

AMERICAN BEACON MID-CAP VALUE FUND

4151 Amon Carter Boulevard, MD 2450
Fort Worth, Texas 76155

INFORMATION STATEMENT

This document is an Information Statement for the shareholders of the American Beacon Mid-Cap Value Fund (the “Fund”). The Board of Trustees (“Trustees” or “Board”) of the American Beacon Funds (the “Trust” or “Funds”) appointed Lee Munder Capital Group, LLC (“Lee Munder”) as a new sub-advisor to the Fund. On July 1, 2011, Lee Munder began managing a portion of the Fund’s assets alongside Barrow, Hanley, Mewhinney & Strauss, LLC (“Barrow”) and Pzena Investment Management, LLC (“Pzena”). There are no changes to the Fund’s investment objective and the aggregate management fee of the Fund will not increase as a result of the appointment of Lee Munder.

The Information Statement is being furnished by the Board of the Trust in lieu of a proxy statement, pursuant to the terms of an exemptive order that the Trust has received from the Securities and Exchange Commission (the “SEC Order”). Pursuant to the SEC Order, American Beacon Advisors, Inc. (“American Beacon Advisors” or the “Manager”), which serves as manager and administrator to the Funds, is permitted to enter into new or modified advisory agreements with existing or new unaffiliated investment advisors without approval of Fund shareholders.

The purpose of this Information Statement is to provide an overview of the Trustees’ decision to appoint Lee Munder as a new sub-advisor for the Fund. This information statement also discusses the terms of the investment advisory agreement between Lee Munder and the Manager, on behalf of the Fund, dated June 13, 2011 (the “Agreement”). No action is required of you. **We Are Not Asking You For a Proxy and You Are Requested Not To Send Us a Proxy.**

INTRODUCTION

American Beacon Advisors is located at 4151 Amon Carter Boulevard, MD 2450, Fort Worth, Texas 76155. The principal underwriter of the Fund is Foreside Fund Services, LLC, whose principal office is at Three Canal Plaza, Suite 100, Portland, Maine 04101.

This Information Statement will be mailed on or about July 8, 2011 to the Fund’s shareholders of record as of May 31, 2011 (“Record Date”). The Fund will bear the expenses incurred in connection with preparing and delivering this Information Statement. If you invest in the Fund through a financial institution and you share an address with other Fund shareholders, you will be delivered a single copy of this Information Statement, unless you have instructed your financial institution to deliver separate copies. If you receive a single copy of this Information Statement and wish to request additional copies, please call 1-800-658-5811. If you wish to receive separate copies of future mailings from your financial institution, please contact the financial institution through which you invest. *You may obtain a copy of the Fund’s most recent Annual Report and Semi-Annual Report to Shareholders, free of charge, by writing to American Beacon Funds at P.O. Box 219643, Kansas City, MO 64121, by calling 1-800-658-5811 or by visiting www.americanbeaconfunds.com.*

The issued and outstanding shares of the Fund as of the Record Date is set forth in Appendix A. Please see Appendix B for a listing of shareholders deemed to own beneficially more than 5% of the shares of the Fund as of the Record Date. The beneficial ownership interests of the Trustees and officers in the Fund’s shares classes are set forth in Appendix C.

APPOINTMENT OF LEE MUNDER CAPITAL GROUP, LLC

At the May 25, 2011 meeting of the Board, the Manager proposed that the Board approve the appointment of Lee Munder as an investment advisor to the Fund. The Board reviewed the information provided by Lee Munder in connection with its consideration of Lee Munder and the Agreement. The Board considered, among other materials, responses by Lee Munder to inquiries requesting:

- a description of the advisory and related services proposed to be provided to the Fund, including whether such services will differ from the services provided to other clients;
- identification of the professional personnel to perform services for the Fund and their education, experience and responsibilities;
- a comparison of the performance of accounts similar to the Fund managed by Lee Munder with the performance of applicable indices;
- an analysis of the proposed advisory fee rate, a comparison to the fee rates charged to other comparable clients and an explanation of any differences between the fee schedules;
- whether Lee Munder charges a lower advisory fee rate to other clients for which it provides services comparable to the services proposed for the Fund and, if so, an explanation of the rationale for charging the other clients a lower fee rate;
- a description of the portfolio managers' compensation, including any incentive arrangements, and if compensation is tied to performance, a description of the oversight mechanisms to prevent a manager with lagging performance from taking undue risks;
- confirmation that the firm's financial condition would not impair its ability to provide high-quality advisory services to the Fund;
- a description of Lee Munder's compliance program and matters, as well as its trading activities; and
- any other information Lee Munder believed would be material to the Board's consideration of the Agreement.

