

SECURITIES AND EXCHANGE COMMISSION

**FORM DEFR14A**

Definitive revised proxy soliciting materials

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**FILER**

**WARBURG PINCUS JAPAN SMALL CO FUND INC**

CIK: **927947** | IRS No.: **133782949** | State of Incorporation: **MD** | Fiscal Year End: **1031**  
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WILMINGTON DE 19809

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SCHEDULE 14A INFORMATION  
PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE SECURITIES  
EXCHANGE ACT OF 1934  
(AMENDMENT NO. )

Filed by the Registrant  [X]  
Filed by a Party other than the Registrant  [ ]

Check the appropriate box:

- [ ] Preliminary Proxy Statement  
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 [X] Definitive Proxy Statement  
 [ ] Definitive Additional Materials  
 [ ] Soliciting Material Pursuant to Rule 14a-11(c) or Rule 14a-12

WARBURG PINCUS JAPAN SMALL COMPANY FUND, INC.  
(Name of Registrant as Specified In Its Charter)

-----  
(Name of Person(s) filing Proxy Statement, if other than Registrant)

Payment of Filing Fee (Check the appropriate box):

- [X] No fee required.  
 [ ] Fee computed on table below per Exchange Act Rules 14a-6(I)(1) and 0-11.  
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(1) Amount Previously Paid:  
(2) Form, Schedule or Registration Statement No.:  
(3) Filing Party:  
(4) Date Filed:

March 1999

IMPORTANT NEWS  
FOR WARBURG PINCUS FUND SHAREHOLDERS

While we encourage you to read the full text of the enclosed Proxy Statement, here's a brief overview of some matters affecting your Fund which require a shareholder vote.

Q & A: QUESTIONS AND ANSWERS

Q. WHAT IS HAPPENING?

A. Credit Suisse Group ("Credit Suisse") has agreed to acquire Warburg Pincus Asset Management, Inc. ("Warburg"), your Fund's investment

adviser, and intends to combine it with its existing U.S. asset management business ("CSAM-U.S.") (together, the "Merger"). CSAM-U.S. is part of Credit Suisse Asset Management ("CSAM"), which is the institutional asset management and mutual fund arm of Credit Suisse, with global assets under management of approximately \$210 billion. Credit Suisse is a global financial services company, providing a comprehensive range of banking and insurance products.

In order for CSAM-U.S. to serve as investment adviser of your Fund following the completion of the Merger, it is necessary for the Fund's shareholders to approve a new investment advisory agreement. If your Fund has a sub-investment advisory agreement to which Warburg currently is a party, it is also necessary that a new sub-investment advisory agreement be approved. The following pages give you additional information on CSAM and the proposed new investment advisory and sub-investment advisory agreements and certain other matters.

The most important matters to be voted upon by you are approval of the new investment advisory and sub-investment advisory agreements and the election of Board members. You will also be asked to ratify the selection of PricewaterhouseCoopers LLP as your Fund's independent accountants. THE BOARD MEMBERS OF YOUR FUND, INCLUDING THOSE WHO ARE NOT AFFILIATED WITH THE FUND, WARBURG OR CREDIT SUISSE, RECOMMEND THAT YOU VOTE FOR THESE PROPOSALS.

Q. WHY AM I BEING ASKED TO VOTE ON THE PROPOSED NEW INVESTMENT ADVISORY AGREEMENT?

A. The Investment Company Act of 1940, which regulates investment companies such as your Fund, requires a shareholder vote to approve a new investment advisory agreement following certain types of business combinations. Credit Suisse's acquisition of Warburg and Warburg's combination with CSAM-U.S. require shareholder approval of a new

investment advisory agreement and, where applicable, a new sub-investment advisory agreement with your Fund.

Q. HOW WILL THE TRANSACTION AFFECT ME AS A FUND SHAREHOLDER?

A. Your Fund and your Fund's investment objective will not change. You will still own the same shares in the same Fund. The terms of the new investment advisory agreement and any new sub-investment advisory agreement are the same in all material respects as the current agreements (except that there will be a new investment adviser following the Merger). If shareholders do not approve the new investment advisory agreement and any applicable new sub-investment advisory agreement, the current agreements will terminate upon the closing of the Merger and the governing Board of your Fund will take such action as it deems to be in the best interests of your Fund and its shareholders.

Q. WHAT ARE THE BENEFITS OF THE MERGER?

A. Warburg believes that the combined Warburg and Credit Suisse asset management business resulting from the Merger will enhance Warburg's current capabilities as a global asset manager. Warburg further believes that the Merger will enable the combined businesses to deliver improved services to you and your Fund and to fulfill its obligations under the new investment advisory agreement and, if applicable, sub-investment advisory agreement consistent with current practices.

Q. WILL THE INVESTMENT ADVISORY AND SUB-ADVISORY FEES REMAIN THE SAME?

A. Yes.

- Q. HOW DO THE BOARD MEMBERS OF MY FUND RECOMMEND THAT I VOTE?
- A. After careful consideration, the Board members of your Fund, including those who are not affiliated with the Fund or Warburg, recommend that you vote in favor of all the proposals on the enclosed proxy card(s).
- Q. WHOM DO I CALL FOR MORE INFORMATION?
- A. If you need more information, please call D.F. King & Co., Inc., your Fund's information agent, at 1-800-848-3409.
- Q. HOW CAN I VOTE MY SHARES?
- A. Please choose one of the following options to vote your shares:
- o By mail, with the enclosed proxy card(s);
  - o By telephone, with a toll-free call to the telephone number that appears on your proxy card or, if no toll-free telephone number appears on your proxy card, to D.F. King & Co., Inc., the Funds' proxy solicitor, at 1-800-848-3409;
  - o Through the Internet, by using the Internet address located on your proxy card and following the instructions on the site; or
  - o In person at the meeting.
- Q. WILL THE FUND PAY FOR THE PROXY SOLICITATION AND LEGAL COSTS ASSOCIATED WITH THIS TRANSACTION?
- A. No, Warburg and Credit Suisse will bear these costs.
- Q. WHAT HAPPENS IF I OWN SHARES IN MORE THAN ONE FUND?
- A. If you have more than one Fund in an account in your name at the same address, you will receive separate proxy cards for each Fund but only one proxy statement for the account. Please vote all issues on each proxy card that you receive.

THANK YOU FOR MAILING YOUR PROXY CARD(S) PROMPTLY.

WARBURG PINCUS FUNDS  
466 LEXINGTON AVENUE  
NEW YORK, NY 10017

March 26, 1999

Dear Shareholder:

On February 15, 1999 the parent companies of Warburg Pincus Asset

Management, Inc. ("Warburg") entered into an agreement with Credit Suisse Group ("Credit Suisse") pursuant to which Credit Suisse will acquire Warburg. Following such acquisition, Credit Suisse intends to combine Warburg with its existing U.S. asset management business. As a result of this two-stage transaction, it is necessary for the shareholders of each of the funds for which Warburg acts as investment adviser, including your Fund, to approve a new investment advisory agreement. If your Fund has a sub-investment advisory agreement to which Warburg currently is a party, it is also necessary to approve a new sub-investment advisory agreement.

Important facts about the acquisition are:

- o The acquisition has no effect on the number of shares you own or the value of those shares.
- o The contractual advisory fee rates payable by your Fund under its current investment advisory agreement will not increase.
- o The investment objective and policies of your Fund will remain the same.

Shareholders are also being asked to approve certain other matters that have been set forth in the Fund's Notice of Meeting. THE BOARD MEMBERS OF YOUR FUND BELIEVE THAT EACH OF THE PROPOSALS SET FORTH IN THE NOTICE OF MEETING FOR YOUR FUND IS IMPORTANT AND RECOMMEND THAT YOU READ THE ENCLOSED MATERIALS CAREFULLY AND THEN VOTE FOR ALL PROPOSALS.

Since all of the funds for which Warburg acts as investment adviser are required to conduct shareholder meetings, if you own shares of more than one fund, you will receive more than one proxy card. Please sign and return each proxy card you receive.

