

Merrill Lynch International Investment Funds

Simplified Prospectus Dated 8 June 2007 Mixed Funds

Merrill Lynch International Investment Funds ("the Company") is a SICAV incorporated in Luxembourg as an open-ended investment company and is authorised under Part I of the Luxembourg Law of 20 December 2002. It has an "umbrella" structure comprising a number of different Funds, each having a separate portfolio of investments.

Registered Office: Aerogolf Centre, 1A Hoehenhof, L-1736 Senningerberg,
Grand Duchy of Luxembourg. Registered Number: B.6317

BLACKROCK
MERRILL LYNCH
INVESTMENT MANAGERS

This Simplified Prospectus contains information about the following sub-funds of the Company which are categorised as Mixed Funds:

Asia-Pacific Real Estate Securities Fund*
Conservative Allocation Fund (Euro)
Conservative Allocation Fund (US Dollar)
European Real Estate Securities Fund*
Global Allocation Fund
Global Real Estate Securities Focus Fund*
Global Real Estate Securities Fund*
North American Real Estate Securities Fund*
Strategic Allocation Fund (Euro)
Strategic Allocation Fund (US Dollar)

Key to table:

* Funds not available for subscription at the date of this Simplified Prospectus. Such Funds may be launched at the Directors' discretion. Confirmation of the launch date of these Funds will then be made available at the Investor Service Centre. Any provisions in this Simplified Prospectus relating to any one of these Funds shall only take effect from the launch date of the relevant Fund.

Please refer to the current full Prospectus of the Company for further details. The full Prospectus and the annual and interim report & accounts may be obtained upon request, from the registered office, free of charge. Terms in capitals where not defined in this document are defined in the full Prospectus.

Investment Objective & Policy

The investment objective and policy for each Mixed Fund, together with details on Dealing and Base Currency is attached to this Simplified Prospectus as Appendix 1.

General Risk Factors

The value of investments and the income from them may go down as well as up and is not guaranteed. Past performance is not a guide to future performance. When you cash in all or part of your investment you may get back less than you invested. Exchange rate movements may also affect your investment, as well as prices of securities.

A detailed description of the risk profile and, if applicable, of the use of derivatives, is contained in the full Prospectus and the Risk Factors specific to each Fund are set out in Appendix 2.

Profile of the Typical Investor

The Funds are available for investment by the general public. Typical investors are expected to be informed investors and willing to adopt capital and income risk.

BlackRock Investment Management (UK) Limited has allocated the following gradings on a scale of Low, Medium, Medium/High and High on each of the Funds.

- 'Low Risk' grading applies to Funds where there is a low expectation of capital loss but where income levels will vary.

None of the Mixed Funds are graded 'Low Risk'.

- 'Medium Risk' grading applies to Funds with exposure to capital market risk but where any equity exposure is balanced by exposure to high-quality bonds. This grading is relevant for:

Conservative Allocation Fund (Euro)
Conservative Allocation Fund (US Dollar)
Global Allocation Fund

- 'Medium/High Risk' grading applies to Funds which may be expected to have all, or at least a high proportion, of their assets invested in equities, or in bonds rated below investment grade. This grading is relevant for:

Strategic Allocation Fund (Euro)
Strategic Allocation Fund (US Dollar)

- 'High Risk' grading applies to Funds with emerging market, small capitalisation and narrowly focused/concentrated equity mandates, which may restrict liquidity and increase the volatility of returns. This grading is relevant for:

Asia-Pacific Real Estate Securities Fund
European Real Estate Securities Fund
Global Real Estate Securities Focus Fund
Global Real Estate Securities Fund
North American Real Estate Securities Fund

The above gradings are indicative of the level of risk associated with each Fund and are not supposed to be a guarantee of likely returns. They should only be used for comparison with other Funds provided by the Company. If you are in any doubt as to the level of risk that you should take, you should seek independent advice.

Launch Date and Fund Performance

The launch date and an overview of fund performance for each Mixed Fund is provided in Appendix 1, attached to this Simplified Prospectus.

Treatment of Income and Classes of Shares

Shares are available in different Classes, representing eight different charging structures. Shares are further divided into Distributing and Non-Distributing Share Classes.

The Directors' current policy is to retain and reinvest all net income except for income from the Distributing Funds and income from the UK Distributor Status Funds. For the Distributing Funds and UK Distributor Status Funds, the policy is to distribute substantially all the investment income for the period after deduction of expenses. The Directors may also determine if and to what extent dividends may include distributions from both realised and unrealised capital gains. The following are Distributing Mixed Funds where dividends will be paid monthly.

Conservative Allocation Fund (Euro)
Conservative Allocation Fund (US Dollar)
Global Allocation Fund

The following are Distributing Mixed Funds where dividends will be paid annually.

Asia-Pacific Real Estate Securities Fund
European Real Estate Securities Fund
Global Real Estate Securities Fund
Global Real Estate Securities Focus Fund
North American Real Estate Securities Fund

Distributing Shares with alternative payment frequencies may be introduced at the Directors' discretion. Confirmation of additional distribution frequencies and the date of their availability can be obtained from the Company's registered office and the Investor Service Centre. An updated list of available Distributing Shares will be included in the next version of the Simplified Prospectus.

Calculation of Dividends

Those Distributing Shares which pay dividends monthly are further divided into Shares as follows:

- Those Shares for which dividends are calculated daily are known as Distributing (D) Shares.

- Those Shares for which dividends are calculated monthly are known as Distributing (M) Shares.

Investors may choose to hold either Distributing (M) Shares or Distributing (D) Shares but may not hold both.

Distributor Shares with quarterly dividend payment are known as Distributing (Q) Shares.

Distributing Shares with annual dividend payment are known as Distributing (A) Shares.

The calculation method for each type is described below:

	Calculation Method
Distributing (D)	<p>The dividend is calculated daily based upon daily-accrued income less expenses, for the number of Shares outstanding on that day.</p> <p>At the discretion of the Directors, the dividend may also include distributions from both realised and unrealised capital gains.</p> <p>A cumulative monthly dividend is then distributed to shareholders based upon the number of Shares held and the number of days for which they were held during the period. Holders of Distributing (D) Shares shall be entitled to dividends from the date of subscription to the date of redemption.</p>
Distributing (M)	<p>The dividend is calculated monthly based upon income accrued during the dividend period less expenses.</p> <p>At the discretion of the Directors, the dividend may also include distributions from both realised and unrealised capital gains.</p> <p>The dividend is distributed to shareholders based upon the number of Shares held at the month end.</p>
Distributing (Q)	<p>The dividend is calculated quarterly based upon income accrued during the dividend period less expenses.</p> <p>At the discretion of the Directors, the dividend may also include distributions from both realised and unrealised capital gains.</p> <p>The dividend is distributed to shareholders based upon the number of Shares held at the end of the quarter.</p>
Distributing (A)	<p>The dividend is calculated annually based upon income accrued during the dividend period less expenses.</p> <p>At the discretion of the Directors, the dividend may also include distributions from both realised and unrealised capital gains.</p> <p>The dividend is distributed to shareholders based upon the number of Shares held at the end of the annual period.</p>

Declaration, Payment of Reinvestment of Dividend

The chart below describes the declaration and payment of dividends and the reinvestment options available to shareholders.

