS Meridian	European Smaller Companies - A1 CAP
LU0219440681	MFS Meridian	European Smaller Companies - A1 CAP
LU0219441572	MFS Meridian	Global Concentrated - A1 CAP

Details können Sie der beigefügten Anlage entnehmen. Falls Ihre Kunden diesen Änderungen nicht zustimmen und die Möglichkeit besteht, die Anteile ohne Gebühren seitens der Fondsgesellschaft zurückzugeben, können Sie den Verkauf der Anteile direkt in MoventumOffice erfassen.

Bitte nehmen Sie zur Kenntnis, dass für die Abwicklung dieser Aufträge die im Preis- und Leistungsverzeichnis von Moventum ausgewiesenen Gebühren und die auf MoventumOffice angegebenen Annahmeschlusszeiten gelten.

22 JAN. 2013



**MFS MERIDIAN FUNDS**  
Société d'Investissement à Capital Variable  
À Compartiments Multiples

Siège social: 49, Avenue J.F. Kennedy, L-1855 Luxembourg  
R.C.S. Luxembourg B 39.346 (the "Company")

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**NOTICE TO SHAREHOLDERS**

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Luxembourg, 18 January 2013

Notice is hereby given to the shareholders of MFS Meridian Funds (the "Company") that the Board of Directors<sup>1</sup> has resolved to make certain changes to the Company's offering documents, including the Key Investor Information Documents and prospectus (the "Prospectus") which relate to the Company and/or certain sub-funds (the "Funds"), including the changes described below. Any reference to a Fund name shall be preceded with "MFS Meridian Funds –" which may not be stated throughout this Notice.

1. Changes to or clarifications of investment policies and related disclosure of Absolute Return Fund, China Equity Fund, European Concentrated Fund, European Core Equity Fund, European Value Fund and Global Multi-Asset Fund, a change to the performance benchmark of European Smaller Companies Fund and the addition of a secondary performance benchmark for High Yield Fund, and a change to the definition of mortgage-backed and/or asset-backed securities;
2. Elimination of the redemption fee for Prudent Wealth Fund;
3. Changes to certain operational policies or procedures relating to restrictions on ownership, including the circumstances under which the Board of Directors may redeem or exchange shareholders on a compulsory basis;
4. Update to the Distribution Schedule for U.K. Equity Fund.
5. Enhancements to disclosure regarding certain risks and security types; and
6. Other updates and clarifications, including those based on recent updating changes to the Company's Articles of Incorporation.

These changes will be effective on 18 February 2013 (the "Effective Date") in connection with the next update of the Company's Prospectus. *You are not required to take any action in respect of this Notice unless you wish to exercise your right to redeem or exchange your Fund shares prior to the Effective Date.*

Please note that certain of these Prospectus changes are based on amendments to the Company's Articles of Incorporation ("Articles") approved by shareholders at an Extraordinary General Meeting held on 17 December 2012.

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<sup>1</sup> Capitalized terms, unless otherwise defined, shall have the same meaning given in the Prospectus of the Company dated February 2012, prior to the date of this Notice.

## 1. Changes to Investment Policies/Related Disclosure and Benchmarks

*Absolute Return Fund:* The Board of Directors has determined to change the investment policy of the Absolute Return Fund such that the normal range of the Fund's exposure to inflation-adjusted debt instruments, which is currently -10% to 15%, will be -10% to 10%. Further, in addition to the estimate of the Fund's expected leverage as measured using the commitment approach that is already provided in the Fund Profile and is unchanged, the Prospectus will also provide an estimate of the Fund's expected leverage using the sum of notional value of derivatives, which is 275% (in addition to the existing expected leverage range using the commitment approach, which is 125%).

*China Equity Fund:* The description of the China Equity Fund's investment strategy has been clarified to state explicitly that Depositary Receipts are among the types of indirect or non-local securities in which the Fund may invest.