Your vote is important. PLEASE TAKE A MOMENT NOW TO VOTE, EITHER BY COMPLETING AND RETURNING YOUR PROXY CARD(S) IN THE ENCLOSED POSTAGE-PAID RETURN ENVELOPE, BY TELEPHONE OR THROUGH THE INTERNET. You may receive a telephone call from our proxy solicitor, D.F. King & Co., Inc., or from employees of Warburg reminding you to vote your shares.

Respectfully,

[GENE PODSIADLO SIGNATURE]

Eugene L. Podsiadlo  
President

SHAREHOLDERS ARE URGED TO VOTE BY COMPLETING AND RETURNING THE PROXY CARD, BY TELEPHONE OR THROUGH THE INTERNET TO ENSURE A QUORUM AT THE MEETING. YOUR VOTE IS IMPORTANT REGARDLESS OF THE SIZE OF YOUR SHAREHOLDINGS.

WARBURG PINCUS FUNDS

Warburg Pincus Balanced Fund  
Warburg Pincus Capital Appreciation Fund

Warburg Pincus Cash Reserve Fund  
Warburg Pincus Emerging Growth Fund  
Warburg Pincus Emerging Markets Fund  
Warburg Pincus Fixed Income Fund  
Warburg Pincus Global Fixed Income Fund  
Warburg Pincus Global Post-Venture Capital Fund  
Warburg Pincus Growth & Income Fund  
Warburg Pincus Health Sciences Fund  
Warburg Pincus Institutional Fund, Inc.  
Warburg Pincus Intermediate Maturity Government Fund  
Warburg Pincus International Equity Fund  
Warburg Pincus International Small Company Fund  
Warburg Pincus Japan Growth Fund  
Warburg Pincus Japan Small Company Fund  
Warburg Pincus Major Foreign Markets Fund  
Warburg Pincus New York Intermediate Municipal Fund  
Warburg Pincus New York Tax Exempt Fund  
Warburg Pincus Post-Venture Capital Fund  
Warburg Pincus Small Company Growth Fund  
Warburg Pincus Small Company Value Fund  
Warburg Pincus Trust  
Warburg Pincus Trust II  
Warburg Pincus WorldPerks Money Market Fund  
Warburg Pincus WorldPerks Tax Free Money Market Fund

#### NOTICE OF SPECIAL MEETINGS OF SHAREHOLDERS

Please take notice that Special Meetings of Shareholders (each a "Special Meeting") of each Warburg Pincus Fund listed above (each a "Fund" and, collectively, the "Funds") will be held jointly at the offices of Warburg Pincus Asset Management, Inc., 466 Lexington Avenue, 12th Floor, New York, NY 10017, on May 21, 1999, at 3:00 p.m., Eastern time, for the following purposes:

- (1) To approve or disapprove a new investment advisory agreement between each Fund and a direct or indirect U.S. investment advisory subsidiary of Credit Suisse Group (the "New Adviser");
- (2) To elect Directors/Trustees of the Funds;
- (3) For the shareholders of Warburg Pincus Post-Venture Capital Fund, Warburg Pincus Global Post-Venture Capital Fund, the Post-Venture Capital Portfolios of Warburg Pincus Institutional Fund, Inc. and Warburg Pincus Trust, Warburg Pincus WorldPerks Money Market Fund and Warburg Pincus WorldPerks Tax Free Money Market Fund ONLY: to approve or disapprove a new sub-investment advisory agreement between each Fund, the New Adviser and the relevant sub-investment adviser; and
- (4) To ratify or reject the selection of PricewaterhouseCoopers LLP as the independent accountants for each of the Funds for each Fund's current fiscal year.

The appointed proxies, in their discretion, will vote on any other business as may properly come before the Special Meeting or any adjournments thereof.

Holders of record of shares of each Fund at the close of business on March 9, 1999 are entitled to vote at the Special Meeting and at any adjournments thereof. As a convenience to shareholders, you can now vote in any one of four ways:

- o By mail, with the enclosed proxy card(s);

- o By telephone, with a toll-free call to the telephone number that appears on your proxy card or, if no toll-free telephone number appears on your proxy card, to D.F. King & Co., Inc., the Funds' proxy solicitor, at 1-800-848-3409;
- o Through the Internet, by using the Internet address located on your proxy card and following the instructions on the site; or
- o In person at the meeting.

In the event that the necessary quorum to transact business or the vote required to approve or reject any proposal is not obtained at the Special Meeting with respect to one or more Funds or, where applicable, investment portfolios of a Fund (each a "Portfolio" and together with those Funds that do not have any separate investment portfolios, the "Portfolios"), the persons named as proxies may propose one or more adjournments of the Special Meeting in accordance with applicable law, to permit further solicitation of proxies. Any such adjournment as to a matter requiring, respectively, a Fund-wide or Portfolio by Portfolio vote will require the affirmative vote of the holders of a majority of the concerned Fund's (for a Fund-wide vote) or, where applicable, the concerned Portfolio's (for a Portfolio by Portfolio vote) shares present in person or by proxy at the Special Meeting. The persons named as proxies will vote in favor of such adjournment those proxies which they are entitled to vote in favor and will vote against any such adjournment those proxies to be voted against that proposal.

We encourage you to vote by completing and returning your proxy card(s), by telephone or through the Internet. These voting methods will reduce the time and costs associated with the proxy solicitation. Whichever method you choose, please read the full text of the proxy statement before your vote.

By order of the governing Boards,

[JANNA MANES SIGNATURE]

Janna Manes  
Secretary

March 26, 1999

IMPORTANT--IN ORDER TO AVOID THE NECESSITY AND EXPENSE OF FURTHER SOLICITATIONS TO ENSURE A QUORUM AT THE SPECIAL MEETINGS, WE ASK THAT YOU VOTE YOUR SHARES PROMPTLY.

#### WARBURG PINCUS FUNDS

Warburg Pincus Balanced Fund  
Warburg Pincus Capital Appreciation Fund  
Warburg Pincus Cash Reserve Fund  
Warburg Pincus Emerging Growth Fund  
Warburg Pincus Emerging Markets Fund  
Warburg Pincus Fixed Income Fund  
Warburg Pincus Global Fixed Income Fund  
Warburg Pincus Global Post-Venture Capital Fund  
Warburg Pincus Growth & Income Fund  
Warburg Pincus Health Sciences Fund

Warburg Pincus Institutional Fund, Inc.  
Warburg Pincus Intermediate Maturity Government Fund  
Warburg Pincus International Equity Fund  
Warburg Pincus International Small Company Fund  
Warburg Pincus Japan Growth Fund  
Warburg Pincus Japan Small Company Fund  
Warburg Pincus Major Foreign Markets Fund  
Warburg Pincus New York Intermediate Municipal Fund  
Warburg Pincus New York Tax Exempt Fund  
Warburg Pincus Post-Venture Capital Fund  
Warburg Pincus Small Company Growth Fund  
Warburg Pincus Small Company Value Fund  
Warburg Pincus Trust  
Warburg Pincus Trust II  
Warburg Pincus WorldPerks Money Market Fund  
Warburg Pincus WorldPerks Tax Free Money Market Fund

466 LEXINGTON AVENUE  
NEW YORK, NY 10017

JOINT PROXY STATEMENT

GENERAL

This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors or Trustees, as the case may be (the "Board"), of each of the Warburg Pincus Funds listed above (each a "Fund" and, collectively, the "Funds") for use at the Special Meetings of Shareholders of each Fund, to be held jointly at the offices of Warburg Pincus Asset Management, Inc., 466 Lexington Avenue, 12th Floor, New York, NY 10017, on May 21, 1999 at 3:00 p.m., Eastern time, and at any and all adjournments thereof (the "Special Meeting"). (In the descriptions of the various proposals below, the word "fund" is sometimes used to mean investment companies or series thereof in general, and not the Funds whose proxy statement this is.)