Dividend Classification	Declaration	Payment	Payment Method	Automatic Dividend Reinvestment		
Distributing Shares (D)	Last Business Day of each calendar month in the Dealing Currency(ies) of the relevant Fund.	Within 10 Business Days of declaration to shareholders holding Shares during the period following the previous declaration.	Dividends of \$US 100 or more (or currency equivalent) are paid directly to the shareholder's bank account by telegraphic transfer in the shareholder's chosen dealing currency at the shareholder's cost (except Merrill Lynch investors).	Dividends of less than \$US 100 (or currency equivalent) will be automatically reinvested in further Shares of the same form of the same Class of the same Fund, unless the shareholder requests otherwise. Such further Shares, including fractions, will be issued within 10 Business Days of the declaration date (except Merrill Lynch investors).		
Distributing Shares (M)		Within 10 Business Days of declaration to shareholders registered in the share register on the Business Day prior to the declaration date.				
Distributing Shares (Q)	20 March, 20 June, 20 September and 20 December (provided such day is a Business Day and if not, the following Business Day).	Within 10 Business Days of the date of the declaration to shareholders.				
Distributing Shares (A)	Last Business Day of each fiscal year in the Dealing Currency(ies) of the relevant Fund.	Within 10 Business Days of the last Business Day of each fiscal year.				
Distributing Shares DS (M)	Last Business Day of each calendar month.	Within 10 Business Days of declaration to shareholders registered in the share register on the Business Day prior to the declaration date.			All dividends are paid directly to the shareholder's bank account by telegraphic transfer (except Merrill Lynch investors).	Dividends will not be automatically reinvested. Where investors would like the distribution amount to be reinvested in further Shares of the same form of the same Class of the same Fund, this can be arranged through the Transfer Agent.
Distributing Shares DS (Q)	20 March, 20 June, 20 September and 20 December (provided such day is a Business Day and if not, the following Business Day).	Within 10 Business Days of the date of the declaration to shareholders.				
Distributing Shares DS (A)	Last Business Day of each fiscal year.	Within 10 Business Days of declaration to shareholders registered in the share register on the Business Day prior to the declaration date.				

Distributor Status Funds and UK Distributor Status Shares

None of the Mixed Funds currently offer UK Distributor Status on their Shares as at the date of this Simplified Prospectus. The Company may apply for UK Distributor Status for Share Classes or Dealing Currencies of the Mixed Funds. Confirmation of the Funds, Classes of Shares and Dealing Currencies in respect of which the Company may apply for UK Distributor Status will then be available from the registered office of the Company and from the Investor Service Centre. An updated list of available UK Distributor Status Funds, Share Classes and Dealing Currencies will be included in the next version of the Simplified Prospectus.

Dealing Currency

In relation to Shares of any Fund, the Dealing Currency or Currencies are indicated in Appendix 1 as at the date of this Simplified Prospectus. Other additional Dealing Currencies may be introduced at the Directors' discretion. Confirmation of these further additional Dealing Currencies and the date of their availability can then be obtained from the registered office of the Company and from the Investor Service Centre. An update of available Dealing Currencies will be included in the next version of the Simplified Prospectus.

Hedged Share Classes

An update of available Hedged Share Classes will be included in the Simplified Prospectus each time it is updated. Hedged Share Classes may, at the Directors' discretion, be made available in other Funds and in other currencies. Confirmation of the other Funds and currencies in which the Hedged Share Classes are available and the date of their launch can then be

obtained from the registered office of the Company and from the Investor Service Centre.

Fees, Charges & Expenses

Full details of the charges and expenses (for individual Classes of Shares) for each Fund are attached to this Simplified Prospectus as Appendix 3.

Selected distributors may impose a **charge** on each conversion of those Shares acquired through them, which will be deducted at the time of conversion and paid to the relevant distributor. While other conversions between the same class of Shares of two Funds are normally free of charge, the Investment Manager may, at its discretion (and without prior notice), make an additional conversion charge which would increase the amount paid to up to 1% if unduly frequent conversions are made. Any such charges will be deducted at the time of conversion and paid to the relevant distributor or the Investment Manager (as applicable).

A **redemption charge** of 2% of the redemption proceeds can be charged to a shareholder at the discretion of the Directors where the Directors, in their reasonable opinion, suspect that shareholder of excessive trading. This charge will be made for the benefit of the Funds, and shareholders will be warned in advance if it is likely to be charged. This charge will be in addition to any applicable conversion charge or deferred sales charge.

The **Custodian** receives annual fees, based on the value of securities, which accrue daily, plus transaction fees. The annual fees range from 0.011% to 0.608% per annum and the transaction fees range from US\$13 to US\$157 per transaction.

The Company pays **administration fees** of up to 0.25% per annum. The level of administration fees may vary at the Directors' discretion, as agreed with the Management Company, across Funds and Classes the investor buys. Administration fees accrue daily, are based on the Net Asset Value of the relevant Class and are paid monthly. Administration fees comprise without limitation all operational costs and expenses incurred by the Company, with the exception of the fees of the Custodian and any taxes thereon.

The administration fee shall not exceed 0.25% per annum and any excess shall be borne by the Investment Manager.

Price Publication

All prices are determined after the deadline for receipt of dealing orders (12 noon Luxembourg time) on the Dealing Day, meaning any business day in Luxembourg for banks and the Luxembourg stock exchange, concerned. Prices are quoted in the Dealing Currency(ies) of the relevant Fund.

Prices for Shares may be obtained during business hours from the Investor Service Centre.

How to Buy/Sell/Convert Shares

Dealings can normally be effected daily. Orders for subscription, redemption and conversion of Shares should be received by the Transfer Agent or the Investor Service Centre before 12 noon Luxembourg time on any Dealing Day and the prices applied will be those calculated in the afternoon of that day. Any dealing orders received by the Transfer Agent or the Investor Service Centre after 12 noon Luxembourg time on a Dealing Day will be dealt with on the next Dealing Day.

