

Please address any replies to:
Threadneedle Investment Services Limited
Threadneedle EGM,
PO Box 3892, Holbrook House,
Station Road,
SWINDON, SN3 9ED
United Kingdom

Our Ref:
Client Reference Number:
25/10/2013

THE ENCLOSED DOCUMENTS ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. EACH DOCUMENT RELATES TO PROPOSED CHANGES TO THE THREADNEEDLE EMERGING MARKET LOCAL FUND, A SUB-FUND OF THREADNEEDLE SPECIALIST INVESTMENT FUNDS ICVC. IF YOU DO NOT UNDERSTAND ANY OF THESE DOCUMENTS YOU SHOULD CONSULT YOUR FINANCIAL ADVISER IMMEDIATELY.

Dear Shareholder

The purpose of this letter is to inform you of the proposed changes that we wish to make to the Threadneedle Emerging Market Local Fund, a sub-fund of Threadneedle Specialist Investment Funds ICVC, (the "Fund"). Please read this letter in conjunction with the enclosed document headed 'Proposal to Amend the Investment Policy of the Threadneedle Emerging Market Local Fund' (the "Circular") which provides further details of the proposal and outlines the action you need to take.

Proposed changes to the Fund ("Proposal")

We are proposing to change the Fund's investment policy and investment and borrowing powers to allow the use of derivatives for investment purposes (please see below for an explanation of what a derivative is). This Proposal can only be implemented upon the passing of an extraordinary resolution at an extraordinary general meeting of shareholders of the Fund. Details of this meeting are set out below and in the attached Circular.

Why is Threadneedle making this Proposal?

Over recent years fixed income markets in developing economies have been growing in sophistication. In order to better access the opportunities these changes represent, it is our view that the Fund should extend its investment scope. For this reason we are proposing the following changes to the investment policy.

Permit the use of derivatives

The Fund's current investment policy permits it to hold derivatives (these are sophisticated investment instruments linked to the rise and fall of the price of other assets). Currently this is restricted to Efficient Portfolio Management, which aims primarily to manage risk and costs within the portfolio. Under the new proposals, derivatives may be used to gain cheaper and/or more liquid access to bond and currency markets and increase the fund manager's flexibility and ability to take conviction views. This, in our view, could potentially benefit the Fund's performance. You should be aware there are certain risks applicable to using derivatives for investment purposes. Details of the use of derivatives and applicable risks can be found in the attached Circular and in the Fund's prospectus.

Allow the use of hard currency debt

There are times when hard currency debt (that is debt denominated in key tradable currencies such as US\$) outperforms the local currency market in some countries. The use of hard currency emerging markets debt will enable the fund manager to take advantage of situations where we expect it to outperform local currency denominated debt.

We believe that the use of derivatives for investment purposes and the inclusion of hard currency emerging market debt are in the best interests to you, as a shareholder in the Fund, and recommend you vote in favour of the Proposal at the extraordinary general meeting of shareholders of the Fund.

Note that although the Proposal is seeking to change the investment policy and investment and borrowing powers, the investment objective of the Fund will remain the same.

What action do shareholders in the Fund need to take?

We have agreement from the UK Financial Conduct Authority to put this Proposal to a vote of the shareholders of the Fund. The extraordinary general meeting of shareholders of the Fund is to be held at the registered office of Threadneedle Investment Services Limited at 60 St Mary Axe, London EC3A 8JQ, United Kingdom at 9.00 a.m. on 22 November 2013. The procedure for this meeting is set out in Appendix 1 of the Circular.

The Proposal can only proceed if the extraordinary resolution is passed with a majority in favour of not less than 75% of the total votes cast. It is important you exercise your right to vote and we recommend you vote in favour of the Proposal.

If you wish to vote, you should complete and return the Form of Proxy in the reply-paid envelope provided to Threadneedle Investment Services Limited, Threadneedle EGM, PO Box 3892, Holbrook House, Station Road, Swindon SN3 9ED, or attend and vote at the meeting in person. Completing and returning the Form of Proxy will not prevent you from attending and voting at the meeting if you wish to do so.

