

**This Product Disclosure Statement is only for use by
investors investing through a master trust or wrap account.**

Who manages the Fund?

Barclays Global Investors Australia Limited (“BGIA”) is the Responsible Entity of the Barclays International Funds – International Share Fund (the “Fund”). Barclays Global Investors (“BGI”) has offices in the US, Australia, Canada, Europe, Hong Kong, Japan, and Singapore and is the asset management arm of Barclays PLC – a public company listed on the London Stock Exchange.

BGI is one of the world’s largest investment managers and providers of risk controlled active strategies including total return, stock selection, market selection, fixed income, currency and diversified funds, as well as index strategies across developed and emerging markets.

About the Fund

The Fund aims to achieve returns of 2% p.a., (net of fees) that exceed those of the MSCI World ex-Australia IndexSM (unhedged in AUD with net dividends reinvested) (the “Index”) over rolling 3-year periods while maintaining a similar level of investment risk to the Index. In order to achieve its expected return objective, we expect the Fund to incur an active risk of about 2.5-3.0% p.a. over a rolling 3-year period. By “active risk” we mean the annualised standard deviation of returns net of fees (that is, we expect the Fund’s return to be within 2.5-3.0% above or below its expected return level, roughly two years out of every three). The minimum recommended investment period for the Fund is 3 to 5 years. Investors should bear in mind that the Fund’s expected return objective is predictive in nature, may be affected by unknown risks and uncertainties, and that actual returns may differ from this objective.

Should the expected return and active risk parameters of the Fund change, we will inform Unitholders as soon as is practicable.

The Fund uses a combination of stock selection, country and currency allocation strategies. Active stock selection is conducted using our equity investment process developed specifically for a region. Active country allocation and currency management decisions are implemented using a range of valuation, market environment and economic environment inputs to measure both the relative value across equity markets and the relative value across currency markets. Investment risk is managed by diversifying across many countries and currencies, and by holding the shares of a large number of companies within each country. The international equity exposure is unhedged against currency movements.

Like most managed funds, the Fund is a unit trust. Investors contribute money and are issued units to which rights (such as to any income) attach.

How do we manage your money?

Our investment style – scientific investing – is based on our belief that people, leveraged by technology, are central to the consistent achievement of our clients’ investment goals.

IMPORTANT INFORMATION: Neither the performance of the Fund offered in this Product Disclosure Statement nor the repayment of capital or any income from the Fund is guaranteed by Barclays Global Investors Australia Limited, Barclays PLC or any subsidiary of the Barclays Group. The product is not a deposit or other liability of Barclays PLC or its subsidiaries. Investment products are subject to investment risk, and possible delays in repayment and loss of income and principal invested. This Product Disclosure Statement can only be used by investors receiving it (electronically or otherwise) in Australia.

We believe that an optimal investment outcome can best be achieved through Total Performance Management – understanding, measuring, forecasting and managing the three dimensions of investment performance: return, risk and cost.

What does the Fund invest in?

The Fund gains exposures through other funds that we manage. Those funds invest in stocks from the world's developed equity markets and make active country and currency allocation decisions using market index futures contracts and forward foreign exchange contracts.

The Fund aims to remain fully invested, with cash exposure being maintained at a minimum. Wherever practicable cash will be equitised using share price index futures.

Derivatives, such as futures, forwards and options can be used to manage risk and return. When derivative positions are established they will always be backed by cash holdings and/or underlying assets. Derivative securities will not be used to gear the Fund.

Whilst the constitution of the Fund allows the Responsible Entity to borrow, it is our intention that no borrowing arrangements will be entered into by the funds other than temporary overdrafts which may be used as a means of managing certain cash flows.

We may take into account Socially Responsible Investments (SRI) considerations - including labour standards or environmental, social or ethical considerations - from time to time where they may materially impact on the performance objectives for the purpose of selecting, retaining or realising investments. However, we have no predetermined views about what we regard as SRI considerations and how far those considerations are to be taken into account, other than taking them into account where we become aware of them and to the extent they may financially affect investments. We have no set approach or timeframe to monitor or review the methodology for taking SRI considerations into account, and will determine on a case-by-case basis the approach to take when investments no longer match their investment objectives.

