

Baron Funds - 2016 Shareholder Tax Guide

Fund / Share Class	CUSIP	TICKER	Record Date	Ex - Dividend Date	Payable Date	Qualified Dividend Percentage	Return of Capital Percentage (Non Dividend Distribution)	Foreign Tax Credit	Foreign Source Income	For Corporate Shareholders: Dividend Received Deduction	Income from Tax-Exempt securities	Percent of Ordinary Dividends from U.S. Government Obligations	Percent of Long-Term Capital Gains Attributable to Gains on U.S. Government Obligations
Baron Asset Fund- Retail Class	068278100	BARAX	6/27/2016	6/28/2016	6/29/2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Baron Asset Fund- Retail Class	068278100	BARAX	11/28/2016	11/29/2016	11/30/2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Baron Asset Fund- Institutional Class	068278605	BARIX	6/27/2016	6/28/2016	6/29/2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Baron Asset Fund- Institutional Class	068278605	BARIX	11/28/2016	11/29/2016	11/30/2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Baron Asset Fund- R6 Class	068278845	BARUX	6/27/2016	6/28/2016	6/29/2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Baron Asset Fund- R6 Class	068278845	BARUX	11/28/2016	11/29/2016	11/30/2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Baron Growth Fund- Retail Class	068278209	BGRFX	11/28/2016	11/29/2016	11/30/2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Baron Growth Fund- Institutional Class	068278704	BGRIX	11/28/2016	11/29/2016	11/30/2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Baron Growth Fund- R6 Class	068278837	BGRUX	11/28/2016	11/29/2016	11/30/2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Baron Small Cap Fund- Retail Class	068278308	BSCFX	11/28/2016	11/29/2016	11/30/2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Baron Small Cap Fund- Institutional Class	068278803	BSFIX	11/28/2016	11/29/2016	11/30/2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Baron Small Cap Fund- R6 Class	068278829	BSCUX	11/28/2016	11/29/2016	11/30/2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Baron Opportunity Fund- Retail Class	068278407	BIOPX	11/28/2016	11/29/2016	11/30/2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Baron Opportunity Fund- Institutional Class	068278886	BIOIX	11/28/2016	11/29/2016	11/30/2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Baron Opportunity Fund- R6 Class	068278795	BIOUX	11/28/2016	11/29/2016	11/30/2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Baron Focused Growth Fund- Retail Class	06828M207	BFGFX	10/5/2016	10/6/2016	10/7/2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Baron Focused Growth Fund- Retail Class	06828M207	BFGFX	11/28/2016	11/29/2016	11/30/2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Baron Focused Growth Fund - Institutional Class	06828M504	BFGIX	10/5/2016	10/6/2016	10/7/2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Baron Focused Growth Fund - Institutional Class	06828M504	BFGIX	11/28/2016	11/29/2016	11/30/2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Baron Focused Growth Fund - R6 Class	06828M785	BFGUX	10/5/2016	10/6/2016	10/7/2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Baron Focused Growth Fund - R6 Class	06828M785	BFGUX	11/28/2016	11/29/2016	11/30/2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Baron International Growth Fund - Retail Class	06828M306	BIGFX	10/5/2016	10/6/2016	10/7/2016	99.19%	n/a	n/a	n/a	5.28%	n/a	n/a	n/a
Baron International Growth Fund - Retail Class	06828M306	BIGFX	11/28/2016	11/29/2016	11/30/2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Baron International Growth Fund - Institutional Class	06828M603	BINIX	10/5/2016	10/6/2016	10/7/2016	99.19%	n/a	n/a	n/a	5.28%	n/a	n/a	n/a
