



PROSPECTUS

The Baring International Umbrella Fund

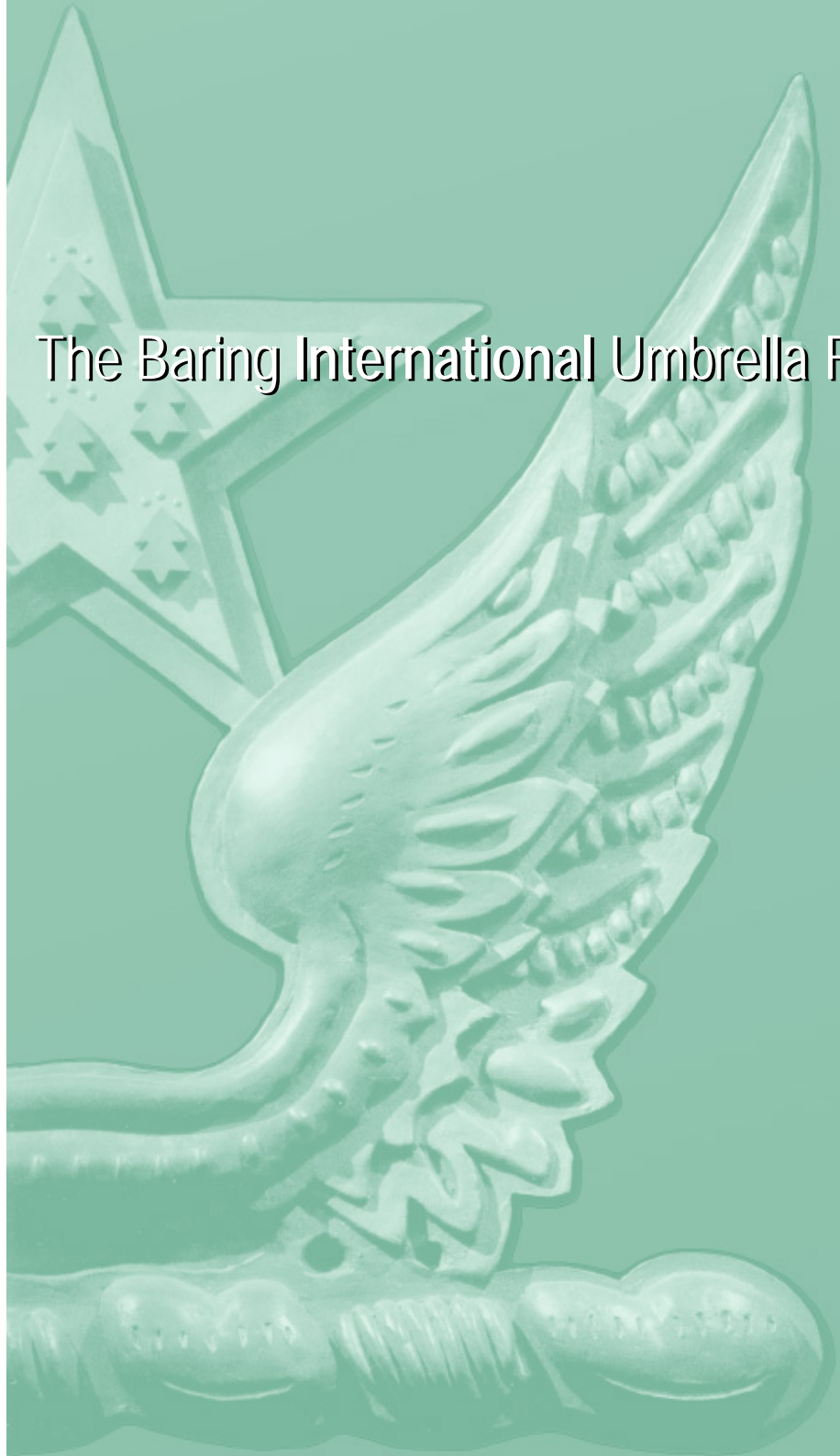


Table of Contents

Prospectus dated 14 August 2009	1
First Addendum to the Prospectus dated 9 August 2010	49

THE BARING INTERNATIONAL UMBRELLA FUND

Investment in units ("Units") in The Baring International Umbrella Fund (the "Unit Trust") involves risk and may not be suitable for all investors. If you are in any doubt as to whether or not investment in the Unit Trust is suitable for you or about the contents of this Prospectus, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser.

The Directors of Baring International Fund Managers (Ireland) Limited (the "Managers"), whose names appear under the heading "Directors of The Managers" are the persons responsible for the information contained in this Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

Prospectus

THE BARING INTERNATIONAL UMBRELLA FUND

Baring ASEAN Frontiers Fund
Baring Asia Growth Fund
Baring Australia Fund
Baring Europa Fund
Baring Hong Kong China Fund
Baring International Bond Fund
Baring Japan Fund
Baring North America Fund

(the "Funds")

Distribution of this Prospectus is not authorised in any jurisdiction unless accompanied by a copy of the then latest published annual report of the Unit Trust and, if published after such annual report, a copy of the latest semi-annual report. Such reports and this Prospectus together form the prospectus for the issue of Units.

Important: if you are in any doubt about the contents of this offering document, you should seek independent professional financial advice.

Dated 14 August, 2009

The Unit Trust is a unit trust constituted by a Trust Deed governed by the laws of Ireland. It is authorised in Ireland as an undertaking for collective investment in transferable securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2003 (S.I. No. 211 of 2003) (the "Regulations"). Accordingly, the Unit Trust is authorised by the Irish Financial Services Regulatory Authority (the "Financial Regulator"). Authorisation by the Financial Regulator is not an endorsement or guarantee of the Funds nor is the Financial Regulator responsible for the contents of this Prospectus.

The authorisation of the Unit Trust by the Financial Regulator shall not constitute a warranty as to the performance of the Funds and the Financial Regulator shall not be liable for the performance or default of the Funds.

The Unit Trust has been certified by the competent Irish regulatory authorities as complying with the conditions necessary to enjoy the rights conferred by EC Council Directive No. 85/611/EEC (the "UCITS Directive") on the co-ordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) in the form after the amendments made thereto as a consequence of EC Council Directive No. 2001/107/EC and EC Council Directive No. 2001/108/EC and may apply to the regulatory authorities in the Member States of the EU to be marketed to the public in those Member States.

The Unit Trust is a recognised collective investment scheme for the purposes of the Financial Services and Markets Act 2000 (the "FSMA") of the United Kingdom. This Prospectus will be distributed in the United Kingdom by or on behalf of the Managers and is approved by Baring Asset Management Limited ("BAML"), which is authorised and regulated by the Financial Services Authority ("FSA") for the purposes of the FSMA.

The Unit Trust is currently authorised for public marketing in Austria, Chile, Finland, France, Germany, Hong Kong, Luxembourg, Macau, Peru, Spain, Sweden, Switzerland, Taiwan and the UK. Details are set out in Appendices II and III. The Unit Trust is currently authorised for marketing to institutional investors in Denmark.

As opportunities arise for wider marketing the Managers may decide to make application to relevant authorities for public marketing of the Unit Trust in other jurisdictions.

BAML is acting for the Managers in relation to this Prospectus and matters relating thereto and it or any of its associates may have an interest or position in Units in the Unit Trust. It is not acting for, or advising, or treating as its customer, any other person (unless other arrangements apply between BAML and such person) in relation to investment in the Unit Trust and will not be responsible for providing to any such other person best execution or any other of the protections afforded to its customers.

No person receiving either a copy of this Prospectus, the Simplified Prospectus or an application form may treat this Prospectus, the Simplified Prospectus or the application form as constituting an invitation to him to purchase or subscribe for Units, nor should he in any event use the application form, unless in the relevant territory such an invitation could lawfully be made to him, or the application form could lawfully be used, without compliance with any registration or other legal requirements. Any person wishing to make an application should satisfy himself as to the observance of the laws of any relevant territory, including the obtaining of any requisite governmental or other consents and the observing of any other formalities.

Units have not been registered under the United States Securities Act of 1933 (as amended) and may not be directly or indirectly offered or sold in the United States or to any United States person. "United States" means the United States of America, its territories, possessions and all areas subject to its jurisdiction (including the Commonwealth of Puerto Rico), and "United States person" means any citizen or resident of the United States, any corporation, trust, partnership or other entity created or organised in or under the laws of the United States or any state thereof or any estate or trust the income of which is subject to United States federal income tax regardless of source.

The Units have not been and will not be registered under the Financial Instruments and Exchange Law of Japan, and, accordingly, no Units may be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any Japanese person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese person except under circumstances which will result in compliance with all applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities and in effect at the relevant time. For this purpose, "Japanese person" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

The Trust Deed gives powers to the Managers to redeem or require the transfer of Units held by any United States person or by any person in breach of the laws or requirements of any country or government authority or by any person or persons in circumstances (whether directly or indirectly affecting such person or persons, and whether taken alone or in conjunction with any other persons, connected or not, or any other circumstances appearing to the Managers to be relevant) which, in the opinion of the Managers, might result in regulatory, pecuniary, legal, taxation or material administrative disadvantage which the Fund or the Unit Trust might not otherwise have suffered.

Repeatedly purchasing and selling Units in the Funds in response to short-term market fluctuations - known as 'market timing' - can disrupt the Managers' investment strategy and increase the Funds' expenses to the prejudice of all Unitholders. The Funds are not intended for market timing or excessive trading. To deter these activities, the Managers may refuse to accept an application for Units from persons that they reasonably believe are engaged in market timing or are otherwise excessive or potentially disruptive to the Funds.

The Managers reserve the right to redeem Units from a Unitholder, if it has reasonable grounds to believe that the Unitholder is engaging in any activity which might result in the Fund or its Unitholders as a whole suffering any regulatory, pecuniary, legal, taxation or material administrative disadvantage which the Fund or its Unitholders as a whole might not otherwise have suffered.

Any information given, or representations made, by any dealer, salesman or other person not contained in this Prospectus or the accompanying documents should be regarded as unauthorised and should accordingly not be relied upon. Neither the delivery of this Prospectus nor the offer, issue or sale of Units shall, under any circumstances, constitute a representation that the information given in this Prospectus is correct as of any time subsequent to the date of this Prospectus.

An investment in one Fund is not a complete investment programme. As part of your long term investment planning you should consider diversifying your portfolio by investing in a range of investments and asset classes.

Potential subscribers of Units should inform themselves as to (a) the possible tax consequences, (b) the legal requirements and (c) any foreign exchange restrictions or exchange control requirements which they might encounter under the laws of the countries of their citizenship, residence or domicile and which might be relevant to the subscription, holding or disposal of Units. Potential subscribers' attention is drawn to the risk factors described under the heading Risk Factors within this Prospectus.

Information in relation to the admission to listing of various Units of each of the Funds on the Official List and to trading on the main market of the Irish Stock Exchange Limited are included at Appendix IV. The Managers do not anticipate that an active secondary market will develop in the Units.

In this Prospectus, "dollar", "cent" and the sign "US\$" refer to the currency of the United States of America, "sterling", "pence" and the sign "£" refer to the currency of the United Kingdom of Great Britain and Northern Ireland, "Euro", "EUR" and the sign € refer to the currency of certain member states of the European Union and AU\$ refer to the currency of Australia. References to The Irish Stock Exchange are to The Irish Stock Exchange Limited.

This Prospectus may be translated into languages other than English. Such translations will be direct translations but in the event of any inconsistency, the English language version of this Prospectus will prevail.

Directors, Managers and Advisers

MANAGERS

Baring International Fund Managers (Ireland) Limited

Registered Office:
Georges Court,
54-62 Townsend Street,
Dublin 2,
Ireland.

DIRECTORS OF THE MANAGERS

Richard Bellis

P.O. Box 26,
St. Peter Port,
Guernsey, GY1 4AP,
Channel Islands.

Anthony Cooney

Georges Court,
54-62 Townsend Street,
Dublin 2,
Ireland.

Ian Pascal

155 Bishopsgate,
London EC2M 3XY,
UK.

Paul Savage

155 Bishopsgate,
London EC2M 3XY,
UK.

Mark Thorne

Dillon Eustace,
33 Sir John Rogerson's Quay,
Dublin 2,
Ireland.

INVESTMENT MANAGER

Baring Asset Management Limited

155 Bishopsgate,
London EC2M 3XY,
UK.

TRUSTEE

Northern Trust Fiduciary Services (Ireland) Limited

Georges Court,
54-62 Townsend Street,
Dublin 2,
Ireland.

ADMINISTRATOR AND REGISTRAR

Northern Trust International Fund Administration Services (Ireland) Limited

Georges Court,
54-62 Townsend Street,
Dublin 2,
Ireland.

LEGAL ADVISERS

IRISH LAW

Dillon Eustace

33 Sir John Rogerson's Quay,
Dublin 2,
Ireland.

LEGAL ADVISERS

HONG KONG LAW

Deacons

5th Floor,
Alexandra House,
16-20 Chater Road,
Central,
Hong Kong.

AUDITORS

PricewaterhouseCoopers

Chartered Accountants,
One Spencer Dock,
North Wall Quay,
Dublin 1,
Ireland.

SPONSORING BROKERS

NCB Stockbrokers Limited

3 George's Dock,
International Financial Services Centre,
Dublin 1,
Ireland.

Table of Contents

Introduction	6
Managers, Trustee, Administrator and Registrar	7
Directors of the Managers	8
Investment Policy: General	9
Investment Objectives and Policies	10
Risk Factors	13
Investment Restrictions	17
Efficient Portfolio Management and Financial Derivative Instruments.....	20
Borrowings	21
Portfolio Transactions and Managers' Unit Dealing	22
Distribution Policy.....	22
Reinvestment of Income Distributions.....	23
Trust Deed	23
Custodianship	23
Report and Accounts.....	23
Charges and Expenses.....	24
Taxation	25
Subscriptions.....	33
Application Procedure	34
Realisation of Units	36
Conversion of Units.....	37
Certificates and Transfer of Units.....	38
Publication of Prices.....	38
Allocation of Assets and Liabilities	38
Meetings of Unitholders	39
Duration of the Unit Trust.....	39
Miscellaneous	40
Documents available for inspection.....	40
Appendix I – List of exchanges/markets.....	41
Appendix II – Information for investors in	
(i) Denmark	44
(ii) Luxembourg.....	45
Appendix III – Registration/Listing Status.....	46
Appendix IV – ISIN Details.....	47
Enquiries To.....	48

Introduction

The Baring International Umbrella Fund (the “Unit Trust”) is a unit trust managed by Baring International Fund Managers (Ireland) Limited and is designed to give both individual and institutional investors the benefit of experienced professional portfolio management. The sole object of the Unit Trust is the collective investment in transferable securities and/or other liquid financial assets referred to in Regulation 45 of the UCITS Regulations of capital raised from the public and which operates on the principle of risk spreading. The Unit Trust was established pursuant to a Trust Deed dated 22 November 1990 as amended (such deed as amended from time to time being hereinafter referred to as the “Trust Deed”) made between Baring International Fund Managers (Ireland) Limited as Managers (the “Managers”) and Northern Trust Fiduciary Services (Ireland) Limited as Trustee (the “Trustee”).

The Unit Trust is an umbrella trust in that different classes of Unit may be issued from time to time by the Managers in accordance with the requirements of the Financial Regulator. A separate trust fund (a “Fund”) is maintained for each class or classes of Unit and is invested in accordance with the investment objectives applicable to such Fund. Each Unit in the Unit Trust constitutes a beneficial interest in the Unit Trust and represents one undivided share in the property of the relevant Fund.

Units are available in the following Funds and in the following denominations and classes: -

FUND AND CLASS	BASE CURRENCY	UNIT DENOMINATIONS
Baring ASEAN Frontiers Fund		
Class A	US\$	US\$ / £ / €
Class I		US\$ / £ / €
Baring Asia Growth Fund		
Class A	US\$	US\$ / £ / €
Class I		US\$ / £ / €
Baring Australia Fund		
Class A	US\$	US\$ / £ / € / AU\$
Class I		US\$ / £ / € / AU\$
Baring Europa Fund		
Class A	US\$	US\$ / €
Class C		US\$ / €
Class I		US\$ / €
Baring Hong Kong China Fund		
Class A	US\$	US\$ / £ / €
Class C		US\$ / €
Class I		US\$ / £ / €
Baring International Bond Fund		
Class A	US\$	US\$ / £ / €
Class I		US\$ / £ / €
Baring Japan Fund*		
Class A	US\$	US\$ / €
Class I		US\$ / €
Baring North America Fund		
Class A	US\$	US\$ / £ / €
Class I		US\$ / £ / €

* Investors should note that it is the intention of the Managers to apply to the Financial Regulator for withdrawal of approval of this Fund. Accordingly, Units in the Fund are no longer available for subscription.

ISIN details for each Fund can be found in Appendix IV.

Each Fund will be treated as bearing its own liabilities and enter into its own obligations and the assets of a Fund are not available to cover the commitments of another Fund within the Unit Trust. Separate accounts and records will be maintained for each Fund.

Units of other classes may be introduced by the Managers from time to time which shall be notified to and cleared in advance with the Financial Regulator. On the introduction of any new class of Units, the Managers will prepare and issue documentation setting out the relevant details relating to each such class of Units.

Each Fund will be valued by reference to the net asset value per Unit determined as at 12 noon (Dublin time) on each Dealing Day and Units may normally be purchased, realised or converted by application to BAML on a Dealing Day for onward transmission to the Managers. Dealing Days are every business day and/or such other day or days as the Managers may, with the approval of the Trustee, determine provided that there shall be at least two Dealing Days in each month. A business day is any day, other than a Saturday or Sunday, on which banks in both Dublin and London are open for business.

The Managers may decline any application for Units in whole or in part and will not accept subscription for Units of an amount (inclusive of the preliminary charge) which is less than US\$5,000, £2,500, €3,500 or AU\$6,000 in respect of Class A and Class C Units. The minimum subscription amount in respect Class I Units of each Fund is US\$50,000,000, £25,000,000, €35,000,000 or AU\$60,000,000. The minimum subscription amount in respect of each Class may be waived at the discretion of the Managers. A preliminary charge of up to 6% (or such higher amount as may be approved by an Extraordinary Resolution) of the amount invested may be made and retained by the Managers but it is the intention of the Managers that such charge should not, until further notice, exceed 5%. No preliminary charge shall be levied in respect of subscription for Class I Units or for Class C Units.

All Unitholders are entitled to the benefit of, are bound by and are deemed to have notice of, the provisions of the Trust Deed, copies of which are available as mentioned below.

Information in this Introduction is selective and should be read in conjunction with the full text of this Prospectus.

Managers, Trustee, Administrator and Registrar

The Managers of the Unit Trust are Baring International Fund Managers (Ireland) Limited which was incorporated in Ireland as a private limited company on 16 July 1990. The issued share capital of the Managers is £100,000, all of which has been paid up in full. The company secretary of the Managers is Northern Trust International Fund Administration Services (Ireland) Limited.

Under the terms of an Investment Management Agreement dated 20 December 2006 (the "Investment Management Agreement"), the Managers have delegated the investment management of each Fund to Baring Asset Management Limited ("BAML"). The Investment Management Agreement provides that the appointment of BAML may be terminated by either party giving notice in writing to the other party and provides for the orderly transfer of BAML's responsibilities in such circumstances.

Subject to the Financial Regulator approval BAML may sub-delegate such investment management to other entities including group companies. The fees and expenses of any sub-investment managers appointed by BAML will be discharged by BAML. Details of any sub-investment managers appointed to a Fund will be provided to unitholders upon request and details will also be provided in the periodic reports of the Unit Trust.

BAML provides asset management services in developed and emerging equity and bond markets on behalf of institutional, retail and private clients internationally. As at 31 December 2008, the firm managed US\$33 billion. BAML is authorised and regulated by the FSA. BAML is also the promoter of the Unit Trust.

BAML may in the course of its business have conflicts of interest with the Unit Trust. BAML will, however, have regard to its obligations to act in the best interest of its clients when undertaking any investments where conflicts of interest may arise and will seek to resolve such conflicts fairly.

The Managers have the right under the Trust Deed to retire at any time upon the appointment of a successor as provided in the Trust Deed. They may be removed by the Trustee in certain circumstances, including where the holders of not less than 50% of the Units for the time being in issue so request.

The Trust Deed contains provisions governing the responsibilities of the Managers subject to exclusions in the case of negligence, default, breach of duty or breach of trust and subject to the provisions of the Regulations and any conditions imposed by the Financial Regulator thereunder.

The Trustee of the Unit Trust is Northern Trust Fiduciary Services (Ireland) Limited, a company incorporated in Ireland on 5 July 1990 as a private limited company. The main activity of the Trustee is to act as trustee/custodian of collective investment schemes.

