Coverdell Education Savings Custodial Account Adoption Agreement

BARON FUNDS®

Baron Asset Fund
Baron Discovery Fund
Baron Emerging Markets Fund
Baron Energy and Resources Fund
Baron Fifth Avenue Growth Fund
Baron Focused Growth Fund
Baron Global Advantage Fund
Baron Growth Fund
Baron International Growth Fund
Baron Opportunity Fund
Baron Partners Fund
Baron Real Estate Fund
Baron Small Cap Fund

Do not use this form to open a Traditional, Roth, SEP-IRA or SIMPLE-IRA account. A Coverdell Education Savings Account is a federally sponsored, tax advantaged custodial account set up to pay for qualified education expenses. Coverdell ESAs can be opened for any student who is under the age of 18 years. **NOTE:** If you are transferring an existing Coverdell ESA to us, please fill out a Coverdell ESA Transfer of Assets Form as well. **For information and to request forms, call:** 1-800-442-3814, Monday – Friday, 9:00AM – 5:00PM, ET or visit www.BaronFunds.com. **See section 10 for mailing and wiring instructions.**

IMPORTANT INFORMATION FOR OPENING A NEW ACCOUNT

To help the government fight the funding of terrorism and money-laundering activities, Federal Law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. What this means for you: when you open an account, we will ask for your name, address, date of birth and other information that will allow us to identify you. This information will be verified to ensure the identity of all individuals opening a mutual fund account. Any documents that we request (i.e., driver's license) will be used solely to attempt to establish your identity. **Please make sure to provide all the required information. Incomplete documentation will delay your investment. The Funds will not process your investment until all required information has been provided and this form has been signed.**

The undersigned, by signing this Custodial Adoption Agreement, hereby establishes a Baron Funds® Coverdell Education Savings Account (the "Account") for the benefit of the Student with State Street Bank and Trust Company as Custodian (the "Custodian"). The terms of the Account are contained in the document entitled "Baron Funds® Coverdell Education Savings Account Information Kit" (which is incorporated by reference) and this Adoption Agreement. The Account will be effective upon acceptance by the Custodian.

1. Initial Investment

The **minimum** initial investment is $2,000 per fund or $500 per fund if you use our Automatic Investment Plan (see page 5).

In which Fund(s) would you like to invest?

- ❑ Baron Asset Fund (585) BARAX $_____
- ❑ Baron Discovery Fund (572) BDFFX $_____
- ❑ Baron Emerging Markets Fund (575) BEXFX $_____
- ❑ Baron Energy and Resources Fund (574) BENFX $_____
- ❑ Baron Fifth Avenue Growth Fund (579) BFTHX $_____
- ❑ Baron Focused Growth Fund (578) BFGFX $_____
- ❑ Baron Global Advantage Fund (573) BGAFX $_____
- ❑ Baron Growth Fund (587) BGRFX $_____
- ❑ Baron International Growth Fund (577) BIGFX $_____
- ❑ Baron Opportunity Fund (580) BIOPX $_____
- ❑ Baron Partners Fund (586) BPTRX $_____
- ❑ Baron Real Estate Fund (576) BREFX $_____
- ❑ Baron Small Cap Fund (583) BSCFX $_____

Total $_____

Note: The Funds do not accept cash, credit cards, money orders, travelers checks, starter checks, third-party checks or bearer-form securities of any kind or in any amount. (See Section 10 for mailing and wiring instructions.)

How would you like to fund your account?

- ❑ Check enclosed payable to Baron Funds.®
- ❑ One-time initial electronic withdrawal (from the bank account listed in Section 8).
- ❑ Wired funds payable to Baron Funds® (Please call us at 1-800-442-3814 to obtain an account number before wiring funds).
- ❑ Transfer or Rollover from another custodian (must fill out Baron Funds® Coverdell ESA Transfer Form).