If approved, changes become effective from 9 December 2013. Confirmation of the change will be communicated on our website www.threadneedle.com and will be included in the next short report of the Fund.

If you have any questions regarding the Proposal, please call our Client Services Department on the number at the top of this letter. Please note that we are not able to offer investment or taxation advice. If you do require taxation or investment advice, please consult your financial adviser without delay.

Yours faithfully

Nicholas J. Ring
Director, Threadneedle Investment Services Limited

(As Authorised Corporate Director of Threadneedle Investment Funds ICVC)

IMPORTANT

**PROPOSAL TO AMEND THE INVESTMENT POLICY OF THE
THREADNEEDLE EMERGING MARKET LOCAL FUND (the “Fund”)**

A SUB-FUND OF THREADNEEDLE SPECIALIST INVESTMENT FUNDS ICVC

This document contains a notice of a meeting for Shareholders of the Threadneedle Emerging Market Local Fund. The meeting is to be held at the registered office of Threadneedle Investment Services Limited at 60 St Mary Axe, London EC3A 8JQ, United Kingdom at 9.00 a.m. on 22 November 2013.

If you wish to appoint a proxy we request that you return the enclosed Form of Proxy (and the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof)) in the reply-paid envelope provided, to arrive no later than 5.00 p.m. on 20 November 2013.

TIMETABLE

	Date and Time
Qualification date for Shareholder voting	18 October 2013
Dispatch of Circular and Forms of Proxy to Shareholders	25 October 2013
Last date to receive Forms of Proxy	20 November 2013, 5 p.m.
Meeting of Shareholders	22 November 2013, 9 a.m.
Dispatch of letters to inform Shareholders of the outcome of the Meeting	This will be communicated in the next short reports and on our website.
Effective date of change to the investment policy and investment and borrowing powers of the Fund, if the Proposal is passed	9 December 2013
Cut off point for free switch into another sub-fund of the Company if the Proposal is passed	16 December 2013

GLOSSARY OF TERMS USED IN THIS DOCUMENT

The following definitions apply throughout this document unless the context otherwise requires.

ACD	the authorised corporate director;
COLL	the Collective Investment Schemes Sourcebook which forms part of the FCA Handbook of Rules and Guidance (as amended);
Company	Threadneedle Specialist Investment Funds ICVC;
Depository	J.P. Morgan Trustee and Depository Company Limited, the depository of the Company;
EPM	the use of investment techniques which allows the use of derivatives and forward transactions for reduction of risk, reduction of cost and the generation of capital or income;
FCA	the Financial Conduct Authority;
Fund	Threadneedle Emerging Market Local Fund, a sub-fund of the Company;
Meeting	the extraordinary general meeting of Shareholders to be held at 9.00 a.m. on 22 November 2013;
OECD	the Organisation for Economic Co-operation and Development;
Proposal	changing the investment policy and investment and borrowing powers of the Fund to allow the use of derivatives for investment purposes;
Prospectus	the current prospectus of the Company;
Regulations	COLL, the Financial Services and Markets Act 2000 and/or the Open-Ended Investment Companies Regulations 2001 as amended;
Shareholders	Persons who were Shareholders in the Fund on the date seven days before the Notice concerning the Meeting was sent out but excluding persons who are known to Threadneedle Investment Services Limited not to be Shareholders in the Fund at the time of the Meeting and the expression "Shareholder" should be construed accordingly;
Threadneedle	Threadneedle Investment Services Limited, the ACD of the Company.

In this document, unless the context requires otherwise, the terms shall have the meaning set out in this Glossary. Where relevant, terms which are defined in the Regulations shall have the same meaning in this document.