The Trustee may retire upon the appointment of a new trustee approved by the Financial Regulator, acceptable to the Managers and approved by an Extraordinary Resolution of Unitholders.

The Trust Deed contains provisions governing the responsibilities of the Trustee and providing for its indemnification in certain circumstances, subject to exclusions in the case of its unjustifiable failure to perform its obligations or its improper performance of them and subject to the provisions of the Regulations and any conditions imposed by the Financial Regulator thereunder.

Under the terms of an Administration Agreement dated 1 April 2005 entered into between the Managers, the Trustee and Northern Trust International Fund Administration Services (Ireland) Limited (the "Administrator"), the Managers have appointed the Administrator as the Administrator of the Unit Trust. The Managers have delegated their duties as registrar to the Administrator pursuant to the Administration Agreement. The Administration Agreement provides that the appointment of the Administrator may be terminated by any party giving not less than six months' notice in writing to the others, such notice expiring any time on or after the expiry of a period of five (5) years commencing after the effective date of the Administration Agreement. The Administrator, a company incorporated in Ireland on 15 June 1990 specialises in the administration of investment funds.

The Managers are an indirect wholly-owned subsidiary of Massachusetts Mutual Life Insurance Company, a member of the MassMutual Financial Group. MassMutual Financial Group comprises member companies with over US\$363.3 billion of assets under management as of 31 December 2008 and is a global, growth-oriented, diversified financial services organization providing life insurance, annuities, disability income insurance, long-term care insurance, retirement planning products, structured settlement annuities, trust services, money management, and other financial products and services. The Trustee and the Administrator are indirect wholly-owned subsidiaries of Northern Trust Corporation. Northern Trust Corporation and its subsidiaries comprise the Northern Trust Group, one of the world's leading providers of global custody and administration services to institutional and personal investors. As at 31 March 2009 the Northern Trust Group's assets under custody totalled in excess of US\$2.8 trillion.

In addition to managing the Unit Trust, the Managers also manage The Baring Currency Umbrella Fund, The Baring Emerging Markets Umbrella Fund, The Baring Global Umbrella Fund, The Baring Global Opportunities Umbrella Fund, The Baring Global Investment Umbrella Fund (No.1) Plc, Baring Multi-Manager Funds plc and Baring Korea Feeder Fund. Only the Unit Trust, The Baring Global Umbrella Fund, The Baring Global Investment Umbrella Fund (No.1) Plc, Baring Multi-Manager Funds plc and The Baring Emerging Markets Umbrella Fund, are recognised schemes for the purpose of the FSMA.

The Managers will at all times have due regard to their respective duties owed to each fund managed by them (including each Fund within the Unit Trust) and if any conflict of interest should arise as between any of those funds the Managers will have regard to their obligations under the Trust Deed and their obligation to act in the best interests of their clients in seeking to ensure that the conflict is resolved fairly. There are no other potential conflicts of interest between the Unit Trust and its service providers.

Directors of the Managers

The Directors of the Managers are described below:

Richard Bellis

Richard Bellis (born in 1966) joined Barings in March 2007 and is Director of Baring Asset Management CI Limited. Mr. Bellis who is British, has over 20 years investment experience in banking and investment in Guernsey. He was previously Head of Investments at RBC Investment Management (Guernsey) and (UK) Limited and has also worked at Meespierson and Lloyds Bank International (Guernsey). Mr. Bellis is a Member of the Securities Institute.

Anthony Cooney

Anthony Cooney (born in 1967) is a fellow of the Chartered Association of Certified Accountants and has been Head of the Valuations and Fund Accounts department in Northern Trust International Fund Administration Services (Ireland) Limited since 1996. Mr. Cooney, who is Irish, joined the Company in 1990 and has been a Director of the Administrator since early 2003. Mr. Cooney serves as a director on the boards of a number of investment companies.

Ian Pascal

Ian Pascal (born in 1962) joined Barings in 2002 and is Head of Marketing at Baring Asset Management and a Director of Baring Fund Managers Limited. Mr. Pascal's responsibilities include the promotion of mutual funds, alternative investments, private clients and global corporate communications. Mr. Pascal, who is British, graduated with an M.B.A. from Henley Management College.

Paul Savage

Paul Savage (born in 1958) is currently Group Head of Investment Operations at Baring Asset Management and a Director of Baring Fund Managers Limited. He has spent over 22 years in the investment management industry in

London in investment operations, IT and management roles. Mr. Savage, who is British, joined Baring Asset Management as Head of Market Activities in 2001. He has a degree in English and French from Sheffield University.

Mark Thorne

Mark Thorne (born in 1970) is Managing Partner of Dillon Eustace, Solicitors, one of Ireland's leading law firms. He has worked extensively in the area of international financial services, investment and fund management and was seconded for a time as in-house legal officer to the Administrator. Mr. Thorne, who is Irish, has been with Dillon Eustace since its inception in 1992, became a partner in 1999 and holds a Bachelor of Civil Law degree from University College, Dublin.

All of the above-named directors act in a non-executive capacity.

No Director of the Managers has: (i) any unspent convictions in relation to indictable offences; or (ii) been bankrupt or the subject of an involuntary arrangement, or has had a receiver appointed to any asset of such Director; or (iii) been a director of any company which, while he was a director with an executive function or within 12 months after he ceased to be a director with an executive function, had a receiver appointed or went into compulsory liquidation, creditors voluntary liquidation, administration or company voluntary arrangements, or made any composition or arrangements with its creditors generally or with any class of its creditors; or (iv) been a partner of any partnership, which while he was a partner or within 12 months after he ceased to be a partner, went into compulsory liquidation, administration or partnership voluntary arrangement, or had a receiver appointed to any partnership asset; (v) had any public criticism by statutory or regulatory authorities (including recognised professional bodies); or (vi) been disqualified by a court from acting as a director or from acting in the management or conduct of affairs of any company.

For a period of not less than 14 days from the date of this Prospectus or for the duration of the initial offer period, if longer, a list of past and current directorships and partnerships held by each Director of the Managers over the last 5 years may be inspected free of charge during normal business hours on any week day (Saturdays and public holidays excepted) at the offices of the Managers and at the offices of the Listing Sponsor.

Investment Policy: General

With the exception of the Baring International Bond Fund, it will not be a primary investment objective of the Managers for any of the Funds to acquire assets that will produce a significant level of income.

Investors' attention is particularly drawn to the fact that the portfolio for each Fund may, in addition to any investments referred to below, include deposits, instruments with floating interest rates and short-term paper including Treasury Bills, certificates of deposit and bankers' acceptances and other ancillary liquid assets. The Managers would not expect to retain substantial amounts of assets in this form except if they consider such investments to be in the best interests of Unitholders.

Other securities and derivatives including, but not limited to, warrants, exchange-traded futures and options, forward currency contracts, long/short futures or swap agreements, contracts for difference, index-linked notes and share and commodity index futures contracts may be used for the purposes of efficient portfolio management and for investment purposes under the conditions and within the limits laid down by the Financial Regulator as detailed under the headings "Efficient Portfolio Management and Financial Derivative Instruments". Prior clearance will be sought from the Financial Regulator prior to a Fund using commodity index FDI. Where a Fund intends to employ FDI techniques and instruments, it will be disclosed in the investment policies section of the relevant Fund. In the event that the investment policy of a Fund changes in a manner which alters how a Fund may invest in derivative techniques and instruments, the Managers will submit to and obtain clearance from the Financial Regulator of a revised risk management process. Any material change to investment policy shall only be made with the approval of Unitholders on the basis of a majority of votes cast by Unitholders at a general meeting of the Unitholders of the relevant Fund.

A Fund may, within the limits laid down by the Financial Regulator purchase and sell equity index and equity related instruments including but not limited to Low Exercise Price Options (LEPO's), Optimised Portfolios as Listed Securities (OPALS), Performance Linked to Equity Securities (PERLES), share index notes, share index futures notes, participatory receipts and participatory certificates, each of which may assist in achieving the investment objective of the relevant Fund. Where utilised, LEPO's, OPALS and PERLES will be listed or traded on one or more of the stock exchanges or markets in which a Fund is permitted to invest, as set out in Appendix 1. These instruments shall in each case comprise transferable securities of the issuer, notwithstanding that their value is linked to an underlying equity or equity index. In practice, the relevant Fund will purchase such instruments from an issuer and the instrument will track the underlying equity or equity index. It should be noted that the relevant Fund's exposure in relation to these instruments will be to the issuer of the instruments. However, it will also have an economic exposure to the underlying securities themselves. Any LEPO purchased or sold by the relevant Fund will be exercisable at any time over the duration of its life and may be settled on a cash basis.

A Fund may use techniques and instruments other than those set out above in accordance with the requirements of the Financial Regulator and provided that a revised risk management process is submitted to and cleared in advance by the Financial Regulator.

A Fund may also invest to a limited extent in exchange traded funds (ETFs) in accordance with the regulatory requirements established by the Financial Regulator for open-ended collective investment schemes. No more than 10% of the net assets of any Fund may be invested in other collective investment schemes.

There is no requirement under the Trust Deed for any minimum proportion of any of the Funds' assets to be invested, whether directly or indirectly, in the area specified under the relevant investment objective and policies for each Fund or in a particular mix of investments. A degree of investment outside the relevant area may, in exceptional circumstances, be considered desirable.

The formation of the investment policy for each Fund and any changes to such policy in the light of political and/or economic conditions is the responsibility of the Managers who may, subject to the Trust Deed, change the investment policy for any Fund accordingly. The Trust Deed does not restrict investment policy or the investment of the Unit Trust's assets save as described below under "Investment Restrictions". The Managers will not, however, change the investment objective or policies for any Fund for at least three years following the admission of the Units of the class relating to such Fund to the Official List and trading on the Main Market of The Irish Stock Exchange except in exceptional circumstances or in circumstances where the Managers are satisfied that the change is in the interest of Unitholders and in any circumstance only with the approval of an Extraordinary Resolution of Unitholders of the relevant Fund and the Financial Regulator. In the event of a change in investment objective and/or a material change in investment policy, a reasonable notification period of at least a month will be provided by the Managers to enable Unitholders to redeem their Units prior to implementation of these changes.

Where the investment policy of a Fund requires a particular percentage to be invested in a specific type or range of investments, such requirement will not apply under extraordinary market conditions and is subject to liquidity and/or market risk hedging considerations arising from the issuance, switching or redemption of Units. In particular, in aiming to achieve a Fund's investment objective, investment may be made into other transferable securities than those in which the Fund is normally invested in order to mitigate the Fund's exposure to market risk. For example, during such periods, the Fund may invest in cash, deposits, treasury bills or short-term money market instruments as understood by reference to the UCITS Regulations.

Investment Objectives and Policies

The investment objectives and policies applicable to each Fund are set out below.

Baring ASEAN Frontiers Fund

The objective of the Fund is to achieve long-term capital growth in the value of assets by investing in companies in Asia which the Managers believe will benefit from the economic growth and development of the region.

The Fund will seek to achieve its investment objective by investing at least 70% of its total assets at any one time in equities and equity-related securities of companies incorporated in countries which are members of the Association of South-East Asian Nations (ASEAN), or in companies exercising the predominant part of their economic activity in those countries. The members of ASEAN include Singapore, Thailand, the Philippines, Malaysia, Indonesia and Vietnam. A description of equity-related securities is described under the section headed "Investment Policy: General". For this purpose, total assets exclude cash and ancillary liquidities.

The Fund may also invest in companies quoted or traded on the stock exchanges or incorporated elsewhere in the Asia ex Japan region, or in South Asia, which the Managers believe have the potential to benefit from the economic growth and development of the region, or which have a significant proportion of their assets or other interests in those countries. This is likely to include (but not be limited to) Greater China, in the form of Hong Kong, China and Taiwan, as well as India, Pakistan and other countries in Asia.

The Fund may invest in various FDIs as detailed under the section headed "Efficient Portfolio Management and Financial Derivative Instruments" for investment purposes or for efficient portfolio management in accordance with the requirements of the Financial Regulator. The Fund may also invest in collective investment schemes (including ETF's) in accordance with the requirements of the Financial Regulator up to a maximum of 10% of the net asset value of the Fund.

The base currency of the Fund is US dollars.

Baring Asia Growth Fund

The objective of the Fund is to provide long-term capital growth in the value of assets.

The Fund will seek to achieve its investment objective by investing at least 70% of its total assets at any one time in equities and equity-related securities of companies incorporated in Asia including Hong Kong, India, Indonesia, Korea, Malaysia, the Philippines, Singapore, Taiwan and Thailand, or in companies exercising the predominant part of their economic activity in those countries. A description of equity-related securities is described under the section headed "Investment Policy: General". For this purpose, total assets exclude cash and ancillary liquidities.

The Managers may also invest in other Asian markets when and if they consider it appropriate including investment in the Pacific and Pacific Rim region (excluding Japan). The portfolio for each country in which investment is made will be balanced according to the Managers' assessment of investment prospects in those countries. There is no limit to the proportion of the Fund which may be invested in any one country.

The Fund may invest in various FDIs as detailed under the section headed "Efficient Portfolio Management and Financial Derivative Instruments" for investment purposes or for efficient portfolio management in accordance with the requirements of the Financial Regulator.

The base currency of the Fund is US dollars.

Baring Australia Fund

The objective of the Fund is to achieve long-term capital growth in the value of assets.

The Fund will seek to achieve its investment objective by investing at least 70% of its total assets at any one time in equities and equity-related securities of companies incorporated in Australia, or in companies exercising the predominant part of their economic activity in Australia. A description of equity-related securities is described under the section headed "Investment Policy: General". For this purpose, total assets exclude cash and ancillary liquidities.

The Managers may also invest in other Australasian markets when and if they consider it appropriate including investment in New Zealand. Within Australia, the portfolio will be balanced according to the Managers' assessment of investment prospects.

The Fund may invest in various FDIs as detailed under the section headed "Efficient Portfolio Management and Financial Derivative Instruments" for investment purposes or for efficient portfolio management in accordance with the requirements of the Financial Regulator.

The base currency of the Fund is US dollars.

Baring Europa Fund

The objective of the Fund is to achieve long-term capital growth in the value of assets.

The Fund will seek to achieve its investment objective by investing at least 70% of its total assets at any one time in equities and equity-related securities of companies incorporated in any European country (including the United Kingdom), or in companies exercising the predominant part of their economic activity in Europe. Within Europe the portfolio will be balanced according to the Managers' assessment of investment prospects for individual countries. There is no limit to the proportion of the Fund which may be invested in any one country. A description of equity-related securities is described under the section headed "Investment Policy: General". For this purpose, total assets exclude cash and ancillary liquidities.

The Fund may invest in various FDIs as detailed under the section headed "Efficient Portfolio Management and Financial Derivative Instruments" for investment purposes or for efficient portfolio management in accordance with the requirements of the Financial Regulator.

The Baring Europa Fund will invest on a continual basis at least 75% of its assets into qualifying securities (which include equity securities issued by companies where the head office is in the European Union (EU) or a European Economic Area (EEA) Country (other than Liechtenstein) and subject to corporate income tax under normal conditions) in order for French investors to take advantage of the French PEA Savings Plan "PEA" (Plan d'Epargne en Actions equity savings plans).

The base currency of the Fund is US dollars.

Baring Hong Kong China Fund

The objective of the Fund is to achieve long-term capital growth in the value of assets.

The Fund will seek to achieve its investment objective by investing at least 70% of its total assets at any one time in equities and equity-related securities of companies incorporated in Hong Kong or China, or in companies exercising the predominant part of their economic activity in Hong Kong or China. A description of equity-related securities is described under the section headed "Investment Policy: General". For this purpose, total assets exclude cash and ancillary liquidities.

The Managers may also invest in companies incorporated in Taiwan or quoted on the Taiwan stock exchange or in companies that have a significant proportion of their assets or other interests in Taiwan.

THE BARING INTERNATIONAL UMBRELLA FUND

The portfolio will be balanced according to the Managers' assessment of investment prospects but may, depending upon underlying investment conditions, emphasise investment in companies operating in those sectors of the Hong Kong or China economies that, in the Managers' opinion, provide the determinants for Hong Kong's or China's economic growth such as those involved in international trade, property and construction activity, engineering, electronics or the service sectors.

The Fund may invest in various FDIs as detailed under the section headed "Efficient Portfolio Management and Financial Derivative Instruments" for investment purposes or for efficient portfolio management in accordance with the requirements of the Financial Regulator.

The base currency of the Fund is US dollars.

Baring International Bond Fund

The objective of the Fund is to achieve an attractive level of income together with long-term growth in the value of assets.

The Fund will seek to achieve its investment objective by investing at least 70% of its total assets at any one time in an internationally diversified portfolio of both corporate and government fixed interest securities. For this purpose, total assets exclude cash and ancillary liquidities.

The portfolio may also, from time to time, include securities with floating interest rates. Fixed interest securities will predominately be rated within the single "A" category or better by Standard & Poor's (or another internationally recognised rating agency) and floating rate securities should be rated within the double "AA" category or better by Standard & Poor's (or another internationally recognised credit rating agency) provided that all securities in the portfolio will be rated at least investment grade. Where a security is unrated by Standard and Poor's, the rating will be that determined by the Investment Manager to be of comparable quality. No restriction on credit quality will apply to sovereign borrowers issuing in their own currency.

Subject to the percentage of the Baring International Bond Fund's assets which may be invested in unlisted securities (see "Investment Restrictions" in the Prospectus), the Managers will only invest in securities that are traded on exchanges and markets which are regulated, operate regularly, are recognised and which are open to the public.

The Fund may invest in various FDIs as detailed under the section headed "Efficient Portfolio Management and Financial Derivative Instruments" for investment purposes or for efficient portfolio management in accordance with the requirements of the Financial Regulator.

Although the net asset value of the Fund is expressed in dollars, the relative attraction of investments denominated in other currencies is a major consideration of the Managers.

The base currency of the Fund is US dollars.

Baring Japan Fund

Investors should note that it is the intention of the Managers to apply to the Financial Regulator for withdrawal of approval of this Fund. Accordingly, Units in the Fund are no longer available for subscription.

The objective of the Fund is to achieve long-term capital growth in the value of assets.

The Fund will seek to achieve its investment objective by investing at least 70% of its total assets at any one time in equities and equity-related securities of companies incorporated in Japan, or in companies exercising the predominant part of their economic activity in Japan. Within Japan, the portfolio will be balanced according to the Managers' assessment of investment prospects. A description of equity-related securities is described under the section headed "Investment Policy: General". For this purpose, total assets exclude cash and ancillary liquidities.

The Fund may invest in various FDIs as detailed under the section headed "Efficient Portfolio Management and Financial Derivative Instruments" for investment purposes or for efficient portfolio management in accordance with the requirements of the Financial Regulator.

The base currency of the Fund is US dollars.

Baring North America Fund

The objective of the Fund is to achieve long-term capital growth in the value of assets.

The Fund will seek to achieve its investment objective by investing at least 70% of its total assets at any one time in equities and equity-related securities of companies incorporated in North America or in companies exercising the predominant part of their economic activity in North America. Within North America, the portfolio will be balanced according to the Managers' assessment of investment prospects. A description of equity-related securities is described

under the section headed "Investment Policy: General". For this purpose, total assets exclude cash and ancillary liquidities.

The Fund may invest in various FDIs as detailed under the section headed "Efficient Portfolio Management and Financial Derivative Instruments" for investment purposes or for efficient portfolio management in accordance with the requirements of the Financial Regulator.

The base currency of the Fund is US dollars.

Risk Factors

This section explains some of the risks that apply to the Funds.

Potential investors should consider the following risks and any additional risks relating to any specific Funds before investing in any of the Funds.

General

Potential investors should note that the investments of each Fund are subject to normal market fluctuations and other risks inherent in investing in securities and there can be no assurance that any appreciation in value will occur.

The value of investments and the income from them, and therefore the value of, and income from, the Units of each class can go down as well as up and an investor may not get back the amount he invests. Changes in exchange rates between currencies may also cause the value of the investment to diminish or increase. An investor who realises Units after a short period may, in addition, not realise the amount originally invested in view of the preliminary charge made on the issue of Units.

An investment in these Funds should be regarded as long-term in nature and only suitable for investors who understand the risks involved. Investment into the individual Funds should not constitute a substantial portion of the investment portfolio.

Investors' attention is particularly drawn to the fact that while the objective of all the Funds is long-term capital growth (and in the case of Baring International Bond Fund, an attractive level of income), those Funds that invest in fast-growing economies or limited or specialist sectors may be expected to experience above-average volatility and the net asset value of those Funds will be affected accordingly. Investors should regard investment in such Funds as long-term in nature, although the possibility of a change in an investor's personal circumstances is recognised by permitting realisations on each Dealing Day.