The Board considered multiple factors when evaluating Lee Munder and in approving the Agreement, including that the Manager had screened a number of mid cap value advisors to identify Lee Munder. The Board considered Lee Munder's experience in managing mid cap value assets, its reputation and financial condition, the past performance of similar accounts managed by Lee Munder, its overall capabilities to perform the services under the Agreement and its willingness to perform those services for the Fund.

Provided below is an overview of the primary factors considered by the Board at its May 25, 2011 meeting at which the Board considered the approval of the Agreement. In determining whether to approve the Agreement, the Board considered, among other things, the following factors: (1) the nature and quality of the services provided; (2) the investment performance of Lee Munder; (3) the costs incurred by the Manager in rendering its services and the resulting profits or losses; (4) the extent to which economies of scale have been taken into account in setting the fee schedule; (5) whether fee levels reflect these economies of scale for the benefit of Fund investors; (6) comparisons of services and fees with contracts entered into by Lee Munder with other clients; and (7) any other benefits derived or anticipated to be derived by Lee Munder from its relationship with the Fund.

Nature, extent and quality of the services to be provided by Lee Munder. The Board considered information regarding Lee Munder's principal business activities, its reputation, financial condition and overall capabilities to perform the services under the Agreement. In addition, the Board considered the background and experience of the personnel who will be assigned responsibility for managing the portion of the Fund's assets allocated to Lee Munder. The Board also considered the fact that Lee Munder provides similar portfolio management services to other registered funds. The Board also considered Lee Munder's investment resources, infrastructure and the adequacy of its compliance program. In addition, the Board took into consideration the Manager's recommendation of Lee Munder. Lee Munder also represented that current and projected staffing levels are adequate to service the Fund. Based on this information, the Board concluded that

the nature, extent and quality of the advisory services to be provided by Lee Munder were appropriate for the Fund in light of its investment objective, and, thus, supported a decision to approve the Agreement.

Performance of Lee Munder. The Board evaluated Lee Munder's historical investment performance record in managing assets utilizing a mid-cap value mandate. In particular, the Board evaluated the calendar year performance (gross of fees) for each of the last five years (2006-2010) of several mutual funds and private accounts managed by Lee Munder that have similar investment objectives and policies to the Fund (the "LMCG Mid Cap Value Composite"), as compared to the Russell Midcap Value Index (the "Index") and the median return of all mid cap value equity mutual funds in the comparable Lipper peer group (the "Peer Group"). The Board noted that the LMCG Mid Cap Value Composite outperformed the Peer Group for each of the previous five calendar years and outperformed the Index in each of the previous four years. The Board also considered Lee Munder's rationale for the underperformance of the LMCG Mid Cap Value Composite versus the Index for the one-year period ended December 31, 2006. Based on this information, the Board concluded that the historical investment performance record of Lee Munder supported the approval of the Agreement.

Comparisons of the amounts to be paid under the Agreement with those under contracts between Lee Munder and its other clients. In evaluating the Agreement, the Board reviewed Lee Munder's proposed advisory fee schedule for the Fund. The Board considered comparisons of the advisory fee rate to be charged by Lee Munder under the Agreement versus the fee rates charged by Lee Munder to other clients with a similar investment mandate. The Board noted that Lee Munder may negotiate different advisory fee rates for certain accounts based on whether the client is part of a large, multi-product sub-advised relationship with Lee Munder. This information assisted the Board in concluding that the advisory fees under the Agreement appeared to be within a reasonable range for the services to be provided to the Fund, in light of all the factors considered.

Extent to which economies of scale would be realized as the Fund grows and whether fee levels reflect these economies of scale for the benefit of Fund investors. The Board considered that the fee rates to be paid by the Fund to Lee Munder are passed through the Manager and that the Manager would not benefit economically from the proposed fee arrangement. The Board also considered that the Manager negotiated "breakpoints" in Lee Munder's fee rate based on the levels of assets in the Fund allocated to and managed by Lee Munder and that, in calculating assets under management for this purpose, Lee Munder will include all other mid cap value assets of the Manager's clients that are also managed by Lee Munder. Thus, the Board concluded that the Fund is receiving economies of scale due to the breakpoints incorporated into the fee schedule.

Costs of the services to be provided and profits to be realized by Lee Munder and its affiliates from the relationship with the Fund. The Board did not consider the costs of the services to be provided and profits to be realized by Lee Munder from its relationship with the Fund, noting instead the arm's length nature of the relationship between the Manager and Lee Munder with respect to the negotiation of the advisory fee rate on behalf of the Fund.