Custodian's Annual Fee: The custodian charges an annual maintenance fee of $12 per Coverdell ESA. This fee will be deducted from your Coverdell ESA if not paid separately. Make check payable to BARON FUNDS®. The per Plan Type maintenance fee is waived if the assets of the Coverdell ESA are over $10,000 at the time the fee is assessed.

2. Please Check One:

The Funds are offered and sold to any person with a valid SSN/U.S. tax identification number.

❑ U.S. CITIZEN ❑ RESIDENT ALIEN

3. Account Registration – Required

Student Information (See Instructions)

Owner's name (First, M.I., Last) – Required

Owner's SSN/U.S. Tax ID – Required Date of Birth (MM/DD/YYYY) – Required

Street (P.O. Box not acceptable, with the exception of APO/FPO) – Required

Other Information (Suite, Attention, etc.)

City – Required State – Required Zip – Required

Daytime phone Email Address

❑ Student is a Special Needs Student

Adult Information
(See Instructions — Only one adult should be listed)

❑ Mother ❑ Father ❑ Guardian*

*If "guardian," submit proof of guardianship.

Adult's name (First, M.I., Last) – Required

Adult's SSN/U.S. Tax ID – Required Date of Birth (MM/DD/YYYY) – Required

Street (P.O. Box not acceptable, with the exception of APO/FPO) – Required

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City – Required State – Required Zip – Required

Daytime phone Email Address

Note: the "Adult" is the same individual described as the "Responsible Individual" in Articles I–X of the Custodial Account Agreement.

Donor Information (See Instructions)

Full Name of Donor – Required Date of Birth (MM/DD/YYYY) – Required

Donor's SSN/U.S. Tax ID – Required

Street (P.O. Box not acceptable, with the exception of APO/FPO) – Required

City – Required State – Required Zip – Required

Name of Corporate Entity/Contact Donor Daytime Phone

4. Type of Coverdell Education Savings Account

A ❑ Annual Contribution

Contribution of $_____. For contributions sent between January 1st and April 15th, indicate whether it is for current or preceding calendar year. Only qualified investors may contribute to a Coverdell ESA. Please see disclosure statement for maximum permitted income and contribution amounts.

B ❑ Rollover or Transfer of Existing Education Savings Account

❑ Transfer of existing Education Savings Account. Complete the separate Transfer of Education Savings Account Assets Form and return it with this form.

❑ Rollover of distribution from existing Education Savings Account to Student within 60 days after distribution. The requirements for a valid rollover are complex. Please read the Education Savings Account Disclosure Statement for additional information and consult your tax advisor for help if needed. Contribution of $_____.

If you are transferring or rolling over an existing Education Savings Account, check the appropriate box below for the relationship of the Student listed in Item 3 above to the person who was the student for the Education Savings Account being transfered. The Student in Item 3 is the:

❑ Same person)
❑ Spouse)
❑ Child or Step-child)
❑ Sibling)
❑ Parent) ❑ Spouse of one of the foregoing
❑ Step-parent)
❑ Grandparent)

Or

❑ First cousin
❑ Other

5. Investments

INVEST CONTRIBUTIONS TO ACCOUNT AS FOLLOWS:

NAME OF FUND	AMOUNT ($ or % of Assets)
❑ Baron Asset Fund (585) BARAX	$_____
❑ Baron Discovery Fund (572) BDFFX	$_____
❑ Baron Emerging Markets Fund (575) BEXFX	$_____
❑ Baron Energy and Resources Fund (574) BENFX	$_____
❑ Baron Fifth Avenue Growth Fund (579) BFTHX	$_____
❑ Baron Focused Growth Fund (578) BFGFX	$_____
❑ Baron Global Advantage Fund (573) BGAFX	$_____
❑ Baron Growth Fund (587) BGRFX	$_____
❑ Baron International Growth Fund (577) BIGFX	$_____
❑ Baron Opportunity Fund (580) BIOPX	$_____
❑ Baron Partners Fund (586) BPTRX	$_____
❑ Baron Real Estate Fund (576) BREFX	$_____
❑ Baron Small Cap Fund (583) BSCFX	$_____
Total	$_____

The undersigned acknowledges having sole responsibility for the foregoing investment choices and having received a current prospectus for each Fund selected. I have been advised to read the prospectus(es) of the Fund(s) selected carefully before investing.