Counterparty Risk

Each Fund may have credit exposure to counterparties by virtue of positions in swap agreements, repurchase transactions, forward exchange rate and other financial or derivative contracts held by the Fund. To the extent that a counterparty defaults on its obligation and the Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights.

Each Fund may also be exposed to a credit risk on parties with whom it trades securities, and may also bear the risk of settlement default, in particular in relation to debt securities such as bonds, notes and similar debt obligations or instruments.

Credit Risk

There can be no assurance that the issuers of securities or other instruments in which a Fund may invest will not be subject to credit difficulties, leading to either the downgrading of such securities or instruments, or to the loss of some or all of the sums invested in such securities or instruments or payments due on such securities or instruments. Funds may also be exposed to a credit risk in relation to the counterparties with whom they transact or place margin or collateral in respect of transactions in financial derivative instruments and may bear the risk of counterparty default. When a Fund invests in a security or other instrument which is guaranteed by a bank or other type of financial institution there can be no assurance that such guarantor will not itself be subject to credit difficulties, which may lead to the downgrading of such securities or instruments, or to the loss of some or all of the sums invested in such securities or instruments, or payments due on such securities or instruments.

Reliability of Credit Ratings

The credit rating of a corporation is a financial indicator to potential investors of debt securities such as bonds. The credit rating is a formal evaluation of an individual or company's credit history and capability of repaying financial obligations. These are assigned by credit rating agencies such as Standard & Poor's, Moody's or Fitch Ratings and have letter designations such as AAA, B, CC.

The Standard & Poor's rating scale is as follows, from excellent to poor: AAA, AA, A, BBB, BB, B, CCC, CC, C, D.

AAA to BBB is considered 'investment grade'. Investment grade is a term given to bonds/securities which are regarded as unlikely to carry a high risk of default. Anything lower than a BBB rating is considered sub investment grade, which are regarded as carrying a higher risk of default and sensitivity to economic conditions. They are sometimes known as junk bonds.

The Moody's rating system applies a similar methodology however the naming convention is as follows, from excellent to poor: Aaa, Aa, A, Baa, Ba, B, Caa, Ca, C.

A Fund may in accordance with its investment policy only be permitted to invest in securities / investments of a certain credit rating. Credit ratings may however not always be an accurate or reliable measure of the strength of the securities / investments being invested in. Where such credit ratings prove inaccurate or unreliable losses may be incurred by any Fund which has invested in such securities / investments.

Interest Rate Risk

The fixed income instruments in which a Fund may invest are interest rate sensitive, which means that their value and, consequently, the Net Asset Value of a Fund will fluctuate as interest rates fluctuate. An increase in interest rates will generally reduce the value of the fixed income instruments. A Fund's performance, therefore, will depend in part on its ability to anticipate and respond to such fluctuations in market interest rates and to utilise appropriate strategies to maximise returns to the Fund while attempting to minimise the associated risks to its investment capital.

Investment in Specific Sectors and Countries

Country or sector specific funds have a narrower focus than those which invest broadly across markets. These funds typically offer less diversification and are therefore considered to be more risky.

Market Disruption Risk

The Funds may be exposed to the risk of incurring large losses in the event of disrupted markets. Disruptions can include the suspension or limit on trading of a financial exchange and disruptions in one sector can have an adverse effect on other sectors. If this happens, the risk of loss to a Fund can be increased because many positions may become illiquid, making them difficult to sell. Finance available to a Fund may also be reduced which can make it more difficult for a Fund to trade.

Risk Factors deriving from a Fund's investment in Financial Derivative Instruments ("FDIs").

Transactions in derivatives, warrants and forward contracts may be used for the purpose of meeting the investment objectives of the Fund. In pursuing the Fund's objective, the Managers may make use of a variety of instruments in accordance with the Regulations.

General

The Net Asset Value of the Fund may have a high volatility due to these instruments and techniques being included in its scheme property, and due to the management techniques used.

In the case of the Fund, the possible effect on its risk profile from the use of these instruments and techniques could be to increase volatility when taking additional market or securities exposure, although the intention is that volatility should not be markedly different from the Fund directly holding the underlying investments.

Unitholders in a Fund will, on request be provided with supplementary information relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

The prices of derivative instruments, including futures and options prices can be highly volatile. Price movements of forward contracts, futures contracts and other derivative contracts are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly markets in currencies and interest rate related futures and options. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations. The use of techniques and instruments also involves certain special risks, including (1) dependence on the ability to predict movements in the prices of securities being hedged and movements in interest rates, (2) imperfect correlation between the price movements of the derivatives and price movements of related investments, (3) the fact that skills needed to use these instruments are different from those needed to select the Fund's securities, (4) the possible absence of a liquid market for any particular instrument at any particular time, and (5) possible impediments to effective portfolio management or the ability to meet redemption.

Futures Contracts

Futures markets may be illiquid because certain commodity exchanges limit fluctuations in certain future contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits". Once the price of a contract for a particular future has increased or decreased by an amount equal to the daily limit, positions in the future can neither

be taken nor liquidated unless traders are willing to affect trades at or within the limit. In addition, a Fund may be exposed to a credit risk in relation to the counterparties with whom they transact or place margin or collateral in respect of transactions in derivatives and may bear the risk of counterparty default.

A Fund may be invested in certain derivative instruments, which may involve the assumption of obligations as well as rights and assets. Assets deposited as margin with brokers may not be held in segregated accounts by the brokers and may therefore become available to the creditors of such brokers in the event of their insolvency or bankruptcy.

Forward Trading

Forward contracts and options thereon, unlike futures contracts, are not traded on exchanges and are not standardised; rather, banks and dealers act as principals in these markets, negotiating each transaction on an individual basis.

Forward foreign exchange contracts: A Fund may enter from time to time into currency exchange transactions by buying currency exchange forward contracts for hedging and/or investment purposes. Forward currency exchange contracts do not eliminate fluctuations in the prices of a Fund's securities or in foreign exchange rates, or prevent loss if the prices of these securities should decline. Performance may be strongly influenced by movements in FX rates because currency positions held by the Fund may not correspond with securities positions held. Forward currency transactions shall only be entered into in the currencies in which a Fund normally transacts business. This hedging strategy may substantially limit holders of a specific class from benefiting if the class currency falls against the base currency and/or the currency in which the assets of a Fund are denominated.

Over the counter (OTC) transactions risk

An OTC transaction takes place when a financial instrument is traded directly between two parties rather than through a Recognised Exchange. This typically occurs in markets which are still at an early stage of development and there is not a Recognised Exchange, or for securities which have limited liquidity. Currencies, spot and option contracts, certain options on currencies and swaps are also generally traded through an OTC transaction. Where any Fund acquires securities through an OTC transaction, there is no guarantee that the Fund will be able to realise the fair value of such securities due to their tendency to have limited liquidity.

Absence of Regulation; Counterparty Default

In general, there is less regulation and supervision of OTC transactions than for transactions entered into on Recognised Exchanges. In addition, many of the protections afforded to participants on some Recognised Exchanges, such as the performance guarantee of an exchange clearing house, might not be available in connection with OTC transactions. OTC options are not regulated. OTC options are non exchange-traded option agreements, which are specifically tailored to the needs of an individual investor. These options enable the user to structure precisely the date, market level and amount of a given position. The counterparty for these agreements will be the specific firm involved in the transaction rather than a Recognised Exchange and, accordingly, the bankruptcy or default of a counterparty with which a Fund trades OTC options could result in substantial losses to the Fund. In addition, a counterparty may not settle a transaction in accordance with its terms and conditions because the contract is not legally enforceable or because it does not accurately reflect the intention of the parties or because of a dispute over the terms of the contract (whether or not bone fide) or because of a credit or liquidity problem, thus causing the Fund to suffer a loss. To the extent that a counterparty defaults on its obligation and a Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights. Counterparty exposure will be in accordance with the Fund's investment restrictions. Regardless of the measures a Fund may implement to reduce counterparty credit risk, however, there can be no assurance that a counterparty will not default or that the Fund will not sustain losses on the transactions as a result.

Risk Factors specific to Baring Hong Kong China Fund, Baring Asia Growth Fund and Baring ASEAN Frontiers Fund

The risks inherent in investment by the Baring Hong Kong China Fund, the Baring Asia Growth Fund and Baring ASEAN Frontiers Fund are of a nature and degree not typically encountered in investment in securities of listed companies on the major securities markets. Such risks are both political, economic and environmental. They are additional to the normal risks inherent in investing in securities. In addition owing to the investment objectives and policies of these three Funds, investment in these Funds may involve a greater degree of risk than is the case with conventional securities.

Emerging Market Investments

Repatriation of investment income, capital and the proceeds of sale by these Funds may require governmental consents in many developing countries. Historically, such governmental consents have been required in certain countries where this is not currently the case. These Funds could be adversely affected by delays in, or refusal to grant, any such approval for the repatriation of funds or by any official intervention affecting the process of settlement of transactions. Economic or political conditions, moreover, could lead to the revocation or variation of consents granted prior to investment being made in any particular country or to the imposition of new restrictions.

Trading volume on the stock exchange of most developing countries can be substantially less than in the leading stock markets of the developed world, so that accumulation and disposal of holdings may be time consuming and may need to be conducted at unfavourable prices. Volatility of prices can be greater than in the developed world. This may result in

considerable volatility in the Net Asset Value per Unit and, if sales of a significant amount of securities have to be effected at short notice in order to meet redemption requests, such sales may have to be effected at unfavourable prices which would have an adverse effect on the Net Asset Value per Unit.

In certain developing countries, portfolio investment by foreign investors such as these Funds may require consent or be subject to restrictions. These restrictions and any further restrictions introduced in the future could limit the availability to these Funds of attractive investment opportunities.

There is in some countries a higher than usual risk of nationalisation, expropriation or confiscatory taxation, any of which might have an adverse effect on these Funds' investments in those countries. Many developing countries are also subject to a higher than usual risk of political changes, government regulation, social instability or diplomatic developments (including war) which could adversely affect the economies of such countries and thus these Funds' investments in those countries. Furthermore, it may be more difficult for these Funds to obtain effective enforcement of its rights in certain developing countries than in the United Kingdom.

The economies of many developing countries can be heavily dependent on international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, managed adjustments in relative currency values, other protectionist measures imposed or negotiated by the countries with which they trade and international economic developments generally.

The assets of these Funds will be invested in securities of companies in various countries and income received in a variety of currencies. The value of the assets of any Funds as measured in dollars may be affected unfavourably by fluctuations in currency rates and exchange control regulations.

Companies in developing countries are generally not subject to accounting, auditing and financial reporting standards, practices and disclosure requirements comparable to those applicable to companies in the developed world. In addition, there is generally less government supervision and regulation of stock exchanges, brokers and listed companies in most developing countries than in countries with more advanced securities markets. As a result, there may be less information available publicly to investors in developing country securities than to investors in companies' securities in the United Kingdom and the United States securities markets; such information as is available is often less reliable. As these Funds may invest in markets where the trading, settlement and custodial systems are not fully developed, the assets of such Fund which are traded in such markets and which have been entrusted to sub-custodians in such markets may be exposed to risk in circumstances in which the Trustee will have no liability.

Less statistical data is available in relation to the securities markets of developing countries relative to the securities markets in the United Kingdom; such data as is available is often less reliable.

Taxation of dividends and capital gains received by foreign investors varies among developing countries and, in some cases, is comparatively high. In addition, developing countries typically have less well defined tax laws and procedures and such laws may permit retroactive taxation so that these Funds could in the future become subject to a local tax liability that had not reasonably been anticipated in the conduct of investment activities or the valuation of the assets of these Funds. Such uncertainty could necessitate significant provisions being made in the net asset values per Unit calculations for foreign taxes.

Investment in Chinese securities

These Funds may also invest in Chinese securities. Chinese exchanges and markets are sometimes subject to substantial fluctuations. Fluctuations in the rate of exchange of the local currencies against the dollar can also impact on investment performance. The solvency risk associated with an investment in securities, i.e. the risk of a decline in the assets of issuers, cannot be entirely eliminated even by the most careful selection of the instruments to be purchased. Political changes, restrictions on currency exchange, exchange monitoring, taxes, limitations on foreign capital investments and capital repatriation etc. can also affect investment performance.

Investment in Chinese securities may involve certain custodial risks. For example, the evidence of title of exchange traded securities in the People's Republic of China ("PRC") consists only of electronic book-entries in the depository and/or registry associated with the relevant exchange. These arrangements of the depositories and registries are new and not fully tested with regard to their efficiency, accuracy and security.

Investing in the PRC securities markets is subject to both emerging market risks as well as country specific risks. Whilst the number of available "A", "B" and "H" share issues continues to increase, such diversity remains limited as compared with the choice available in other developed financial markets. This can impact on the level of liquidity in the "A" and "B" shares markets which in turn can lead to price volatility. The legal and regulatory framework for capital markets and joint stock companies in the PRC is less developed when compared with those of developed countries. In addition, PRC accounting standards may differ from international accounting standards.

Investment in mainland China remains sensitive to any major change in economic, social and political policy in the PRC. The capital growth and thus the performance of these investments may be adversely affected due to such sensitivity. The PRC government's control of future movements in exchange rates and currency conversion may have an adverse impact on the operations and financial results of the companies in which these Funds invest.

Under the prevailing PRC tax policy, there are certain tax incentives available to PRC companies with foreign investments. However, there is no assurance that tax incentives currently offered to foreign companies will not be

abolished in the future. Moreover, there is a possibility that the tax laws, regulations and practice in the PRC may be subject to change and that such changes may have retrospective effect. In addition, by investing in A-Shares (indirectly through investment in other CIS), these Funds may be subject to withholding and other taxes imposed in the PRC which cannot be eliminated by any applicable double taxation treaty. Therefore such uncertainty could necessitate significant provisions being made in the net asset value per Unit calculations for foreign taxes.

Investment Restrictions

Investment may only be made as permitted by the **Trust Deed** and the Regulations and is subject to any restrictions and limits set out in the Trust Deed and the Regulations. The relevant provisions of the Regulations in respect of the investment restrictions applying to the Unit Trust and each Fund, in addition to other restrictions imposed by the Managers, are set out below. The Managers may from time to time impose such further investment restrictions as shall be compatible with or in the interest of the Unitholders, in order to comply with the laws and regulations of the countries where Units of each Fund are placed. Any such further restrictions shall be in accordance with the Regulations and in accordance with the requirements of the Financial Regulator.

1 Permitted Investments

Investments of a UCITS are confined to:

- 1.1 Transferable Securities and Money Market Instruments which are either admitted to official listing on a stock exchange in a Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in a Member State or non-Member State.
- 1.2 Recently issued Transferable Securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year.
- 1.3 Money Market Instruments, as defined in the UCITS Notices, other than those dealt on a regulated market.
- 1.4 Shares of UCITS.
- 1.5 Shares of non-UCITS as set out in the Financial Regulator's Guidance Note 2/03.
- 1.6 Deposits with credit institutions as prescribed in the UCITS Notices.
- 1.7 FDIs as prescribed in the UCITS Notices.

2 Investment Restrictions

- 2.1 A UCITS may invest no more than 10% of net assets in Transferable Securities and Money Market Instruments other than those referred to in paragraph 1.
- 2.2 A UCITS may invest no more than 10% of net assets in recently issued Transferable Securities which will be admitted to official listing on a stock exchange or other market (as described in paragraph 1.1) within a year. This restriction will not apply in relation to investment by the UCITS in certain US securities known as Rule 144A securities provided that:
 - the securities are issued with an undertaking to register with the US Securities and Exchanges Commission within one year of issue; and
 - the securities are not illiquid securities i.e. they may be realised by the UCITS within seven days at the price, or approximately at the price, at which they are valued by the UCITS.
- 2.3 A UCITS may invest no more than 10% of net assets in Transferable Securities or Money Market Instruments issued by the same body provided that the total value of Transferable Securities and Money Market Instruments held in the issuing bodies in each of which it invests more than 5% does not exceed 40%.
- 2.4 The limit of 10% (as described in paragraph 2.3) is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. If a UCITS invests more than 5% of its net assets in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the net asset value of the UCITS. (To avail of this provision, the prior approval of the Financial Regulator is required).
- 2.5 The limit of 10% (as described in paragraph 2.3) is raised to 35% if the Transferable Securities or Money Market Instruments are issued or guaranteed by a Member State or its local authorities or by a non-Member State or public international body of which one or more Member States are members.
- 2.6 The Transferable Securities and Money Market Instruments referred to in paragraphs 2.4 and 2.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in paragraph 2.3.

- 2.7 A UCITS may not invest more than 20% of net assets in deposits made with the same credit institution.

Deposits with any one credit institution, other than credit institutions authorised in the EEA or credit institutions authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988 or credit institutions authorised within Jersey, Guernsey, the Isle of Man, Australia or New Zealand held as ancillary liquidity, must not exceed 10% of net assets.

This limit may be raised to 20% in the case of deposits made with the Custodian.

- 2.8 The risk exposure of a UCITS to a counterparty to an over-the-counter (“OTC”) derivative may not exceed 5% of net assets.

This limit is raised to 10% in the case of credit institutions authorised in the EEA or credit institutions authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988 or credit institutions authorised within Jersey, Guernsey, the Isle of Man, Australia or New Zealand.

- 2.9 Notwithstanding paragraphs 2.3, 2.7 and 2.8 above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of net assets:

- investments in Transferable Securities or Money Market Instruments;
- deposits, and/or
- risk exposures arising from OTC derivatives transactions.

- 2.10 The limits referred to in paragraphs 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35% of net assets.

- 2.11 Group companies are regarded as a single issuer for the purposes of paragraphs 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20% of net assets may be applied to investment in Transferable Securities and Money Market Instruments within the same group.

- 2.12 A UCITS may invest up to 100% of net assets in different Transferable Securities and Money Market Instruments issued or guaranteed by any Member State, its local authorities, non-Member States or public international bodies of which one or more Member States are members.

The individual issuers must be listed in the prospectus and may be drawn from the following list:

OECD Governments (provided the relevant issues are investment grade), The European Investment Bank, The European Bank for Reconstruction and Development, The International Finance Corporation, The International Monetary Fund, The Euratom, The Asian Development Bank, The European Central Bank, The Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development (The World Bank), The Inter American Development Bank, European Union, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank, Tennessee Valley Authority.

The UCITS must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of net assets.

3 Investment in Collective Investment Schemes (“CIS”)

- 3.1 A UCITS may not invest more than 20% of net assets in any one CIS. However, the Managers have determined that in aggregate, no more than 10% of the net assets of a Fund may be invested in CIS.

- 3.2 Investment in non-UCITS may not, in aggregate, exceed 30% of net assets. However, the Managers have determined that in aggregate, no more than 10% of the net assets of a Fund may be invested in CIS.

- 3.3 The CIS are prohibited from investing more than 10% of net assets in other CIS.

- 3.4 When a UCITS invests in the units of other CIS that are managed, directly or by delegation, by the UCITS management company or by any other company with which the UCITS management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription, conversion or redemption fees on account of the UCITS investment in the units of such other CIS.

- 3.5 Where a commission (including a rebated commission) is received by the UCITS manager or investment manager by virtue of an investment in the units of another CIS, this commission must be paid into the property of the UCITS.

4 Index Tracking UCITS

- 4.1 A UCITS may invest up to 20% of net assets in shares and/or debt securities issued by the same body where the investment policy of the UCITS is to replicate an index which satisfies the criteria set out in the UCITS Notices and is recognised by the Financial Regulator.
- 4.2 The limit in paragraph 4.1 may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions.

5 General Provisions

- 5.1 An investment company, or management company acting in connection with all of the CIS it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.
- 5.2 A UCITS may acquire no more than:
- (i) 10% of the non-voting shares of any single issuing body;
 - (ii) 10% of the debt securities of any single issuing body;
 - (iii) 25% of the units of any single CIS;
 - (iv) 10% of the Money Market Instruments of any single issuing body.

NOTE: The limits laid down in (ii), (iii) and (iv) above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the Money Market Instruments, or the net amount of the securities in issue cannot be calculated.

- 5.3 Paragraph 5.1 and 5.2 shall not be applicable to:

- (i) Transferable Securities and Money Market Instruments issued or guaranteed by a Member State or its local authorities;
- (ii) Transferable Securities and Money Market Instruments issued or guaranteed by a non-Member State;
- (iii) Transferable Securities and Money Market Instruments issued by public international bodies of which one or more Member States are members;
- (iv) Shares held by a UCITS in the capital of a company incorporated in a non-member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which the UCITS can invest in the securities of issuing bodies of that State. This waiver is applicable only if in its investment policies the company from the non-Member State complies with the limits laid down in paragraphs 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6, and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below are observed;
- (v) Shares held by an investment company or investment companies in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of units at unit-holders' request exclusively on their behalf.