Benefits to be derived by Lee Munder from the relationship with the Fund. The Board considered the "fall-out" or ancillary benefits that may accrue to Lee Munder as a result of the advisory relationship with the Fund, including Lee Munder's increased ability to attract and retain investment management personnel by providing a large base of assets to manage. In this regard, the Board noted this ancillary benefit would typically accrue to any investment manager and it may also accrue to the benefit of the Fund and its shareholders. Lee Munder did not identify any other "fall-out" or ancillary benefits that may accrue to Lee Munder. The Board also considered Lee Munder's representation that it is Lee Munder's policy not to enter into soft dollar arrangements for services not eligible for the safe harbor under Section 28(e) of the Securities and Exchange Act and that all soft dollar arrangements are approved by its chief compliance officer and Trade Oversight and Soft Dollar Committee. After consideration of this information, the Board concluded that the

potential benefits accruing to Lee Munder by virtue of its relationship with the Fund were not a material factor in approving the Agreement.

Board's Conclusion. The Board did not identify any single factor as being of paramount importance, and different Trustees may have given different weight to different factors. Based on the various considerations described above, the Board, including a majority of Trustees who are not “interested persons” of the Funds, the Manager or Lee Munder, as that term is defined in the 1940 Act, concluded that the proposed investment advisory fee is reasonable and that the approval of the Agreement is in the best interests of the Fund and its shareholders and, as a result, approved the Agreement.

DESCRIPTION OF THE INVESTMENT ADVISORY AGREEMENT

The Agreement between Lee Munder and the Manager, which is dated June 13, 2011, will continue in effect for an initial term of two years. After the initial two-year term, the Agreement will continue in effect only if it is approved annually by the Board or by the vote of the shareholders of a majority of the outstanding shares of the Fund, and also, in either event, approval by a majority of the Independent Trustees.

Under the Agreement, Lee Munder manages a portion of the Fund's assets allocated to it by the Manager. The Manager may change the amount of assets allocated to Lee Munder at any time. Lee Munder has discretion pursuant to the Agreement to purchase and sell securities for its allocated segment of Fund assets in accordance with a Fund's objectives, policies and restrictions, and the more specific strategies provided by the Manager. In addition, Lee Munder may request that the Manager make investment decisions with respect to the portion of the allocated assets that Lee Munder determines should be invested in short-term investments. Lee Munder is subject to general supervision by the Board and officers of the Fund and the Manager.

The Fund pays to the Manager the fee due to Lee Munder as compensation for its services. The Manager then remits this amount to Lee Munder. Under the Agreement, the Fund pays Lee Munder an annualized advisory fee equal to 0.50% on assets up to \$50 million, 0.45% on assets between \$50 million and \$250 million and 0.40% on assets over \$250 million.

The Agreement does not protect Lee Munder against any liability to the Fund or its shareholders to which Lee Munder might otherwise be subject by reason of willful misfeasance, bad faith, or gross negligence in the performance of its duties or the reckless disregard of its obligations under the Agreement. The Agreement will automatically and immediately terminate upon its assignment and may be terminated without penalty at any time by the Manager, by vote of a majority of the Board or by vote of a majority of the outstanding voting securities of a Fund on not less than thirty days' nor more than sixty days' written notice. Lee Munder may also terminate the Agreement without penalty upon sixty days' written notice to the Manager.

INFORMATION ABOUT LEE MUNDER CAPITAL GROUP, LLC

Lee Munder, located at 200 Clarendon Street, 28th Floor, Boston, Massachusetts 02116, was founded as a private partnership in August 2000. Convergent Capital Management (“CCM”) acquired a majority stake in the firm in July 2009. CCM is the majority owner of a number of investment advisory firms and is owned by City National Corporation, a publicly held financial services company, headquartered in Los Angeles, California. Net assets under the management of Lee Munder were approximately \$5.2 billion as of March 31, 2011.

The following table provides the name and principal occupation of the directors and executive officers of Lee Munder. The address of each of the directors and executive officers as it relates to that person's position with Lee Munder is 200 Clarendon Street, Boston, Massachusetts 02116.

Name	Principal Occupation*
Lee P. Munder	LMCG Board Member
Richard H. Adler	LMCG Board Member
William J. Freeman	LMCG Board Member
Jon C. Hunt	LMCG Board Member
Kenneth L. Swan	Chief Executive Officer, Board Member
Joseph F. Tower III	Chief Compliance Officer & Chief Operating Officer
Jeffrey P. Davis	Chief Investment Officer

*None of the principal executive officers and directors of Lee Munder listed above have other principal employment other than their respective positions with Lee Munder or positions with Lee Munder affiliates.

Lee Munder also serves as investment advisor to the following funds, which have similar investment objectives as the Fund.