Orders placed through distributors rather than directly with the Transfer Agent or the Investor Service Centre may be subject to different procedures which may delay receipt by the Transfer Agent or the Investor Service Centre. Investors should consult their distributor before placing orders in any Fund.

A shareholder who makes a subscription or a redemption of Shares through the Paying Agent or other entities responsible for processing Share transactions in any jurisdiction where the Shares are offered may be charged with the expenses linked to the activity carried out by such entities.

Applications

Merrill Lynch clients may enter their application orders through their Merrill Lynch Financial Advisers. In all other cases, initial applications for Shares must be made to the Transfer Agent or the Investor Service Centre on the application form. For initial applications for Shares by fax or telephone, applicants will be sent an application form that must be completed and returned by mail to the Transfer Agent or the Investor Service Centre to confirm the application. Failure to provide the original application form will delay the completion of the transaction and consequently the ability to effect subsequent dealings in the Shares concerned. Subsequent applications for Shares may be made in writing or by fax or telephone. Investors who do not specify a Share Class in the application will be deemed to have requested Class A Non-Distributing Shares.

Applications for Registered Shares should be made for Shares having a specified value and fractions of Shares will be issued where appropriate. Global Certificates will be issued in whole Shares only.

The right is reserved to reject any application for Shares or to accept any application in part only. In addition, issues of Shares may be suspended, and a subscription constituting over 5% of a Fund's value may not be accepted.

The minimum initial subscription in respect of any class of Shares of the Fund is US\$5,000 (except for Class D Shares and Class X Shares where the minimum is US\$10 million) or the approximate equivalent in the relevant Dealing Currency. The minimum for additions to existing holdings of any class of Shares of a Fund is US\$1,000 or the approximate equivalent.

As a result of anti-money laundering regulation, additional documentation may be required for subscriptions for Shares. The circumstances under which it is required and the precise requirements are set out in the notes on the application form. Failure to provide documentation may result in the withholding of redemption proceeds. If you have any questions regarding the identification documentation required, you should contact the Investor Service Centre or the Transfer Agent.

For all Shares, settlement in cleared funds must be made within three Business Days of the relevant Dealing Day.

Redemptions

Merrill Lynch clients may enter their redemption orders through their Merrill Lynch Financial Advisers. In all other cases, instructions for the redemption of Registered Shares should normally be given by completing the form that accompanies confirmation notes and is available from the Transfer Agent or the Investor Service Centre. They may also be given to the Transfer Agent or the Investor Service Centre in writing or by fax or telephone followed in each case by confirmation in writing sent by mail to the Transfer Agent or the Investor Service Centre. Failure to provide written confirmations may delay settlement of the transaction. Written redemption requests (or written confirmations of such requests) must include the full name(s) and address of the holders, the name of the Fund, the Class (including whether it is the Distributing or Non-Distributing Share Class), the value or number of Shares to be redeemed and full settlement instructions and must be signed by all holders. Redemptions of bearer Shares will be effected only upon receipt of the relevant certificates.

Redemption payments will normally be despatched in the relevant Dealing Currency within three Business Days of the relevant Dealing Day provided that the relevant documents have been received, details of which are available from the Investor Service Centre or the Transfer Agent.

Conversions

Investors may make conversions of their shareholdings between the same Classes of Shares of the various Funds and thereby alter the balance of their portfolios to reflect changing market conditions.

With the exception of Class Q Shares to Class B Shares and at the discretion of the Investment Adviser, Class Q to Class C Shares and, at the Investment Adviser's discretion and provided always that the investor is an institutional investor, any conversion from any Class of Shares to Class X Shares, any other conversions from Shares of one Class of a Fund to Shares of another Class of either the same or a different Fund (for example, conversions of Class A Shares into Class B Shares) are not permitted.

Instructions for the conversion of Registered Shares should normally be given by completing the appropriate form that accompanies confirmation notes and is available from the Transfer Agent or the Investor Service Centre. They may also be given by fax or telephone or in writing to the Transfer Agent or the Investor Service Centre. Conversion instructions must include the full name(s) and address of the holder(s), the name of the Fund, the Class (including whether it is the Distributing or Non-Distributing Share class), the value or number of Shares to be converted and the Fund to be converted into (and the choice of Dealing Currency of the Fund where more than one is available) and whether or not they are UK Distributor Status Shares.

Where the Fund to which a conversion relates has a different Dealing Currency then currency will be converted at the relevant rate of exchange on the Dealing Day on which the conversion is effected.

Redemptions and conversions may be suspended or deferred as further described in the full Prospectus.

Taxation

Under present Luxembourg law and practice, the Company is not liable to any Luxembourg income or capital gains tax, nor are dividends paid by the Company subject to any Luxembourg withholding tax.

The Company is liable to a tax in Luxembourg of 0.05% per annum or, in the case of the Reserve Funds, Class X Shares and Class J Shares, 0.01% per annum of its Net Asset Value, payable quarterly on the basis of the value of the net assets of the respective Funds at the end of the relevant calendar quarter. No stamp or other tax is payable in Luxembourg on the issue of Shares.

Shareholders are not subject to any capital gains, income, withholding, gift, estate, inheritance or other tax in Luxembourg *(except for shareholders domiciled, resident or having a permanent establishment in Luxembourg and except for certain former residents of Luxembourg if they own more than 10% of the Shares of the Company)*.

Generally, dividends and interest received by the Company on its investments are generally subject to irrecoverable withholding taxes in the countries of origin.

Investors should inform themselves of, and when appropriate consult their professional advisers on, the possible tax consequences of subscribing for, buying, holding, redeeming, converting or selling Shares under the laws of their country of citizenship, residence or domicile. Investors should note that the levels and bases of, and reliefs from, taxation could change.

In accordance with the provisions of the European Union Savings Directive ("EUSD") which came into force on 1 July 2005, EU countries will be required to apply either exchange information or withholding tax on certain interest payments to EU resident individuals and potentially to residents of dependent territories. A further option allowing an EU resident shareholder to submit an exemption certification is also available. Although exchange of information is the ultimate objective of the EUSD, Luxembourg, Belgium and Austria and certain dependent or associated territories of EU Member States (such as Jersey, Guernsey and the Isle of Man) have opted to apply withholding tax during a transitional period. Under these arrangements withholding tax will apply when a Luxembourg paying agent makes distributions from and redemptions of shares in certain funds and where the beneficiary of these proceeds is an individual residing in another Member State. However, an individual may specifically request to be brought within the EUSD exchange of information regime which would result in no withholding tax being applied but instead information regarding the distribution or redemption being provided to the fiscal authority in the country in which he is resident. Broadly, the funds affected will be those which invest in money debts.