This Proxy Statement, the Notice of Special Meeting and the proxy cards are first being mailed to shareholders on or about March 26, 1999 or as soon as practicable thereafter. Any shareholder giving a proxy has the power to revoke it on the Internet, by telephone, by mail (addressed to Janna Manes, Secretary of the

Warburg Pincus Funds, c/o Warburg Pincus Asset Management, Inc., 466 Lexington Avenue, New York, NY 10017), in person at the Special Meeting, by executing a superseding proxy or by submitting a notice of revocation. All properly executed proxies received in time for the Special Meeting will be voted as specified in the proxy or, if no specification is made, in favor of each proposal referred to in the Proxy Statement.

The presence at any Special Meeting, in person or by proxy, of the holders of one-third (one-half in the case of certain Funds and Portfolios) of the shares entitled to be cast of a Fund (for a Fund-wide vote) or an investment portfolio of a Fund (each a "Portfolio" and together with those Funds that do not have any separate investment portfolios, the "Portfolios") (for a Portfolio by Portfolio vote) shall be necessary and sufficient to constitute a quorum for the transaction of business requiring, respectively, Fund-wide or Portfolio by Portfolio voting. The quorum requirement for each Fund and Portfolio is indicated on Exhibit B to this Proxy Statement. In the event that the necessary quorum to transact business or the vote required to approve or reject any proposal is not obtained at the Special Meeting with respect to one or more Funds or, where applicable, Portfolios, the persons named as proxies may propose one or more adjournments of the Special Meeting in accordance with applicable law to permit further solicitation of proxies with respect to any proposal which did not receive the vote necessary for its passage or to obtain a quorum. With respect to those proposals for which there is represented a sufficient number of



votes in favor, actions taken at the Special Meeting will be effective irrespective of any adjournments with respect to any other proposals. Any such adjournment as to a matter requiring, respectively, a Fund-wide or a Portfolio by Portfolio vote will require the affirmative vote of the holders of a majority of the concerned Fund's (for a Fund-wide vote) or Portfolio's (for a Portfolio by Portfolio vote) shares present in person or by proxy at the Special Meeting. The persons named as proxies will vote in favor of such adjournment those proxies which they are entitled to vote in favor for that proposal and will vote against any such adjournment those proxies to be voted against that proposal. For purposes of determining the presence of a quorum for transacting business at the Special Meeting, abstentions and broker "non-votes" will be treated as shares that are present but which have not been voted. Broker non-votes are proxies received from brokers or nominees when the broker or nominee has neither received instructions from the beneficial owner or other persons entitled to vote nor has discretionary power to vote on a particular matter. Accordingly, shareholders are urged to forward their voting instructions promptly.

Proposals 1 and 3 each requires the affirmative vote of a "majority of the outstanding voting securities" of each Portfolio. The terms "majority of the outstanding voting securities" as defined in the Investment Company Act of 1940, as amended (the "1940 Act"), and as used in this Proxy Statement, means: the affirmative vote of the lesser of (1) 67% of the voting securities of each Portfolio present at the meeting if more than 50% of the outstanding shares of the Portfolio

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are present in person or by proxy or (2) more than 50% of the outstanding shares of each Portfolio. Approval of Proposal 2 requires the affirmative vote of a plurality of the shares of each Fund voting at the Special Meeting. Approval of Proposal 4 requires the affirmative vote of a majority of the shares of each Fund voting at the Special Meeting.

Abstentions and broker non-votes will have the effect of a "no" vote for Proposals 1 and 3, which require the approval of a specified percentage of the outstanding shares of each Portfolio, if such vote is determined on the basis of obtaining the affirmative vote of more than 50% of the outstanding shares of the Portfolio. Abstentions and broker non-votes will not constitute "yes" or "no" votes, and will be disregarded in determining the voting securities "present" if such vote is determined on the basis of the affirmative vote of 67% of the voting securities of the Portfolio present at the Special Meeting with respect to Proposals 1 and 3. Abstentions and broker non-votes will not be counted in favor of, but will have no other effect on the vote for Proposals 2 and 4, which require the approval of a plurality of the shares of each Fund, and a majority of the shares of each Fund, respectively, voting at the Special Meeting.

The Portfolios of the Warburg Pincus Trust and Warburg Pincus Trust II (the "Trust Portfolios") offer their shares only to certain insurance companies ("Participating Insurance Companies") for allocation to certain of their separate accounts established for the purpose of funding variable annuity contracts and variable life insurance contracts and tax qualified pension and retirement plans. The shares of the Trust Portfolios are currently held only by Participating Insurance Companies. Under current law, the Participating Insurance Companies are required to solicit voting instructions from variable annuity contract owners who beneficially own shares in any of the Trust Portfolios as of the Record Date (as defined below) and must vote all shares held in the separate account in proportion to the voting instructions received for the Special Meeting, or any adjournment thereof. The Participating Insurance Companies will vote shares of the Trust Portfolios for which no instructions have been received in the same proportion as they vote shares for which they have received instructions. Abstentions will have the effect of a negative vote on the proposals. Unmarked voting instructions will be voted in favor of the proposals.

Shareholders of each Portfolio will vote separately with respect to each

of Proposals 1 and 3 (if applicable); and shareholders of each Fund will vote together on Proposals 2 and 4.

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The following table summarizes those voting requirements:

<TABLE>  
<CAPTION>

	SHAREHOLDERS ENTITLED TO VOTE	VOTE REQUIRED FOR APPROVAL
	-----	-----
<S>	<C>	<C>
Proposal 1 (Approval of new Investment Advisory Agreement)	Shareholders of each Portfolio vote separately	Approved by a "majority of the outstanding voting securities" of each Portfolio
Proposal 2 (Election of Directors/ Trustees)	Shareholders of each Fund vote together for each nominee (if a Fund has several Portfolios, shareholders of all Portfolios vote together as a single class)	Each nominee must be elected by a plurality of the shares of the Fund voting at the Special Meeting
Proposal 3 (Approval of new Sub-Investment Advisory Agreement)	Shareholders of each Portfolio vote separately	Approved by a "majority of the outstanding voting securities" of each Portfolio
Proposal 4 (Ratification of selection of Accountants)	Shareholders of each Fund vote together	Approved by a majority of the shares of each Fund voting at the Special Meeting

</TABLE>

Holders of record of the shares of common stock or beneficial interest, as the case may be, of each Portfolio at the close of business on March 9, 1999 (the "Record Date"), as to any matter on which they are entitled to vote, will be entitled to one vote per share on all business of the Special Meeting. The table below sets forth the number of shares outstanding for each Portfolio as of March 9, 1999.

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NAME OF THE PORTFOLIO	NUMBER OF SHARES OUTSTANDING AS OF MARCH 9, 1999
-----	-----
Warburg Pincus Balanced Fund	2,614,749
Warburg Pincus Capital Appreciation Fund	37,732,489
Warburg Pincus Cash Reserve Fund	400,527,219
Warburg Pincus Emerging Growth Fund	50,234,561
Warburg Pincus Emerging Markets Fund	8,141,963
Warburg Pincus Fixed Income Fund	41,020,074
Warburg Pincus Global Fixed Income Fund	14,470,140
Warburg Pincus Global Post-Venture Capital Fund	327,555
Warburg Pincus Growth & Income Fund	41,767,596
Warburg Pincus Health Sciences Fund	4,933,314
Warburg Pincus Institutional Fund, Inc.:	

Emerging Markets Portfolio	888,630
International Equity Portfolio	62,957,094
Japan Growth Portfolio	161,763
Post-Venture Capital Portfolio	133,554
Small Company Growth Portfolio	15,639,696
Small Company Value Portfolio	110,069
Value Portfolio	4,526,751
Warburg Pincus Intermediate Maturity Government Fund	7,040,498
Warburg Pincus International Equity Fund	72,090,291
Warburg Pincus International Small Company Fund	214,706
Warburg Pincus Japan Growth Fund	5,277,786
Warburg Pincus Japan Small Company Fund	15,890,620
Warburg Pincus Major Foreign Markets Fund	4,745,899
Warburg Pincus New York Intermediate Municipal Fund	10,294,827
Warburg Pincus New York Tax Exempt Fund	175,938,611
Warburg Pincus Post-Venture Capital Fund	3,392,816
Warburg Pincus Small Company Growth Fund	440,226
Warburg Pincus Small Company Value Fund	3,641,682
Warburg Pincus Trust:	
Emerging Markets Portfolio	389,843
Growth & Income Portfolio	1,389,264
International Equity Portfolio	32,862,594
Post-Venture Capital Portfolio	5,174,101
Small Company Growth Portfolio	44,124,962

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NAME OF THE PORTFOLIO	NUMBER OF SHARES OUTSTANDING AS OF MARCH 9, 1999
-----	-----
Warburg Pincus Trust II:	
Fixed Income Portfolio	278,260
Global Fixed Income Portfolio	181,167
Warburg Pincus WorldPerks Money Market Fund	12,284,353
Warburg Pincus WorldPerks Tax Free Money Market Fund	11,029,904

Annex I attached hereto sets forth information as of March 9, 1999 regarding the persons known by each Portfolio to beneficially own more than 5% of the outstanding shares of such Portfolio.