- 5.4 UCITS need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or Money Market Instruments which form part of their assets.

- 5.5 The Financial Regulator may allow recently authorised UCITS to derogate from the provisions of paragraphs 2.3 to 2.12, 3.1, 3.2, 4.1 and 4.2 for six months following the date of their authorisation, provided they observe the principle of risk spreading.

- 5.6 If the limits laid down herein are exceeded for reasons beyond the control of a UCITS, or as a result of the exercise of subscription rights, the UCITS must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its Shareholders.

- 5.7 Neither an investment company, nor a management company or a trustee acting on behalf of a Unit Trust or a management company of a common contractual fund, may carry out uncovered sales of:

- Transferable Securities;
- Money Market Instruments;
- Units of CIS; or
- FDI.

- 5.8 A UCITS may hold ancillary liquid assets.

6 Financial Derivative Instruments ("FDIs")

- 6.1 The UCITS global exposure (as prescribed in the UCITS Notices) relating to FDI must not exceed its total net asset value. A transaction in FDI which gives rise to a future commitment on behalf of a UCITS must be covered

as follows: (i) in the case of FDI which require physical delivery of the underlying asset, the asset must be held at all times by a UCITS; (ii) in the case of FDI which automatically, or at the discretion of the UCITS, are cash settled, a UCITS must hold, at all times, liquid assets which are sufficient to cover the exposure.

- 6.2 Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or Money Market Instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the UCITS Notices. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in the UCITS Notices).
 - 6.3 UCITS may invest in FDIs dealt in OTC provided that the counterparties to OTC transactions are institutions subject to prudential supervision and belonging to categories approved by the Financial Regulator.
 - 6.4 Investment in FDIs are subject to the conditions and limits laid down by the Financial Regulator.
-

Efficient Portfolio Management and Financial Derivative Instruments

The Managers or their delegate shall, in respect of and for the benefit of each Fund, have the power to employ Financial Derivative Instruments ("FDI") techniques and instruments for the purposes of investment and efficient portfolio management, in each case subject to the limits laid down by the Financial Regulator. These FDI techniques and instruments may include, but are not limited to, warrants, exchange traded futures and options, forward currency contracts, long/short futures on ETFs, swap agreements, contracts for differences, index-linked notes and share and commodity index futures contracts. Where a Fund intends to employ FDI techniques and instruments, it will be disclosed in the investment policies of the relevant Fund. In the event that a Fund changes its investment policy (any material change to investment policy shall only be made with the approval of Unitholders on the basis of a majority of votes cast by Unitholders at a general meeting of the Unitholders of the relevant Fund) in a manner which alters how it may invest in derivative techniques and instruments, the Managers will submit to and obtain clearance from the Financial Regulator of a revised risk management process.

The underlying exposure to financial derivative instruments in each case may relate to transferable securities, collective investment schemes, (including ETFs) money market instruments, stock or commodity indices, foreign exchange rates and currencies.

Efficient portfolio management is considered to be an investment management technique used (1) for the reduction of risk; (2) for the reduction of cost with no increase or a minimal increase in risk; and (3) use of instruments for the generation of additional capital or income with no increase, or a minimal increase in risk.

The Investment Manager may decide not to use any of these instruments or strategies. In addition, the Investment Manager may decide to use instruments other than those listed above, in accordance with the requirements of the Financial Regulator. Outlined below is a description of the various instruments which may be used:

A Fund may sell futures on securities and indices, currencies or interest rates to provide an efficient, liquid and effective method for the management of risks by "locking in" gains and/or protecting against future declines in value. A Fund may also buy futures on securities, currencies or interest rates to take a position in securities. A Fund may also buy or sell stock index futures as a method to equalise significant cash positions in the Fund. The Managers will ensure that any underlying commodity index in which a Fund may invest will comply with the regulatory requirements established by the Financial Regulator.

A Fund may utilise options (including equity index options, options on futures and options on swaps) to increase its current return by writing covered call options and put options on securities it owns or in which it may invest. A Fund receives a premium from writing a call or put option, which increases the return if the option expires unexercised or is closed out at a net profit. If the Fund writes a call option, it gives up the opportunity to profit from any increase in the price of a security above the exercise price of the option; when it writes a put option, the Fund takes the risk that it will be required to purchase a security from the option holder at a price above the current market price of the security. A Fund may terminate an option that it has written prior to its expiration by entering into a closing purchase transaction in which it purchases an option having the same terms as the option written. A Fund may also write put-options on currencies to protect against exchange risks.

A Fund may purchase put options (including equity index options, options on futures and options on swaps) to provide an efficient, liquid and effective mechanism for "locking in" gains and/or protecting against future declines in value on securities that it owns. This allows the Fund to benefit from future gains in the value of a security without the risk of the fall in value of the security. A Fund may also purchase call options (including equity index options and options on futures) to provide an efficient, liquid and effective mechanism for taking position in securities. This allows the Fund to benefit from future gains in the value of a security without the need to purchase and hold the security.

Foreign exchange transactions and other currency contracts may also be used to provide protection against exchange risks or to actively overlay currency views onto the Funds currency exposure resulting from investing in foreign markets. Such contracts may, at the discretion of the Investment Manager be used to hedge some or all of the exchange

risk/currency risk arising as a result of the fluctuation between the denominated currency of the Fund and the currencies in which the Fund's investments are denominated or to pursue an active currency overlay strategy.

A Fund may (but is not obliged to) enter into certain currency related transactions in order to hedge the currency exposure of the assets of a Fund attributable to a particular class into the currency of denomination of the relevant class. Any financial instruments used to implement such strategies with respect to one or more class shall be assets/liabilities of a Fund as a whole but will be attributable to the relevant class(es) and the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant class. Any currency exposure of a class may not be combined with or offset against that of any other class of a Fund. The currency exposure of the assets attributable to a class may not be allocated to other classes. A class will not be leveraged as a result of currency hedging transactions so that the use of such hedging instruments shall in no case exceed 100% of the net asset value attributable to the relevant class of a Fund.

Swaps: A Fund may enter into swap agreements (including total return swaps and contracts for differences) with respect to currencies, interest rates and securities. A Fund may use these techniques to protect against changes in interest rates and currency exchange rates. A Fund may also use these techniques to take positions in or protect against changes in securities indices and specific securities prices.

In respect of currencies, a Fund may utilise currency swap contracts where the Fund may exchange currencies at a fixed rate of exchange for currencies at a floating rate of exchange or currencies at a floating rate of exchange for currencies at a fixed rate of exchange. These contracts allow a Fund to manage its exposures to currencies in which it holds investment. For these instruments the Fund's return is based on the movement of currency exchange rates relative to a fixed currency amount agreed by the parties.

In respect of interest rates, a Fund may utilise interest rate swap contracts where the Fund may exchange floating interest rate cash flows for fixed interest rate cash flows or fixed interest rate cash flows for floating interest rate cash flows. These contracts allow a Fund to manage its interest rate exposures. For these instruments the Fund's return is based on the movement of interest rates relative to a fixed rate agreed by the parties.

In respect of securities and securities indices a Fund may utilise total return swap contracts where the Fund may exchange floating interest rate cash flows for fixed cash flows based on the total return of an equity or fixed income instrument or a securities index or fixed cash flow based on total return of an equity or fixed income instrument or a securities index for floating interest rate cash flows. These contracts allow a Fund to manage its exposures to certain securities or securities indexes. For these instruments the Fund's return is based on the movement of interest rates relative to the return on the relevant security or index.

A Fund may purchase warrants to provide an efficient, liquid mechanism for taking position in securities without the need to purchase and hold the security.

Subject to the conditions and limits set out in the UCITS Notices, a Fund may use repurchase agreements, reverse repurchase agreements and/or stocklending agreements to generate additional income for the Fund. Repurchase agreements are transactions in which one party sells a security to the other party with a simultaneous agreement to repurchase the security at a fixed future date at a stipulated price reflecting a market rate of interest unrelated to the coupon rate of the securities. A reverse repurchase agreement is a transaction whereby a Fund purchases securities from a counterparty and simultaneously commits to resell the securities to the counterparty at an agreed upon date and price. A stocklending agreement is an agreement under which title to the "loaned" securities is transferred by a "lender" to a "borrower" with the borrower contracting to deliver "equivalent securities" to the lender at a later date.

Each Fund will employ a risk management process which enables it to accurately measure, monitor and manage the various risk associated with derivatives.

Borrowings

The Trust Deed and the Regulations enable borrowing to be undertaken on a temporary basis for the account of any Fund up to a limit of 10% of the net assets of that Fund at the time of borrowing. The assets of that Fund may be charged as security for any such borrowings.

The Fund may acquire foreign currency by means of back to back loan agreements. Foreign currency obtained in this manner is not classified as borrowing for the purposes of the borrowing restrictions above, provided that the offsetting deposit (i) is denominated in the base currency of the Fund and (ii) equals or exceeds the value of the foreign currency loan outstanding.

Portfolio Transactions and Managers' Unit Dealings

The Managers and delegates of the Managers which are associated companies of the Managers may deal in securities and other investments for the Unit Trust through or with any associated company of the Managers.

In addition, any cash of the Unit Trust may be deposited, subject to the provisions of the Central Bank Acts, 1942 to 2003, with the Trustee or any associated company of the Trustee or invested in certificates of deposit or banking instruments issued by the Trustee or any associated company of the Trustee. Banking and similar transactions may also be undertaken with or through the Trustee or any other associated company of the Trustee.

The Managers are entitled to deal as principals in Units of the Unit Trust and requests to subscribe for or redeem Units may be executed as sales or, as the case may be, purchases by the Managers provided that the prices quoted by the Managers are not less favourable to the investor or redeeming Unitholder than would otherwise be the case.

There will be no obligation on the part of the Managers, the Trustee or any such subsidiary to account to the Unitholders for any benefits so arising and any such benefits may be retained by the relevant party provided that: -

- (i) where securities are sold to or vested in the Trustee for the account of the Unit Trust, the amount charged to the Trustee is no greater than that which would be applicable to such sale or vesting on the same day by any person other than the Managers, the Trustee or any such subsidiary; and
- (ii) where securities held for the account of the Unit Trust are bought from the Trustee the amount received by the Trustee for the account of the Unit Trust is not less than that which would have been applicable to such purchase on the same day by a person other than the Managers, the Trustee or any such subsidiary; and
- (iii) the Trustee is satisfied that in its opinion the terms of such transactions do not immediately result in any prejudice to Unitholders.

There is no prohibition on dealings in the assets of a Fund by the Managers, the Investment Managers, the Administrator, the Trustee or entities related to the Managers, the Investment Managers, the Administrator or the Trustee or to their respective officers, directors or executives, provided that the transaction is effected on normal commercial terms negotiated at arms length. Such transactions must be consistent with the best interests of the Unitholders.

Transactions effected in accordance with paragraphs (i), (ii) or (iii) below are acceptable where:

- (i) a person approved by the Trustee as independent and competent certifies the price at which the transaction is effected is fair; or
- (ii) the execution of the transaction is on best terms on an organised investment exchanges under its rules; or
- (iii) where the conditions set out in (i) or (ii) above are not practical, the transaction is executed on terms which the Trustee is satisfied conform with the principle set out in the first paragraph above.

Distribution Policy

The Trust Deed provides for the Trustee to distribute in respect of each accounting period not less than 85% of surplus net income represented by the dividends and interest received for each Fund to the holders of Units of the relevant class, after charging expenses and various other items, as set out under "Charges and Expenses", as are attributable to the income of that Fund. In addition, the Managers may distribute to the holders of Units of the relevant Fund or class such part of any capital gains less realised and unrealised capital losses attributable to the relevant Fund as, in their opinion, is appropriate to maintain a satisfactory level of distribution. It is intended that income distributions for all Funds, except the Baring International Bond Fund, will normally be paid annually not later than 31 July in each year. Income distributions for the Baring International Bond Fund will normally be paid twice-yearly, not later than 31 January and 31 July in each year. Class I Units of the Funds will be accumulating and therefore no income will be distributed.

Any distributions remaining unclaimed after a period of ten years will lapse and such distributions shall be transferred to the relevant Fund.

It is intended that each Class of Unit within the Unit Trust (other than Class I Units) will apply to be certified as a distributing fund for the purposes of United Kingdom taxation.

Subject to the Managers' Policy as mentioned under "Reinvestment of Income Distributions" (see below) payment of distributions will be made by electronic transfer in the relevant base currency sent, at the risk of persons entitled thereto, to the account set out in the Unitholder's application form or as they may otherwise direct. Any charges incurred in making payment by electronic transfer may be payable by the Unitholder. Payment may, however, be made in any other major currency if requested by the Unitholder, or Unitholders in the case of any joint holding, in writing to the Managers, but such payment will be arranged at the expense and risk of the Unitholders. Any payment of distributions made by

bank transfer will be at the risk and expense of the Unitholder. Arrangements may be made for the payment of distributions by cheque (at the risk of the persons entitled thereto) by contacting the Administrator. In such case a fee of £30 will be levied.

Equalisation arrangements will be effected by the Managers with a view to ensuring that the level of distributions payable on any class of Units is not affected by the issue, conversion or redemption of Units of that class during the relevant accounting period.

Reinvestment of Income Distributions

The Managers will automatically re-invest any distribution entitlements of less than US\$100, £50, €100 or AU\$100 in value (depending on the relevant denomination of the Units) in further Units of the relevant Fund for the account of the Unitholder entitled to the income distribution.

For distribution entitlements in excess of US\$100, £50, €100 or AU\$100 the Managers will, unless instructions in writing to the contrary are received from the Unitholder at least twenty-one days before the date on which the distribution is to be paid, reinvest any income distribution to which a Unitholder is entitled in the subscription of further Units of the class to which the income distribution relates. Unitholders may also when applying for Units, request the Managers in writing to pay them all distributions in excess of US\$100, £50, €100 or AU\$100 to which they are entitled; every such request by a Unitholder will remain effective until countermanded in writing or, if earlier, the person making the request ceases to be a Unitholder.

The Managers will automatically re-invest any distribution entitlements in further Units of the relevant Fund where the Unitholder's anti-money laundering documentation is incomplete or has not been completed to the satisfaction of the Administrator.

Further Units will be issued on the date of distribution or, if that is not a Dealing Day, on the next following Dealing Day at a price calculated in the same way as for other issues of Units but without incurring any preliminary charge. There is, however, no minimum number of such further Units which may be so subscribed and fractions of Units will be issued if necessary.

Trust Deed

Copies of the Trust Deed may be obtained from the Managers, the Trustee, BAML or Paying Agents or may be inspected during normal working hours at the offices of the Managers, the Trustee, BAML or the Paying Agents free of charge.

Subject to the prior approval of the Financial Regulator, the Trustee and the Managers may modify or add to the provisions of the Trust Deed if the Trustee is satisfied that the modification or addition either (a) does not materially prejudice the interests of the Unitholders, does not operate to release to any material extent the Trustee or the Managers or any other person from any responsibility to the Unitholders and will not increase the costs and charges payable out of the Unit Trust or (b) is necessary for compliance with any fiscal, statutory or official requirements or (c) is solely for the purpose of enabling Units to be issued in bearer form or (d) is solely for the purpose of revising or extending the list of markets on which the property of the Unit Trust may be invested.

Any other modification or addition requires, in addition, the approval of an Extraordinary Resolution (as described under "Meetings of Unitholders") of a meeting of Unitholders or of the relevant class of Unitholders. No modification or addition may impose on any Unitholder any obligation to make a further payment or to accept any liability in respect of his Units.

Custodianship

Under the Trust Deed, the Trustee is responsible for the safe-keeping of the Unit Trust's investments, except for any bearer documents which may be held by certain approved depositories or clearance systems referred to in the Trust Deed. The Trustee may, however, appoint any person or persons to be the sub-custodian of such investments with power to appoint (with the prior written consent of the Trustee) sub-sub-custodians. The liability of the Trustee will not be affected by the appointment of any third party to hold assets of the Unit Trust.

Report and Accounts

The Unit Trust's year end is 30 April in each year. Audited accounts and a report in relation to the Unit Trust will be sent to Unitholders within four months after the conclusion of each accounting period. The Managers will also send unaudited semi-annual reports to Unitholders within two months after the end of the six-month period ending on 31 October in each

year. Annual and semi-annual reports will be sent to The Irish Stock Exchange at the same time as they are sent to Unitholders.

Charges and Expenses

The Managers are entitled under the Trust Deed to make a management charge at the rates per annum specified below (or such higher percentage per annum as may be approved by an Extraordinary Resolution of Unitholders of the relevant class) of the value of the net assets of each Fund, provided however, the management charge in respect of each class may be increased up to the maximum rate specified in the Trust Deed, upon prior notification to Unitholders. The maximum annual management charge is 1.25% of the net assets of each Fund and 0.75% in the case of Baring International Bond Fund. The actual current management charge is set out in the table below. The management charge is payable monthly in arrears and will be calculated by reference to the value of the net assets of each Fund attributable to the relevant class as at each day as at which the value of the net assets of the relevant Fund and the relevant class is calculated.

FUND	CURRENT MANAGEMENT FEE (%)	
	CLASS A and CLASS C	CLASS I
Baring ASEAN Frontiers Fund	1.25	0.75
Baring Asia Growth Fund	1.25	0.75
Baring Australia Fund	1.25	0.75
Baring Europa Fund	1.25	0.75
Baring Hong Kong China Fund	1.25	0.75
Baring International Bond Fund	0.75	0.50
Baring Japan Fund	1.25	0.75
Baring North America Fund	1.25	0.75

Where the net asset value of any Fund includes values in respect of interests in any investment fund managed by a subsidiary of the parent company (a "Barings fund"), the fee payable to the Managers shall not accrue in respect of any holding of that Fund in any such Barings fund at the relevant rate set out above but shall accrue at a lower rate equal to the percentage rate (if any) by which the rate for such Fund set out above exceeds the annual rate charged to the Barings fund for comparable management services.

The Managers and any duly appointed delegate of the Managers are entitled under the Trust Deed to charge commissions and/or brokerage on transactions effected by them as agents for the Unit Trust. It is not, however, the intention of the Managers that any such charge should be made except in the case of transactions for the Baring International Bond Fund where commissions are currently charged at the rate of 0.125% of the consideration for each transaction.

Where the Managers or any duly appointed delegate of the Manager successfully negotiates the recapture of a portion of the commissions charged by brokers or dealers in connection with the purchase and/or sale of securities for a Fund, the rebated commission shall be paid to the Fund. The Fund will generally pay brokerage at customary institutional brokerage rates. Transactions of the Fund may be entered into through associates of the Manager.

The Manager and its associates will not receive cash or other rebates from brokers or dealers in respect of transactions for the Fund but may from time to time, enter into arrangements under which they will receive services that relate to execution or research which can be reasonably expected to assist in the provision of investment services to the Fund. Such services will be paid for out of dealing commission. Any such arrangements will be disclosed in the Unit Trust's periodic report and accounts. Execution of transactions for the Fund will be consistent with best execution standards.

BAML's fees in respect of its investment management services will be met by the Managers.

The Trustee is entitled under the Trust Deed to receive out of the assets of the Unit Trust a fee at the rate of 0.025% per annum of the value of the net assets of each Fund, payable monthly in arrears and transaction charges at the rate of £50 per security transaction effected for the Unit Trust. The Trustee is entitled to be reimbursed all fees and charges of custodians and sub-custodians appointed by it (which will be at normal commercial rates) and all other out-of-pocket expenses incurred by it.

The Managers are entitled under the Trust Deed to receive an Administration Fee for the account of the Managers out of the assets of the Unit Trust at the rate of 0.45% per annum of the net asset value of each Fund calculated by reference to the daily calculation of asset values and paid monthly in arrears. The fee will be subject to a minimum of £30,000 per annum for all Funds except the Baring Australia Fund and Baring Europa Fund for which the minimum will be £20,000 per annum for each Fund. The Managers will pay the fees of the Administrator and Registrar out of the Administration

Fee. The Administrator and Registrar are entitled to be reimbursed certain of their out-of-pocket expenses out of the assets of the Unit Trust.

Class C Units shall also pay a distributor fee of 1% per annum of the net asset value of the Fund attributable to the classes. Such fee when applied will be payable to the distributor who has been appointed as a distributor pursuant to a placing agency agreement between the Managers or their delegate and the relevant distributor. The distributor fee shall be accrued daily and is payable quarterly in arrears.