<u>Comparable Fund</u>	<u>Comparable Fund Assets as of March 31, 2011</u>	<u>Comparable Fund Advisory Fee Rate</u>
Touchstone Mid Cap Value Fund	\$55.4 Million	0.50% first \$100M 0.45% next \$300M 0.40% thereafter
SEI SIMT Mid Cap Fund* * multi manager fund	\$57.0 Million	0.40% on all assets

INFORMATION ABOUT THE FUNDS' INVESTMENT ADVISORS

The Funds' investment advisors serve as investment advisors with respect to the portion of Fund assets allocated to them, pursuant to separate investment advisory agreements. The assets of the Fund currently are allocated by the Manager to the following investment advisors:

Barrow, Hanley, Mewhinney & Strauss, LLC
Pzena Investment Management, LLC
Lee Munder Capital Group, LLC

Assets are allocated in this manner to provide diversification and to reduce the possible impact of any one investment advisor's sub-par performance on the performance of the Fund.

Important Notice Regarding Electronic Availability of the Information Statement. This Information Statement and the Fund's most recent annual and semi-annual reports to shareholders are available on the Internet at www.americanbeaconfunds.com.

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By Order of the Board of Trustees,

Rosemary K. Behan
Secretary & Chief Legal Officer

July 1, 2011

APPENDIX A

**AMERICAN BEACON MID-CAP VALUE FUND OUTSTANDING SHARES
(AS OF MAY 31, 2011)**

Outstanding Shares	Institutional Class	Y Class	Investor Class	Advisor Class	A Class	C Class	AMR Class
Mid-Cap Value Fund	3,954,035	1,314	744,147	8,527	13,530	2,353	6,296,320

APPENDIX B

**AMERICAN BEACON MID-CAP VALUE FUND BENEFICIAL OWNERS OF 5% OR MORE OF SHARES
(AS OF MAY 31, 2011)**

Mid-Cap Value Fund	Total Fund	Institutional Class	Y Class	Investor Class	Advisor Class	A Class	C Class	AMR Class
JP Morgan Chase Bank TTEE Super Saver Cap Accumulated Plan For EE Of PTP AMR Corp Subsidiaries PO Box 419784 Kansas City, MO 64141-6784	57%							100%
Charles Schwab & Co.* 101 Montgomery St San Francisco, CA 94104-4151	6%			73%				
LPL Financial FBO Customer Accounts* PO Box 509046 San Diego, CA 92150-9046			91%		87%			
State Street Bank and Trust Co FBO Baylor Health Care System Retirement Savings Plan 401(k) Plan 105 Rosemont RD Westwood, MA 02090-2318	36%	92%						
American Beacon Advisors 4151 Amon Carter Blvd. Fort Worth, TX 76155			9%				5%	
TD Ameritrade Inc for the Exclusive Benefit of our Clients* PO Box 2226 Omaha, NE 68103-2226					5%			
National Financial Services Corp.* 100 Crosby PKWY Covington, KY 41015-4325				18%	7%			
Raymond James & Assoc Inc FBO Elizabeth Jane Pleak 307 Gentilly RD Statesboro, GA 30458-2051						10%		
Pershing LLC* PO Box 2052 Jersey City, NJ 07303-2052						14%		
Ameriprise Enterprise Investment Services* FBO PO Box 9446 Minneapolis, MN 55440-9446						72%		
NFS LLC FEBO NFS/FMTC IRA FBO David M Ihnat 5741 N Sacramento AVE Chicago, IL 60659-4806							95%	

*Denotes record owner of Fund shares only

APPENDIX C

**AMERICAN BEACON MID-CAP VALUE FUND
BENEFICIAL OWNERSHIP BY TRUSTEES AND OFFICERS
(AS OF MAY 31, 2011)**

<u>Name</u>	<u>Amount and Nature of Beneficial Ownership (in shares)</u>	<u>Percent of Fund</u>
Interested Trustees		
Alan D. Feld	N/A	N/A
Non-Interested Trustees		
W. Humphrey Bogart	N/A	N/A
Brenda A. Cline	N/A	N/A
Richard A. Massman	4,390.328	0.04%
Eugene J. Duffy	N/A	N/A
Thomas M. Dunning	N/A	N/A
R. Gerald Turner	3,738.319	0.03%
Paul J. Zucconi	N/A	N/A
Officers		
Gene L. Needles, Jr.	355.678	0.0%
William Quinn	39,932.740	0.36%
Rosemary K. Behan	636.531	0.01%
Brian E. Brett	821.494	0.01%
Wyatt L. Crumpler	394.280	0.00%
Erica B. Duncan	N/A	N/A
Michael W. Fields	N/A	N/A
Melinda G. Heika	119.436	0.00%
Terri L. McKinney	589.368	0.01%
Jeffrey K. Ringdahl	323.410	0.00%
Christina E. Sears	1,183.830	0.01%
Trustees and Officers as a Group	52,485.41	0.48%