What are the benefits?

One of the main benefits that we aim to achieve is returns that exceed those of the Index by 2% p.a., (net of fees), over rolling 3-year periods.

Managed funds such as the Fund have other benefits. The Fund is managed by our investment professionals and the pooling of money provides access to investment opportunities, markets and diversity which individual investors usually cannot manage.

Managed funds can also often invest at lower cost than an individual investor and can often access investment and risk management techniques not available to individual investors.

The Fund expects to receive returns from its investments, and in turn, may make distributions to investors (usually shortly after the end of December and June each year). It is normally the end of June distributions which would have any net capital gains. Distributions may also carry foreign or other tax credits. There may be periods in which no distributions are made.

Investors also have the benefit of gains (or suffer losses) when they dispose of their investment in the Fund such as by exiting the Fund or disposing of their units.

Investors also participate in other distributions (such as if the Fund was ever terminated).

What are the risks?

The returns you receive from the Fund depend on the income earned from the underlying investments and the change in the market price of the underlying investments. These returns can be influenced by a variety of risk factors that include but are not limited to those associated with changes in:

- global and domestic economic conditions;
- international and domestic government policies and tax laws;

- currency exchange rates, interest rates and inflation rates;
- industry factors and consumer demand; or
- investor sentiment.

These factors may result in specific investments rising in value, thereby enhancing the returns for investors. On the other hand, there is also the potential for a fall in the value of the investments of the Fund. Such a fall may lead to capital losses and possibly a reduction in the income earned.

Investment risk is measured by the extent to which actual investment returns can deviate from the returns expected by investors. While all investments involve a degree of investment risk, those assets that offer a higher potential return generally carry a higher level of investment risk.

Managing risk is a critically important part of our investment philosophy. There are two types of investment risk:

- **Active investment risk:** the investment risk of the active decisions relative to the benchmark; and
- **Benchmark investment risk:** the investment risk of the benchmark.

Active investment risk will vary from manager to manager, depending upon their investment management process. Our active investment strategies manage risk by seeking to ensure that investors only incur active risks for which we believe they will be adequately compensated. The exposure to all other risk factors that can affect the actual return of the underlying securities is tightly controlled relative to the benchmark.

What about Fund performance and size?

For recent Fund performance, benchmark performance or Fund size, please contact the operator of your master trust or wrap account. You can also call us toll free on 1800 222 743 or visit our website www.barclaysglobal.com (see page 10 for our contact details).

Past performance is not indicative of future performance of the Fund.

Fees and other costs

Consumer Advisory Warning

Government regulation requires all product issuers to include the following standard consumer advisory warning as set out in the box below. The information in the box is standardised across all product issuers and does not provide any specific information on the fees and charges in this fund and therefore, may not reflect what fees you may be charged. You should refer to the fees in the fee template on page 4 for information on the specific fees and charges that apply to this Fund.

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your fund balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100 000 to \$80 000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.fido.asic.gov.au) has a managed investments fee calculator to help you check out different fee options.

Fees and other costs

This document shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the Fund assets as a whole.

Information about taxes is set out on pages 5 and 8-9 of this document.

You should read all the information about fees and costs because it is important to understand their impact on your investment.

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
Fees when your money moves in and out of the Fund		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment	Nil	We will not charge a contribution fee for your initial or any additional investments. An allowance is made in the entry unit price for transaction costs in the form of a buy spread. ¹
Withdrawal fee The fee on each amount you take out of your investment	Nil	We will not charge a withdrawal fee for withdrawals you make from the Fund. An allowance is made in the exit unit price for transaction costs in the form of a sell spread. ¹
Termination fee The fee to close your investment	Nil	Not applicable
Management costs		
The fees and costs for managing your	Current management fee ² :	The management fee,