Date of incorporation of the Company

14 June 1962

Country of incorporation

Grand Duchy of Luxembourg

Supervisory Authority

Commission de Surveillance du Secteur Financier

Management Company

BlackRock (Luxembourg) S.A.
6D, route de Trèves, L-2633 Senningerberg,
Grand Duchy of Luxembourg

Investment Manager and Principal Distributor

BlackRock (Channel Islands) Limited
Forum House, Grenville Street, St. Helier,
Jersey JE1 0BR, Channel Islands

Investment Advisers

BlackRock Investment Management (UK) Limited
33 King William Street, London EC4R 9AS, UK

BlackRock International, Ltd
40 Torphichen Street, Edinburgh EH3 8JB, Scotland

BlackRock Financial Management, Inc.,
40 East 52nd Street, New York, NY 10022, USA

BlackRock Investment Management, LLC.
800 Scudders Mill Road, Plainsboro, NJ 08536, USA

Promoter

BlackRock Investment Management (UK) Limited
33 King William Street, London EC4R 9AS, UK

Investor Services Centre

Written enquiries: BlackRock Investment Management
(UK) Limited,
c/o BlackRock (Luxembourg) S.A.,
P.O. Box 1058, L-1010 Luxembourg,
Grand Duchy of Luxembourg

All other enquiries: Telephone: + 44 207 743 3300,
Fax: + 44 207 743 1143

Custodian/Fund Accountant

The Bank of New York Europe Limited, Luxembourg Branch,
Aerogolf Centre, 1A, Hoehenhof,
L-1736 Senningerberg, Grand-Duchy of Luxembourg

Transfer Agent and Registrar

J.P. Morgan Bank Luxembourg S.A.
6C, route de Trèves, L-2633 Senningerberg
Grand-Duchy of Luxembourg

Auditor

PricewaterhouseCoopers S.à r.l.
Réviseur d'entreprises
400, route d'Esch, B.P. 1443, L-1014 Luxembourg
Grand Duchy of Luxembourg

For further information contact Investor Services Centre.

Issued by Merrill Lynch International Investment Funds.
For your protection, telephone calls may be recorded.

BlackRock Investment Management (UK) Limited does not
provide advice on the suitability of your investment in the
Company's Funds. It is important that you read the specific
aspects relating to the Fund as set out in the full Prospectus.

Appendix 1 – Investment Objectives and Performance Details for Mixed Funds

ASIA-PACIFIC REAL ESTATE SECURITIES FUND

Investment Objective & Policy

The *Asia-Pacific Real Estate Securities Fund* seeks to maximise total return. The Fund invests at least 70% of its total net assets in the equity and debt securities of property companies domiciled in, or exercising the predominant part of their economic activity in, Asia-Pacific including Japan and Australasia.

The Base Currency of the Fund is US\$, with € and yen as additional Dealing Currencies.

Launch Date and Performance Details

The Fund will be launched after the date of this document, at the Directors' discretion, and therefore past performance details are not available. Confirmation of the launch date of this Fund will be available from the registered office of the Company and the Investor Service Centre.

CONSERVATIVE ALLOCATION FUND (EURO)

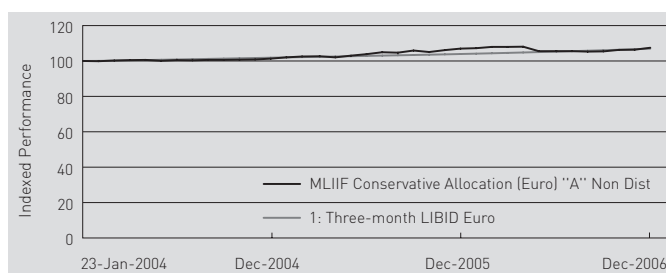
Investment Objective & Policy

The *Conservative Allocation Fund (Euro)* follows an asset allocation policy, with the principal objective of managing volatility of capital value, subject to which the Fund seeks to maximise total return. The Fund invests globally in fixed income transferable securities (which may include some high yield fixed income transferable securities) and may also invest to a lesser extent in equities. Total return may be derived from either capital or income. The Fund may invest without limitation in securities denominated in currencies other than the reference currency (euro). The currency exposure of the Fund is flexibly managed.

The Base Currency of the Fund is €, with US\$ as an additional Dealing Currency.

Launch Date and Performance Details

The Fund was launched on 23 January 2004.



CONSERVATIVE ALLOCATION FUND (US DOLLAR)

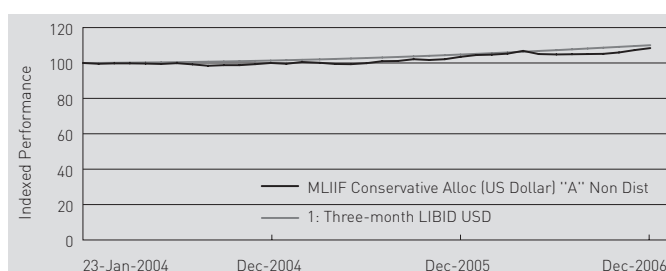
Investment Objective & Policy

The *Conservative Allocation Fund (US Dollar)* follows an asset allocation policy, with the principal objective of managing volatility of capital value, subject to which the Fund seeks to maximise total return. The Fund invests globally in fixed income transferable securities (which may include some high yield fixed income transferable securities) and may also invest to a lesser extent in equities. Total return may be derived from either capital or income. The Fund may invest without limitation in securities denominated in currencies other than the reference currency (US dollars). The currency exposure of the Fund is flexibly managed.

The Base Currency of the Fund is US\$, with € as an additional Dealing Currency.

Launch Date and Performance Details

The Fund was launched on 23 January 2004.



EUROPEAN REAL ESTATE SECURITIES FUND

Investment Objective & Policy

The *European Real Estate Securities Fund* seeks to maximise total return. The Fund invests at least 70% of its total net assets in the equity and debt securities of property companies domiciled in, or exercising the predominant part of their economic activity in, Europe.

The Base Currency of the Fund is €, with \$ and yen as additional Dealing Currencies.

Launch Date and Performance Details

The Fund will be launched after the date of this document, at the Directors' discretion, and therefore past performance details are not available. Confirmation of the launch date of this Fund will be available from the registered office of the Company and the Investor Service Centre.