Each Portfolio provides periodic reports to all of its shareholders which highlight relevant information, including investment results and a review of portfolio changes. You may receive an additional copy of the most recent annual report for each Portfolio and a copy of any more recent semiannual report, without charge, by calling 800-WARBURG (800-927-2874) or by writing to Warburg Pincus Funds, P.O. Box 9030, Boston, MA 02205-9030.

PROPOSAL 1: APPROVAL OF NEW  
INVESTMENT ADVISORY AGREEMENT

INTRODUCTION

Warburg currently acts as the investment adviser to each Portfolio pursuant to investment advisory agreements entered into between each Portfolio and Warburg (each a "Current Advisory Agreement" and, collectively, the "Current Advisory Agreements"). On February 15, 1999, the parent companies of Warburg entered into a Merger Agreement and Plan of Reorganization (the "Merger Agreement") with Credit Suisse Group ("Credit Suisse"). Under the terms of the Merger Agreement, Credit Suisse will acquire the direct parent company of Warburg (the "Acquisition"). Upon consummation of the Acquisition, Credit Suisse intends to combine Warburg with Credit Suisse's existing U.S. asset management business (the "Reorganization"), and such combined businesses are expected to be

conducted by a single direct or indirect wholly-owned U.S. subsidiary of Credit Suisse, which would be organized as a limited liability company or a corporation (the "New Adviser"). Following consummation of the Reorganization, the New Adviser would act as the investment adviser to each Portfolio, as further described below. It is currently anticipated that the New Adviser will operate under the name "Credit Suisse Asset Management" (followed by an indication of its status as a limited liability company or a corporation). However, it is possible that the Acquisition will be consummated but that the Reorganization will be delayed or ultimately not consummated, in which case Warburg (under Credit Suisse ownership) would continue to act as the investment

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adviser to each Portfolio until such time (if ever) as the Reorganization is consummated. The Acquisition and the Reorganization are together referred to herein as the "Merger". Upon completion of the Reorganization, the headquarters of the New Adviser will be in New York; until completion of the Reorganization, the headquarters of Warburg are expected to remain in New York.

The Acquisition and the Reorganization are expected to be consummated simultaneously. In such event, consummation of the Merger would constitute a single "assignment," as that term is defined in the 1940 Act, of each Portfolio's Current Advisory Agreement with Warburg. As required by the 1940 Act, each of the Current Advisory Agreements provides for its automatic termination in the event of its assignment. In anticipation of the Merger, a new investment advisory agreement (each a "New Advisory Agreement" and, collectively, the "New Advisory Agreements," together with the Current Advisory Agreements, the "Advisory Agreements") between each Fund and the New Adviser is being proposed for approval by shareholders of each Portfolio to take effect upon consummation of the Acquisition and Reorganization. However, if the Acquisition is consummated but the Reorganization is delayed or not ultimately consummated, each New Advisory Agreement would take effect between the applicable Portfolio and Warburg (under Credit Suisse ownership) upon consummation of the Acquisition, and would remain in effect with Warburg until such time (if ever) as the Reorganization is consummated; approval of a New Advisory Agreement at the Special Meeting will constitute shareholder approval for such New Advisory Agreement to take effect with the New Adviser if the Acquisition and the Reorganization are consummated simultaneously, and to take effect with Warburg if the Acquisition is consummated prior to consummation of the Reorganization.

In the event that the Acquisition and the Reorganization are not simultaneously consummated, upon consummation of the Reorganization, each New Advisory Agreement would be transferred to the New Adviser as part of the combination of the businesses of Warburg and Credit Suisse's existing U.S. asset management business, and the New Adviser thereafter would act as the investment adviser to each Portfolio pursuant to such New Advisory Agreement. If not consummated simultaneously with the Acquisition, consummation of the Reorganization could be deemed to constitute a second "assignment" of each Portfolio's investment advisory agreement (which would result in its automatic termination, as discussed above); approval of a New Advisory Agreement at the Special Meeting also will constitute shareholder approval for such New Advisory Agreement to take effect with the New Adviser upon consummation of the Reorganization (if consummated) in the event that the Reorganization is consummated after consummation of the Acquisition.

A copy of the master form of the New Advisory Agreement is attached hereto as Exhibit A. THE NEW ADVISORY AGREEMENT FOR EACH PORTFOLIO IS IN ALL MATERIAL RESPECTS ON THE SAME TERMS AS THE CORRESPONDING CURRENT ADVISORY AGREEMENT (except that the New Adviser will be the investment adviser following consummation of the

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Reorganization). Conforming changes are being recommended to the New Advisory Agreement in order to promote consistency among all of the funds currently advised by Warburg and to permit ease of administration. The material terms of each Current Advisory Agreement are described under "Description of the Current Advisory Agreements" below.

#### BOARD RECOMMENDATION

On March 8, 1999, the Board of Directors or Trustees, as the case may be (hereinafter referred to as "Directors"), of each Fund, including the Directors who are not parties to any such agreement or "interested persons" (as defined under the 1940 Act) of any such party (the "Non-interested Directors"), voted unanimously to approve the New Advisory Agreements and to recommend their respective approval to shareholders.

The Directors of each Fund recommend that the Fund's shareholders vote in favor of the approval of the New Advisory Agreement for each Portfolio.

#### BOARD EVALUATION

On February 19, 1999, representatives of Warburg and Credit Suisse met in person with the Non-interested Directors of each Fund. At that time, the representatives described the general terms of the Merger and the anticipated benefits for the Warburg organization and for the Funds and Warburg's other investment advisory clients.

Credit Suisse subsequently furnished the Non-interested Directors with additional information regarding the Merger, including the terms of the Merger and additional information regarding Credit Suisse and its affiliates, including its existing U.S. asset management business. In a subsequent in person meeting, the Non-interested Directors discussed this information among themselves and with representatives of Warburg and Credit Suisse. They were assisted in their review of this information by their independent legal counsel.

In the course of these discussions, Warburg advised the Non-interested Directors that it did not expect that the proposed Merger would have a material effect on the operations of the Funds or their shareholders. Warburg has advised the Non-interested Directors that the Merger Agreement, by its terms, does not contemplate any changes in the structure or operations of the Funds (other than certain changes in the Board as discussed under "Proposal 2: Election of Directors/Trustees" below). However, Warburg has advised the Non-interested Directors that, as a result of its operations being combined with Credit Suisse's existing U.S. asset management business, it is possible that changes in certain personnel and service providers currently involved in providing services to the Funds may result from future efforts to combine the strengths and efficiencies of both firms. Senior executives of Warburg are expected to retain similar positions in the combined firm following consummation of the Reorganization. In their discussions with the Non-interested Directors, Warburg and Credit Suisse representatives also emphasized the strengths of the Credit Suisse organization

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and its commitment to provide the combined asset management organization with the resources necessary to continue to provide high quality services to the Funds and other investment advisory clients of the organization.