Baron International Growth Fund - Institutional Class	06828M603	BINIX	11/28/2016	11/29/2016	11/30/2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Baron International Growth Fund - R6 Class	06828M777	BIGUX	10/5/2016	10/6/2016	10/7/2016	99.19%	n/a	n/a	n/a	5.28%	n/a	n/a	n/a
Baron International Growth Fund - R6 Class	06828M777	BIGUX	11/28/2016	11/29/2016	11/30/2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Baron Real Estate Fund- Retail Class	06828M702	BREFX	10/5/2016	10/6/2016	10/7/2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Baron Real Estate Fund- Institutional Class	06828M801	BREIX	10/5/2016	10/6/2016	10/7/2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Baron Real Estate Fund- Institutional Class	06828M801	BREIX	11/28/2016	11/29/2016	11/30/2016	n/a	100.00%	n/a	n/a	n/a	n/a	n/a	n/a
Baron Real Estate Fund- R6 Class	06828M827	BREUX	10/5/2016	10/6/2016	10/7/2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Baron Real Estate Fund- R6 Class	06828M827	BREUX	11/28/2016	11/29/2016	11/30/2016	n/a	100.00%	n/a	n/a	n/a	n/a	n/a	n/a
Baron Emerging Markets Fund - Retail Class	06828M884	BEXFX	10/5/2016	10/6/2016	10/7/2016	100.00%	n/a	n/a	100.00%	0.16%	n/a	n/a	n/a
Baron Emerging Markets Fund - Retail Class	06828M884	BEXFX	11/28/2016	11/29/2016	11/30/2016	100.00%	n/a	0.008903414	100.00%	0.16%	n/a	n/a	n/a
Baron Emerging Markets Fund - Institutional Class	06828M876	BEXIX	10/5/2016	10/6/2016	10/7/2016	100.00%	n/a	n/a	100.00%	0.16%	n/a	n/a	n/a
Baron Emerging Markets Fund - Institutional Class	06828M876	BEXIX	11/28/2016	11/29/2016	11/30/2016	100.00%	n/a	0.008903414	100.00%	0.16%	n/a	n/a	n/a
Baron Emerging Markets Fund - R6 Class	06828M819	BEXUX	10/5/2016	10/6/2016	10/7/2016	100.00%	n/a	n/a	100.00%	0.16%	n/a	n/a	n/a
Baron Emerging Markets Fund - R6 Class	06828M819	BEXUX	11/28/2016	11/29/2016	11/30/2016	100.00%	n/a	0.008903414	100.00%	0.16%	n/a	n/a	n/a
Baron Discovery Fund - Retail Class	068278860	BDFFX	6/27/2016	6/28/2016	6/29/2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Baron Discovery Fund - Institutional Class	068278852	BDFIX	6/27/2016	6/28/2016	6/29/2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Qualified Dividends - These dividends are taxable federally at the capital gains rate, which depends on the your modified adjusted gross income and taxable income. If your Baron Fund has a qualified dividend percentage listed in the table, multiply that percentage by the sum of your income dividends plus short-term capital gains. This is the amount of your year-end dividend distribution that is eligible to be taxed at your applicable qualified dividend tax rate. In order to treat a dividend as qualifying for the lower rates, you must have held your shares for at least 61 days during the 121-day period beginning 60 days before the ex-dividend date of the distribution.

Return of Capital / Non Dividend Distribution - A nondividend distribution is a distribution that is not paid out of the earnings and profits of a mutual fund and is reported in Box 3 of Form 1099-DIV. It is not taxable. You will need to subtract any amounts reported in Box 3 of Form 1099-DIV from the cost basis of your shares.

Foreign Tax Credit - For the 2016 tax year, Baron Emerging Markets Fund elected to pass through a credit for taxes paid to foreign jurisdictions. Your share of foreign withholding taxes paid by the Fund has been reported to you and the Internal Revenue Service in Box 6 of Form 1099-DIV. Federal tax rules generally permit U.S. taxpayers to either claim a deduction or take a credit against their U.S. tax liability for taxes paid to foreign jurisdictions. Your ability to claim a foreign tax credit may be subject to certain limitations, including a holding period requirement.

This information does not constitute, and should not be considered a substitute for, legal advice. We strongly urge shareholders to consult with their tax advisers regarding the tax consequences of these distributions.