6. Designation of Beneficiary

Use the space below to indicate the designated beneficiary for the Account. See the Instructions for important information about designating a beneficiary. The Student may change the beneficiary(ies) designated below at any time after the Account is established by filing a new Designation of Beneficiary with the Baron Funds® and the Custodian. Any such subsequent Designation of Beneficiary will revoke all prior Designations. If the person designated as primary beneficiary does not survive the Student, the Account will pass to the alternate beneficiary (if any) named below if he or she survives the Student. If no designated beneficiary survives the Student, the Account will pass to the Student's estate (unless otherwise required under the laws of the state of the Student's residence). If you wish to designate multiple primary or alternate beneficiaries, you may do so by attaching a separate sheet listing the required information about each designated beneficiary. Distributions to the beneficiary will be in equal shares unless you specify different proportions.

Primary Beneficiary:

Name Relationship

Date of Birth (MM/DD/YYYY) SSN/U.S. Tax ID

Secondary Beneficiary:

Name Relationship

Date of Birth (MM/DD/YYYY) SSN/U.S. Tax ID

7. Telephone and Online Authorization Options

You may make subsequent investments or exchange shares of one Baron Fund® for another Baron Fund® by telephone/online and redeem shares by telephone, unless you decline the option below. The maximum amount that may be redeemed by telephone is $50,000 per Fund per day. Please see the prospectus(es) for more information.

If you DO NOT want telephone/online privileges, check the box below:

❑ I do not want telephone/online privileges. (I understand that to make any transactions in my account, I will need to contact Baron by mail.)

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Baron Funds® employs reasonable procedures to confirm that instructions communicated by telephone/online are genuine and is not liable for losses due to unauthorized or fraudulent instructions. Please see the prospectus(es) for more information on the telephone/online exchange and telephone redemption privileges.

Please note: If you check the above box, you will not have the option to make online purchases.

REDEMPTION OPTIONS

You may also select one or more of the following methods of receiving your proceeds:

- ❑ We will mail a check to the address to which your account is registered.
- ❑ We will transmit the proceeds by Electronic Funds Transfer to a pre-authorized bank account (usually a two banking day process).*
- ❑ We will wire the proceeds to a pre-authorized bank account for a $10.00 fee (usually a next banking day process). ***Your bank may assess an additional charge.**

*** YOU MUST ENCLOSE YOUR VOIDED BANK CHECK OR SAVINGS DEPOSIT SLIP AND FILL OUT SECTION 8 TO ESTABLISH TELEPHONE/ ONLINE INVESTMENT AND/OR REDEMPTION OPTIONS TO YOUR BANK ACCOUNT.**

8. Banking Information

Please complete the following information if you would like assets transferred electronically between your bank checking/savings account and the Funds.

❑ Checking ❑ Savings

Bank Name City State

ABA Routing* Account*

Name(s) on Account

*Please attach a voided check or savings account deposit slip – Required

9. Electronic Delivery and Online Account Access

Remember to log onto our website at www.BaronFunds.com. You can sign up to receive quarterly reports, Fund prospectuses, special announcements, and proxies via electronic delivery. You can also access your account information online.