The Board of each Fund was advised that Warburg intends to rely on Section 15(f) of the 1940 Act, which provides a non-exclusive safe harbor for an investment adviser to an investment company or any of the investment adviser's affiliated persons (as defined under the 1940 Act) to receive any amount or benefit in connection with a change in control of the investment adviser so long as two conditions are met. First, for a period of three years after the Acquisition, at least 75% of the board members of the investment company must

not be "interested persons" of the investment company's investment adviser or its predecessor adviser. On or prior to the consummation of the Acquisition, each of the Boards, assuming the election of the nominees that shareholders are being asked to elect in "Proposal 2: Election of Directors/Trustees," would be in compliance with this provision of Section 15(f). (See "Proposal 2: Election of Directors/Trustees".) Second, an "unfair burden" must not be imposed upon the investment company as a result of such transaction or any express or implied terms, conditions or understandings applicable thereto. The term "unfair burden" is defined in Section 15(f) to include any arrangement during the two-year period after the transaction whereby the investment adviser, or any interested person of any such adviser, receives or is entitled to receive any compensation, directly or indirectly, from the investment company or its shareholders (other than fees for BONA FIDE investment advisory or other services) or from any other person in connection with the purchase or sale of securities or other property to, from or on behalf of the investment company (other than BONA FIDE ordinary compensation as principal underwriter for such investment company). No such compensation agreements are contemplated in connection with the Merger. Warburg and Credit Suisse have undertaken to pay the costs of preparing and distributing proxy materials to, and of holding the Special Meetings as well as other direct fees and expenses incurred by the Funds in connection with the Merger, including the fees and expenses of legal counsel to the Funds and the Non-interested Directors.

During the course of their deliberations, the Non-interested Directors considered a variety of factors including the nature, quality and extent of the services that Warburg has provided and the New Adviser will provide to the Portfolios; the continuity from and quality of personnel from Warburg to the New Adviser; the increased complexity of the domestic and international securities markets; current and developing conditions in the financial services industry, including the entry into the industry of large and well capitalized companies which are spending and appear to be prepared to continue to spend substantial sums to engage personnel and to provide services to competing investment companies; and the financial resources of Credit Suisse and the continuance of appropriate incentives to assure that the New Adviser will furnish high quality services to the Funds.

In addition to the foregoing factors, the Non-interested Directors gave careful consideration to the likely impact of the Merger on the Funds and

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Warburg's asset management operations. In this regard, the Non-interested Directors considered, among other things, the continuity of the day-to-day management of the Portfolios after the Merger; the maintenance of the identical contractual advisory fee rates; the substantially identical nature of the Current Advisory Agreements to the New Advisory Agreements (other than the change to the New Adviser as the investment adviser upon consummation of the Reorganization); the structure of the Merger; Credit Suisse's commitment to the New Adviser's paying compensation adequate to attract and retain top quality personnel; Credit Suisse's strategy for the development of its asset management business in the United States through the New Adviser; information regarding the financial resources and business reputation of Credit Suisse and its asset management operations; and the complementary nature of various aspects of the current businesses of Warburg and Credit Suisse's asset management business and the intention ultimately to develop a single brand in the U.S. mutual fund business.

The Non-interested Directors considered the foregoing factors with respect to each of the Portfolios. In their deliberations, the Board of each Fund, including its Non-interested Directors, considered the above factors as they relate to Warburg under the assumption that both the Reorganization is consummated and that, alternatively, it is not.

On March 8, 1999, the Directors of each Fund, including the Non-interested Directors of each Fund, unanimously approved the New Advisory

Agreements.

INFORMATION CONCERNING THE TRANSACTION, CREDIT SUISSE, CSAM AND THE NEW ADVISER

Under the Merger Agreement, Credit Suisse will pay up to \$650 million to Warburg, Pincus Counsellors G.P. ("Counsellors") for Warburg in a combination of cash and Credit Suisse common stock, which includes an initial \$450 million payable at closing and additional contingent consideration of up to \$200 million payable over three years. Counsellors, 70% of which is owned by Warburg, Pincus & Co. and 30% of which is owned by certain employees of Warburg, is the indirect owner of Warburg.

The Acquisition is subject to a number of conditions, including (but not limited to) the absence of any judgment or injunction preventing the Acquisition, or any governmental litigation challenging the Acquisition or seeking damages in connection therewith or private litigation that is reasonably likely to succeed on the merits, and the continued accuracy of the representations and warranties contained in the Merger Agreement; the consent to the "assignment" of the advisory agreements resulting from the Acquisition by Warburg advisory clients whose advisory contracts provide for the management of at least \$18 billion of assets (excluding for such purpose fluctuations in market value of assets under management subsequent to December 31, 1998) and \$13.5 billion of assets (including all fluctuations in market value); the approval of the governing Board and shareholders of each Fund having more than \$10 million of net assets of the

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matters set forth in Proposals 1 and 3 of this proxy statement; no more than 25% of the Directors of any Fund being "interested persons" (as defined in the 1940 Act) of Counsellors, Credit Suisse or their respective affiliates; the contemporaneous consummation of the Private Equity Investment (as described below); Credit Suisse having been granted a perpetual, world-wide, royalty-free license to use the "Warburg Pincus" name in the asset management sector of the financial services industry; and all necessary regulatory approvals. Each of the foregoing conditions may be waived in whole or in part in connection with the consummation of the Acquisition. The Acquisition is expected to close in mid-1999, although there is no assurance that it will be consummated.

Counsellors and Warburg Pincus Asset Management Holdings, Inc., the parent company of Warburg, have agreed to use their reasonable best efforts to assure, prior to the closing of the Acquisition, the satisfaction of the conditions set forth in Section 15(f) of the 1940 Act with respect to each Fund (see "Board Evaluation" above for Section 15(f) requirements). In addition, the Merger Agreement provides that, as of the closing of the Acquisition, the Board of each Fund shall be composed of eight Directors consisting of one Director selected by Counsellors who is an officer of the parent company of Warburg (who shall be the Vice-Chairman of the Board of such Fund), one Director selected by Credit Suisse, who is an officer of Credit Suisse or one of its subsidiaries (who shall be Chairman of the Board of such Fund) and six Directors who are not "interested persons" of Counsellors, Credit Suisse or their respective affiliates within the meaning of the 1940 Act.

In addition to acquiring Warburg, Credit Suisse also has agreed to acquire an interest in the private equity business of Warburg, Pincus & Co., the current ultimate parent company of Warburg. Credit Suisse has agreed to purchase a 19.9% passive minority stake in Warburg, Pincus & Co.'s private equity business (the "Private Equity Investment"). Warburg, Pincus & Co. manages over \$7 billion in private equity investments, with an additional \$5 billion of committed capital available for investment.

Each of Messrs. John L. Furth and Arnold M. Reichman, current directors of the Funds (Mr. Reichman also being a nominee for Director of the Funds), is a partner of Counsellors and of Warburg, Pincus & Co., the current ultimate parent company of Warburg, and will share in the purchase prices received by

Counsellors and Warburg, Pincus & Co. from Credit Suisse in connection with the Acquisition and the Private Equity Investment, respectively.

The information set forth above concerning the Merger has been provided to the Funds by Warburg, and the information set forth below concerning Credit Suisse and Credit Suisse Asset Management ("CSAM") has been provided to the Funds by Credit Suisse.

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#### Credit Suisse Group

Credit Suisse Group is a global financial services company, providing a comprehensive range of banking and insurance products. Active on every continent and in all major financial centers, Credit Suisse comprises five business units -- CSAM (asset management), Credit Suisse First Boston (investment banking); Credit Suisse Private Banking (private banking); Credit Suisse (retail banking); and Winterthur (insurance). Credit Suisse has approximately \$680 billion of global assets under management and employs approximately 62,000 people worldwide. The principal business address of Credit Suisse is Paradeplatz 8, CH 8070, Zurich, Switzerland.

#### Credit Suisse Asset Management

CSAM is the institutional asset management and mutual fund arm of Credit Suisse. CSAM employs approximately 1,600 people worldwide and has global assets under management of approximately \$210 billion in multiple product services, including equities, fixed income, derivatives and balanced portfolios. The principal business address of CSAM is Uetlibergstrasse 231, CH 8045, Zurich, Switzerland.