*Global Multi-Asset Fund:* In addition to the estimate of the Global Multi-Asset Fund's expected leverage as measured using the commitment approach that is already provided in the Fund Profile and is unchanged, the Prospectus will also provide an estimate of the Fund's expected leverage using the sum of notional value of derivatives, which is 400% (in addition to the existing expected leverage range using the commitment approach, which is 200%).

*European Concentrated Fund:* The Board of Directors has determined to change the investment policy of the European Concentrated Fund from investing at least 75% in European Economic Area equity securities to investing at least 70% in European equity securities.

*European Core Equity Fund:* The Board of Directors has determined to change the investment policy of the European Core Equity Fund from investing at least 75% in European Economic Area equity securities to investing at least 70% in European equity securities, and from focusing its investments in larger companies to investing in companies of any size.

*European Value Fund:* The Board of Directors has determined to change the investment policy of the European Value Fund from focusing its investments in larger companies to investing in companies of any size.

*European Smaller Companies Fund:* The Fund Profile of the European Smaller Companies Fund will reflect that the Fund's performance benchmark has been changed from the MSCI European Small Cap Index to the MSCI Europe Small Mid SMID Cap Index. The Board of Directors has determined that the new index represents a more relevant comparison with respect to the Fund's investment strategy (which is not changing).

*High Yield Fund:* The Fund Profile of the High Yield Fund will reflect the addition of a secondary benchmark, namely, Bank of America Merrill Lynch Global High Yield Constrained Index. While the Fund continues to focus on U.S. investments, as stated in its Fund Profile it may also invest in non-U.S. issuers. The Board of Directors has determined that providing a second benchmark with a global orientation provides a relevant and useful supplemental performance comparison with respect to the Fund's investment strategy (which is not changing).

*All Funds.*<sup>2</sup> In the section titled "Investment Policies and Risks – General Information Regarding Investment Policies and Instruments," under the caption "Debt instruments," the Prospectus will be

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<sup>2</sup> As currently disclosed in the Prospectus, the Funds that may invest 20% or more of their net assets in mortgage-backed and/or asset-backed securities are MFS Meridian Funds – Absolute Return Fund, Global Multi-Asset Fund, Global Total Return Fund, Limited Maturity Fund, Research Bond Fund and U.S. Government Bond Fund. All other Funds invest less than 20% of their net assets in such securities. This is not being changed.

changed such that (i) securities issued or backed by the United States government or its sponsored entities and (ii) covered bonds" (e.g., German Pfandbriefe) are no longer excluded from the definition of "mortgage-backed and/or asset backed securities" for purposes of calculating applicable limits for investment in such securities.

All other investment policies of the Funds as described in the Fund Profiles and Key Investor Information Documents remain unchanged.

## **2. Elimination of Redemption Fee for Prudent Wealth Fund**

The redemption fee for MFS Meridian Funds – Prudent Wealth Fund, previously charged at a rate of up to 2% at the discretion of the Board of Directors, will be eliminated ("*Practical Information – Additional Information on Sales Charges*", "*How to Sell Shares*" and "*Market Timing/Disruptive Trading Policies*").

## **3. Restrictions on Ownership of Shares**

The Prospectus ("*Practical Information – Restrictions on Ownership*") will reflect increased authority of the Board of Directors to restrict ownership or voting powers of Fund shares in the interest of protecting shareholders in general. These changes are consistent with recent amendments to the Company's Articles.

Specifically, the Company may exclude or restrict the holding of shares (or voting powers thereof) by "Prohibited Persons," *i.e.*, any physical person or legal entity that holds shares (as either a registered or beneficial owner) where such holding is likely to:

- (i) result in a failure to meet the eligibility requirements of a Class, including being an Institutional Investor for Class I, S or Z Shares or not meeting the initial investment minimums upon subscription;
- (ii) result in a breach of any applicable law or regulation, whether Luxembourg or foreign,
- (iii) cause the Company to become exposed to tax disadvantages or other financial disadvantages that it would not have otherwise incurred had such person or entity not been a holder of Shares, or
- (iv) subject the Company to additional registration requirements under any securities or investment or similar laws or requirements of any country or authority.