10. Mailing and Wiring Instructions

Please mail the completed adoption agreement with your contribution to:
BARON FUNDS®, P.O. BOX 219946, KANSAS CITY, MO 64121-9946

Overnight delivery:
BARON FUNDS®, 430 W. 7th STREET, KANSAS CITY, MO 64105-1514

❑ **Wired funds payable to Baron Funds®:**
UMB Bank, N.A.
ABA NO. 1010-0069-5
FBO BARON FUNDS
ACCOUNT NO. 98-7037-101-4
OWNER'S NAME
OWNER'S ACCOUNT NO.
SPECIFY FUND NAME

IF YOU HAVE ANY QUESTIONS REGARDING YOUR ACCOUNT, PLEASE CALL 1-800-442-3814, MONDAY – FRIDAY, 9:00AM – 5:00PM ET.

11. Certifications and Signatures

If this is a Rollover Coverdell ESA, the undersigned certifies that any assets transferred in kind are the same assets received in the distribution being rolled over; that no other rollover from the transferring Coverdell ESA has been made within the one-year period immediately preceding this rollover; and further that the assets being rolled over into this Account were not previously rolled over into the transferring Coverdell ESA within the one-year period immediately preceding this rollover; that such distribution was received within 60 days of making the rollover to this Account; and that the Student identified in Item 3 above is either the person for whose benefit the prior Coverdell ESA was maintained or a member of such person's family (within the meaning of the Internal Revenue Code Section 529(e)(2)).

If this is an Annual Contribution Coverdell ESA, the undersigned certifies that the Student is less than 18 years old or is a Special-Needs Student and that all Contributions made on the Student's behalf to this or any other Coverdell ESAs do not exceed $2,000 in a single tax year. If this is a Transfer or Rollover of an existing Coverdell ESA, the undersigned certifies that the Student is less than 30 years old or is a Special-Needs Student and that the relationship indicated in Section 4 is correct.

The undersigned acknowledges having received and read the "Baron Funds® Coverdell Education Savings Account Disclosure Statement" relating to this Account (including the Custodian's fee schedule), the Baron Funds® Coverdell Education Savings Custodial Account Agreement and the "Instructions" pertaining to this Adoption Agreement. (All of the above mentioned documents are contained within the Baron Funds® Coverdell Education Savings Account Information Kit).

The undersigned acknowledges receipt of the Baron Funds® Coverdell Savings Custodial Account Agreement and the Baron Funds® Coverdell Savings Account Disclosure Statement at least 7 days before the date of signature (as indicated below) and acknowledges that there is no further right of revocation.

If this is a contribution from a corporate entity, the undersigned represents that he/she has the requisite authority to sign this Adoption Agreement on behalf of such entity and that the establishment of the Account and contribution thereto have been duly approved by all requisite corporate actions.

The undersigned acknowledges that he/she must provide accurate information in this Adoption Agreement, and that he/she may incur extra taxes and/or penalties if the information is not accurate. Accordingly, the undersigned certifies the accuracy of such information. All forms must be acceptable to the Custodian and dated and signed by the undersigned.

Custodian Acceptance. State Street Bank and Trust Company will accept appointment as Custodian of the Account. However, this Agreement is not binding upon the Custodian until the Student has received a statement of the transaction. Receipt by the Student of a confirmation of the purchase of the Fund shares indicated above will serve as notification of State Street Bank and Trust Company's acceptance of appointment as Custodian of the Account.

STATE STREET BANK AND TRUST COMPANY, CUSTODIAN

If the Student is a minor under the laws of Student's state of residence, acceptance by the Custodian of the contribution to this Account is expressly conditioned upon the agreement of the Parent (identified in Section 3) to be responsible for all requirements of the Student under the documents governing the Account, and to exercise the powers and duties of the Student, with respect to the operation of the Account. Upon reaching the age of majority in the state in which the Student then resides, the Student may advise the Custodian in writing (accompanied by such supporting documentation as the Custodian may require) that he or she is assuming sole responsibility to exercise all powers and duties associated with the administration of the Account. Absent such written notice by Student, Custodian shall have no responsibility to acknowledge Student's exercise of such powers and duties of administration. (If guardian, provide a copy of letters of appointment)

Signature of Adult

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Under penalties of perjury, I certify that:

1. The SSN/U.S. tax ID number shown on this form is my correct taxpayer identification number and
2. I am not subject to backup withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and

❑ Check here if you are subject to backup withholding.