CSAM's U.S. asset management business, formerly known as BEA Associates, changed its name to CSAM in January 1999 to more accurately reflect its integration into Credit Suisse Asset Management. Together with its predecessor firms, CSAM has been engaged in the investment advisory business in the United States for over 60 years. In the United States, CSAM is an investment manager for corporate and state pensions funds, endowments and other institutions, and has assets under management of approximately \$35 billion. The principal business address of CSAM's U.S. operations is 153 East 53rd Street, New York, NY 10022.

Currently, CSAM is organized as a general partnership with two general partners, Credit Suisse Capital Corp. and Credit Suisse Advisors Corp. As part of the Reorganization, CSAM will reorganize as a limited liability company or a corporation, which will be a direct or indirect wholly-owned U.S. subsidiary of Credit Suisse Group. This entity will be the New Adviser of Funds.

#### The New Adviser

William W. Priest will be the Chief Executive Officer of the New Adviser. (See "Proposal 2: Election of Directors/Trustees" for information regarding Mr. Priest.) It is anticipated that the directors of the New Adviser will be Philip Ryan, Agnes Reicke, Hal Liebes and Michael Guarasci, each of whom is currently an executive officer of Credit Suisse and/or its affiliates. The business address for Mr. Ryan is Beaufort House, 15 St. Botolph Street, London, EC3A 7JJ, England. The business address for Ms. Reicke is Uetlibergstrasse 231, CH 8045, Zurich, Switzerland. The business address for Messrs. Liebes and Guarasci is 153 East 53rd Street, New York, NY 10022. The New Adviser will also have an operating committee consisting of senior investment professionals drawn from the combined resources of Warburg and CSAM.

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#### DESCRIPTION OF THE CURRENT ADVISORY AGREEMENTS



Under each Current Advisory Agreement, Warburg provides each Portfolio with ongoing investment advisory services. Warburg (a) manages each Portfolio's assets in accordance with the Portfolio's investment objective and policies as stated in the Portfolio's Prospectus and Statement of Additional Information, (b) makes investment decisions for the Portfolio and (c) places purchase and sale orders for securities on behalf of the Portfolio. In providing those services, Warburg provides investment research and supervision of the Portfolio's investments and conducts a continual program of investment, evaluation and, if appropriate, sale and reinvestment of the Portfolio's assets.

Under each Current Advisory Agreement, each Portfolio is responsible for expenses other than those incurred by Warburg in performance of its services under the Current Advisory Agreement (which would include fees payable to any investment sub-adviser<sup>2</sup>) including: investment advisory and administration fees; taxes, interest, brokerage fees and commissions, if any; fees of Directors of the Fund who are not officers, directors, or employees of Warburg or any of its affiliates; fees of any pricing service employed to value shares of the Portfolio; Securities and Exchange Commission (the "SEC") fees and state blue sky qualification fees; charges of custodians and transfer and dividend disbursing agents; the Portfolio's proportionate share of insurance premiums; outside auditing and legal expenses; costs of maintenance of the Portfolio's existence; costs attributable to investor services, including, without limitation, telephone and personnel expenses; costs of preparing and printing prospectuses and statements of additional information for regulatory purposes and for distribution to existing shareholders; costs of shareholders' reports and meetings of the shareholders of the Portfolio and of the officers or Directors of the Fund; and any extraordinary expenses. Each Portfolio is also responsible for nonrecurring expenses which may arise, including costs of any litigation to which the Portfolio is a party and of indemnifying officers and Directors of the Fund with respect to such litigation and other expenses as determined by the Directors.

Warburg is responsible for the payment of the compensation and expenses of all Directors, officers and employees of each Fund who are affiliated with Warburg.

In return for the services provided by Warburg as investment adviser, and the expenses it assumes under each Current Advisory Agreement, each Portfolio pays Warburg an advisory fee at an annual rate based on the Portfolio's average

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- (1) In the case of Warburg Pincus Cash Reserve Fund and Warburg Pincus New York Tax Exempt Fund, Warburg makes only general investment decisions for the Portfolio including decisions concerning (i) the specific types of securities to be held by the Portfolio and the proportion of the Portfolio's assets that should be allocated to such investments during particular market cycles, (ii) the specific issuers whose securities will be purchased or sold by the Portfolio, (iii) the appropriate maturity of its portfolio investments and (iv) the appropriate average weighted maturity of its portfolio in light of current market conditions.
- (2) Except in the case of Warburg Pincus Cash Reserve Fund and Warburg Pincus New York Tax Exempt Fund, where the sub-advisory fees are paid directly by the Fund.

daily net assets. The advisory fee rate for each Portfolio's most recently completed fiscal year, after waivers and/or expense limitations, is set forth in the table below. As of the end of each Portfolio's last fiscal year, each

Portfolio had net assets and paid an aggregate advisory fee to Warburg during such period as set forth below. For each Portfolio's contractual advisory fee rate, see Exhibit B attached to this Proxy Statement.

<TABLE>  
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PORTFOLIO	FISCAL YEAR ENDED	NET ASSETS	ADVISORY FEE RATE	AGGREGATE ADVISORY FEE PAID
<S>	<C>	<C>	<C>	<C>
Warburg Pincus Balanced Fund	10/31/98	\$35,709,713	0.43%	\$168,189
Warburg Pincus Capital Appreciation Fund	10/31/98	\$673,493,680	0.70%	\$4,861,495
Warburg Pincus Cash Reserve Fund	12/31/98	\$429,977,982	0.20%	\$1,059,673
Warburg Pincus Emerging Growth Fund	10/31/98	\$1,843,544,087	0.90%	\$18,191,066
Warburg Pincus Emerging Markets Fund	10/31/98	\$60,214,544	0.63%	\$617,226
Warburg Pincus Fixed Income Fund	10/31/98	\$426,594,201	0.46%	\$1,660,357
Warburg Pincus Global Fixed Income Fund	10/31/98	\$160,648,445	0.55%	\$990,043
Warburg Pincus Global Post-Venture Capital Fund	10/31/98	\$3,662,297	0%	\$0
Warburg Pincus Growth & Income Fund	10/31/98	\$800,205,636	0.75%	\$6,112,330
Warburg Pincus Health Sciences Fund	10/31/98	\$64,336,090	0.71%	\$306,871
Warburg Pincus Institutional Fund, Inc.:				
Emerging Markets Portfolio	10/31/98	\$23,426,522	0.96%	\$300,838
International Equity Portfolio	10/31/98	\$1,019,241,760	0.67%	\$8,000,412
Japan Growth Portfolio	10/31/98	\$1,475,800	0%	\$0
Post-Venture Capital Portfolio	10/31/98	\$1,180,152	0%	\$0
Small Company Growth Portfolio	10/31/98	\$194,163,769	0.72%	\$1,615,828
Small Company Value Portfolio	10/31/98	\$1,783,869	0%	\$0
Value Portfolio	10/31/98	\$58,910,087	0.36%	\$184,664
Warburg Pincus Intermediate Maturity Government Fund	10/31/98	\$78,211,724	0.20%	\$108,969
Warburg Pincus International Equity Fund	10/31/98	\$1,583,939,442	1.00%	\$21,710,859
Warburg Pincus International Small Company Fund	10/31/98	\$1,242,153	0%	\$0
Warburg Pincus Japan Growth Fund	10/31/98	\$40,540,193	0.85%	\$295,908
Warburg Pincus Japan Small Company Fund	10/31/98	\$37,299,689	0.56%	\$237,435

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PORTFOLIO	FISCAL YEAR ENDED	NET ASSETS	ADVISORY FEE RATE	AGGREGATE ADVISORY FEE PAID
<S>	<C>	<C>	<C>	<C>
Warburg Pincus Major Foreign Markets Fund	10/31/98	\$39,021,044	0.03%	\$5,985
Warburg Pincus New York				