Such Prohibited Persons include any "U.S. Person." Where it appears that any Prohibited Person, either alone or in conjunction with any other person, is a beneficial owner of shares, the Board of Directors may direct such shareholder to redeem his Shares and to provide to the Fund evidence of the sale within a minimum period required by applicable law, but not less than thirty (30) days of the notice. If such shareholder fails to comply with the direction, the Fund may compulsorily redeem or cause to be redeemed from any such shareholder all shares held by such shareholder in accordance with procedures established by the Board of Directors and the Articles of Incorporation. For shareholders not meeting eligibility requirements of a particular class, the Board of Directors may direct a conversion of the ineligible holding to the nearest equivalent available Class.

In addition, the definition of "U.S. Person" was also modified as follows:

The Company defines "U.S. Person" as

- (i) any natural person resident in the United States;

- (ii) any partnership, corporation or other entity organized or incorporated under the laws of the United States or which has its principal place of business in the United States;
- (iii) any estate of which any executor or administrator or any trust of which any trustee is a U.S. person, or the income of which is subject to United States income tax regardless of source;
- (iv) any agency or branch of a foreign entity located in the United States;
- (v) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;
- (vi) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States;
- (vii) any partnership or corporation if: a) organized or incorporated under the laws of any foreign jurisdiction and b) formed by a U.S. person principally for the purpose of investing in securities not registered under the Act, unless it is organized or incorporated, and owned, by accredited investors (as defined under U.S. regulations) who are not natural persons, estates or trusts;
- (viii) An entity organized principally for passive investment such as a pool, investment company or other similar entity where (a) units of participation in the entity held by U.S. persons represent in the aggregate 10% or more of the beneficial interest in the entity, or (b) such entity was formed principally for the purpose of facilitating investment by U.S. persons; and
- (ix) A pension plan for the employees, officers or principals of an entity organized and with its principal place of business outside the United States; and
- (x) Any person or entity that would be required upon request to certify their status as a "U.S. Person" under Form W-9 (Request for Taxpayer Identification Number and Certification) issued by the U.S. Internal Revenue Service.

#### **4. Dividend Schedule**

For the U.K. Equity Fund, the Board of Directors has changed the frequency for the normal declaration and payment of net investment income with respect to Income Shares offered by the Fund from annual to semi-annual.

#### **5. Enhancements to Disclosure of Certain Risks and Security Types**

For each Fund that focuses investments in Europe,<sup>3</sup> risk disclosure was added to the Fund Profile noting that European countries can be significantly affected by the tight fiscal and monetary controls that the European Economic and Monetary Union (EMU) imposes on its members, the deficit and budget issues of several EMU members and the uncertainty surrounding the Euro.

In addition, under "*Investment Policies and Risks – Risk Factors*," enhancements were made to the following items:

- Asset-Backed Securities (formerly, Collateralized Instruments)
- Convertible Securities Risk
- Counterparty Risk (including new disclosure regarding counterparty risk to the custodian)

<sup>3</sup> MFS Meridian Funds – Continental European Equity Fund, European Concentrated Fund, European Core Equity Fund, European Research Fund, European Smaller Companies Fund and European Value Fund.

- Derivatives Risk – (including Futures and Swaps specific risks)
- Country Risks – (including Asia Pacific (excluding Japan), Latin America, and European related risks, and removing India related risks)
- Stock Market Risk

These changes to disclosure have been made for informational purposes only and do not reflect any change to Fund investment strategies or policies.

## 6. Other Updates and Clarifications

Disclosure concerning certain other policies and/or Prospectus disclosure will be updated or clarified, including in connection with the recent amendments to the Company's Articles, which will be effective on 18 February 2013. Details regarding these changes are provided below:

- *New members of the Board of Directors.* Disclosure will be added to reflect that, effective June 18, 2012, Mitchell C. Freestone and David M. Mace are members of the Board of Directors ("*Directory*").
- *Fund investments in other Funds.* Disclosure will be added to clarify that a Fund may invest in another sub-fund of MFS Meridian Funds to the extent permitted by applicable law, and that in such case, voting rights of such shares will be suspended and their value excluded for purposes of calculating compliance with minimum capital requirements ("*Investment Policies and Risks – Investment Guidelines – Investment Instruments*").
- *Availability of Class W shares.* Disclosure will be modified to reflect that Class W shares will also be available to Financial Intermediaries based in the United Kingdom investing on behalf of any investor that is not a Prohibited Person.