3. Please check one:
   ❑ I am a United States Citizen or Resident Alien (SSN or Tax ID provided)
   ❑ I am a non-resident alien with a U.S. SSN or Tax ID. (A form W-8 will be mailed to you. Please complete it and return it to us along with a copy of your passport or government issued ID card.)
   If not a U.S. citizen, please indicate the country in which you permanently reside: _____

THE INTERNAL REVENUE SERVICE DOES NOT REQUIRE YOUR CONSENT TO ANY PROVISION OF THIS DOCUMENT OTHER THAN THE CERTIFICATIONS REQUIRED ABOVE.

By signing this application, I/we also certify that:

- I have received and read the prospectus(es) for the Fund(s), and I agree to the terms. I have the authority and legal capacity to purchase mutual fund shares, am of legal age and believe each investment to be suitable for me.
- I understand that the Funds are not a bank, and Fund shares are not backed or guaranteed by any bank nor insured by the FDIC.
- I ratify any instructions, including telephone instructions, given on this account. I understand that the Funds or DST will employ reasonable procedures to verify my identity and to confirm the genuineness of my instructions. I agree that neither the Fund(s) nor DST will be liable for any loss, cost or expense for following the Funds' anti-money laundering procedures and/or following reasonable procedures designed to prevent unauthorized transactions.
- I am not involved in any money laundering schemes, and the source of this investment is not derived from any unlawful criminal activities; the information provided on this form and the documents submitted are true and correct.

_____

Signature of Student **Date** (MM/DD/YYYY)
(If Student has attained the age of majority in his/her state of residence.)

_____

Signature of Adult **Date** (MM/DD/YYYY)
(If Student has not attained the age of majority in his/her state of residence.)

_____

Signature of Donor **Date** (MM/DD/YYYY)
(or Representative of Corporate Entity)

APPLICATIONS THAT ARE UNSIGNED OR INCOMPLETE WILL BE RETURNED WITHOUT THE ACCOUNT BEING ESTABLISHED.

RETAIN A PHOTOCOPY OF THIS COMPLETED FORM FOR YOUR RECORDS

Automatic Investment Plan Enrollment Form

BARON FUNDS

Fill out this form only if you are establishing an Automatic Investment Plan with Baron Funds®. The Automatic Investment Plan is not available for entities. For information and to request forms, call: 1-800-442-3814 Monday – Friday, 9:00AM – 5:00PM ET, or visit www.BaronFunds.com. **Please mail a completed form to:** Baron Funds®, P.O. Box 219946, Kansas City, MO 64121-9946. **Overnight Address:** Baron Funds®, 430 W. 7th Street, Kansas City, MO 64105-1514.

The undersigned authorizes Baron Funds® to start an Automatic Investment Plan for the account indicated below:

For any account starting with less than $2000 a $50 **monthly** minimum is required until the account reaches $2000.

STEP 1. In shares of:

- ❑ Baron Asset Fund (585) BARAX $_____
- ❑ Baron Discovery Fund (572) BDFFX $_____
- ❑ Baron Emerging Markets Fund (575) BEXFX $_____
- ❑ Baron Energy and Resources Fund (574) BENFX $_____
- ❑ Baron Fifth Avenue Growth Fund (579) BFTHX $_____
- ❑ Baron Focused Growth Fund (578) BFGFX $_____
- ❑ Baron Global Advantage Fund (573) BGAFX $_____
- ❑ Baron Growth Fund (587) BGRFX $_____
- ❑ Baron International Growth Fund (577) BIGFX $_____
- ❑ Baron Opportunity Fund (580) BIOPX $_____
- ❑ Baron Partners Fund (586) BPTRX $_____
- ❑ Baron Real Estate Fund (576) BREFX $_____
- ❑ Baron Small Cap Fund (583) BSCFX $_____