GLOBAL ALLOCATION FUND

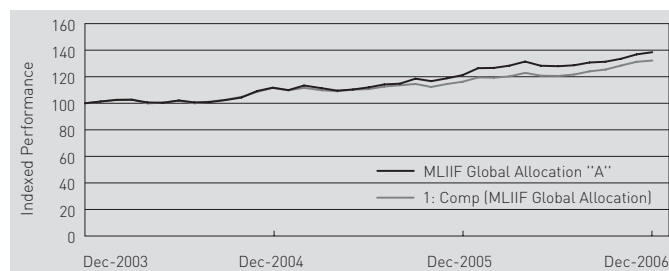
Investment Objective & Policy

The *Global Allocation Fund* seeks to maximise total return. The Fund invests globally in equity, debt and short term securities, of both corporate and governmental issuers, with no prescribed limits. In normal market conditions the Fund will invest at least 70% of its total net assets in the securities of corporate and governmental issuers. The Fund generally will seek to invest in securities that are, in the opinion of the Investment Adviser, undervalued. The Fund may also invest in the equity securities of small and emerging growth companies. The Fund may also invest a portion of its debt portfolio in high yield fixed income transferable securities. Currency exposure is flexibly managed.

The Base Currency of the Fund is US\$, with € and £ as additional Dealing Currencies.

Launch Date and Performance Details

The Fund was launched on 3 January 1997.



GLOBAL REAL ESTATE SECURITIES FOCUS FUND

Investment Objective & Policy

The *Global Real Estate Securities Focus Fund* seeks to maximise total return. The Fund invests at least 70% of its total net assets in a concentrated portfolio of equity and debt securities of property companies worldwide.

The Base Currency of the Fund is US\$, with € and yen as additional Dealing Currencies.

Launch Date and Performance Details

The Fund will be launched after the date of this document, at the Directors' discretion, and therefore past performance details are not available. Confirmation of the launch date of this Fund will be available from the registered office of the Company and the Investor Service Centre.

GLOBAL REAL ESTATE SECURITIES FUND

Investment Objective & Policy

The *Global Real Estate Securities Fund* seeks to maximise total return. The Fund invests at least 70% of its total net assets in equity and debt securities of property companies worldwide

The Base Currency of the Fund is US\$, with € and yen as additional Dealing Currencies.

Launch Date and Performance Details

The Fund will be launched after the date of this document, at the Directors' discretion, and therefore past performance details are not available. Confirmation of the launch date of this Fund will be available from the registered office of the Company and the Investor Service Centre.

NORTH AMERICAN REAL ESTATE SECURITIES FUND

Investment Objective & Policy

The *North American Real Estate Securities Fund* seeks to maximise total return. The Fund invests at least 70% of its total net assets in the equity and debt securities of property companies domiciled in, or exercising the predominant part of their economic activity in, North America.

The Base Currency of the Fund is US\$, with € and yen as additional Dealing Currencies.

Launch Date and Performance Details

The Fund will be launched after the date of this document, at the Directors' discretion, and therefore past performance details are not available. Confirmation of the launch date of this Fund will be available from the registered office of the Company and the Investor Service Centre.

STRATEGIC ALLOCATION FUND (EURO)

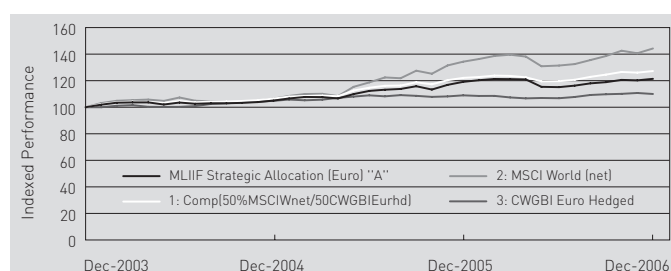
Investment Objective & Policy

The *Strategic Allocation Fund (Euro)* follows an asset allocation policy that seeks to maximise total return. The Fund invests globally in equities and fixed income transferable securities (which may include some high yield fixed income transferable securities). The Fund may invest without limitation in securities denominated in currencies other than the reference currency (euro). The currency exposure of the Fund is flexibly managed.

The Base Currency of the Fund is €.

Launch Date and Performance Details

The Fund was launched on 4 January 1999.



STRATEGIC ALLOCATION FUND (US DOLLAR)

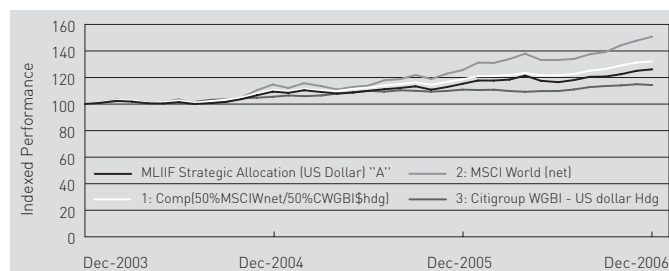
Investment Objective & Policy

The *Strategic Allocation Fund (US Dollar)* follows an asset allocation policy that seeks to maximise total return. The Fund invests globally in equities and fixed income transferable securities (which may include some high yield fixed income transferable securities). The Fund may invest without limitation in securities denominated in currencies other than the reference currency (US dollars) The currency exposure of the Fund is flexibly managed.

The Base Currency of the Fund is US\$.

Launch Date and Performance Details

The Fund was launched on 26 February 1993.



Appendix 2 – Risk Profile of Mixed Funds

This section contains explanations of some of the risks that apply to the Funds. Investors should be aware that other risks may also be prevalent in our Funds from time to time. In particular, the Company's performance may be affected by changes in market and/or economic and political conditions, and in legal, regulatory and tax requirements.

No guarantee or representation is made that the investment program will be successful and there can be no assurance that the investment objective of the Company or a Fund will be achieved. Also, past performance is no guide to future performance, and the value of investments may go down as well as up. Changes in rates of exchange between currencies may cause the value of a Fund's investments to diminish or increase.

On establishment, a Fund will normally have no operating history upon which prospective investors may base an evaluation of performance.