<p>investment.</p> <p>Until Unitholders receive notice to the contrary, this will be charged as one management fee.</p> <p>The management fee covers the following:</p> <p><i>Administration fee:</i> this is to cover the general administration of the Fund</p> <p><i>Investment management fee:</i> this is for managing the Fund's investments</p> <p><i>Operational expenses and reimbursements:</i> this covers most of the out-of-pocket expenses the Responsible Entity is entitled to recover from the Fund including custody safekeeping fees and other investment related expenses³</p>	0.89% pa	<p>including GST less reduced input tax credits, is calculated on the Net Asset Value of the Fund on a daily basis and is generally paid to the Responsible Entity from the Fund on a quarterly basis. The Responsible Entity may, under special circumstances, elect to vary the frequency of its fee collection.</p>
Service fees		
<p>Investment switching fee</p> <p>The fee for changing investment options</p>	Nil	<p>No specific switching fee is applicable, however, appropriate buy/sell spreads will apply¹</p>

1. Transaction costs ('buy/sell' spreads) apply to the Fund. Refer to 'Additional Explanation of Fees and Costs' below.

2. Current management fees are inclusive of GST less reduced input tax credits. It is not possible to unbundle the exact amounts of the components of the management costs. The effect of tax benefits on the actual impact of management fees on your investment is discussed below under 'Additional Explanation of Fees and Costs'.

3. That is, from the one management fee we charge, we will pay ongoing fees and expenses that are incurred in connection with the Fund. Our management fee does not cover the following:

- expenses such as transactional costs, government taxes and charges on the purchase and sale of securities; nor
- unusual expenses (such as non-recurrent expenses, for example, the costs involved in litigation or the running of unitholders meetings). No unusual expenses have been incurred in the Fund in the past three financial years. Where these expenses are incurred, they will be paid from the Fund and reflected in the unit price and in the management costs reported to you in your periodic statement.

Additional Explanation of Fees and Costs

Buy/ Sell Spreads

When an investor enters or exits the Fund, an allowance for transaction costs is included in the entry or exit price. This is commonly referred to as a buy/sell spread. These transaction costs include the expenses to a fund involved in buying and selling the underlying investments, and include such costs as brokerage, bank charges, custody movement charges and market impact in the underlying securities. By including an allowance for these costs in the unit price, we can ensure that the costs are directed to the investors who are transacting rather than the investors remaining in the Fund.

BGI calculates the buy spread by estimating the total cost per unit required to be included in the entry unit price to avoid an adverse impact on other Unitholders due to costs which would be incurred in investing the application money and any other amount which in the opinion of BGI should be included on account of the cost of acquiring the assets of the unit trust investment.

The sell spread is calculated by BGI estimating the total cost per unit required to be included in the exit unit price to avoid an adverse impact on other Unitholders due to costs which would be incurred in realising assets of the trust fund to make the redemption.

BGI uses proprietary models, which have historical transaction costs as inputs, in order to calculate the estimate of what BGI believes it will cost to invest and divest in the Fund.

The effective buy/sell spreads for the Fund are currently:

	Regular	Month-End ¹
Buy spread	0.25%	0.20%
Sell spread	0.25%	0.20%

1. Month-end applications and redemptions generally benefit from lower buy/sell spreads than next-day transactions. Reduced month-end buy/sell spreads may be available to direct investors including your master trust or wrap account operator, subject to arrangements they have in place to utilise the month-end reductions. In such cases, applications or redemptions from the master trust or wrap account operator must be accepted by us before the cut-off time, at least three Business Days prior to the last business day of the month, and the application or redemption must indicate that it is intended as a month-end transaction.

Whilst the buy/sell spread is an additional cost to an investor, no part of the buy/sell spread is paid to the Responsible Entity. You may request a copy of BGI's policy governing the calculation of spreads and review of them, which we will provide without charge.

Subject to the Corporations Act, the Responsible Entity may change the buy and/or sell spreads in limited cases where this is appropriate. Subject to the law the Responsible Entity has the discretion to deem these spreads to be a lower amount, an estimated average percentage or even zero. Where there is an increase in fees or costs, we will give investors at least 30 days prior notice.