Threadneedle Investment Services Limited,
60 St Mary Axe,
London EC3A 8JQ,
United Kingdom

25. 10 2013

To : Shareholders in Threadneedle Emerging Market Local Fund

Dear Shareholder

We are writing to you as a Shareholder in the Fund to inform you of our proposal to change the investment policy of the Fund to allow the use of derivatives and forward transactions for investment purposes. This Proposal requires the passing of an extraordinary resolution at the Meeting.

This document is formal notice to Shareholders of the Proposal. Details of the procedure by which the Proposal will be effected, the action you should take and the implications for you as a Shareholder are set out in this document.

Details of the Proposal

We are proposing to change the investment policy and investment and borrowing powers of the Fund to allow the use of derivatives for investment purposes. The Fund's current investment policy permits the Fund to hold such instruments solely for the purposes of EPM. To implement the Proposal the Prospectus shall be amended. In addition to these changes, further amendments have been made to the investment policy to improve clarity of meaning, and in particular to highlight the fact that the Fund can hold up to a third of its assets in the currencies of developed countries, as well as in hard currency (for example USD) debt of emerging markets countries. The revised investment policy and the reasons for the amendments are set out below.

Current Investment Policy of the Fund	Amended Investment Policy of the Fund if the Proposal is approved at the Meeting	Reasons for amendment
<p>The ACD's investment policy is to actively manage an exposure primarily in emerging market local currencies and emerging market local currency debt issued by governments in Emerging Markets and/or companies which are domiciled or have significant operations in an Emerging Market. Emerging markets countries are those characterised as developing or emerging by the MSCI Emerging Markets Free Index or those not listed in the OECD country list. If the ACD considers it desirable it may further invest up to one third of the total assets of the Fund in markets other than emerging markets.</p> <p>The ACD will invest the total assets of the Fund in local currency government bonds and treasury bills, corporate bonds issued in</p>	<p>The ACD's investment policy is to actively manage an exposure primarily in <u>to</u> emerging market local currencies and debt securities emerging market local currency — debt issued by governments in Emerging Markets and/or companies which are domiciled or have significant operations in an Emerging Market. <u>Those debt securities may be denominated in any currency, but at least two-thirds of the Fund will be invested in securities denominated in the local emerging market currency.</u> Emerging markets countries are those characterised as developing or emerging by the MSCI Emerging Markets Free Index or those not listed in the OECD country list. If the ACD considers it desirable <u>the Fund it may further invest gain exposure of</u> up to one third of the</p>	<p>Clarification of wording.</p> <p>Amended to make it clear that the primary investment policy of the Fund is to invest in securities that are denominated in local currency.</p> <p>Change in name of Index</p> <p>Clarification of wording.</p>

local currency, cash or near cash, securitised notes, foreign exchange forward transactions, and other type of derivatives. At times the portfolio may be concentrated in any one or a combination of such assets.	<p>total assets of the Fund <u>to non-emerging market currency and non-emerging</u> market <u>government/corporate debt securities.</u> in markets other than emerging markets.</p> <p>The ACD will <u>utilise the following instruments to obtain the Fund's exposure: invest the total assets of the Fund in local currency</u> government bonds, and treasury bills, corporate bonds issued in local currency, cash or near cash, securitised notes, foreign exchange forward transactions, <u>swaps (including but not limited to cross-currency, interest rate and credit default swaps)</u> and other types of derivatives. At times the portfolio may be concentrated in any one or a combination of such assets.</p>	<p>Clarification of wording.</p> <p>Inclusion of types of financial derivative instruments that the Fund will be permitted to invest in for investment purposes following the change to the investment policy.</p>
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The key changes to the investment and borrowing powers of the Fund under the Proposal are set out in the comparison table below:

Investment powers under current investment policy	Investments powers under the proposed amended investment policy
The Fund may use derivatives and forward transactions only for the purposes of hedging and EPM.	<p>In addition to using derivatives and forward transactions for EPM purposes, the Fund may use derivatives for investment purposes.</p> <p>Note that a 'Risk Management Process' is maintained in respect of the measurement and monitoring of risks attached to financial derivative instrument positions entered into by the Fund. The use of the Risk Management Process does not guarantee that the derivative strategies will work in every instance.</p> <p>The Fund must not effect a transaction in derivatives or a forward transaction unless the transaction is covered. In addition, a transaction in a derivative must not cause the Fund to diverge from its investment objectives.</p> <p>Where the Fund invests in derivatives, the exposure to the underlying assets must not exceed the limits imposed by the FCA. Further details on the use of derivatives and forward transactions and the Risk Management Process will be set out in the updated Prospectus if the resolution is approved.</p>

Reasons for the Proposal and benefits to Shareholders

The change is proposed in order to allow the investment manager to take a wider range of factors into consideration when making investment decisions in relation to the Fund, and to more fully take advantage of opportunity, if seen in the market. The value of securities in emerging market countries may be affected by the risks of sovereign default, local interest rates, and currencies. It is the view of the ACD that the increased flexibility afforded to the Fund, by allowing the investment manager to take positions in hard currency emerging market debt and to invest in financial derivative instruments for investment purposes, will help achieve the investment objective and enhance the return of the Fund to Shareholders.

The wider use of derivatives for investment purposes may involve interest rate derivatives (a derivative which gives the Fund exposure to changes in interest rates), credit default swaps (a form of derivative which will enable the Fund to gain exposure to credit markets such as the bond markets and loan markets) and forward contracts on currencies (a type of contract which gives the Fund exposure to fluctuations in currency exchange rates). As part of its derivatives use, the fund may further use leverage (enhance the exposure to trades on the portfolio).

The strategies that the Fund may use as a result of the implementation of the Proposal include:

- Interest rate derivatives, namely swaps may sometimes be more liquid or cheaper than cash bonds and more economical to transact than physical securities. Swaps also allow more tailored approach to expressing trade ideas, for example to trade a specific part of the yield curve.
- In some instances the use of derivatives has tax advantages or allows gaining access to markets such as Russia, where local custody is not available.
- Leverage may for example be a useful tool to add foreign exchange exposure, e.g. in a dollar weakening environment or to add exposure to less correlated markets and instruments.
- The ability to invest in hard currency debt of an emerging market allows the fund to express trade ideas around sovereign default or potential devaluations of local currencies.

In our view, this Proposal will benefit Shareholders because it will broaden the investment opportunities the Fund can access, and will give the Fund the tools and techniques to pursue additional investment strategies and open up new sources of potential return.

We have a well-developed investment process to manage derivatives and our investment professionals have extensive experience managing these instruments across some of our other fixed income funds. The investment process is backed up by a robust risk framework for the Fund that allows the investment risks to be accurately deconstructed and controlled. Like all portfolios managed by Threadneedle, the Fund is monitored by an independent risk team.

Risk Profile of the Fund

If the Proposal is approved at the Meeting, the risk profile of the Fund may change. The use of derivatives for investment purposes may lead to higher volatility and may increase the risk profile of the Fund. Further details on specific risks applicable to the use of derivatives and forward transactions for investment purposes can be found in Appendix 2. Please note that the Prospectus will be amended to include new Fund specific risk warnings relating to the use of derivatives for investment purposes.

Costs

The costs of convening and holding the Meeting, of preparing associated documentation and of updating the Prospectus in relation to the Proposal (including legal fees) shall be borne by Threadneedle.

Procedure and action you should take

Implementation of the Proposal is conditional upon the passing of an extraordinary resolution at the Meeting. We believe this Proposal to be in the best interests of Shareholders and recommend that Shareholders vote in favour of the Proposal.

Please refer to Appendix 3 for details of the resolution and the Notice of Meeting of Shareholders.