Fund Name	Specific Risks
<i>All Funds</i>	<p>Tax Considerations</p> <p>Any change in the Company's tax status or in taxation legislation could affect the value of the Investments held by the Company and affect the Company's ability to provide investor returns. Potential investors and Shareholders should note that the statements on taxation which are set out herein are based on advice which has been received by the Directors regarding the law and practice in force in the relevant jurisdiction as at the date of this Prospectus. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment is made in the Company will endure indefinitely.</p>
<i>All Funds</i>	<p>Other Risks</p> <p>The funds may be exposed to risks that are outside of its control – for example legal risks from investments in countries with unclear and changing laws or the lack of established or effective avenues for legal redress; the risk of terrorist actions; the risk that economic and diplomatic sanctions may be in place or imposed on certain states and military action may be commenced. The impact of such events is unclear, but could have a material effect on general economic conditions and market liquidity.</p> <p>Regulators and self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. The effect of any future regulatory action on the Company could be substantial and adverse.</p>
<p><i>Asia-Pacific Real Estate Securities Fund</i> <i>European Real Estate Securities Fund</i> <i>Global Allocation Fund</i> <i>Global Real Estate Securities Focus Fund</i> <i>Global Real Estate Securities Fund</i> <i>North American Real Estate Securities Fund</i></p>	<p>Emerging Markets & Sovereign Debt</p> <p>Emerging and/or capital markets are typically those of which exhibit lower levels of economic development, and higher levels of share price and currency volatility.</p> <p>The securities markets of developing countries are not as large as the more established securities markets and have substantially less trading volume, resulting in lower liquidity and higher price volatility. There may be a high concentration of market capitalisation and trading volume in a small number of issuers representing a limited number of industries as well as similarly high concentration amongst investors and financial intermediaries. These factors may adversely affect the timing and pricing of a Fund's acquisition or disposal of securities.</p> <p>Some governments exercise substantial influence over the private economic sector and the political and social uncertainties that exist for many developing countries maybe particularly significant. Another risk common to most such countries is that the economy is heavily export oriented and, accordingly, is dependent upon international trade. The existence of overburdened infrastructures and less developed financial systems also presents risks in certain countries, as do environmental problems. Certain economies also depend to a significant degree upon exports of primary commodities and, therefore, are vulnerable to changes in commodity prices which, in turn, may be affected by a variety of factors.</p> <p>Generally accepted accounting, auditing and financial reporting practices in emerging markets may be significantly different from those in developed markets. Compared to mature markets, some emerging markets may have a low level of regulation, enforcement of regulations and monitoring of investors' activities. Those activities may include practices such as trading on material non-public information by certain categories of investor.</p> <p>Certain developing countries are especially large debtors to commercial banks and foreign governments. Investment in debt obligations ("Sovereign Debt") issued or guaranteed by developing governments or their agencies and instrumentalities ("governmental entities") involves a high degree of risk.</p>

Asia-Pacific Real Estate Securities Fund
 European Real Estate Securities Fund
 Global Allocation Fund
 Global Real Estate Securities Focus Fund
 Global Real Estate Securities Fund
 North American Real Estate Securities Fund

Restrictions on Foreign Investment

Some countries prohibit or impose substantial restrictions on investments by foreign entities such as a Fund. As illustrations, certain countries require governmental approval prior to investments by foreign persons, or limit the amount of investment by foreign persons in a particular company, or limit the investment by foreign persons in a company to only a specific class of securities which may have less advantageous terms than securities of the company available for purchase by nationals. Certain countries may restrict investment opportunities in issuers or industries deemed important to national interests. The manner in which foreign investors may invest in companies in certain countries, as well as limitations on such investments, may have an adverse impact on the operations of a Fund.

Asia-Pacific Real Estate Securities Fund
 Conservative Allocation Fund (Euro)
 Conservative Allocation Fund (US Dollar)
 European Real Estate Securities Fund
 Global Allocation Fund
 Global Real Estate Securities Focus Fund
 Global Real Estate Securities Fund
 North American Real Estate Securities Fund
 Strategic Allocation Fund (Euro)
 Strategic Allocation Fund (US Dollar)

Fixed Income Transferable Securities

Debt securities are subject to both actual and perceived measures of creditworthiness. The "downgrading" of a rated debt security or adverse publicity and investor perception, which may not be based on fundamental analysis, could decrease the value and liquidity of the security, particularly in a thinly traded market.

A Fund may be affected by changes in prevailing interest rates and by credit quality considerations. Changes in market rates of interest will generally affect a Fund's asset values as the prices of fixed rate securities generally increase when interest rates decline and decrease when interest rates rise. Prices of shorter-term securities generally fluctuate less in response to interest rate changes than do longer-term securities.

An economic recession may adversely affect an issuer's financial condition and the market value of debt securities issued by such entity. The issuer's ability to service its debt obligations may be adversely affected by specific issuer developments, or the issuer's inability to meet specific projected business forecasts, or the unavailability of additional financing. In the event of bankruptcy of an issuer, the Fund may experience losses and incur costs.

Asia-Pacific Real Estate Securities Fund
 European Real Estate Securities Fund
 Global Allocation Fund
 Global Real Estate Securities Focus Fund
 Global Real Estate Securities Fund
 North American Real Estate Securities Fund

Smaller Capitalisation Companies

Securities of smaller capitalisation companies may, from time to time, and especially in falling markets, become illiquid and experience short-term price volatility and wide spreads between bid and offer prices. Investment in smaller capitalisation companies may involve higher risk than investment in larger companies.

Asia-Pacific Real Estate Securities Fund
 European Real Estate Securities Fund
 Global Allocation Fund
 Global Real Estate Securities Focus Fund
 Global Real Estate Securities Fund
 North American Real Estate Securities Fund

Distressed Securities

The Funds may invest in securities issued by companies that are either in default or in high risk of default ("Distressed Securities") which involves significant risk. Such investments will only be made when the Investment Adviser believes it is reasonably likely that the issuer of the securities will make an exchange offer or will be the subject of a plan of reorganisation; however, there can be no assurance that such an exchange offer will be made or that such a plan of reorganisation will be adopted or that any securities or other assets received in connection with such an exchange offer or plan of reorganisation will not have a lower value or income potential than anticipated when the investment was made. In addition, a significant period of time may pass between the time at which the investment in Distressed Securities is made and the time that any such exchange offer or plan of reorganisation is completed.

Asia-Pacific Real Estate Securities Fund
 European Real Estate Securities Fund
 Global Real Estate Securities Focus Fund
 Global Real Estate Securities Fund
 North American Real Estate Securities Fund

Funds investing in specific sectors

Investment is made in a limited number of market sectors and therefore these Funds may be more volatile than other more diversified Funds and may be subject to rapid cyclical changes in investor activity.

Asia-Pacific Real Estate Securities Fund
 Conservative Allocation Fund (Euro)
 Conservative Allocation Fund (US Dollar)
 European Real Estate Securities Fund
 Global Allocation Fund
 Global Real Estate Securities Focus Fund
 Global Real Estate Securities Fund
 North American Real Estate Securities Fund
 Strategic Allocation Fund (Euro)
 Strategic Allocation Fund (US Dollar)

Derivatives – Bond, Mixed Funds and certain Equity Funds

These Funds may use derivatives to facilitate more complex efficient portfolio management techniques. In particular this may involve:

- Using swap contracts to adjust interest rate risk;
- Using currency derivatives to buy or sell currency risk;
- Writing covered call options to generate additional income;
- Using credit default swaps to buy or sell credit risk; and
- Using volatility derivatives to adjust volatility risk.