Total $_____

Begin my investments on: _____
Date (MM/DD/YYYY)

STEP 2. Indicate the number of times/days per month for each investment:

(1) day_____ (2) day_____ (3) day_____ (4) day_____

STEP 3. Indicate the month(s) of the year for your investment:

month (1)_____ month (2)_____ month (3)_____ month (4)_____

(or) ❑ monthly (required if initial investment is under $2000)
❑ every other month ❑ quarterly ❑ semi-annually ❑ annually

NOTE: Coverdell ESA contributions will be made for the current tax year unless otherwise indicated.

*If the day is a weekend or holiday or if the day is the 29th, 30th, or 31st and that day is not in a selected month (e.g., there is no February 30), money will be invested on the next business day. The date of investment or the amount may be changed at any time by writing to Baron Funds® at P.O. Box 219946, Kansas City, MO 64121-9946, or by calling 1-800-442-3814, or by accessing your account online at www.BaronFunds.com.

Bank, Savings & Loan or Credit Union:

❑ Checking ❑ Savings

Name of Institution ABA No.

Street

City State Zip

Account Number

If you are adding or changing banking instructions to an existing account, a signature guarantee is required (see below). You can obtain a signature guarantee from most securities firms or banks, but not from a notary public.

SIGNATURE GUARANTEE REQUIRED

Bank or Dealer Firm Date (MM/DD/YYYY)

Signature of Authorized Officer of Guarantor Title

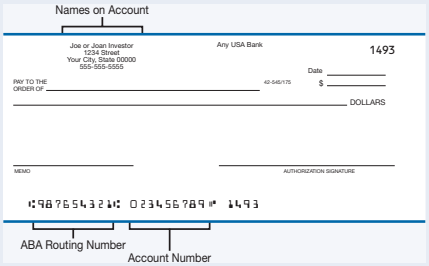
GUARANTEE STAMP

Upon receipt of this enrollment form, United Missouri Bank of Kansas City, N.A. and DST Systems, Inc. ("DST") are authorized to credit the Baron Funds® account named above and to debit the bank account as indicated above. The undersigned understands that this service is governed by the provisions of the Baron Funds® prospectus and the rules of the Automated Clearing House ("ACH"), as amended from time to time, and is established solely for the convenience of the account owner. The undersigned further understands that this service may be terminated or modified at any time without notice by Baron Funds®, DST or United Missouri Bank of Kansas City, N.A. The account owner releases Baron Funds®, their affiliates, their agents and representatives from all liability and agrees to indentify the same from any and all losses, damages or costs for acting in good faith in accordance with the privilege selected herein. In no event shall the Funds or their agents or representatives be liable for consequential damages. All terms shall be binding upon the heirs, representatives and assigns of the account owners.

This authorization shall continue until terminated by any account owner by written or telephonic notification to DST. Termination will be effective as soon as DST has had reasonable time to act upon it following receipt. Cancellation of an Automatic Investment Plan must be received at least six business days prior to the next scheduled purchase date. We may not be able to stop your systematic purchase if your request is not received at least six business days prior to your next scheduled purchase.

Adult/Student/Donor Date (MM/DD/YYYY)

PLEASE ATTACH A COPY OF A VOIDED CHECK



Distributed by: Baron Capital, Inc.
767 Fifth Avenue, 49th Floor, New York, NY 10153
212-583-2100, 800-99-BARON, www.BaronFunds.com

Fill out this form only if you are establishing an Automatic Investment Plan with Baron Funds®. This enrollment form is in addition to the Coverdell ESA Account Application. It is not available for entities.

RETAIN A PHOTOCOPY OF THIS COMPLETED FORM FOR YOUR RECORDS

Plese complete and return the following form
if you wish to tranfer, rollover or convert funds.

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