The Trustee will pay out of the assets of the Unit Trust the above fees and expenses, stamp duties, taxes, brokerage or other expenses of acquiring and disposing of investments, the fees and expenses of the auditors, listing fees and legal expenses of the Managers and the cost of establishing, maintaining and registering the Unit Trust and the Units with any governmental or regulatory authority or with any regulated market deemed appropriate by the Managers from time to time. The costs of printing and distributing reports, accounts and any prospectus, publishing prices and any costs incurred as a result of a change in law or the introduction of any new law (including any costs incurred as a result of compliance with any code relating to Unit Trusts, whether or not having the force of law) will also be paid out of the assets of the Unit Trust.

Expenses will be charged to the Fund in respect of which they were incurred or, where an expense is not considered by the Trustee to be attributable to any one Fund, the expense will normally be allocated by the Trustee to all Funds pro rata to the value of the net assets of the relevant Funds.

In relation to investment by a Fund in a collective investment scheme managed (i) directly or by delegation by the Managers or (ii) by another company with which the Managers is linked by common management and control or by a direct or indirect holding of more than 10% of the capital or voting rights of such company (collectively referred to as "Related Funds"), the following conditions will apply:

- (a) no subscription, conversion or redemption fees on account of the Fund's investment in the Related Fund may be charged;
- (b) no management fee may be charged at the level of the Related Fund; and
- (c) where a commission (including a related commission) is received by the Managers or Investment Manager by virtue of their investment in the Related Fund, the commission must be repaid into the property of the relevant Fund.

Taxation

General

The following statements are not exhaustive and do not constitute legal or tax advice. Prospective investors should consult their own professional advisers as to the implications of their subscribing for, purchasing, holding, switching or disposing of Units under the laws of the jurisdictions in which they may be subject to tax.

Prospective Unitholders should familiarise themselves with and, where appropriate, take advice on the laws and regulations (such as those relating to taxation and exchange controls) applicable to the subscription for, and the holding and realisation of, Units in the places of their citizenship, incorporation, residence and domicile.

If the Unit Trust becomes liable to account for tax in any jurisdiction in the event that a Unitholder or beneficial owner of a Unit were to receive a distribution in respect of his/her Units or to dispose (or deemed to have disposed) of his/her Units in any way ("Chargeable Event"), the Manager shall be entitled to deduct from the payment arising on a Chargeable Event an amount equal to the appropriate tax and/or where applicable, to appropriate, cancel or compulsorily repurchase such number of Units held by the Unitholder or such beneficial owner as are required to meet the amount of tax. The relevant Unitholder shall indemnify and keep the Unit Trust indemnified against loss arising to the Unit Trust by reason of the Unit Trust becoming liable to account for tax in any jurisdiction on the happening of a Chargeable Event if no such deduction, appropriation, cancellation or compulsory repurchase has been made.

Dividends, interest and capital gains (if any) which the Unit Trust receives with respect to its investments (other than securities of Irish issuers) may be subject to taxes, including withholding taxes, in the countries in which the issuers of investments are located. It is anticipated that the Unit Trust may not be able to benefit from reduced rates of withholding tax in double taxation agreements between Ireland and such countries. If this position changes in the future and the application of a lower rate results in a repayment to the Unit Trust the net asset value will not be restated and the benefit will be allocated to the existing Unitholders rateably at the time of repayment.

Irish Tax Considerations

The Managers have been advised that on the basis that the Unit Trust is resident in Ireland for taxation purposes the taxation position of the Unit Trust and the Unitholders is as set out below.

Definitions

For the purposes of this section, the following definitions shall apply.

“Irish Resident”

- in the case of an individual, means an individual who is resident in Ireland for tax purposes.
- in the case of a trust, means a trust that is resident in Ireland for tax purposes.
- in the case of a company, means a company that is resident in Ireland for tax purposes.

An individual will be regarded as being resident in Ireland for a twelve month tax year if he/she is present in Ireland: (1) for a period of at least 183 days in that twelve month tax year; or (2) for a period of at least 280 days in any two consecutive tax years, provided that the individual is resident in Ireland for at least 31 days in each twelve month period. In determining days present in Ireland, an individual is deemed to be present if he/she is in Ireland at any time during the day. This new test takes effect from 1 January 2009 (previously in determining days present in Ireland an individual was deemed to be present if he/she was in Ireland at the end of the day (midnight)).

A trust will generally be Irish resident where the trustee is resident in Ireland or a majority of the trustees (if more than one) are resident in Ireland.

A company which has its central management and control in Ireland is resident in Ireland irrespective of where it is incorporated. A company which does not have its central management and control in Ireland but which is incorporated in Ireland is resident in Ireland except where:-

- the company or a related company carries on a trade in Ireland, and either the company is ultimately controlled by persons resident in EU Member States or in countries with which Ireland has a double taxation treaty, or the company or a related company are quoted companies on a recognised Stock Exchange in the EU or in a treaty country under a double taxation treaty between Ireland and that country;
- or
- the company is regarded as not resident in Ireland under a double taxation treaty between Ireland and another country.

It should be noted that the determination of a company's residence for tax purposes can be complex in certain cases and potential investors are referred to the specific legislative provisions that are contained in Section 23A of the Taxes Act.

“Ordinarily Resident in Ireland”

- in the case of an individual, means an individual who is ordinarily resident in Ireland for tax purposes
- in the case of a trust, means a trust that is ordinarily resident in Ireland for tax purposes.

An individual will be regarded as ordinarily resident for a particular tax year if he/she has been Irish Resident for the three previous consecutive tax years (i.e. he/she becomes ordinarily resident with effect from the commencement of the fourth tax year). An individual will remain ordinarily resident in Ireland until he/she has been non-Irish Resident for three consecutive tax years. Thus, an individual who is resident and ordinarily resident in Ireland in the tax year 1 January 2009 to 31 December 2009 and departs from Ireland in that tax year will remain ordinarily resident up to the end of the tax year 1 January 2012 to 31 December 2012.

The concept of a trust's ordinary residence is somewhat obscure and linked to its tax residence.

“Exempt Irish Investor”

- a pension scheme which is an exempt approved scheme within the meaning of Section 774 of the Taxes Act or a retirement annuity contract or a trust scheme to which Section 784 or 785 of the Taxes Act applies;
- a company carrying on life business within the meaning of Section 706 of the Taxes Act;
- an investment undertaking within the meaning of Section 739B(1) of the Taxes Act;
- a special investment scheme within the meaning of Section 737 of the Taxes Act;
- a charity being a person referred to in Section 739D(6)(f)(i) of the Taxes Act;
- a unit trust to which Section 731(5)(a) of the Taxes Act applies;
- a specified company within the meaning of Section 734(1) of the Taxes Act;
- a qualifying fund manager within the meaning of Section 784A(1)(a) of the Taxes Act where the Units held are assets of an approved retirement fund or an approved minimum retirement fund;
- a qualifying savings manager within the meaning of Section 848B of the Taxes Act in respect of Units which are assets of a special savings incentive account within the meaning of Section 848C of the Taxes Act;

- a personal retirement savings account (“PRSA”) administrator acting on behalf of a person who is entitled to exemption from income tax and capital gains tax by virtue of Section 787I of the Taxes Act and the Units are assets of a PRSA;
- a credit union within the meaning of Section 2 of the Credit Union Act, 1997;
- the National Pensions Reserve Fund Commission;
- a company which is within the charge to corporation tax in accordance with Section 110(2) of the Taxes Act in respect of payments made to it by the Unit Trust; or
- any other Irish Resident or persons who are Ordinarily Resident in Ireland who may be permitted to own Units under taxation legislation or by written practice or concession of the Revenue Commissioners without giving rise to a charge to tax in the Unit Trust or jeopardising tax exemptions associated with the Fund giving rise to a charge to tax in the Unit Trust;

provided that they have correctly completed the Relevant Declaration.

“Intermediary”

means a person who:-

- carries on a business which consists of, or includes, the receipt of payments from an investment undertaking on behalf of other persons; or
- holds units in an investment undertaking on behalf of other persons.

“Ireland”

means the Republic of Ireland.

“Recognised Clearing System”

means Bank One NA, Depository and Clearing Centre, Clearstream Banking AG, Clearstream Banking SA, CREST, Depository Trust Company of New York, Euroclear, National Securities Clearing System, Sicovam SA, SIS Sega Intersettle AG or any other system for clearing units which is designated for the purposes of Chapter 1A in Part 27 of the Taxes Act, by the Irish Revenue Commissioners as a recognised clearing system.

“Relevant Declaration”

means the declaration relevant to the Unitholder as set out in Schedule 2B of the Taxes Act.

“Relevant Period”

means a period of 8 years beginning with the acquisition of a Unit by a Unitholder and each subsequent period of 8 years beginning immediately after the preceding relevant period.

“Taxes Act”

means the Taxes Consolidation Act, 1997 (of Ireland) as amended.

The Unit Trust

The Unit Trust shall be regarded as resident in Ireland for tax purposes if the Trustee of the Unit Trust is regarded as tax resident in Ireland. It is the intention of the Manager that the business of the Unit Trust will be conducted in such a manner as to ensure that it is Irish resident for tax purposes.

The Manager has been advised that the Unit Trust qualifies as an investment undertaking as defined in Section 739B (1) of the Taxes Act. Under current Irish law and practice, the Unit Trust is not chargeable to Irish tax on its income and gains.

However, tax can arise on the happening of a “chargeable event” in the Unit Trust. A chargeable event includes any distribution payments to Unitholders or any encashment, redemption, cancellation, transfer or deemed disposal (a deemed disposal will occur at the expiration of a Relevant Period) of Units. No tax will arise on the Unit Trust in respect of chargeable events in respect of a Unitholder who is neither Irish Resident nor Ordinarily Resident in Ireland at the time of the chargeable event provided that a Relevant Declaration is in place and the Unit Trust is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct. In the absence of a Relevant Declaration there is a presumption that the investor is Irish Resident or Ordinarily Resident in Ireland. A chargeable event does not include:

- An exchange by a Unitholder, effected by way of an arms length bargain where no payment is made to the Unitholder, of Units in the Unit Trust for other Units in the Unit Trust;

- Any transactions (which might otherwise be a chargeable event) in relation to units held in a recognised clearing system as designated by order of the Irish Revenue Commissioners;
- A transfer by a Unitholder of the entitlement to a Unit where the transfer is between spouses and former spouses, subject to certain conditions; or
- An exchange of Units arising on a qualifying amalgamation or reconstruction (within the meaning of Section 739H of the Taxes Act) of the Unit Trust with another investment undertaking.

If the Unit Trust becomes liable to account for tax if a chargeable event occurs, the Unit Trust shall be entitled to deduct from the payment arising on a chargeable event an amount equal to the appropriate tax and/or where applicable, to appropriate or cancel such number of Units held by the Unitholder or the beneficial owner of the Units as are required to meet the amount of tax. The relevant Unitholder shall indemnify and keep the Unit Trust indemnified against loss arising to the Unit Trust by reason of the Unit Trust becoming liable to account for tax on the happening of a chargeable event if no such deduction, appropriation or cancellation has been made.

Dividends received by the Unit Trust from investment in Irish equities may be subject to Irish dividend withholding tax at the standard rate of income tax (currently 20%). However, the Unit Trust can make a declaration to the payer that it is a collective investment undertaking beneficially entitled to the dividends which will entitle the Unit Trust to receive such dividends without deduction of Irish dividend withholding tax.

Stamp Duty

No stamp duty is payable in Ireland on the issue, transfer, repurchase or redemption of Units in the Unit Trust. Where any subscription for or redemption of Units is satisfied by the in specie transfer of securities, property or other types of assets, Irish stamp duty may arise on the transfer of such assets.

No Irish stamp duty will be payable by the Unit Trust on the conveyance or transfer of stock or marketable securities provided that the stock or marketable securities in question have not been issued by a company registered in Ireland and provided that the conveyance or transfer does not relate to any immovable property situated in Ireland or any right over or interest in such property or to any stocks or marketable securities of a company (other than a company which is an investment undertaking within the meaning of Section 739B (1) of the Taxes Act) which is registered in Ireland.

Unitholders Tax

Any payments to a Unitholder or any encashment, redemption, cancellation or transfer of Units held in a Recognised Clearing System will not give rise to a chargeable event in the Unit Trust (there is however ambiguity in the legislation as to whether the rules outlined in this paragraph with regard to Units held in a Recognised Clearing System, apply in the case of chargeable events arising on a deemed disposal therefore, as previously advised, Unitholders should seek their own tax advice in this regard). Thus the Unit Trust will not have to deduct any Irish taxes on such payments regardless of whether they are held by Unitholders who are Irish Residents or Ordinarily Resident in Ireland, or whether a non-resident Unitholder has made a Relevant Declaration. However, Unitholders who are Irish Resident or Ordinarily Resident in Ireland or who are not Irish Resident or Ordinarily Resident in Ireland but whose Units are attributable to a branch or agency in Ireland may still have a liability to account for Irish tax on a distribution or encashment, redemption or transfer of their Units.

To the extent any Units are not held in a Recognised Clearing System at the time of a chargeable event (and subject to the point made in the previous paragraph in relation to a chargeable event arising on a deemed disposal), the following tax consequences will typically arise on a chargeable event.

Unitholders who are neither Irish Residents nor Ordinarily Resident in Ireland

The Unit Trust will not have to deduct tax on the occasion of a chargeable event in respect of a Unitholder if (a) the Unitholder is neither Irish Resident nor Ordinarily Resident in Ireland, (b) the Unitholder has made a Relevant Declaration and (c) the Unit Trust is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct. In the absence of a Relevant Declaration tax will arise on the happening of a chargeable event in the Unit Trust regardless of the fact that a Unitholder is neither Irish Resident nor Ordinarily Resident in Ireland. The appropriate tax that will be deducted is as described below.

To the extent that a Unitholder is acting as an Intermediary on behalf of persons who are neither Irish Resident nor Ordinarily Resident in Ireland no tax will have to be deducted by the Unit Trust on the occasion of a chargeable event provided that the Intermediary has made a Relevant Declaration that he/she is acting on behalf of such persons and the Unit Trust is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct.

Unitholders who are neither Irish Residents nor Ordinarily Resident in Ireland and who have made Relevant Declarations in respect of which the Unit Trust is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct, will not be liable to Irish tax in respect of income from their Units and gains made on the disposal of their Units. However, any corporate Unitholder which is not Irish Resident and

which holds Units directly or indirectly by or for a trading branch or agency in Ireland will be liable to Irish tax on income from their Units or gains made on the disposals of the Units.

Where tax is withheld by the Unit Trust on the basis that no Relevant Declaration has been filed with the Unit Trust by the Unitholder, Irish legislation provides for a refund of tax only to companies within the charge to Irish corporation tax, to certain incapacitated persons and in certain other limited circumstances.

Unitholders who are Irish Residents or Ordinarily Resident in Ireland

Unless a Unitholder is an Exempt Irish Investor and makes a Relevant Declaration to that effect and the Unit Trust is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct or unless the Units are purchased by the Courts Service, tax at the standard rate of income tax plus 3% (i.e. 23%) will be required to be deducted by the Unit Trust from a distribution (where payments are made annually or at more frequent intervals) to a Unitholder who is Irish Resident or Ordinarily Resident in Ireland. Similarly, tax at the standard rate plus 6% (i.e. 26%) will have to be deducted by the Unit Trust on any other distribution or gain arising to the Unitholder (other than an Exempt Irish Investor who has made a Relevant Declaration) on an encashment, redemption, cancellation, transfer or deemed disposal (see below) of Units by a Unitholder who is Irish Resident or Ordinarily Resident in Ireland.

The Finance Act 2006 introduced rules (which were subsequently amended by the Finance Act 2008) in relation to an automatic exit tax for Unitholders who are Irish Resident or Ordinarily Resident in Ireland in respect of Units held by them in the Unit Trust at the ending of a Relevant Period. Such Unitholders (both companies and individuals) will be deemed to have disposed of their Units ("deemed disposal") at the expiration of that Relevant Period and will be charged to tax at the standard rate of income tax plus 6% (i.e. 26%) on any deemed gain (calculated without the benefit of indexation relief) accruing to them based on the increased value (if any) of the Units since purchase or since the previous exit tax applied, whichever is later.

For the purposes of calculating if any further tax arises on a subsequent chargeable event (other than chargeable events arising from the ending of a subsequent Relevant Period or where payments are made annually or at more frequent intervals), the preceding deemed disposal is initially ignored and the appropriate tax calculated as normal. Upon calculation of this tax, credit is immediately given against this tax for any tax paid as a result of the preceding deemed disposal. Where the tax arising on the subsequent chargeable event is greater than that which arose on the preceding deemed disposal, the Unit Trust will have to deduct the difference. Where the tax arising on the subsequent chargeable event is less than that which arose on the preceding deemed disposal, the Unit Trust will refund the Unitholder for the excess (subject to the paragraph headed "15% threshold" below).

10% Threshold

However, where Unitholders who are Irish Resident or Ordinarily Resident in Ireland (other than Exempt Irish Investors) hold less than 10% of the Unit Trust (calculated by value of Units) or in the case of an umbrella fund, 10% of the relevant sub-fund (calculated by value of Units) immediately before a deemed disposal, then the obligation to account for the tax on any gain arising on a deemed disposal will be the responsibility of the Unitholder on a self assessment basis ("self-assessors") as opposed to the Unit Trust (or its service providers) provided:

- the Unit Trust has made an appropriate election in accordance with Section 739E(2A)(ii) of the Taxes Act; and
- the Unit Trust has advised the relevant Unitholder accordingly in this regard.

15% Threshold

Where Unitholders who are Irish Resident or Ordinarily Resident in Ireland (other than Exempt Irish Investors) hold less than 15% of the Unit Trust (calculated by value of Units) immediately before the deemed disposal and (i) a refund of tax arises (e.g. due to a subsequent loss on an actual disposal), (ii) the Unit Trust has made an appropriate election in accordance with Section 739E(1A)(b)(ii)(II) of the Taxes Act and (iii) the Unit Trust has advised the relevant Unitholder accordingly in this regard, then, in such circumstances, the relevant Unitholder(s) must (if they wish to receive a refund of tax), seek to be refunded the amount of excess of the first tax over the "second tax" directly from the Irish Revenue Commissioners as opposed to the Unit Trust seeking same (on receipt of a claim by the Unitholder).

Other

To avoid multiple deemed disposal events for multiple units an irrevocable election under Section 739D(5B) can be made by the Company to value the units held at the 30th June or 31st December of each year prior to the deemed disposal occurring. While the legislation is ambiguous, it is generally understood that the intention is to permit a Unit Trust to group Units in six month batches and thereby make it easier to calculate the exit tax by avoiding having to carry out valuations at various dates during the year resulting in a large administrative burden.

The Irish Revenue Commissioners are currently in the process of providing updated investment undertaking guidance notes which should deal with the practical aspects of how the above calculations/objectives will be accomplished. These guidance notes should issue this year (2009).

Unitholders (depending on their own personal tax position) who are Irish Resident or Ordinarily Resident in Ireland may still be required to pay tax or further tax on a distribution or gain arising on an encashment, redemption, cancellation or transfer of their Units. Alternatively they may be entitled to a refund of all or part of any tax deducted by the Unit Trust on a chargeable event.

Personal Portfolio Investment Undertaking ("PPIU")

The Finance Act 2007 introduced new provisions regarding the taxation of Irish Resident individuals or Ordinarily Resident in Ireland individuals who hold units in investment undertakings. The new provisions introduce the concept of a PPIU. Essentially, an investment undertaking will be considered a PPIU in relation to a specific investor where that investor can influence the selection of some or all of the property held by the investment undertaking. Depending on an individual's circumstances, an investment undertaking may be considered a PPIU in relation to some, none or all individual investors i.e. it will only be a PPIU in respect of those individuals' who can "influence" selection. Any gain arising on a chargeable event in relation to an investment undertaking which is a PPIU in respect of an individual that gave rise to the chargeable event and occurs on or after 20th February 2007, will be taxed at the standard rate plus 26 per cent (currently 46%). Specific exemptions apply where the property invested in has been widely marketed and made available to the public or for non-property investments entered into by the investment undertaking.

Capital Acquisitions Tax

The disposal of Units may be subject to Irish gift or inheritance tax (Capital Acquisitions Tax). However, provided that the Unit Trust falls within the definition of investment undertaking (within the meaning of Section 739B of the Taxes Act), the disposal of Units by a Unitholder is not liable to Capital Acquisitions Tax provided that (a) at the date of the gift or inheritance, the donee or successor is neither domiciled nor Ordinarily Resident in Ireland; (b) at the date of the disposition, either the Unitholder disposing ("disponer") of the Units is neither domiciled nor Ordinarily Resident in Ireland or the disposition is not subject to Irish law; and (c) the Units are comprised in the gift or inheritance at the date of such gift or inheritance and at the valuation date.