Credit Default Swaps

The use of credit default swaps normally carries a higher risk than investing in bonds directly. A credit default swap allows the transfer of default risk. This allows investors to effectively buy insurance on a bond they hold (hedging the investment) or buy protection on a bond they do not physically own in the expectation that the credit will decline in quality. One party, the protection buyer, makes a stream of payments to the seller of protection, and a payment is due to the buyer in the event that there is a "credit event" (a decline in credit quality, which will be pre-defined in the agreement). If the credit event does not occur the buyer pays all the required premiums and the swap terminates on maturity with no further payments. The risk of the buyer is therefore limited to the value of the premiums paid.

The market for credit default swaps may sometimes be more illiquid than bond markets. A Fund entering into credit default swaps must at all times be able to meet the redemption requests. Credit default swaps are valued on a regular basis according to verifiable and transparent valuation methods reviewed by the Company's auditor.

Volatility Derivatives

The volatility of a security (or basket of securities) is a statistical measure of the speed and magnitude of changes in the price of a security (securities) over defined periods of time. Volatility derivatives are based on an underlying basket of shares, and Funds may use volatility derivatives to increase or reduce volatility risk, in order to express an investment view on the change in volatility, based on an assessment of expected developments in underlying securities markets. For example, if a significant change in the market background is expected, it is likely that the volatility of securities prices will increase as prices adapt to the new circumstances.

The Funds may only buy or sell volatility derivatives which are based on an index where:

- the composition of the index is sufficiently diversified;
- the index represents an adequate benchmark for the market to which it refers; and
- it is published in an appropriate manner.

The price of volatility derivatives may be highly volatile, and may move in a different way to the other assets of the Fund, which could have a significant effect on the Net Asset Value of a Fund's Shares.

Global Allocation Fund

Hedged Share Class

While the Fund or its authorised agent may attempt to hedge currency risks, there can be no guarantee that it will be successful in doing so and it may result in mismatches between the currency position of the Fund and the Hedged Share Class.

The hedging strategies may be entered into whether the Base Currency is declining or increasing in value relative to the relevant currency of the Hedged Share Class and so, where such hedging is undertaken it may substantially protect investors in the relevant Class against a decrease in the value of the Base Currency relative to the Hedged Share Class currency, but it may also preclude investors from benefiting from an increase in the value of the Base Currency.

All gains/losses or expenses arising from hedging transactions are borne separately by the shareholders of the respective Hedged Share Classes. Given that there is no segregation of liabilities between Share Classes, there is a remote risk that, under certain circumstances, currency hedging transactions in relation to one Share Class could result in liabilities which might affect the Net Asset Value of the other Share Classes of the same Fund.

Appendix 3 – Summary of Charges & Expenses for Mixed Funds

With effect from the date of this Simplified Prospectus, all Share Classes are also subject to an Administration Fee, which may be charged at a rate of up to 0.25% per annum. This fee is in lieu of most of each Fund's expenses and details are set out in the Section entitled "Fees, Charges & Expenses".

Asia-Pacific Real Estate Securities Fund

	Payable by Fund			Payable by investor	
	Management Fee	Distribution Fee	Expenses	Initial charge	CDSC
	%	%	%	%	%
Class A	1.50	0.00	TBA	5.00	0.00
Class B	1.50	1.00	TBA	0.00	4.00 to 0.00
Class C	1.50	1.25	TBA	0.00	1.00 to 0.00
Class D	0.75	0.00	TBA	2.00	0.00
Class E	1.50	0.50	TBA	3.00	0.00
Class J	0.00	0.00	TBA	0.00	0.00
Class X	0.00	0.00	TBA	0.00	0.00

European Real Estate Securities Fund

	Payable by Fund			Payable by investor	
	Management Fee	Distribution Fee	Expenses	Initial charge	CDSC
	%	%	%	%	%
Class A	1.50	0.00	TBA	5.00	0.00
Class B	1.50	1.00	TBA	0.00	4.00 to 0.00
Class C	1.50	1.25	TBA	0.00	1.00 to 0.00
Class D	0.75	0.00	TBA	2.00	0.00
Class E	1.50	0.50	TBA	3.00	0.00
Class J	0.00	0.00	TBA	0.00	0.00
Class X	0.00	0.00	TBA	0.00	0.00

Conservative Allocation Fund (Euro)

	Payable by Fund			Payable by investor	
	Management Fee	Distribution Fee	Expenses	Initial charge	CDSC
	%	%	%	%	%
Class A	1.35	0.00	0.23	5.00	0.00
Class B	1.35	1.00	0.23	0.00	4.00 to 0.00
Class C	1.35	1.25	0.23	0.00	1.00 to 0.00
Class E	1.35	0.50	0.23	3.00	0.00
Class J	0.00	0.00	0.19	0.00	0.00
Class Q	1.35	1.25	0.23	0.00	4.00 to 0.00
Class X	0.00	0.00	0.19	0.00	0.00

Global Allocation Fund

	Payable by Fund			Payable by investor	
	Management Fee	Distribution Fee	Expenses	Initial charge	CDSC
	%	%	%	%	%
Class A	1.50	0.00	0.15	5.00	0.00
Class B	1.50	1.00	0.15	0.00	4.00 to 0.00
Class C	1.50	1.25	0.15	0.00	1.00 to 0.00
Class D	0.75	0.00	0.15	2.00	0.00
Class E	1.50	0.50	0.15	3.00	0.00
Class J	0.00	0.00	0.11	0.00	0.00
Class Q	1.00	1.00	0.15	0.00	4.00 to 0.00
Class X	0.00	0.00	0.11	0.00	0.00

Conservative Allocation Fund (US Dollar)

	Payable by Fund			Payable by investor	
	Management Fee	Distribution Fee	Expenses	Initial charge	CDSC
	%	%	%	%	%
Class A	1.35	0.00	0.65	5.00	0.00
Class B	1.35	1.00	0.65	0.00	4.00 to 0.00
Class C	1.35	1.25	0.65	0.00	1.00 to 0.00
Class E	1.35	0.50	0.65	3.00	0.00
Class J	0.00	0.00	0.61	0.00	0.00
Class Q	1.35	1.25	0.65	0.00	4.00 to 0.00
Class X	0.00	0.00	0.61	0.00	0.00

Global Real Estate Securities Focus Fund

	Payable by Fund			Payable by investor	
	Management Fee	Distribution Fee	Expenses	Initial charge	CDSC
	%	%	%	%	%
Class A	1.75	0.00	TBA	5.00	0.00
Class B	1.75	1.00	TBA	0.00	4.00 to 0.00
Class C	1.75	1.25	TBA	0.00	1.00 to 0.00
Class D	1.00	0.00	TBA	2.00	0.00
Class E	1.75	0.50	TBA	3.00	0.00
Class J	0.00	0.00	TBA	0.00	0.00
Class X	0.00	0.00	TBA	0.00	0.00