Intermediate Municipal Fund	10/31/98	\$106,922,397	0.33%	\$319,390
Warburg Pincus New York Tax Exempt Fund	12/31/98	\$174,743,183	0.20%	\$307,690
Warburg Pincus Post-Venture Capital Fund	10/31/98	\$68,914,697	0.85%	\$792,485
Warburg Pincus Small Company Growth Fund	10/31/98	\$4,543,683	0%	\$0
Warburg Pincus Small Company Value Fund	10/31/98	\$80,370,895	0.99%	\$1,514,140
Warburg Pincus Trust:				
Emerging Markets Portfolio	12/31/98	\$2,695,772	0%	\$0
Growth & Income Portfolio	12/31/98	\$14,380,769	0%	\$0
International Equity Portfolio	12/31/98	\$360,124,458	1.00%	\$3,689,492
Post-Venture Capital Portfolio	12/31/98	\$62,055,074	1.08%	\$476,111
Small Company Growth Portfolio	12/31/98	\$734,902,165	0.90%	\$6,094,569
Warburg Pincus Trust II:				
Fixed Income Portfolio	12/31/98	\$2,827,196	0%	\$0
Global Fixed Income Portfolio	12/31/98	\$1,790,442	0%	\$0
Warburg Pincus WorldPerks Money Market Fund	12/31/98	\$12,925,506	0%	\$0
Warburg Pincus WorldPerks Tax Free Money Market Fund	12/31/98	\$10,588,560	0%	\$0

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Each Current Advisory Agreement further provides that Warburg shall not be liable for any error of judgment or mistake of law or for any loss suffered by any Portfolio in connection with matters to which such agreement relates, except a loss resulting from willful misfeasance, bad faith or gross negligence on the part of Warburg in the performance of its duties or from reckless disregard by Warburg of its obligations and duties under such agreement.

Each Current Advisory Agreement may be terminated without penalty upon ninety (90) days' written notice by Warburg and upon sixty (60) days' written notice by the Fund. Each Portfolio may agree to terminate its Current Advisory Agreement either by the vote of a majority of the outstanding voting securities of the Portfolio, or by a vote of the Board. As stated above, each Current Advisory Agreement automatically terminates in the event of its assignment.

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Warburg, CSAM and the relevant sub-advisers intend to apply for an exemptive order from the SEC which, if granted, would permit the New Advisory Agreements and sub-investment advisory agreements between each of the Portfolios and the New Adviser to go into effect without shareholder approval beginning on the consummation of the Merger and continuing for a period of up to 150 days, through the date on which each of the new agreements are approved or disapproved by the respective shareholders of each Portfolio. It is expected that the terms of the exemptive order, if granted, would allow the New Adviser to receive advisory fees pursuant to the New Advisory Agreements, provided that such fees would be held in escrow pending shareholder approval for the agreements.

Warburg has acted as the investment adviser for each Portfolio since each Portfolio commenced operations, except as shown below. Also shown below is the date of each Current Advisory Agreement, the date when each Current Advisory Agreement was last approved by the Directors and the shareholders of each Portfolio and the date to which each Current Advisory Agreement was last continued. Each Current Advisory Agreement was submitted to shareholders prior to its becoming effective, as required by the 1940 Act.

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<TABLE>  
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PORTFOLIO	COMMENCEMENT OF OPERATIONS*	DATE LAST APPROVED BY			DATE CONTINUED TO
		DATE OF ADVISORY AGREEMENT	DIRECTORS	SHARE- HOLDERS	
<S>	<C>	<C>	<C>	<C>	<C>
Warburg Pincus Balanced Fund	10/6/88	3/4/96	3/8/99	2/28/96	4/17/00
Warburg Pincus Capital Appreciation Fund	8/17/87	7/10/87	3/8/99	1/20/87	4/17/00
Warburg Pincus Cash Reserve Fund	4/16/85	4/16/85	3/8/99	4/16/85	4/17/00
Warburg Pincus Emerging Growth Fund	1/21/88	1/21/88	3/8/99	1/19/88	4/17/00
Warburg Pincus Emerging Markets Fund	12/30/94	12/30/94	3/8/99	10/18/94	4/17/00
Warburg Pincus Fixed Income Fund	8/17/87	7/10/87	3/8/99	1/20/87	4/17/00
Warburg Pincus Global Fixed Income Fund	11/1/90	11/1/90	3/8/99	9/1/90	4/17/00
Warburg Pincus Global Post -Venture Capital Fund	9/30/96	7/1/97	3/8/99	7/1/97	4/17/00
Warburg Pincus Growth & Income Fund	10/6/88	3/4/96	3/8/99	2/28/96	4/17/00
Warburg Pincus Health Sciences Fund	12/31/96	12/31/96	3/8/99	12/12/96	4/17/00
Warburg Pincus Institutional Fund, Inc.:					
Emerging Markets Portfolio	9/30/96	9/30/96	3/8/99	7/23/96	4/17/00
International Equity Portfolio	9/1/92	9/1/92	3/8/99	5/13/92	4/17/00
Japan Growth Portfolio	10/31/97	10/31/97	3/8/99	7/30/97	4/17/00
Post-Venture Capital Portfolio	10/31/97	10/31/97	3/8/99	7/30/97	4/17/00
Small Company Growth Portfolio	12/29/95	12/29/95	3/8/99	12/29/95	4/17/00
Small Company Value Portfolio	10/31/97	10/31/97	3/8/99	7/30/97	4/17/00
Value Portfolio	6/30/97	6/30/97	3/8/99	1/15/97	4/17/00
Warburg Pincus Intermediate Maturity Government Fund	8/22/88	8/22/88	3/8/99	7/19/88	4/17/00
Warburg Pincus International Equity Fund	5/2/89	4/17/89	3/8/99	4/12/89	4/17/00
Warburg Pincus International Small Company Fund	5/29/98	5/29/98	3/8/99	4/3/98	4/17/00
Warburg Pincus Japan Growth Fund	12/29/95	12/24/95	3/8/99	12/5/95	4/17/00
Warburg Pincus Japan Small Company Fund	9/30/94	9/27/94	3/8/99	9/21/94	4/17/00
Warburg Pincus Major Foreign Markets Fund	3/31/97	3/31/97	3/8/99	3/31/97	4/17/00
Warburg Pincus New York Intermediate Municipal Fund	4/1/87	4/1/87	3/8/99	1/20/87	4/17/00
Warburg Pincus New York Tax Exempt Fund	4/18/85	4/17/85	3/8/99	4/17/85	4/17/00
Warburg Pincus Post-Venture Capital Fund	9/29/95	7/1/97	3/8/99	7/1/97	4/17/00
Warburg Pincus Small Company Growth Fund	12/31/96	12/31/96	3/8/99	12/12/96	4/17/00
Warburg Pincus Small Company Value Fund	12/29/95	12/29/95	3/8/99	12/5/95	4/17/00
Warburg Pincus Trust:					
Emerging Markets Portfolio	12/31/97	7/2/96	3/8/99	4/16/96	4/17/00
Growth & Income Portfolio	10/31/97	10/10/97	3/8/99	7/30/97	4/17/00
International Equity Portfolio	6/30/95	6/20/95	3/8/99	6/9/95	4/17/00
Post-Venture Capital Portfolio	9/30/96	7/1/97	3/8/99	7/1/97	4/17/00
Small Company Growth Portfolio	6/30/95	6/30/95	3/8/99	6/9/95	4/17/00
Warburg Pincus Trust II:					
Fixed Income Portfolio	3/31/97	1/15/97	3/8/99	1/15/97	4/17/00
Global Fixed Income Portfolio	3/31/97	1/15/97	3/8/99	1/15/97	4/17/00
Warburg Pincus WorldPerks Money Market Fund	10/1/98	9/30/98	3/8/99	7/20/98	4/17/00
Warburg Pincus WorldPerks Tax Free Money Market Fund	10/1/98	9/30/98	3/8/99	7/20/98	4/17/00

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\* Warburg commenced providing investment advisory services for Warburg Pincus Balanced and Warburg Pincus Growth & Income Funds on September 30, 1994 and January 1, 1992, respectively.

Shareholders are not being asked to approve or disapprove the Merger; rather, they are being asked only to approve or disapprove the New Advisory Agreements for the Portfolios. OTHER THAN IDENTIFICATION OF THE NEW ADVISER AND THE EXECUTION AND TERMINATION DATES, THE NEW ADVISORY AGREEMENTS ARE SUBSTANTIALLY SIMILAR TO THE CURRENT ADVISORY AGREEMENTS. IN PARTICULAR, THE CONTRACTUAL ADVISORY FEE RATES CHARGED TO THE PORTFOLIOS WILL NOT BE CHANGED.