With regard to Irish tax residency for Capital Acquisitions Tax purposes, special rules apply for non-Irish domiciled persons. A non-Irish domiciled donee or disponer will not be deemed to be resident or ordinarily resident in Ireland at the relevant date unless;

- i) that person has been resident in Ireland for the 5 consecutive years of assessment immediately preceding the year of assessment in which that date falls; and
- ii) that person is either resident or ordinarily resident in Ireland on that date.

United Kingdom ("UK")

Unless otherwise stated, the following analysis is based on the Unit Trust being treated as fiscally opaque for the purposes of UK taxation.

The Trustee, Managers and the Investment Manager intend to conduct the affairs of the Unit Trust so as to minimise, as far as it deems reasonably practicable, any liability of the Unit Trust to UK taxation. This includes intending to manage and conduct the affairs of the Unit Trust so that it does not become resident in the UK for taxation purposes. Accordingly, provided the Unit Trust does not exercise a trade within the UK or carry on a trade in the UK through a permanent establishment, the Unit Trust should not be subject to UK tax other than on certain UK source income.

It is not expected that the activities of the Unit Trust will be regarded as trading activities for the purposes of UK taxation. However, to the extent that trading activities are carried on in the UK they may in principle be liable to UK tax. The profit from such trading activities will not, based on the UK Finance Act, 2003, be assessed to UK tax provided that the Unit Trust and the Investment Manager meet certain conditions. The Managers and the Investment Manager intend to conduct the affairs of the Unit Trust so that all those conditions are satisfied, so far as those conditions are within their respective control.

Unitholders who are resident in the UK should note that all distributions made from a Fund of the Unit Trust are assessable to UK income tax under section 830(2) of ITTOIA 2005 or corporation tax under case V of Schedule D whether or not such distributions are automatically or otherwise reinvested in further Units in the relevant Fund. With effect from 22 April 2009, if any distribution is made from a Fund that holds more than 60% of its assets in interest bearing (or economically similar) form, the resulting distribution will be treated in the hands of an individual Unitholder resident in the UK for tax purposes as a payment of yearly interest. This will mean that UK tax will be paid on such a distribution at the tax rates applicable from time to time to interest payments. However, any other distributions that are made from a Fund will be treated in the hands of an individual Unitholder resident in the UK for tax purposes as a

distribution on which the Unitholder will currently be taxable at the rate of 10% or 32.5% depending on whether he is either a lower or higher rate taxpayer respectively.

Chapter V (Section 757) of Part XVII of ICTA provides that if an investor resident or ordinarily resident in the UK for taxation purposes holds a "material interest" in an "offshore fund", then, unless the fund obtains certification as a "distributing fund" for each accounting period of the fund during which the investor holds that interest, any gain (calculated without the benefit of indexation or taper relief) accruing to the investor upon the sale or other disposal of the interest will be treated as an "offshore income gain" and taxed as income and not as a capital gain, without the benefit of the annual exemption in the case of individual investors.

The definition of an "offshore fund", such as it relates to the case of a Unit Trust, applies to each individual Unit Class. Each Unit Class will therefore be viewed as a separate offshore fund. The Unit Class is also likely to constitute a "material interest" for the purposes of the UK Taxes Act. It is anticipated that each Unit Class will continue to be treated as an offshore fund once proposed changes to the definition of what constitutes an offshore fund become effective, which is expected to be from 1 December 2009.

The Managers intend that each Class of Unit within the Unit Trust (other than Class I Units) will apply to be certified as a "distributing fund". Application for certification will need to be made at the end of each accounting period of the Unit Trust, normally within six months, as the Taxes Act provides for certification to be given retrospectively. Although all steps will be taken that are practicable and consistent with the investment objectives and policies of the Unit Trust to ensure that each Class of Unit within the Unit Trust obtains certification as a "distributing fund" in respect of each of its accounting periods it must be appreciated that no assurance can be given as to whether certification will, in practice, be obtained in respect of any particular accounting period, especially since the exact conditions that must be fulfilled for each Class of Unit within the Unit Trust to obtain that certification may be affected by changes in HM Revenue and Customs practice or by subsequent changes to the relevant provisions of the Taxes Act themselves.

For any Unit Class that qualifies as a "distributing fund", Unitholders resident or ordinarily resident in the UK for taxation purposes may, unless holding Units as dealing stock (when different rules apply), be liable to UK tax on capital gains (and not income) in respect of any gains arising from the sale, redemption or other disposal of Units (save that a charge to income tax or corporation tax on income may arise on the equalisation element of the disposal proceeds). This treatment will only apply upon disposal if the relevant Unit Class has been certified as "distributing" during the entire holding period of the UK resident or ordinarily resident Unitholder making the disposal. Accordingly any gain arising from the disposal of an investment in a Unit Class that has not been certified as a distributing fund for the whole holding period that accrues to a Unitholder resident or ordinarily resident in the UK for taxation purposes may become subject to income tax or corporation tax on the basis that the gain is treated as an offshore income gain.

Where certification is to be sought for any Unit Class, all steps practicable would be taken in relation to the distribution and investment policy of the Company to ensure that such certification is granted. However, as the legislation provides for certification to be granted retrospectively, it cannot be guaranteed, in practice, that an application will eventually be successful for any given period.

Proposed changes to the taxation treatment of offshore funds are expected to result in the replacement of distributing funds status with a new concept of a 'reporting' fund. Powers introduced in the Finance Bill 2008 enable such proposals to be implemented by way of regulation, and accordingly HMRC has published draft regulations to implement the new regime. It is expected that the new regime will apply for the first accounting period of a Fund starting on or after 1 December 2009 although it will be possible for a Fund to elect to remain within the existing distributing fund regime for a further 12 months. Based on the current proposals, it is anticipated that any Unit Class that currently qualifies as a distributing fund will in future qualify as a reporting fund and that the UK tax position of Unitholders resident or ordinarily resident in the UK for taxation purposes in such a Unit Class should not be significantly altered as a result this change. However, it should be noted that further changes could still be made to the proposed regime including changes to the implementation date.

A "disposal" for UK taxation purposes includes a conversion of Units in an "umbrella" fund, such as the Unit Trust, from one Fund to another. This means that (again on the assumption that each Class of Unit within the Unit Trust qualifies as a "distributing fund", as explained above) a liability to capital gains tax or corporation tax on chargeable gains may be incurred by a Unitholder who realises a gain as a result of a conversion of Units of one Fund into Units of another Fund (and, by virtue of the equalisation arrangements operated by the Unit Trust, a charge to UK income tax or corporation tax on income may arise on the accrued income attributable to the converted Units at the date of conversion).

Unitholders who are exempt from UK tax on capital gains and income from investments (such as exempt approved pension schemes) will enjoy exemption from UK tax on any income from, and any gains made on the disposal of their Units.

An individual Unitholder domiciled or deemed for UK tax purposes domiciled in the UK may be liable to UK Inheritance Tax on their units in the event of death or on making certain categories of lifetime transfer.

The attention of individuals ordinarily resident in the UK for tax purposes is drawn to Chapter III (Sections 739 and 740) of Part XVII of the UK Taxes Act. These provisions are aimed at preventing the avoidance of income tax by individuals ordinarily resident in the UK through a transaction resulting in the transfer of assets or income to persons (including

companies) resident or domiciled outside the UK. These provisions may render them liable to income tax in respect of undistributed income and profits of the Unit Trust on an annual basis to the extent that they have not already been taxed on such income.

The attention of persons resident or ordinarily resident in the UK (and who, if they are individuals, are domiciled in the UK) is drawn to the fact that the provisions of Section 13 of the Taxation of Chargeable Gains Act, 1992 could be material to any such person who together with persons, connected to that person, holds 10% or more of the Units in the Unit Trust, if at the same time, the Unit Trust is controlled in such a manner as to render it a company (for UK chargeable gains purposes a Unit Trust is deemed to be a company) that would, were it to have been resident in the UK, be a "close company" for UK taxation purposes. These provisions could, if applied, result in such a person being treated, for the purposes of the UK taxation of chargeable gains, as if a part of any gain accruing to the Unit Trust (such as on a disposal of its investments that constitutes a chargeable gain for those purposes) had accrued to that person directly; that part being equal to the proportion of the assets of the Unit Trust to which that person would be entitled on the winding up of the Unit Trust at the time when the chargeable gain accrued to the Unit Trust.

The attention of corporate Unitholders resident in the UK is drawn to Section 98 and Schedule 10 of the Finance Act 1996 whereby "relevant interests" of such companies in an offshore fund (each Class of Unit within the Unit Trust) may be deemed to constitute "a loan relationship" with the consequence that such companies will be taxed on the increase in value of its holding on a mark to market basis (rather than on disposal) or will obtain tax relief on any equivalent decrease in value. These provisions will not apply, however, if the market value of relevant underlying interest bearing securities and other "qualifying investments" is at all times, less than 60% of the value of all of the investments in the relevant Class of Unit within the Unit Trust.

As a Unit Trust constituted under Irish law, the Unit Trust could alternatively be treated as fiscally transparent for UK taxation purposes. If this were to be the case the tax treatment of the Classes of Unit within the Unit Trust would be different from that described above. The principal impact would be that Unitholders resident or ordinarily resident in the UK would become liable to income tax or corporation tax on their proportionate share of the income of the relevant Class of Unit of the Unit Trust (subject to the deduction of expenses properly incurred and paid by the Manager out of that income) on an arising basis, whether the income is distributed by the Class of Unit, or accumulated on the Unitholder's behalf.

France

Subject to their personal circumstances, individual Unitholders resident in France for taxation purposes will be liable to French income tax including the additional social surtaxes currently charged on investment income. French corporations investing in the Unit Trust will be subject to tax in respect of distributions of income by the Unit Trust.

Corporate investors (other than those subject to the French Insurance Code) may be subject to tax each year on the latest gain resulting from the increase in value of the Units of the Unit Trust unless the Unit Trust is invested for more than 90% in shares issued by companies registered in the European Union. The gains made on the sale or redemption of Units in the Unit Trust will be treated as capital gains.

European Union Taxation of Savings Income Directive

On 3 June 2003 the European Commission published a directive (EC Directive 2003/48/EC) regarding the taxation of savings income in the form of interest payments. Under this Directive, Member States are required to provide to the tax authorities of another Member State details of relevant interest payments (which may include distributions or redemption payments by collective investment funds, including a UCITS) or other similar income paid by a person within its jurisdiction to an individual resident in another Member State, subject to the right of certain Member States to opt instead for a default withholding system in relation to such payments, although in these circumstances investors may be able to elect for disclosure rather than withholding. Ireland and the UK amongst others have opted for exchange of information rather than a withholding tax system. All EU Member States have incorporated the provisions within the Directive into their domestic laws and as a result the actual mechanics with regard to the exchanging of information or the withholding of tax when applicable, have applied in all EU Member States since 1 July 2005. Notably provisions of the Directive have also been incorporated into the laws of a number of non-EU member states and territories that are also financial centres.

Accordingly, the Custodian, Administrator, transfer agent or such other entity considered a "paying agent" (for the purposes of the European Union Taxation of Savings Income Directive a "paying agent" is the economic operator who pays interest to or secures the payment of interest for the immediate benefit of the beneficial owner) for the purposes of the Taxation of Savings Income Directive may be required to disclose details of relevant interest payments to investors in the Unit Trust who are individuals or residual entities to the Irish Revenue Commissioners who will pass such details to the Member State where the investor resides. To the extent that the paying agent is located in one of the jurisdictions that operates a withholding tax system under the terms of the Directive, rather than an exchange of information system, tax may be deducted from interest payments to investors.

For the purposes of the Directive, interest payments include income distributions made by certain collective investment funds, to the extent that the fund has invested 15% of its assets directly or indirectly in interest bearing securities and

income realised upon the sale, refund or redemption of fund units to the extent that the fund has invested more than 40% of its assets directly or indirectly in interest bearing securities.

Subscriptions

Under the Trust Deed the Managers are given the exclusive right to effect for the account of the Unit Trust the issue of Units of any class and to create, with the consent of the Trustee and the Financial Regulator, new classes of Unit and have absolute discretion to accept or reject in whole or in part any application for Units. The initial issue price for each class of Unit is determined by the Managers. All Units of each class will rank *pari passu*. Issues of Units are normally made with effect from a Dealing Day against applications received up to 12 noon London time on that Dealing Day.

The price at which Units will be issued to any person whose application is received prior to 12 noon London time on a Dealing Day, after the initial issue, is calculated by reference to the net asset value per Unit determined as at 12 noon Dublin time on that Dealing Day. The net asset value per Unit is calculated by dividing the value of the assets of the Fund, less its liabilities, by the total number of Units in issue as at that Dealing Day. The issue price is the resulting sum adjusted to the nearest cent or penny depending on the base currency of the Fund.

The Managers may add to such issue price a preliminary charge (not exceeding 6% (or such higher amount as may be approved by an Extraordinary Resolution) of such price), which will be retained by the Managers and out of which the Managers may pay commission to authorised agents. It is the intention of the Managers that the preliminary charge should not, however, until further notice, exceed 5% of such price. The Managers are also entitled to add to the issue price, for their own account, a charge sufficient to cover amounts paid by them on account of stamp duties and taxation in respect of the issue of Units and may also add a charge (not exceeding 1% of the net asset value per Unit) for the account of the relevant Fund in respect of fiscal and purchase charges. It is not, however, the intention of the Managers to make any such additions in normal circumstances.

The Managers shall have an absolute discretion to declare any Fund or class closed to further subscriptions. Existing Unitholders of the relevant Fund or class will be provided with prior notification of such closure and the Managers shall also notify distributors and/or placing agents. The Managers may invoke this discretion to close the Fund to further subscriptions where they are satisfied that it will be in the best interests of the Unitholders of a Fund, given the market conditions prevailing at the time. The Managers will have the discretion to re-open the relevant Fund or class for subscription on any Dealing Day and existing Unitholders will be given advance notification of such re-opening.

The method of establishing the value of the net assets of any Fund is set out in the Trust Deed and summarised below. The net asset value of each Fund shall be calculated in the base currency of the Fund by valuing the assets of the Fund in accordance with the valuation rules set out in the Trust Deed and summarised below and deducting the liabilities of the Fund. However, in respect of certain Funds where different classes are available, the net asset value of the Fund is calculated as set out below and is allocated between each class in accordance with their respective values. The portion of the net asset value allocated to each class is divided by the number of Units of the relevant class then in issue and the resultant amount is the net asset value of the relevant class.

In general, quoted investments are valued at their last traded price (or, if no last traded price is available, at mid-market prices) and unquoted investments are valued at cost or in accordance with the most recent revaluation made by the Managers with the approval of the Trustee or requested by the Trustee. The Trust Deed also provides that cash deposits and similar investments shall normally be valued at face value (together with accrued interest). Futures contracts are valued by reference to a formula set out in the Trust Deed which takes into account various factors including the amount paid to enter into the contract and the amount which would be payable (or receivable) if the contract were closed out. Collective investment schemes are valued, where appropriate, on the basis of published net asset value per share or if unavailable, the latest bid price per share (excluding any preliminary charge). Interest and other income and liabilities are, where practicable, accrued from day-to-day. Where the value of investment is not ascertainable as described above, the value shall be the probable realisation value estimated by the Managers with care and good faith or by a competent person appointed by the Managers and approved for the purposes by the Trustee. Derivative contracts which are not traded on a regulated market will be valued at the quotation provided daily by the relevant counterparty and such valuations shall be approved or verified at least weekly by an independent party appointed by the Managers and approved for such purposes by the Trustee.

Units may not be issued or sold by the Managers during any period when the right of Unitholders to require the realisation of their Units is suspended in the manner described under "Realisation of Units" below. Applicants for Units will be notified of such postponement or cancellation and, unless withdrawn, their applications will be considered as at the next Dealing Day following the ending of such suspension.

All Units shall be in registered form. Unit certificates will not be issued. Registration of the Units comprised in the application will normally be effected within twenty-one days of the Managers receiving the relevant registration details. Ownership is recorded by an entry in the unit register and an account number is allocated to the investor which will be shown in a registration advice despatched within twenty-one days of the Managers receiving the relevant registration details. Your account number should be quoted in all communications relating to the Fund.

The net asset value per Unit of each Fund will be calculated by the Administrator and notified to The Irish Stock Exchange without delay upon calculation by the Administrator. The calculation of the net asset value per Unit may be suspended when the right of Unitholders to require the realisation of Units is suspended as detailed in "Realisation of Units" in the Prospectus. Any suspension will be notified to The Irish Stock Exchange without delay and where possible all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

Application Procedure

The table below shows the Initial Offer Period of recently available Classes.

FUND AND CLASS	INITIAL OFFER PERIOD BEGINS	INITIAL OFFER PERIOD ENDS
Class I Units of each Fund	9:00 am on 5 August 2008	5:00pm on 2 October 2009

Units are on offer at the net asset value equivalent to the US\$ class of the relevant Fund (adjusted for currency conversion at the prevailing rate). The net asset value per Unit is available on request from the Administrator. After the expiry of the Initial Offer Period, Units will be issued at the net asset value per Unit.

Units of each class may be issued with effect from each Dealing Day pursuant to applications received at or before 12 noon London time on that Dealing Day.

All requests for subscriptions may be made on the application form by facsimile or in writing to BAML at the address or facsimile numbers set out under "ENQUIRIES TO" at the end of this document for onward transmission to the Managers. The signed original application form together with supporting documentation in relation to anti-money laundering requirements must be received promptly. Requests received after 12 noon London time on a Dealing Day will be treated as having been received on the following Dealing Day. Applications by facsimile will be treated by the Managers as definitive orders even if not subsequently confirmed in writing and will not be capable of withdrawal after acceptance by the Managers.

The minimum number of Units of any one class that may be subscribed for is Units having a value, at the current issue price (inclusive of the preliminary charge), of not less than US\$5,000, £2,500, €3,500 or AU\$6,000 in respect of Class A and Class C Units. The minimum subscription amount in respect of Class I Units of each Fund is US\$50,000,000, £25,000,000, €35,000,000 or AU\$60,000,000. The minimum subscription amount in respect of each Class may be waived at the discretion of the Managers.

Applications not made on the application form should:-

- (a) state the Fund(s) (and where appropriate Class of Unit) in respect of which the application is being made;
- (b) state the number of Units (and where appropriate Class of Unit) applied for or the amount to be invested in respect of each Fund (which should include provision for the preliminary charge);
- (c) state how payment has been or will be made;
- (d) acknowledge receipt of this Prospectus and confirm that the application is made on the terms hereof and subject to the Trust Deed of the Unit Trust;
- (e) state the name of the applicant and the name and address to which the confirmation note is to be despatched;
- (f) confirm that the applicant is aged eighteen years or over;
- (g) confirm that the purchaser is neither a United States person (as defined in this Prospectus) nor acting on behalf of, or for the benefit of, a United States person or, if there is more than one purchaser, that none of them is a United States person or is acting on behalf of, or for the benefit of, a United States person; and
- (h) state whether income distributions from any Fund should be reinvested by the subscription of further Units in that fund or paid by electronic transfer, including bank details for where payments are to be made.
- (i) provide signature for future verification either by the applicant or on behalf of the applicant stating the capacity of the person signing

The Managers retain the right to seek such evidence of identity from applicants as they deem appropriate to comply with their obligations under anti-money laundering legislation and, in the absence of satisfactory evidence, or for any other reason, to reject any application in whole or in part. If an application is rejected the Managers, at the risk of the

applicant, may return application moneys or the balance thereof, at the cost of the applicant, by electronic transfer. The Managers will withhold payment of the proceeds of redemption and income on Units and may automatically reinvest dividend entitlements until the original application form has been received from the investor and where it is considered necessary or appropriate to carry out or complete identification procedures in relation to the Unitholder pursuant to a statutory, regulatory or European Union obligation.

The Managers act as data controller for the purposes of relevant data protection legislation and accordingly personal data may be processed, transferred, and/or disclosed by the Funds, its agents, appointees (including the Administrator, Registrar, Transfer Agent and Trustee) and associates for the following purposes:

- Subscribing, redeeming, or transferring Units and complying with your instructions in connection therewith;
- Providing ancillary administrative and management services in connection with your investment;
- Analysis of the Funds or Group companies services;
- Compliance with anti-money laundering and other foreign and domestic legal regulatory and obligations;
- Monitoring and/or recording of telephone calls and emails in order to detect and prevent fraud and/or to confirm and aid the accurate implementation of your instructions;
- To send you information on other products and service which may be of interest to you (unless you have indicated on the application form that you do not wish to receive such information).

Where necessary or consequent upon the way both the Baring Asset Management Group and the Northern Trust Group organise their respective businesses, data may be transferred outside the European Economic Area which may not have the same data protection laws as Ireland.

The Managers reserve the right to limit deals without prior receipt of cleared funds.