Global Real Estate Securities Fund

	Payable by Fund			Payable by investor	
	Management Fee	Distribution Fee	Expenses	Initial charge	CDSC
	%	%	%	%	%
Class A	1.50	0.00	TBA	5.00	0.00
Class B	1.50	1.00	TBA	0.00	4.00 to 0.00
Class C	1.50	1.25	TBA	0.00	1.00 to 0.00
Class D	0.75	0.00	TBA	2.00	0.00
Class E	1.50	0.50	TBA	3.00	0.00
Class J	0.00	0.00	TBA	0.00	0.00
Class X	0.00	0.00	TBA	0.00	0.00

North American Real Estate Securities Fund

	Payable by Fund			Payable by investor	
	Management Fee	Distribution Fee	Expenses	Initial charge	CDSC
	%	%	%	%	%
Class A	1.50	0.00	TBA	5.00	0.00
Class B	1.50	1.00	TBA	0.00	4.00 to 0.00
Class C	1.50	1.25	TBA	0.00	1.00 to 0.00
Class D	0.75	0.00	TBA	2.00	0.00
Class E	1.50	0.50	TBA	3.00	0.00
Class J	0.00	0.00	TBA	0.00	0.00
Class X	0.00	0.00	TBA	0.00	0.00

Strategic Allocation Fund (Euro)

	Payable by Fund			Payable by investor	
	Management Fee	Distribution Fee	Expenses	Initial charge	CDSC
	%	%	%	%	%
Class A	1.50	0.00	0.32	5.00	0.00
Class B	1.50	1.00	0.32	0.00	4.00 to 0.00
Class C	1.50	1.25	0.32	0.00	1.00 to 0.00
Class E	1.50	0.50	0.32	3.00	0.00
Class J	0.00	0.00	0.28	0.00	0.00
Class Q	1.50	1.25	0.32	0.00	4.00 to 0.00
Class X	0.00	0.00	0.28	0.00	0.00

Strategic Allocation Fund (US Dollar)

	Payable by Fund			Payable by investor	
	Management Fee	Distribution Fee	Expenses	Initial charge	CDSC
	%	%	%	%	%
Class A	1.50	0.00	0.28	5.00	0.00
Class B	1.50	1.00	0.28	0.00	4.00 to 0.00
Class C	1.50	1.25	0.28	0.00	1.00 to 0.00
Class E	1.50	0.50	0.28	3.00	0.00
Class J	0.00	0.00	0.24	0.00	0.00
Class Q	1.50	1.25	0.28	0.00	4.00 to 0.00
Class X	0.00	0.00	0.24	0.00	0.00

Summary of Subscription Procedure and Payment Instructions

1. **Application Form**
For initial subscriptions for Shares you must complete the application form which may be obtained from the Transfer Agent or the Investor Service Centre and the form must be signed by all joint applicants. Subsequent subscriptions may be made in writing or by fax or telephone, stating your registration details and the amount to be invested. If your application is being submitted by your professional adviser, section 5 of the application form should be completed. Completed application forms must be sent to the Transfer Agent or the Investor Service Centre.
2. **Money Laundering Prevention**
Please read the notes on the application form regarding the identification documents required and ensure that you provide these to the Transfer Agent or the Investor Service Centre together with your application form.
3. **Payment**
Your cheque or a copy of your telegraphic transfer instructions should be supplied with your application (see sections 4 to 6 below).
4. **Payment by Telegraphic Transfer**
Payment by SWIFT/bank transfer in the relevant currency should be made to one of the accounts opposite. The SWIFT/bank transfer instruction should contain the following information:
 - (i) Bank Name
 - (ii) SWIFT Code or Bank Identifier
 - (iii) Account
 - (iv) Account Number
 - (v) Account Reference – “MLIIF – Fund name subscribed into”
 - (vi) By order of [Shareholder name/agent name & Shareholder number/agent number]
5. **Payment by Cheque**
As payment by cheque may delay dealing until cleared funds have been received, payment by telegraphic transfer is strongly recommended. Your cheque, made payable to “BlackRock (Channel Islands) Limited” and drawn on a bank account in the country or countries of the relevant currency should accompany your application.
6. **Foreign Exchange**
If you wish to make payment in a currency other than that in the Dealing Currency (or one of the Dealing Currencies) of your chosen Fund, this must be made clear at the time of application.

A
US Dollars :
JP Morgan Chase New York SWIFT code CHASUS33 For the account of: BlackRock (Channel Islands) Limited Account Number 001-1-460185, CHIPS UID 359991 ABA Number 021000021 Quoting Reference “Name of Fund – Name of Applicant”
B
Euros :
JP Morgan Frankfurt SWIFT code CHASDEFX, BLZ 501 108 00 For the account of: BlackRock (Channel Islands) Limited Account Number (IBAN) DE40501108006161600066 (formerly 616-16-00066) Quoting Reference “Name of Fund – Name of Applicant” An applicant’s obligation to pay for Shares is fulfilled once the amount due has been paid in cleared funds into this account.
C
Sterling :
JP Morgan London SWIFT code CHASGB2L, Sort Code 60-92-42 For the account of: BlackRock (Channel Islands) Limited Account Number (IBAN) GB07CHAS6092421118940 (formerly 11118940) Quoting Reference “Name of Fund – Name of Applicant”
Others :
Swiss Francs :
Pay UBS Zürich SWIFT code UBSWCHZH80A Account JP Morgan London Account number 02300000044129050000B For the account of BlackRock (Channel Islands) Ltd Account Number (IBAN) GB56CHAS60924217354770 (formerly 17354770) Ref: “Name of Fund – Name of Applicant”
Swedish Kroner :
Pay Svenska Handelsbanken Stockholm SWIFT code HANDSESS Account JP Morgan London, Account number 40386589 For the account of BlackRock (Channel Islands) Ltd Account Number (IBAN) GB80CHAS60924222813401 (formerly 22813401) Ref: “Name of Fund – Name of Applicant”
Hong Kong Dollars :
Pay JP Morgan Hong Kong SWIFT code CHASHKHH Account JP Morgan London, Account number 6743197680 For the account of BlackRock (Channel Islands) Ltd Account Number (IBAN) GB24CHAS60924224466319 (formerly 24466319) Ref: “Name of Fund – Name of Applicant”
Japanese Yen :
Pay JP Morgan Tokyo SWIFT code CHASJPJT Account JP Morgan London, Account number 195006713 For the account of BlackRock (Channel Islands) Ltd Account Number (IBAN) GB69CHAS60924222813405 (formerly 22813405) Ref: “Name of Fund – Name of Applicant”