As currently, Class W shares will remain available to fee-based investment platforms sponsored by a Financial Intermediary or other similar investment programs in the discretion of the Company or the Distributor (investments in Class W shares are generally conditioned on a subscription agreement for such shares between the applicable Financial Intermediary and the Distributor), and to employees (and immediate family members thereof) of MFS and its affiliates ("*Practical Information – Eligible Investors*").

- *Orders for fractional shares.* Disclosure will be added to clarify that certain platforms through which the Funds may be available will accept orders for fractional shares, while others will not, and the shareholder should contact their financial intermediaries for additional information ("*Practical Information – How to Buy Shares*").
- *Failure to fund subscriptions.* Disclosure will be added to clarify that where an applicant fails to pay the issue price, the Company may cancel the order or redeem the shares, in which case the applicant may be required to indemnify the Company against losses and expenses incurred by the Company ("*Practical Information – How to Buy Shares*").
- *Exchanges of Fund Shares.* Disclosure will be added to clarify that the Company may in certain cases allow exchanges or transfers between Classes within the same Fund with different fee structures but same currency ("*Practical Information – How to Exchange Shares*").
- *Small accounts.* Disclosure will be modified to clarify that the Board of Directors has the discretion to set the minimum account size below which the Company may redeem a shareholder in full. Disclosure was also modified to state that such minimum account size for Class I, Class S, and

Class Z shareholders is now \$500,000 (previously \$100,000). The minimum account size for Class A, Class B, Class C, and Class W shareholders is unchanged at \$2,500 ("*Practical Information – Exchange and Redemption Considerations*").

- *Suspension of calculation of net asset value.* Disclosure will be modified ("*Practical Information – Suspension of Calculation of Net Asset Value*") to clarify that the calculation of the net asset value will not be suspended in the following circumstances:

during any period when remittance of money which will or may be involved in the purchase or sale of any of a Fund's investments cannot, in the opinion of the Board of Directors, be effected at normal rates of exchange.

- *Valuation.* Disclosure will be modified ("*Practical Information – Valuation*") to clarify certain aspects of the fair valuation process, including that (i) the fair valuation process is subject to procedures established by the Board of Directors; (ii) circumstances where market quotations are considered "not readily available" include those where available market quotations are deemed unreliable; and (iii) where quotations for debt instruments and certain types of derivative instruments are provided by a third party, the Fund may deem market quotations "not readily available" unless such third party specifically identifies the valuation as a market quotation.
- *Distribution Policy.* Disclosure will be added to clarify that (i) dividends under a set amount will not be automatically reinvested in Fund shares if payment of such dividend can otherwise be made to investors through automated or other electronic systems maintained by Financial Intermediaries or platforms holding accounts with the Company, and (ii) that no interest will be payable by the Company on a dividend check that has not been claimed by a shareholder ("*Practical Information – Distribution Policy*").
- *Delegation of powers by the Board of Directors.* Disclosure will be added to clarify that the Board of Directors may delegate its powers to conduct the daily management and affairs of the Company, subject to its supervision, noting that such delegation may include, but is not limited to, delegation of powers to Company officers to enter into contracts, provide certifications and/or instructions to service providers, authorise regulatory filings and payment of invoices, each on behalf of the Company, and to further delegate their authority to certain authorised signatories ("*Practical Information – Management of the Company*").
- *Investment management fee.* Disclosure will be modified to clarify that any increase in the investment management fee is subject to prior notice to shareholders as required by applicable laws and regulations ("*Practical Information – Investment Manager*").
- *Custodian and Domiciliary/Paying, Central Administration and Fund Accounting Agent.* Disclosure will be modified ("*Practical Information – Custodian*" and "*Practical Information – Domiciliary/Paying, Central Administration and Fund Accounting Agent*") to clarify the role of State Street Bank Luxembourg S.A. ("State Street") in its capacity as the Funds' Custodian, Domiciliary, Luxembourg Paying Agent, Central Administrator and Fund Accounting Agent as described in the relevant Agreements between State Street and the Company.
- *Allocation of expenses for administrative support services.* Disclosure will be modified ("*Practical Information – Ancillary Services Provider*") to reflect changes in how expenses for administrative support services paid to MFS are allocated among the Funds:

The Funds pay the lesser of an annual fee approved by the Company's Board of Directors or actual costs incurred by MFS during a calendar year. The approved annual fee is allocated such that each

Fund pays a fixed fee of \$10,000 (or currency equivalent) plus a fee based on average daily net assets over \$20 million and up to \$4 billion (or currency equivalent) for each Fund for the balance of the approved annual fee. The rate of the asset based fee may be adjusted from time to time based on the then current asset levels of the Funds. The approved annual fee is no longer subject to a specific 0.05% annual cap but continues to be included as part of the "Other" Expenses (and relevant expense caps on such expenses) reported in each Fund's ongoing charges table in "Fund Profiles."

- *Shareholder meetings.* Disclosure will be clarified to state that Shareholders' meetings shall be held annually or such other date and time as determined by the Board of Directors ("*Practical Information – Shareholder Meetings*").
- *Termination and mergers by shareholder vote.* Disclosure will be added in connection with the amendments to the Company's Articles and in accordance with Luxembourg laws to clarify that the termination of a Fund or class, and mergers involving a Fund, may be authorized upon a vote of shareholders at a general meeting, and that the Board of Directors must submit a dissolution proposal at a general meeting of shareholders if the Company's capital falls below two-thirds of the required minimum capital ("*Practical Information – Liquidation or Termination of the Fund or the Company*" and "*Practical Information – Merger of Funds and Contribution of Funds to Other Undertakings for Collective Investment*").
- *Consolidations and splits of shares and classes.* Disclosure will be added to clarify that the Board of Directors may decide to consolidate or split shares in any class or consolidate or split different share classes within a Fund. Any such decisions will be published in accordance with applicable laws and regulations ("*Practical Information – Liquidation or Termination of the Fund or the Company*").
- *Unclaimed liquidation proceeds.* Disclosure will be added to clarify that within nine months after the decision of the Board to liquidate, (i) the net proceeds of liquidation corresponding to each Fund shall be distributed by the liquidators to the holders of Shares in that Fund in proportion to their holdings of Shares in that Fund, and (ii) amounts which are not claimed by shareholders of a Fund will be deposited in escrow accounts with the *Caisse de Consignation* of Luxembourg
- *Primary local agents.* Disclosure will be updated ("*Practical Information – Primary Local Agents*") to reflect certain changes to primary local agents:

Italy AllFunds Bank S.A., via Santa Margherita 7, 20121 Milano.  
Tel: + 39 02 8962 8301

Societe Generale Securities Services, via Benigno Crespi 19A 20121 Milano  
Tel: +39 02 +39 02 9178 4588

## General

During the period from the date of this notice until the Effective Date, shareholders may redeem their Fund shares free of any redemption fee; provided, however, that any applicable Back-End Load (e.g., contingent deferred sales charge, or "CDSC") will still apply. After the expiry of this period, the above changes will take effect in connection with the Prospectus update.



Updated Prospectuses reflecting all changes noted above (along with the Funds' financial reports and Articles of Incorporation) shall be available at 49, Avenue J.F. Kennedy, c/o State Street Luxembourg, S.A., L-1855 Luxembourg, Grand-Duchy of Luxembourg, the registered office of the Company, as well as through the applicable local representative/agents of the Funds in other jurisdictions where the Funds are distributed.

By order of the Board of Directors