Fee for Wholesale Investors

From time to time we will negotiate lower management fees with what the Corporations Act calls "wholesale" investors – such as the operators of master trusts and wrap accounts. This is generally because they invest large amounts of money in the Fund. The Australian Securities and Investments Commission (ASIC) has issued Class Order relief that enables us to individually negotiate fees with these investors.

Rebates and related payments paid by BGI

BGI may make annual Product Access Payments to Investor Directed Portfolio Service (IDPS) platform providers, such as master trusts or wrap account operators who offer the Fund on their investment menus. Currently the maximum Product Access Payment paid to a platform provider is \$25,000 for BGI as a whole and \$15,000 specifically for this Fund. All Product Access Payments are paid directly by BGI and are not paid out of the Fund.

BGI may also make Fund Manager Payments to institutional investors and Australian Financial Services Licensees such as financial advisers and dealer groups, IDPS platform providers, including master trusts or wrap account operators who invest in the Fund. All Fund Manager Payments are paid directly by BGI and are not paid out of the Fund. Such payments are individually negotiated with each platform provider investor or Licensee. Payments may be rebated by the institutional investor or Licensee platform provider to its end consumer clients or may be retained by the platform institutional investor or Licensee by way of a commission (please refer to the PDS or Financial Services

Guide of your particular platform provider or financial adviser). Currently the maximum Fund Manager Payment paid by BGI to a platform provider or Licensee is 0.357% p.a.

Product Access Payments and Fund Manager Payments are paid directly by BGI and are not paid out of the Fund.

Public register of alternative remuneration

As a member of the Investment and Financial Services Association, we keep a public register which details any alternative form of remuneration that has been paid to or by BGI worth more than \$300 (for example, to advisers). You may view the register by visiting our office.

Third party arrangements

Brokerage services may be provided by entities related to the Responsible Entity, for which fees are charged. Such brokerage services will only be used where the fees are at, or more favourable than, the prevailing market pricing for such services.

Fee changes

We will give investors 30 days prior notice of any detrimental change in our policy regarding the fees and charges.

Example of annual fees and costs for the Fund

This table gives an example of how fees and costs in this product can affect your investment over a 1 year period. You should use this table to compare this product with other managed investment products.

EXAMPLE – the Barclays International Funds – International Share Fund		BALANCE OF \$50,000 WITH CONTRIBUTIONS OF \$5,000 DURING YEAR
Contribution Fees	0%	For every \$5,000 you put in, you will be charged \$0.
PLUS Management Costs	0.89% per year	For every \$50,000 you have in the Fund you will be charged \$445 each year.
EQUALS Cost of Fund		<p>If you had an investment of \$50,000 and you put in an additional \$5,000 during the year, then for that year you will be charged fees of from:</p> <p style="text-align: center;">\$445 to \$490</p> <p>What it costs you will depend on the fees you negotiate with your fund or financial adviser and when you contribute the additional \$5,000 (that is, if your additional contribution occurs at the end of the year, you will pay about \$445 whereas if you contribute at the start of the year, you will pay \$490).</p>

Note: Establishment fee = \$0

So, you are investing through a master trust or wrap account

What is an IDPS? What is an indirect investor?

This is a term you sometimes hear, which stands for "investor directed portfolio service".

They are investment & reporting services operated by an operator, and are often called a **master trust** or **wrap account**, or a nominee or custody service.

We call all these services master trusts or wrap accounts, and people who invest through them are indirect investors.

Investors gaining exposure to the Fund through a **master trust** or **wrap account** do not themselves become investors in the Fund, but are indirect investors.

Instead it is generally the operator of the master trust or wrap account which invests for you and so have the rights of an investor. They exercise them or not in accordance with their arrangements with you. Those rights are governed by the constitution for the Fund and the Corporations Act. As an indirect investor, you do not have the rights of a direct investor under the constitution to, for example, attend meetings or transfer units. The constitution also governs the operation of the Fund. You can inspect a copy of the constitution at our office during business hours.

Indirect investors complete the application forms for the master trust or wrap account and receive reports from them, not from us. Enquiries should be directed to the operator of the master trust or wrap account.