To be passed, the resolution requires a majority in favour of not less than 75% of the votes cast at the Meeting, so it is important that you exercise your right to vote. If the extraordinary resolution is passed, the change in investment policy of the Fund will be binding on all Shareholders (whether or not they voted in favour of it, or voted at all). If you wish to vote, you should complete and return the enclosed Form of Proxy to Threadneedle Investment Services Limited, Threadneedle EGM, PO Box 3892, Holbrook House, Station Road, SWINDON, SN3 9ED to reach us no later than 5.00 p.m. on 20 November 2013. Completion and return of the Form of Proxy will not preclude you from attending and voting at the Meeting in person if you wish to do so.

The procedure for the Meeting (which is to be held on 22 November 2013) is set out in Appendix 1. If the resolution is passed at the Meeting it is intended that the Proposal will be effective on 9 December 2013.

In order to provide Shareholders with as much flexibility as possible, if the Proposal is approved by Shareholders in the Fund, we will write to you before the change becomes effective to set out the options available to you as an investor if you do not agree with the approved change. These options will include a free switch from 25 October 2013 to 16 December 2013 into any other sub-fund of the Threadneedle Specialist Investment Funds ICVC or a sale of the shares you own at no charge.

Please be aware that unless your investments are held through an ISA, (i) a switch into another sub-fund of Threadneedle Specialist Investment Funds ICVC (or any other Threadneedle fund) or (ii) a redemption of shares will be a disposal of your shares in the Fund for capital gains tax purposes and may give rise to a capital gains tax liability or loss. This will, of course, depend upon your individual circumstances. If you are in any doubt as to the taxation consequences of your action you should contact your accountant or financial adviser.

Consents

J.P. Morgan Trustee and Depositary Company Limited

The Depositary has informed Threadneedle in writing that, while expressing no opinion as to the merits of the Proposal contained in this document and not having been responsible for the preparation of this document and not offering any opinion on the fairness or merits of the Proposal, which are matters for the judgement of each Shareholder, it consents to the references made to it in this document in the form and context in which they appear.

FCA

The FCA has confirmed by letter that the implementation of the proposal will not affect the authorisation of the Company under the Financial Services and Markets Act 2000.

Yours faithfully

Nicholas. J. Ring

Director, Threadneedle Investment Services Limited

(As Authorised Corporate Director of Threadneedle Specialist Investment Funds ICVC)

APPENDIX 1

PROCEDURE FOR THE MEETING

A Notice of a Meeting of Shareholders of the Fund setting out the resolution to change the investment policy and the investment and borrowing powers of the Fund to allow the use of derivatives for investment purposes is set out in Appendix 3.

The quorum for the Meeting is two Shareholders, present in person or by proxy.

The Depositary has appointed Julia Bächli, Product Development Manager (or failing her any other duly authorised representative of Threadneedle), to be chairman of the Meeting.

The resolution will be proposed as an “extraordinary resolution” and must be carried by a majority in favour of not less than 75% of the total number of votes cast at the Meeting. Persons who are Shareholders in the Fund on the date seven days before the Notice is sent out, but excluding persons who are known to Threadneedle not to be Shareholders at the time of the Meeting, are entitled to vote and be counted in the quorum. Once passed, an extraordinary resolution is binding on all Shareholders.

Threadneedle is only entitled to be counted in the quorum and vote at the Meeting in respect of shares which it holds on behalf of or jointly with a person who, if they were the registered Shareholder, would be entitled to vote and from whom Threadneedle has received voting instructions.

Associates of Threadneedle are entitled to be counted in a quorum. They may vote at the Meeting in respect of shares which they hold on behalf of or jointly with a person who, if they were the registered holder, would be entitled to vote and from whom they have received voting instructions.

In view of the importance of the Proposal, the chairman will order a poll to be taken in respect of the resolution. On a poll, each Shareholder may vote either in person or by proxy. The voting rights attaching to each share in the Fund are such proportion of the voting rights attached to all the shares in issue in the Fund that the price of the share bears to the aggregate price(s) of all the shares in issue at the date seven days before the Notice of Meeting is sent out. A Shareholder entitled to more than one vote on a poll need not, if (s)he votes, use all his or her votes or cast all the votes (s)he uses in the same way.