A confirmation note will be sent to each successful applicant. In cases where subscription monies are not enclosed with the application for Units, settlement is due immediately. If payment in full has not been received within four business days, the application may be refused and any allotment or transfer of Units made on the basis thereof cancelled, or, alternatively, the Managers may treat the application as an application for such number of Units as may be purchased or subscribed with such payment. The Managers reserve the right, in the event of non-receipt of cleared funds by the due date and cancellation of a subscription, to charge the applicant for losses accruing.

Payment is normally due in the base currency of the relevant Fund. The Managers may accept payment in other currencies, but such payments will in normal circumstances be converted into the relevant base currency and only the proceeds of such conversion at the prevailing exchange rate (after deducting expenses relating to such conversion) will be applied by the Managers towards payment of the subscription monies. The value of a Unit expressed in the class currency will be subject to exchange rate risk in relation to the base currency of the relevant Fund. The Managers have standing arrangements for subscription monies to be paid on the following bases:

- (a) by electronic transfer as specified in the application form; and
- (b) by bank draft or cheque (crossed "A/C Payee Only, Not Negotiable") payable to "Baring International Fund Managers (Ireland) Limited".

Payments by electronic transfer should quote the applicant's name, bank, bank account number, Fund name and confirmation note number (if one has already been issued). Any charges incurred in making payment by electronic transfer will be payable by the applicant.

Should investors prefer to make payment in any currency other than the relevant base currency they are advised to make direct contact with BAML.

Fractions of not less than one-thousandth of a Unit may be issued. Application moneys representing smaller fractions of a Unit will not be returned to the applicant but will be retained as part of the relevant Fund's assets.

The Trust Deed also permits the Managers to issue Units at the issue price in consideration of the vesting in the Trustee of investments approved by the Managers.

The Trust Deed allows the Managers, with the approval of the Trustee, at the Managers discretion when calculating subscription prices for any Fund, to adjust the net asset value per Unit to reflect the value of such Fund's investments assuming they were valued using the highest market dealing offer price on the relevant market at the relevant time. The Managers' intention is only to exercise this discretion to preserve the value of the holding of continuing Unitholders in the event of substantial or recurring net subscriptions for Units in the relevant Fund.

Realisation of Units

Applications for the realisation of Units received by BAML prior to 12 noon London time on a Dealing Day for onward transmission to the Managers will, subject as mentioned in this section, be dealt with by reference to the net asset value per Unit determined as at 12 noon Dublin time on that Dealing Day. The net asset value per Unit is calculated by dividing the value of the assets of the Fund, less its liabilities, by the total number of Units in issue as at that Dealing Day. The realisation price is the resulting sum adjusted to the nearest cent or penny depending on the base currency of the Fund.

The Managers will withhold payment of the proceeds of redemption and income on Units and may automatically reinvest dividend entitlements until the original application form has been received from the investor and where it is considered necessary or appropriate to carry out or complete identification procedures in relation to the Unitholder pursuant to a statutory, regulatory or European Union obligation.

The Trust Deed allows the Managers, with the approval of the Trustee, at the Managers' discretion when calculating realisation prices for any Fund, to adjust the net asset value per Unit to reflect the value of such Fund's investments assuming they were valued using the lowest market dealing bid price on the relevant market at the relevant time. The Managers' intention is only to exercise this discretion to preserve the value of the holdings of continuing Unitholders in the event of substantial or recurring net realisations for Units in the relevant Fund.

Requests for the realisation of Units may be made either by facsimile or in writing to BAML at the address or facsimile numbers set out under "ENQUIRIES TO" at the end of this document for onward transmission to the Managers.

Realisation requests received after 12 noon London time will be treated as having been received on the following Dealing Day. Requests by facsimile will be treated by the Managers as definitive orders even if not subsequently confirmed in writing and will not be capable of withdrawal after acceptance by the Managers.

Instructions for the redemption of Units should quote the relevant account number and must be signed by the Unitholder, before payment of realisation proceeds can be made. Payment of realisation proceeds will be made in accordance with initial redemption payment instructions as notified to the Managers. If investors wish to make any change in the realisation payment instructions, such change must be by written notice to the Managers signed by the sole Unitholder or all joint Unitholders and certified by a bank, broker or Notary Public acceptable to the Managers. The Managers will be deemed to be authorised to act on any realisation instruction received from any person purporting to be the Unitholder and reciting the relevant account number.

Payment of realisation proceeds will be made to the registered Unitholder or in favour of the joint registered Unitholders as appropriate unless the Managers are otherwise instructed in writing by the registered Unitholder or joint registered Unitholders. Amendments to a Unitholder's registration details and payment instructions will only be effected on receipt of original documentation.

Subject as mentioned above, the amount due on the realisation of Units will be made in the base currency of the relevant Fund. Payment will normally be made within four business days (excluding days when due to public holidays in the relevant country, payments in the base currency of the relevant Fund cannot be settled) of the relevant Dealing Day or, if later, four business days after receipt by the Managers of a duly signed dealing confirmation quoting the relevant account number by facsimile or in writing excluding days when due to public holidays in the relevant country, payments in the base currency of the relevant Fund cannot be settled.

Payment of realisation proceeds will be paid by electronic transfer. Any charges incurred in making payment by electronic transfer may be payable by the Unitholder. Arrangements may be made for the payment of realisations by cheque (at the risk of the persons entitled thereto) by contacting the Administrator. In such case a fee of £30 will be levied. Arrangements can be made for Unitholders wishing to realise their Units to receive payment in currencies other than the relevant base currency. In such circumstances the Unitholder is advised to make direct contact with BAML in order to facilitate payment. The cost of currency conversion and other administrative expenses including electronic transfers may be charged to the Unitholder.

Partial realisations or conversions of holdings are permitted provided that this will not result in the Unitholder holding a number of Units of a class of a value which is less than the minimum initial subscription amount for the relevant class. A registration advice confirming the new unitholding will be posted to the Unitholder.

The Managers are entitled under the Trust Deed, in calculating the realisation price, to deduct from the net asset value per Unit for the account of the appropriate Fund a charge (not exceeding 1% of such net asset value) to meet duties and charges incurred in realising assets to provide monies to meet the redemption request but it is not the intention of the Managers to make any deduction in respect of such duties and charges in normal circumstances, other than in respect of the Class C Units for which a charge of 1% of the net asset value attributable to the Class C Unit may be applied at the discretion of the Managers or its delegate.

The Managers are entitled, with the approval of the Trustee, to limit the number of Units which may be realised on any Dealing Day to 10% of the total number of Units in issue of that Fund (the "Deferral Policy"). The Deferral Policy will apply pro rata amongst all Unitholders seeking to realise Units on the relevant Dealing Day, and in such event, the Managers will carry out such realisations which, in aggregate, amount to 10% of the Units then in issue in the Fund. Where the Managers decide to invoke this Deferral Policy, the excess of Units above 10% which have not been realised will be carried forward until the next Dealing Day and will be realised on the next Dealing Day (subject to a further operation of the Deferral Policy on the next Dealing Day). Requests for realisation of Units carried forward from an earlier Dealing Day shall be dealt with in priority to any realisation requests received subsequently until all the Units to which the original request related have been realised. If requests for realisation are so carried forward, the Managers will give immediate notice to the Unitholders affected.

Where a redeeming Unitholder has elected or has consented to receive realisation proceeds by an in specie distribution of stock of Units representing 5% or more of the net asset value of any class (see below), the Units settled in-specie will not be included in the calculation of the percentage of the Units for which realisation requests have been received for the purpose of determining whether the Deferral Policy may be invoked on a particular Dealing Day. Where a Unitholder has elected or consented to receive part or all of the realisation proceeds in-specie, the Managers shall advise the Unitholder that a Deferral Policy may operate if cash settlement is requested.

Realisation requests will normally be settled in cash. However, the Managers may at their discretion, satisfy any realisation request by in-specie distribution in circumstances where a Unitholder wishes to redeem Units representing 5% or more of the net asset value of a class on a single Dealing Day and where the Unitholder either requests in-specie distribution or has consented to such in-specie realisation. The assets so realised shall have a value equal to the realisation price (which is calculated in accordance with the provisions of the Trust Deed) less any costs incurred in connection with the sale or in-specie distribution. Such costs shall include an amount equivalent to any Stamp Duty Reserve Tax (SDRT) to be paid in relation to cancellation of the Units. The assets for distribution will be selected in consultation with and subject to the approval of the Trustee on such basis as the Managers deem equitable and so that there is no prejudice to the interests of remaining Unitholders.

The Unitholder may, by notice in writing to the Managers, request the Managers to sell such investments and to pay the proceeds of sale less any costs incurred in connection with such sale.

In addition, the Managers may at any time, with the approval of the Trustee, suspend temporarily the right of Unitholders to require the realisation of Units of any class and/or may delay the payment of any monies in respect of any such realisation during (i) any period when any market on which a substantial part of the investments of the relevant Fund are quoted, listed or dealt is closed or when trading on such a market is limited or suspended; (ii) any period when dealings on any such market are restricted or suspended; (iii) the existence of any state of affairs as a result of which disposal of the investments of the relevant Fund cannot, in the opinion of the Managers, be effected normally or without seriously prejudicing the interests of Unitholders of that class; (iv) any breakdown in the means of communication normally employed in determining the value of the net assets of the relevant Fund or when, for any other reason, the value of any investments of the relevant Fund cannot be promptly and accurately ascertained; (v) any period during which the Trustee is unable to repatriate funds required for making payments due on redemption of Units or during which the realisation of investments or the transfer of funds involved in such realisation cannot, in the opinion of the Managers, be effected at normal prices or normal rates of exchange. Unitholders who have requested realisations of any Units will be notified of any such suspension and, unless withdrawn but subject to the limitation referred to above, their requests will be dealt with on the first Dealing Day after the suspension is lifted. Any such suspension will be notified to the Financial Regulator and The Irish Stock Exchange immediately and in any event, where practicable within the same business day and to the competent authorities in the Member States in which the Unit Trust is marketed. If in the opinion of the Managers, such suspension is likely to exceed fourteen days, it shall be published in a national daily newspaper circulating in Dublin.

Conversion of Units

Unitholders will be able to apply to convert on any Dealing Day all or part of their holding of Units of any class (the "original class") into Units of another class of the same Fund or in another Fund, which are being offered at that time (the "new class") by giving notice to the Managers in the manner set out under "Realisation of Units" above. The general provisions and procedures relating to realisation will apply equally to conversions. No conversion will be made, however, if it would result in the Unitholder holding a number of Units of either the original class or the new class of a value which is less than the minimum initial subscription amount for the relevant class.

The number of Units of the new class to be issued will be calculated in accordance with the following formula:-

$$N = \frac{P(R \times CF)}{S}$$

where:-

N - is the number of Units of the new class to be allotted

- P - is the number of Units of the original class to be converted
- R - is the realisation price per Unit of the original class applicable to realisation requests received on the relevant Dealing Day
- CF - is the currency conversion factor determined by the Managers as representing the effective rate of exchange on the relevant business day between the base currencies of the original class and the new class (where the base currencies are different)
- S - is the issue price per Unit of the new class applicable to subscription applications received on the relevant Dealing Day.

The preliminary charge and any other charges normally made on the issue of Units will not normally be made on a conversion but the Managers are entitled to make any such charges at their discretion.

Certificates and Transfer of Units

Unit certificates will not be issued.

If the transferor is not resident in Ireland, the transferor must complete a declaration of non-residence to avoid deduction of tax on redemptions and distributions.

Units in each Fund will be transferable by instrument in writing signed by (or, in the case of a transfer by a body corporate, signed on behalf of or sealed by) the transferor provided that the transfer does not result in the transferor or the transferee holding a number of Units of a value which is less than the minimum initial subscription amount for that Fund. A purported transfer of Units will not become effective and binding upon the Managers until such time as the transferee has completed the prescribed application form and any attendant documentation, such as anti-money laundering documentation, and the Administrator has received the originals thereof. In this regard the rights and obligations of the purported transferor will subsist and the purported transferor will continue to be regarded as the registered holder of Units, to the exclusion of the purported transferee, until receipt by the Administrator of the documentation outlined above. In the case of the death of one of joint Unitholders, the survivor or survivors will be the only person or persons recognised by the Trustee and the Managers as having any title to or interest in the Units registered in the names of such joint Unitholders.

Irish Resident Unitholders and Unitholders Ordinarily Resident in Ireland other than Exempt Irish Investors must notify the Managers in advance of any proposed transfer of Units.

Publication of Prices

The price per Unit of each Class will be available on the Barings website at www.barings.com and will be kept up to date. In addition, the issue and realization prices per Unit of certain unitclasses will normally be quoted on Reuters and will normally be published daily in the Financial Times. In the case of unitclasses which are listed on the Irish Stock Exchange, the price of such unitclasses will also be notified to the Irish Stock Exchange.

Prices can also be ascertained at the registered office of the Managers and from the offices of BAML and the Paying Agents set out under "ENQUIRIES TO" at the end of this document. Further details are set out in Appendix II.

Allocation of Assets and Liabilities

The Trust Deed requires the Trustee to establish a separate Fund for each class of Unit in the following manner:-

- (a) records and accounts of each Fund shall be maintained separately and in such currency as the Managers and the Trustee shall from time to time determine;
- (b) the proceeds from the issue of each class of Unit (excluding the preliminary charge) shall be applied to the Fund established for that class of Unit, and the assets and liabilities and income and expenditure attributable thereto shall be applied to such Fund subject to the provisions of the Trust Deed;
- (c) where any asset is derived from another asset, the derived asset shall be applied to the same Fund as the assets from which it was derived and on each revaluation of an asset the increase or diminution in value shall be applied to the relevant Fund;

- (d) in the case of any asset which the Trustee does not consider as attributable to a particular Fund or Funds, the Trustee shall have discretion, subject to the approval of the Managers and the auditors, to determine the basis upon which any such asset shall be allocated between Funds, and the Trustee shall have power at any time and from time to time, subject to the approval of the Managers and the auditors, to vary such basis provided that the approval of the Managers and of the auditors shall not be required in any case where the asset is allocated between all Funds pro rata to their net asset values at the time when the allocation is made;
 - (e) the Trustee shall have discretion, subject to the approval of the Managers and the auditors, to determine the basis upon which any liability shall be allocated between Funds (including conditions as to the subsequent re-allocation thereof if circumstances so permit) and shall have power at any time and from time to time to vary such basis, provided that the approval of the Managers and the auditors shall not be required in any case where a liability is allocated to the Fund or Funds to which in the opinion of the Trustee it relates or if in the opinion of the Trustee it does not relate to any particular Fund or Funds, between all the underlying Funds pro rata to their net asset values;
 - (f) subject to the approval of the Managers and the auditors, the Trustee may transfer any assets to and from Funds if, as a result of a creditor proceeding against certain of the assets of the Trust or otherwise, a liability would be borne in a different manner from that in which it would have been borne under paragraph (e) above or in any similar circumstances; and
 - (g) subject to paragraph (f) above, the assets of each Fund shall belong exclusively to that Fund, shall be segregated from other Funds and shall not be used to discharge directly or indirectly the liabilities of or claims against any other Fund and shall not be available for any such purpose.
-

Meetings of Unitholders

The Trust Deed contains detailed provisions for meetings of Unitholders generally and Unitholders of each particular class. Meetings may be convened by the Trustee, the Managers or the holders of at least 10% in value of the Units in issue or the Units of the particular class in issue, on not less than twenty-one days' notice. Notices of meetings will be posted to Unitholders or Unitholders of the particular class. Unitholders may appoint proxies, who need not themselves be Unitholders. The quorum for a meeting will be Unitholders present in person or by proxy and holding or representing not less than 10% (or in relation to the passing of an Extraordinary Resolution, 25%) of the Units (or Units of the relevant class) for the time being in issue or, for an adjourned meeting, Unitholders present in person or by proxy whatever their number or the number of Units held by them.

On a show of hands every Unitholder who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative or one of its officers as its proxy shall have one vote. On a poll every Unitholder present in person or by representative or proxy shall have one vote for every Unit for which he is registered as the holder. Such voting rights may be amended in the same manner as any other provision of the Trust Deed.

An Extraordinary Resolution is a resolution proposed as such at a meeting of Unitholders at which a quorum is present and passed by a majority of 75% of the total number of votes cast.

The Trust Deed provides that a resolution which, in the opinion of the Trustee, affects one class only of Units will be duly passed if passed at a separate meeting of the Unitholders of that class; if, in the opinion of the Trustee, the resolution affects more than one class of Unit but does not give rise to a conflict of interests between the holders of the Units of the respective classes, the resolution will be duly passed if passed at a single meeting of the holders of the Units of those classes; if the resolution affects, in the opinion of the Trustee, more than one class of Unit and gives or may give rise to a conflict of interests between the holders of Units of the respective classes, the resolution will only be duly passed if, in lieu of being passed at a single meeting of the holders of the Units of those classes, it is passed at separate meetings of the holders of Units of those classes.

Duration of the Unit Trust

The Unit Trust will continue indefinitely until terminated in accordance with the Trust Deed either (a) by the Managers if the value of net assets of the Unit Trust amounts, at any time, to less than US\$25,000,000 or its equivalent or (b) by either the Managers or the Trustee at any time in certain circumstances (e.g. if any law is passed which renders it illegal or, in the opinion of the Managers or the Trustee, impracticable or inadvisable to continue the Trust), or (c) by Extraordinary Resolution of a meeting of Unitholders passed at any time, or (d) by either the Trustee or the Managers giving at least one year's notice to the other expiring at the end of the accounting period current at the end of the year 2006 or any 20th year thereafter.

The Managers have power to terminate any particular Fund on the date one year following the first issue of Units in that Fund or on any date thereafter if the value of net assets of that Fund amounts at such date to less than US\$2,000,000 or its equivalent.

The Trust Deed provides that upon the Unit Trust being terminated the Trustee shall:-

- (a) sell all investments held for the Unit Trust; and
- (b) distribute all net cash proceeds derived from the realisation of the assets of each Fund to Unitholders of the relevant class in proportion to their respective interests upon production of the unit certificate (if issued) or delivery of such form of request as the Trustee may require.

The Trustee shall not be bound (except in the case of final distribution) to distribute any moneys for the time being in its hands the amount of which is insufficient to pay the equivalent of US\$1.00 in respect of each Unit. In addition, the Trustee shall be entitled to retain out of any monies in its hands as part of the property of the Unit Trust or the relevant Fund, full provision for all costs, charges, expenses, claims and demands.

Any unclaimed proceeds or other cash held by the Trustee at the end of the expiration of twelve months from the date on which the same were payable will be paid into Court subject to the right of the Trustee to deduct therefrom any expenses it may incur in making such payment.

Miscellaneous

The Unit Trust is not involved in any litigation nor are the Directors of the Managers aware of any pending or threatened litigation.

A UK investor who enters into an investment agreement to acquire Units in response to this Prospectus will not have the right to cancel the agreement under the cancellation rules made by the Financial Services Authority in the UK. The agreement will be binding upon acceptance of the order by the Managers.

The Managers do not carry on investment business in the UK and UK investors are advised that most of the protections afforded by the UK regulatory system will not apply to an investment in the Unit Trust.

The right of Unitholders in the Unit Trust may not be protected by the Financial Services Compensation Scheme established in the UK.

BAML will ensure that investment opportunities are fairly allocated between the Fund and its other clients.

The liability of the Trustee will not be affected by the appointment of any third party to hold assets of the Unit Trust.

Any investor wishing to make a complaint regarding any aspect of the Unit Trust or its operations may do so directly to the Managers or to BAML at the addresses shown under "ENQUIRIES TO" at the end of this document.

Documents Available for Inspection

Copies of the following documents may be obtained from the Managers or inspected during usual business hours on a business day at the registered office of the Managers and at the offices of BAML and the Paying Agent in jurisdictions where the Funds have been registered for public marketing: -

- (a) the Trust Deed;
- (b) the Prospectus prepared by the Managers;
- (c) the Simplified Prospectus prepared by the Managers;
- (d) the annual and half yearly reports relating to the Unit Trust most recently prepared and published by the Managers;
- (e) the Administration Agreement;
- (f) the Investment Management Agreement;
- (g) the Regulations and the UCITS Notices issued by the Financial Regulator pursuant thereto; and
- (h) Memorandum detailing the names of all companies and partnerships that each director has been a member or partner in the last five years and an indication of whether or not they are still a member or partner.

Items (a), (b), (c) and (d) as listed above, may also be obtained from the Paying Agents.

The most recently prepared annual report relating to the Unit Trust will be available to Unitholders and prospective investors on request from the offices of the Manager or from the Paying Agents.

Appendix I

With the exception of permitted investments in unlisted securities, the Unit Trust will only invest in securities traded on a stock exchange or market which meets with the regulatory criteria (regulated, operated regularly, be recognised and open to the public) and which is listed below.