As you are investing through a master trust or wrap account, we will not receive or hold any personal information about you.

To invest, complete the documents which the master trust or wrap account operator requires. You do not need to complete any of BGI's forms.

Getting to your money, unit prices and fund distributions

The Fund has an entry price and an exit price. These are generally calculated as at the close of each Business Day.

The price of the units in the Fund is determined by dividing the Net Asset Value of the Fund by the total number of units in the Fund, and adding (for applications) or deducting (for redemptions) an allowance for transaction costs (as described on pages 5-6).

To determine the number of units received, we will divide the monies invested by the entry price.

If you wish to apply to redeem money from the Fund at any time, you should complete the documents which the master trust or wrap account operator requires. You do not need to complete any of our forms. Your redemption request will be governed by your arrangement with the master trust or wrap account.

Normally we process redemption requests by the master trust or wrap account operator within 5 Business Days (the constitution allows up to 30 days), but remember that the master trust or wrap account operator then needs time to get your money to you.

The redemption of monies from the Fund will result in the redemption of units in the Fund. Redemptions accepted before the cut-off time will be processed at the next calculated exit price, which will generally reflect prices at the close of trading on that Business Day. Redemptions accepted after the cut-off time will be processed at the exit price applicable to the following Business Day.

The Fund distributes semi-annually at the end of June and December or on such other day as is determined by BGIA. If you ask the master trust or wrap account operator to invest just before the end of such a month, you may find you quickly get back some of your capital as distributions. There may be periods in which no distributions are made. There may be periods for which distributions are higher than expected. A distribution may be higher than expected because losses on underlying shares may not offset gains on currency hedging in the same year. This reflects the tax rules, as at the date of this document, which may change.

We can delay access to an investor's money in some circumstances such as if the Fund is illiquid (the law dictates this) – we do not anticipate it would ever become illiquid but if it did, the law says we can (if we wish) make some money available, and requires us to allocate it on a pro rata basis amongst those wanting to exit.

Current and historical unit prices and fund distributions are available on our website, www.barclaysglobal.com.

US Public Holidays

As the US market constitutes a significant proportion of the Funds, the Funds are closed to applications and redemptions on US Public Holidays. Therefore, if you have any applications or redemptions that you had planned to submit to the master trust or wrap account operator for Trade Date on US holidays, these transactions will be held over until the next available Business Day. Alternatively, you may prefer to submit the application or redemption to the master trust or wrap account operator on an earlier Trade Date. A list of US Public Holidays is available on our website: www.barclaysglobal.com.

Proxy Voting

All proxy voting for our international equity funds is handled by our US office. BGI will vote the Fund's underlying securities in a manner that BGI, in the exercise of its independent business judgment, concludes is in the best economic interests of the Fund and its Unit holders on whose behalf it is authorized to vote. When exercising the Fund's voting rights, BGI will normally vote on specific proxy issues in accordance with our current Proxy Voting Policies for US Securities and Non-US Securities. Copies are available on request.

Tax

Investing, and dealing with investments, has tax and often social security implications which can be complex, and which are invariably particular to your circumstances. You may be liable for income tax and capital gains tax on distributions made to you from the Fund. Redemptions may also result in a tax liability or a tax loss. However, you might be able to claim some tax credits or have the benefit of some concessions.

Your tax liability ultimately depends on your circumstances. It is important that you seek professional advice before you invest or deal with your investment. You can find out more about tax by looking in the guide or the prospectus or product disclosure statement for your master trust or wrap account.

About this Product Disclosure Statement

Investors who access or wish to access the Fund through a master trust or wrap account may rely on this Product Disclosure Statement. If you have received this Product Disclosure Statement electronically we will provide a paper copy free upon request.

Information in this Product Disclosure Statement is subject to change from time to time and where the changes are material, we will notify Unitholders. In that case, a paper copy explaining any changes will be given to you without charge on request.

Complaints

You should contact the operator of your master trust or wrap account if you have a complaint about your investment.

Where to find us

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