APPENDIX 2

FUND SPECIFIC RISK WARNINGS RELATED TO DERIVATIVES IF PROPOSAL IS APPROVED

Use of derivatives and forward transactions

The Fund uses derivatives and forward transactions for both EPM and investment purposes including leverage. The use of derivatives for EPM will not increase the risk profile of the Fund. The use of derivatives for investment purposes may increase the risk profile of the Fund, and may lead to higher volatility in the net asset value of the Fund.

Leverage

The Fund's exposure involves leverage, which may increase the risk profile of the Fund.

In a rising market, leverage can enhance returns to Shareholders but if the market falls, losses may be greater.

Interest Rate Derivatives

An interest rate derivative is a derivative where the underlying asset is the right to pay or receive a notional amount of money at a given interest rate. These allow the portfolio to express positive or negative views on interest rate movements (or more generally how the entire interest rate yield curve might move, i.e. they include a duration element). Interest rate derivatives can be used for hedging interest rate exposure or taking exposure to interest rates.

Symmetric instruments such as swaps or interest rate futures carry the risk that the manager of the Fund calls the market direction incorrectly, whilst asymmetric instruments such as interest rate options allow for more refined views on how much the market might move and in which direction, and so express views on a range of other risks, including exposure to the volatility of the underlying.

Credit Default Swaps

A credit default swap allows the transfer of default risk between two parties. Credit default swaps also allow the ACD to take a view on the creditworthiness of the underlying entity. Credit default swaps can be used to both buy and sell credit protection. Bought protection represents an investment where a premium is paid for receiving a level of protection against a bond defaulting. The level of risk is limited to the premium paid. Sold protection represents an investment where a premium has been received for providing a level of protection against a bond defaulting. The maximum level of risk is the value of the bond, however, the Fund may not have any legal recourse against the reference entity and will not benefit from any collateral securing the reference entity's debt obligations. The value of a credit default swap may also change depending on the changes in the credit spread of the reference entity which is a reflection of its credit worthiness.

APPENDIX 3

NOTICE OF MEETING

THREADNEEDLE EMERGING MARKET LOCAL FUND

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of Shareholders of the Threadneedle Emerging Market Local Fund, a sub-fund of Threadneedle Specialist Investment Funds ICVC, will be held at the registered office of Threadneedle Investment Services Limited at 60 St Mary Axe, London EC3A 8JQ, United Kingdom at 9.00 a.m. on 22 November 2013 to consider and vote on the following resolution which will be proposed as an **EXTRAORDINARY RESOLUTION**:

RESOLUTION

TO change the investment policy and the investment and borrowing powers of the Threadneedle Emerging Market Local Fund to allow the use of derivatives and forward transactions for investment purposes and to delete the present statement of the Threadneedle Emerging Market Local Fund's investment policy as set out in the Threadneedle Specialist Investment Funds ICVC prospectus and replace it with the following statement:

"The ACD's investment policy is to actively manage an exposure primarily to emerging market local currencies and debt securities issued by governments in Emerging Markets and/or companies which are domiciled or have significant operations in an Emerging Market. Those debt securities may be denominated in any currency, but at least two-thirds of the Fund will be invested in securities denominated in the local emerging market currency. Emerging markets countries are those characterized as developing or emerging by the MSCI Emerging Markets Index or those not listed in the OECD country list. If the ACD considers it desirable the Fund may gain exposure of up to one third of the total assets of the Fund to non – emerging market currencies and non-emerging market government/corporate debt securities.

The ACD will utilise the following investments to obtain the Funds exposure: government bonds, treasury bills, corporate bonds, cash or near cash, securitised notes, foreign exchange forward transactions, swaps (including but not limited to cross currency interest rate and credit default swaps) and other types of derivative. At times the portfolio may be concentrated in any one or a combination of such assets."