For the purpose of the Trust, a market shall be:-

(a) In relation to any Investment which constitutes a transferable security:

(i) any stock exchange which is:

- located in any Member State; or
- located in any of the following countries:-

Australia
 Canada
 Japan
 New Zealand
 Norway
 Switzerland
 United States of America; or

(ii) any stock exchange included in the Trust Deed and in the following list:-

Argentina	Bolsa de Comercio de Buenos Aires
Argentina	Mercado Abierto Electronico S.A.
Bahrain	Bahrain Stock Exchange
Bangladesh	Dhaka Stock Exchange Ltd
Bangladesh	Chittagong Stock Exchange
Brazil	Sociedade Operadora Do Mercado De Ativos S.A.
Brazil	BM & F Bovespa SA
Brazil	Central de Custodia e de Liquidacao Financiera de Titulos
Chile	La Bolsa Electronica De Chile
Chile	Bolsa de Comercio de Santiago
China	Shanghai Stock Exchange
China	Shenzhen Stock Exchange
Colombia	Bolsa De Valores De Colombia
Croatia	Zagreb Stock Exchange, The
Egypt	The Egyptian Exchange
Ghana	Ghana Stock Exchange
Hong Kong	Stock Exchange Of Hong Kong Ltd, The
Iceland	NASDAQ OMX ICELAND hf
India	Bombay/Mumbai Stock Exchange Ltd
India	National Stock Exchange of India
Indonesia	Indonesia Stock Exchange
Jamaica	Jamaica Stock Exchange, The
Jordan	Amman Stock Exchange
Kenya	Nairobi Stock Exchange
Korea, Republic of	Korea Exchange
Malaysia	Bursa Malaysia Berhad
Mauritius	Stock Exchange of Mauritius Ltd, The
Mexico	Bolsa Mexicana De Valores (Mexican Stock Exchange)
Morocco	Casablanca Stock Exchange
Nigeria	Nigerian Stock Exchange, The
Oman	Muscat Securities Market
Pakistan	Karachi Stock Exchange
Pakistan	Lahore Stock Exchange
Pakistan	Islamabad Stock Exchange
Peru	Bolsa De Valores De Lima
Philippines	Philippine Stock Exchange, Inc.
Russia	RTS Stock Exchange
Russia	Moscow Interbank Currency Exchange
Serbia and Montenegro	Belgrade Stock Exchange
Singapore	Singapore Exchange
South Africa	JSE Securities Exchange
Sri Lanka	Colombo Stock Exchange

THE BARING INTERNATIONAL UMBRELLA FUND

Taiwan	GreTai Securities Market
Taiwan	Taiwan Stock Exchange
Thailand	Stock Exchange of Thailand
Trinidad and Tobago	Trinidad and Tobago Stock Exchange
Turkey	Istanbul Stock Exchange
Uruguay	Bolsa De Valores De Montevideo
Venezuela	Bolsa De Valores De Caracas
Vietnam	Hanoi Securities Trading Centre
Vietnam	Ho Chi Minh Stock Exchange
Zambia	Lusaka Stock Exchange
Zimbabwe	Zimbabwe Stock Exchange

(iii) any of the following:

the market organised by the International Capital Market Association;

the "listed money market institutions", as described in the Bank of England publication "The Regulation of the Wholesale Markets in Sterling, Foreign Exchange and Bullion" dated April 1988 (as amended from time to time);

the market in US government securities conducted by primary dealers which are regulated by the Federal Reserve Bank of New York;

a market comprising dealers which are regulated by the United States National Association of Securities Dealers and the United States Securities and Exchange Commission;

NASDAQ in the United States; and

The over-the-counter market in Japan regulated by the Securities Dealers Association of Japan.

The over-the-counter market in the United States regulated by the National Association of Securities Dealers Inc. (also described as the over-the-counter market in the United States conducted by primary and secondary dealers regulated by the Securities and Exchanges Commission and by the National Association of Securities Dealers (and by banking institutions regulated by the US Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation);

The French market for Titres de Créances Négociables (over-the-counter market in negotiable debt instruments);

the over-the-counter market in Canadian Government Bonds, regulated by the Investment Dealers Association of Canada.

(iv) All derivatives exchanges on which permitted financial derivative instruments may be listed or traded:

- in a Member State
- in a Member State in the European Economic Area (European Union, Norway, Iceland and Liechtenstein);
- in the United States of America, on the
 - Chicago Board of Trade;
 - Chicago Board Options Exchange;
 - Chicago Mercantile Exchange;
 - Eurex US;
 - New York Futures Exchange;
 - New York Board of Trade;
 - New York Mercantile Exchange;
- in China, on the Shanghai Futures Exchange;
- in Hong Kong, on the Hong Kong Futures Exchange;
- in Japan, on the
 - Osaka Securities Exchange;
 - Tokyo International Financial Futures Exchange;
 - Tokyo Stock Exchange;
- in New Zealand, on the New Zealand Futures and Options Exchange;
- in Singapore, on the Singapore Commodity Exchange.

THE BARING INTERNATIONAL UMBRELLA FUND

PROVIDED THAT the Trustee and the Managers shall be entitled by deed supplemental to the Trust Deed and without the sanction of an Extraordinary Resolution to modify this definition by adding to or deleting from the countries, markets and exchanges described above.

The markets and exchanges described above are set out herein in accordance with the requirements of the Financial Regulator which does not issue a list of approved markets.

Appendix II

Information for Investors in Denmark

Taxation of The Baring International Umbrella Fund

The Baring International Umbrella Fund is subject to taxation in Ireland, as outlined in the section headed Taxation of this Prospectus. As a consequence thereof, Ireland is entitled to claim tax on income earned in The Baring International Umbrella Fund:

Taxation in Denmark of Danish Investors

The following is an account of taxation in Denmark of Danish investors in The Baring International Umbrella Fund.

The target group of investors in Denmark consists of institutional investors, notably banks, life assurance companies, pension insurance companies, pension funds etc. It is not possible to describe all the tax situations that may arise when investing in The Baring International Umbrella Fund and, therefore, this explanation is not exhaustive. It is, under all circumstances, recommended that potential Danish investors contact their own tax advisor, regarding the consequences of investment into The Baring International Umbrella Fund.

Under Danish tax legislation The Baring International Umbrella Fund complies with requirements for taxation as an accumulating Unit Trust. Pursuant to Danish legislation the investors will be taxed on income earned in The Baring International Umbrella Fund in the same way as on dividends from a public limited company and, when redeeming the Units in the Unit Trust, in the same way as when redeeming shares.

The taxation of each individual investor depends upon which of the following categories the investor's or the investors' invested means belong.

Trade Taxation

If, under Danish tax law, the investor is regarded as a businessman trading securities, including Units in Unit Trusts, the investor will be taxed on all yields therefrom as for ordinary income. Also, the investor will, in such a situation, have a right to deduct loss from the ordinary income.

The tax rate for corporate income is 30%.

Non-trading Investors, Non-Pension Means

If the invested means from a tax point of view are not regarded as pension means subject to the Danish Pension Tax Act, the investors will be taxed as follows:

Yield

Any dividend from The Baring International Umbrella Fund is, from a tax point of view, regarded as distribution of dividend.

Due to the character of the activities of The Baring International Umbrella Fund, the dividend is regarded as a dividend from a company of a mainly financial character and therefore, the entire amount paid will be included in the taxable income. The dividend will be taxed at 30%.

The taxation of dividend from companies with activities of a financial character will therefore exceed the taxation of dividends from companies with activities of a not mainly financial character as, in the latter event, the taxable dividend will only be 66% of the dividend paid out.

Sale of Units issued

When redeeming Units any gain or loss will be taxed pursuant to the Danish Tax on Capital Gains on Shares Act.

In relation to taxation, the activities of The Baring International Umbrella Fund will be regarded as being of a mainly financial character. As The Baring International Umbrella Fund is, furthermore not subject to taxation in its home country, any gains will be taxed with an additional 1% for each year of ownership, but not less than at 10% however. Loss is not deductible.

Taxation of gains relating to investment in activities of a mainly financial character will, thus, normally largely exceed the taxation of investments in activities that are not mainly of a financial character. In the latter event the taxation will, as a maximum, be based on the gain with a possibility of source-limited deduction of loss. Furthermore, gains obtained after three years of ownership will generally be tax-exempt.

Gains are calculated as the difference between the purchase price and the sales price. The amount is calculated using the average method and on the basis of a first-in-first-out principle.

Non-Trading Investors, Pension Means

For pension funds, life assurance companies and other taxable companies, all net yields from The Baring International Umbrella Fund will, pursuant to the Pension Taxation Act, be taxed at 15%.

The calculation of yield shall be made at market value as at the balance sheet date.

Information for Investors in Luxembourg

Paying Agent

In accordance with the requirements of Luxembourg law (Article 55 of the Luxembourg Law of 30 March, 1988), the Managers have appointed Banque de Luxembourg S.A. with its registered office at 14, Boulevard Royal, L-2449 Luxembourg (the "Paying Agent") as its Paying Agent in Luxembourg. Accordingly, Unitholders resident in Luxembourg may, if they so wish, lodge applications for subscription, redemption and conversion of Units and obtain payment of redemption of their Units and distribution payments, through the Paying Agent.

Documents and Information

Copies of the Trust Deeds establishing the Funds, the Prospectus, the Simplified Prospectus and the latest annual and interim report and accounts, the UCITS Regulations and the Financial Regulator of Ireland Notices, as well as the issue and redemption prices may be obtained from the Luxembourg Paying Agent at the above address during usual business hours on business days.

Any notices to Unitholders will be sent to their registered address.

Taxation in Luxembourg

- (a) Unit Trust - Under current Luxembourg law, there are no Luxembourg ordinary income, capital gains, estate or inheritance taxes payable by the Unit Trust.
 - (b) Unitholders - Under current Luxembourg law, there is no Luxembourg ordinary income, capital gains, estate or inheritance taxes payable by the Unitholders in respect of their Units, except by Unitholders who are domiciled in, or are residents of or have a permanent establishment in the Grand-Duchy of Luxembourg and except by certain former Luxembourg residents.
-

Appendix III

Registration/Listing Status

	ASEAN Frontiers	Asia Growth	Australia	Europa	Hong Kong China	International Bond	Japan*	North America
Austria	✓	✓	✓	✓	✓	✓	✓	✓
Chile	✓	✓	✓	✓	✓	✓	✓	✓
Denmark	✓	✓	✓	✓	✓	✓	✓	✓
Finland	✓	✓	✓	✓	✓	✓	✓	✓
France	✓	✓	✓	✓	✓	✓	✓	✓
Germany	✓	✓	✓	✓	✓	✓	✓	✓
Hong Kong	✓	✓	✓	✓	✓	✓	X	✓
Ireland Stock Exchange**	✓	✓	✓	✓	✓	✓	X	✓
Luxembourg	✓	✓	✓	✓	✓	✓	✓	✓
Macau	✓	✓	✓	✓	✓	✓	X	✓
Peru	✓	✓	✓	✓	✓	✓	X	✓
Spain	✓	✓	✓	✓	✓	✓	✓	✓
Sweden	✓	✓	✓	✓	✓	✓	✓	✓
Switzerland	✓	✓	✓	✓	✓	✓	✓	✓
Taiwan	X	X	US\$	✓	X	US\$ & €	X	US\$
United Kingdom	✓	✓	✓	✓	✓	✓	X	✓

Notes

- ✓ confirmation that the Fund is registered for public marketing. In the case of Denmark, the Funds are authorised for marketing to institutional investors in Denmark.
- x not registered.

* Investors should note that it is the intention of the Mangers to apply to the Financial Regulator for withdrawal of approval of this Fund. Accordingly, Units in the Fund are no longer available for subscription.

** Please see Appendix IV for the listing details of each Fund.

Appendix IV

ISIN Details

FUND AND CLASS	UNIT TYPE (ACC/INC)	BASE CURRENCY	UNIT DENOMINATION	ISIN	LISTED ON IRISH STOCK EXCHANGE
Baring ASEAN Frontiers Fund					
Class A	Inc	US\$	US\$	IE0000830236	✓
			€	IE0004868828	✓
			£	IE00B3BC5T90	✓
Class I	Acc	US\$	US\$	IE00B3BC5V13	X
			€	IE00B3BC5X37	X
			£	IE00B3BC5W20	X
Baring Asia Growth Fund					
Class A	Inc	US\$	US\$	IE0000830129	✓
			€	IE0004868604	✓
			£	IE0031029477	✓
Class I	Acc	US\$	US\$	IE00B3BC9V92	X
			€	IE00B3BC9X17	X
			£	IE00B3BC9W00	X
Baring Australia Fund					
Class A	Inc	US\$	US\$	IE0000829451	✓
			€	IE0004866665	✓
			£	IE00B45XQ142	X
			AU\$	IE00B3YQ9180	X
Class I	Acc	US\$	US\$	IE00B3BC9S63	X
			€	IE00B3BC9T70	X
			£	IE00B3YQ8T99	X
			AU\$	IE00B3WCDZ09	X
Baring Europa Fund					
Class A	Inc	US\$	US\$	IE0000829121	✓
			€	IE0004866772	✓
Class C	Inc	US\$	US\$	IE00B2NN6456	✓
Class I	Acc	US\$	€	IE00B2PF5530	✓
			US\$	IE00B3BC9Y24	X
			€	IE00B3BCB020	X
Baring Hong Kong China Fund					
Class A	Inc	US\$	US\$	IE0000829238	✓
			€	IE0004866889	✓
			£	IE00B3YQ0H18	X
Class C	Inc	US\$	US\$	IE00B2NN6340	✓
			€	IE00B2PF5423	✓
Class I	Acc	US\$	US\$	IE00B3BCB798	X
			€	IE00B3BCB806	X
			£	IE00B3YV5X70	X
Baring International Bond Fund					
Class A	Inc	US\$	US\$	IE0000829568	✓
			€	IE0004866996	✓
			£	IE0033064597	✓
Class I	Acc	US\$	US\$	IE00B3BCB137	X
			€	IE00B3BCB350	X
			£	IE00B3BCB244	X
Baring Japan Fund*					
Class A	Inc	US\$	US\$	IE0000829675	X
			€	IE0004867184	X
Class I	Acc	US\$	US\$	IE00B3BCB913	X
			€	IE00B3BCBK29	X
Baring North America Fund					
Class A	Inc	US\$	US\$	IE0000830012	✓
			€	IE0004867309	✓
			£	IE00B28K8F61	✓
Class I	Acc	US\$	US\$	IE00B3BCB467	X
			€	IE00B3BCB681	X
			£	IE00B3BCB574	X

* Investors should note that it is the intention of the Managers to apply to the Financial Regulator for withdrawal of approval of this Fund. Accordingly, Units in the Fund are no longer available for subscription.

Enquiries To:

BARING ASSET MANAGEMENT LIMITED

155 Bishopsgate,
London EC2M 3XY,
UK

Telephone: 44(0)20 7628 6000
44(0)20 7214 1004 (Dealing Dept.)
Facsimile: 44(0)20 7214 1655

BARING FRANCE S.A.S

35, avenue Franklin Roosevelt,
75008 Paris,
France

Telephone: 331 53 93 6000
Facsimile: 331 42 89 4161

BARING INTERNATIONAL FUND MANAGERS (IRELAND) LIMITED

Georges Court,
54-62 Townsend Street,
Dublin 2,
Ireland

Telephone: 353 1 542 2930
Facsimile: 353 1 542 2920
353 1 670 1185
(Shareholder Services Dept.)

PAYING AGENT - AUSTRIA

UniCredit Bank Austria AG,
Am Schottengasse 6-8,
1010 Vienna,
Austria

PAYING AGENT - FRANCE

BNP Paribas Securities Services
3 rue d'Antin,
75002 Paris,
France

PAYING AND INFORMATION AGENT - GERMANY

Deutsche Bank AG
TSS / Global Equity Services
Post IPO Services
Junghofstrasse 5-9
60311 Frankfurt am Main
Federal Republic of Germany

FURTHER INFORMATION AGENT – GERMANY

Baring Asset Management
Oberlindau 54-56,
60323 Frankfurt am Main,
Federal Republic of Germany

PAYING AGENT - LUXEMBOURG

Banque de Luxembourg S.A.
14, Boulevard Royal,
L-2449 Luxembourg

PAYING AGENT - SWEDEN

S.E. Banken
Sergels Torg 2,
106 40 Stockholm,
Sweden

PAYING AGENT/REPRESENTATIVE - SWITZERLAND

BNP Paribas Securities Services SA, Paris,
Zurich branch
Selnaustrasse 16
P.O Box, CH-8022, Zurich
Switzerland

THE BARING INTERNATIONAL UMBRELLA FUND

THE BARING INTERNATIONAL UMBRELLA FUND

Dated 9 August, 2010

First Addendum to the Prospectus

This First Addendum forms part of the prospectus for The Baring International Umbrella Fund, an umbrella unit trust (the "Unit Trust"), dated 14 August, 2009 (the "Prospectus") and should be read in the context of, and together with, the full information in the Prospectus.

Distribution of this Addendum is not authorised unless accompanied by a copy of the Prospectus and the reports referred to therein which together form the Prospectus for the issue of Units in the Funds.

The Directors of the Managers, whose names appear on page 4 of the Prospectus, are responsible for the information contained in this Addendum. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that this is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

Baring Hong Kong China Fund - Creation of a new Unit Class

The Prospectus is being amended to reflect the addition of a new Class A HK\$ denominated Unit Class. The following changes will be made to the Prospectus:

- (1) The tables on page 6 and page 47 of the Prospectus will each be amended to reflect the following Unit Class details for Baring Hong Kong China Fund:

FUND AND CLASS	BASE CURRENCY	UNIT DENOMINATION
Baring Hong Kong China Fund		
Class A	US\$	US\$ / £ / € / HK\$
Class C	US\$	US\$ / €
Class I	US\$	US\$ / £ / €

FUND AND CLASS	UNIT Type (ACC/INC)	BASE CURRENCY	UNIT DENOMINATION	ISIN	LISTED ON IRISH STOCK EXCHANGE
Baring Hong Kong China Fund					
Class A	Inc	US\$	US\$	IE0000829238	✓
Class A	Inc	US\$	€	IE0004866889	✓
Class A	Inc	US\$	£	IE00B3YQ0H18	X
Class A	Inc	US\$	HK\$	IE00B4YN5X00	X
Class C	Inc	US\$	US\$	IE00B2NN6340	✓
Class C	Inc	US\$	€	IE00B2PF5423	✓
Class I	Acc	US\$	US\$	IE00B3BCB798	X
Class I	Acc	US\$	€	IE00B3BCB806	X
Class I	Acc	US\$	£	IE00B3YV5X70	X

- (2) The first sentence of the third paragraph on page 7 shall be deleted and replaced with the following:

"The Managers may decline any application for Units in whole or in part and will not accept subscription for Class A and Class C Units of an amount (inclusive of the preliminary charge) which is less than US\$5,000 (or the HK\$ equivalent), £2,500, €3,500 or AU\$6,000."

- (3) The third paragraph under the heading "Distribution Policy" on page 22 of the Prospectus shall be deleted and replaced with the following:

"It is intended that each Class of Unit within the Unit Trust (other than Class I Units or Units denominated in HK\$) will apply to be certified as a distributing fund for the period to 30 April 2010 and subsequently to be treated as a reporting fund for the purposes of United Kingdom taxation."

- (4) The table and wording under the heading "Application Procedures" on page 34 of the Prospectus shall be deleted in its entirety and replaced with the following details:

Class A HK\$ of Baring Hong Kong China Fund	9.00 am on 10 August 2010	5.00pm on 10 February 2011
---	---------------------------	----------------------------

THE BARING INTERNATIONAL UMBRELLA FUND

Class I Units of each Fund	9.00 am on 5 August 2008	5.00pm on 10 February 2011
----------------------------	--------------------------	----------------------------

“Units are on offer at the net asset value equivalent to the US\$ Class of the relevant Fund (adjusted for currency conversion at the prevailing rate). After expiry of the Initial Offer Period, Units will be issued at the net asset value per Unit on each Dealing Day.”

- (5) The fifth paragraph under the heading “Application Procedures” on page 34 of the Prospectus shall be amended by the replacement of the first sentence with the following:

“The minimum number of Units of any one Class that may be subscribed for is Units having a value, at the current issue price (inclusive of the preliminary charge) of not less than US\$5,000 (or the HK\$ equivalent), £2,500, €3,500 or AU\$6,000 in respect of Class A and Class C Units.”

The above changes will take effect from the date of this Addendum.

Dated 9 August, 2010



155 Bishopsgate, London EC2M 3XY
Tel: +44 (0)20-7628 6000 Fax: +44 (0)20-7638 7928