Nicholas. J. Ring

Director, Threadneedle Investment Services Limited

(As Authorised Corporate Director of Threadneedle Specialist Investment Funds ICVC)

60 St Mary Axe

London EC3A 8JQ

25 October 2013

NOTES:

- (1) To be passed, an extraordinary resolution must be carried by a majority in favour of not less than 75% of the total votes cast at the Meeting.
- (2) A Shareholder entitled to attend and vote may appoint a proxy, who need not be another Shareholder, to attend and vote instead of him. To be valid Forms of Proxy the power of attorney or other authority (if any) under which they are signed (or a notarially certified copy thereof) must be deposited with Threadneedle Investment Services Limited, Threadneedle EGM, PO Box 3892, Holbrook House, Station Road, Swindon SN3 9ED, United Kingdom returning the enclosed Form of Proxy in the reply-paid envelope provided to arrive not later than 5.00 p.m. on 20 November 2013.
- (3) On a poll, votes may be given personally or by proxy, and the voting rights attached to each share shall be such proportion of the voting rights attached to all of the shares (and fractions of a share) in issue as the price of the share (and fractions of a share) bears to the aggregate price of all the shares (and fractions of a share) in issue on the date seven days before the Notice of Meeting is deemed to have been served.
- (4) The quorum for the Meeting is two Shareholders present in person or by proxy. If a quorum is not present within half an hour after the time appointed for the Meeting, the Meeting will be adjourned to 9.00 a.m. on 29 November 2013. Notice will be given of the adjourned meeting via www.threadneedle.com and if at such adjourned meeting a quorum is not present within 15 minutes from the time appointed for the meeting, one person entitled to be counted in a quorum at the meeting shall be a quorum.
- (5) In notes 1 to 4 above the expression "Shareholder" means persons who were Shareholders in the Fund on the date seven days before the Notice concerning the Meeting was sent out but excluding persons who are known to Threadneedle Investment Services Limited not to be Shareholders in the Fund at the time of the Meeting and the expression "Shareholder" should be construed accordingly.

FORM OF PROXY

THREADNEEDLE EMERGING MARKET LOCAL FUND

(a sub-fund of Threadneedle Specialist Investment Funds ICVC)

For use at an extraordinary general meeting of Shareholders of Threadneedle Emerging Market Local Fund, a sub-fund of Threadneedle Specialist Investment Funds ICVC, to be held at the registered office of Threadneedle Investment Services Limited at 60 St Mary Axe, London EC3A 8JQ, United Kingdom at 9.00 a.m. on 22 November and any adjournment thereof.

I / We, being a shareholder in the Threadneedle Emerging Market Local Fund hereby appoint the Chairman of the meeting or (see Note 1)

.....
as my proxy or proxies to vote on my / our behalf at the meeting of Shareholders (and at any adjournment thereof) and to vote for me in my name in relation to the Extraordinary Resolution set out in the Notice of Meeting dated 25 October 2013, as indicated below.

Please indicate how you wish your proxy to vote in respect of the Resolution set out below by placing a 'tick' in the appropriate box under either 'for' or 'against'. If you wish your proxy to vote some shares for the Resolution and some against, please insert the percentage of your holdings you wish to be voted for in the 'for' box and the percentage of your holding you wish to be voted against in the 'against' box.

I direct my proxy to vote as follows in respect of the Resolution at the meeting and any adjourned meeting (see Note 2 below):

RESOLUTION	FOR	AGAINST
<p>TO: change the investment policy and the investment and borrowing powers of the Threadneedle Emerging Market Local Fund to allow the use of derivatives and forward transactions for investment purposes and to delete the present statement of the Threadneedle Emerging Market Local Fund's investment policy as set out in the Threadneedle Specialist Investment Funds ICVC prospectus and replace it with the following statement:</p> <p>“The ACD's investment policy is to actively manage an exposure primarily to emerging market local currencies and debt securities issued by governments in Emerging Markets and/or companies which are domiciled or have significant operations in an Emerging Market. Those debt securities may be denominated in any currency, but at least two-thirds of the Fund will be invested in securities denominated in the local emerging market currency. Emerging markets countries are those characterized as developing or emerging by the MSCI Emerging Markets Index or those not listed in the OECD country list. If the ACD considers it desirable the Fund may gain exposure of up to one third of the total assets of the Fund to non – emerging market currencies and non-emerging market government/corporate debt securities.</p> <p>The ACD will utilise the following investments to obtain the Funds exposure: government bonds, treasury bills, corporate bonds, cash or near cash, securitised notes, foreign exchange</p>	<input data-bbox="1090 1160 1139 1209" type="checkbox"/>	<input data-bbox="1305 1160 1355 1209" type="checkbox"/>

forward transactions, swaps (including but not limited to cross currency interest rate and credit default swaps) and other types of derivative. At times the portfolio may be concentrated in any one or a combination of such assets.”		
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Please complete and return this Proxy to us by 5.00 p.m. on 20 November 2013. A reply-paid envelope is enclosed. Please read the Notes below carefully.

Signature	Print Name	Date
First holder
Second holder
Third holder
Fourth holder

If you are going to attend the meeting in person, please tick here:

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NOTES

1. If you wish to appoint someone other than the Chairman of the meeting, please delete “the Chairman of the meeting or” and insert the name and address of your appointee, who need not be a Shareholder but must attend the meeting (or any adjourned meeting) to represent you. Any such amendment must be initialled.
2. Please indicate in the appropriate box above how you wish your votes to be cast in respect of the Resolution. If you wish your proxy to vote all of your shares for or against the Resolution, please insert “tick” in the “FOR” or “AGAINST” box, as appropriate. If you wish your proxy to vote some shares for the Resolution and some against, please insert the percentage of your holding you wish to be voted for in the “FOR” box and the percentage of your holding you wish to be voted against in the “AGAINST” box. In the absence of any instructions your proxy may vote or abstain at his discretion and choose the proportion in which your votes are to be cast.
3. In the case of a corporate body this form must be signed by two authorised signatories or executed under seal.
4. In the case of joint Shareholders, any such Shareholder may sign but, in the event of more than one tendering votes, only the votes of the Shareholder whose name stands first in the Register will be accepted.
5. On a poll, the voting rights attached to each share shall be such proportion of the voting rights attached to all of the shares in issue as the price of the share bears to the aggregate price(s) of all the shares in issue on the date seven days before the Notice of Meeting is deemed to have been served.
6. To be valid Forms of Proxy, the power of attorney or other authority (if any) under which they are signed (or a notarially certified copy thereof) must be deposited with Threadneedle Investment Services Limited, Threadneedle EGM, PO Box 3892, Holbrook House, Station Road, SWINDON, SN3 9ED returning the enclosed Form of Proxy in the reply-paid envelope provided to arrive not later than 5.00 p.m. on 20 November 2013.
7. To be passed, an extraordinary resolution must be carried by a majority in favour of not less than 75% of the total value of the total votes cast at the meeting.
8. The completion and return of this Form of Proxy will not preclude you from attending and voting at the meeting should you subsequently decide to do so.
9. In notes 1 to 8 above the expression “Shareholder” means persons who were Shareholders in the Threadneedle Emerging Market Local Fund on the date seven days before the Notice concerning the meeting was sent out but excluding persons who are known to Threadneedle Investment Services Limited not to be Shareholders in the Threadneedle Emerging Market Local Fund at the time of the meeting and the expression “Shareholder” should be construed accordingly.
10. Any Form of Proxy that is not completed and returned in accordance with the instructions above shall be deemed to be spoiled and shall not be accepted.

Please note: Your original Form of Proxy must be signed and dated for Threadneedle Specialist Investment Funds ICVC to accept it. Faxes or copies cannot be accepted.