The New Advisory Agreement for each Portfolio will be dated as of the date of the consummation of the Acquisition, which is expected to occur in mid-1999. Each New Advisory Agreement will be in effect for an initial two-year term ending on the second anniversary of the Acquisition, and may continue thereafter from year to year with respect to a Portfolio only if specifically approved at least annually by the Board of a relevant Fund or by the vote of "a majority of the outstanding voting securities" of each Portfolio, and, in either event, the vote of a majority of the Non-interested Directors, cast in person at a meeting called for such purpose. In the event that shareholders of a Portfolio do not approve the New Advisory Agreement, the corresponding Current Advisory Agreement will remain in effect until the closing of the Acquisition, at which time it would terminate. In such event, the Board of the relevant Fund will take such action as it deems to be in the best interests of the relevant Portfolio and its shareholders. In the event the Acquisition is not consummated, Warburg will continue to provide services to each Portfolio in accordance with the terms of each Current Advisory Agreement for such periods as may be approved at least annually by the Board, including a majority of the Non-interested Directors.

#### DIFFERENCES BETWEEN THE CURRENT AND NEW ADVISORY AGREEMENTS

THE NEW ADVISORY AGREEMENTS ARE SUBSTANTIALLY THE SAME AS THE CURRENT ADVISORY AGREEMENTS IN ALL MATERIAL RESPECTS (EXCEPT THAT THE NEW ADVISER WILL BECOME A PARTY TO THE NEW ADVISORY AGREEMENTS FOLLOWING THE CONSUMMATION OF THE REORGANIZATION (IF CONSUMMATED)). The principal changes that have been made are summarized below. The New Advisory Agreements reflect conforming changes that have been made in order to promote consistency among all Funds currently advised by Warburg and to permit ease of administration. For example, the New Advisory Agreements expressly grant the New Adviser the authority to exercise voting rights with respect to portfolio securities, to engage and monitor sub-advisers for the Portfolio and to negotiate brokerage commissions on behalf of the Portfolio. These rights were not expressly provided in all of the Current Advisory Agreements.

In addition, each New Advisory Agreement would change the provisions governing the use of the Warburg Pincus name and expand such provisions to permit certain uses of the name Credit Suisse. Pursuant to a License Agreement to be entered into among Warburg, Pincus & Co., Credit Suisse and other parties thereto, Credit Suisse will be granted by Warburg, Pincus & Co. an exclusive

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license of the rights to use and sublicense the names "Warburg Pincus" and derivations and abbreviations thereof in the asset management sector of the financial services industry (together the "Warburg Marks"). Under each New Advisory Agreement, each Fund, with respect to each of its Portfolios, if any, has the nonexclusive right to use one or more of the Warburg Marks and the name "Credit Suisse" and derivations and abbreviations thereof (together the "CS Marks") as part of its name or the names of certain classes of its shares, as applicable, and to use the Warburg Marks and the CS Marks in the Fund's investment products and services. This license continues only as long as the New Advisory Agreement is in place, and with respect to the Warburg Marks only as long as Credit Suisse continues to be a licensee of the Warburg Marks as described above. As a condition of the license, each Fund, on behalf of each of its Portfolios, if any, undertakes certain responsibilities and agrees to certain restrictions, such as agreeing not to challenge the validity of the Warburg Marks or the CS Marks or any ownership by Warburg, Pincus & Co. of the Warburg Marks or Credit Suisse of the CS Marks, and the obligation to use the

names within commercially reasonable standards of quality. In the event the New Advisory Agreement is terminated, each Fund, on behalf of each of its Portfolios, if any, must not use a name likely to be confused with those associated with the Warburg Marks or the CS Marks.

WARBURG AND CERTAIN AFFILIATES

Warburg is a professional investment firm which provides investment services to investment companies, employee benefit plans, endowment funds, foundations and other institutions and individuals. As of February 28, 1999, Warburg managed approximately \$21.8 billion of assets, including approximately \$10.2 billion of investment company assets. Incorporated in 1970, Warburg is indirectly controlled by Warburg, Pincus & Co., which has no business other than being a holding company of Warburg and its affiliates. Lionel I. Pincus, the managing partner of Warburg, Pincus & Co., may be deemed to control both Warburg, Pincus & Co. and Warburg. Warburg's principal business address is 466 Lexington Avenue, New York, NY 10017.

CO-ADMINISTRATORS. Each Portfolio employs Counsellors Funds Service, Inc. ("Counsellors Service"), a wholly owned subsidiary of Warburg, as a co-administrator. As co-administrator, Counsellors Service provides shareholder liaison services to the Portfolio including responding to shareholder inquiries and providing information on shareholder investments. Counsellors Service also performs a variety of other services, including furnishing certain executive and administrative services, acting as liaison between the Portfolio and its various service providers, furnishing corporate secretarial services, which include preparing materials for meetings of the Board, preparing proxy statements and annual, semiannual and quarterly reports, assisting in other regulatory filings as necessary and monitoring and developing compliance procedures for the Fund. As compensation, each Portfolio pays Counsellors Service a fee calculated at an annual rate of 0.10% of the Portfolio's average daily net assets, exclusive of out-of-pocket expenses.

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Each Portfolio employs PFPC Inc. ("PFPC"), an indirect, wholly owned subsidiary of PNC Bank Corp., as a co-administrator. As a co-administrator, PFPC calculates the Portfolio's net asset value, provides accounting services for the Portfolio and assists in related aspects of the Portfolio's operations. As compensation, each Portfolio pays PFPC a fee calculated as set forth below, exclusive of out-of-pocket expenses. The principal business address of PFPC is 400 Bellevue Parkway, Wilmington, DE 19809.

<TABLE>  
<CAPTION>

NAME OF PORTFOLIO -----	PFPC CO-ADMINISTRATION FEE SCHEDULE -----
<S>	<C>
Warburg Pincus Balanced Fund	First \$500 million at 15 basis points
Warburg Pincus Growth & Income Fund	Next \$1 billion at 10 basis points
Warburg Pincus Trust - Growth & Income Portfolio	Over \$1.5 billion at 5 basis points
Warburg Pincus Capital Appreciation Fund	First \$500 million at 10 basis points
Warburg Pincus Emerging Growth Fund	Next \$1 billion at 7.5 basis points
Warburg Pincus Health Sciences Fund	Over \$1.5 billion at 5 basis points
Warburg Pincus Institutional Fund, Inc.:	
Post-Venture Capital Portfolio	
Small Company Growth Portfolio	
Small Company Value Portfolio	
Value Portfolio	
Warburg Pincus Post-Venture Capital Fund	
Warburg Pincus Small Company Growth Fund	
Warburg Pincus Small Company Value Fund	

Warburg Pincus Trust:  
 Post-Venture Capital Portfolio  
 Small Company Growth Portfolio  
 Warburg Pincus WorldPerks Money Market Fund  
 Warburg Pincus WorldPerks Tax Free Money Market Fund

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NAME OF PORTFOLIO -----	PFPC CO-ADMINISTRATION FEE SCHEDULE -----
<S>	<C>
Warburg Pincus Emerging Markets Fund	First \$250 million at 12 basis points
Warburg Pincus Global Post-Venture Capital Fund	Next \$250 million at 10 basis points
Warburg Pincus Institutional Fund, Inc.: Emerging Markets Portfolio	Next \$250 million at 8 basis points
International Equity Portfolio	Over \$750 million at 5 basis points
Japan Growth Portfolio	
Warburg Pincus International Equity Fund	
Warburg Pincus International Small Company Fund	
Warburg Pincus Japan Growth Fund	
Warburg Pincus Japan Small Company Fund	
Warburg Pincus Major Foreign Markets Fund	
Warburg Pincus Trust: Emerging Markets Portfolio	
International Equity Portfolio	
Warburg Pincus Cash Reserve Fund	25 basis points
Warburg Pincus New York Tax Exempt Fund	
Warburg Pincus Fixed Income Fund	5 basis points
Warburg Pincus Global Fixed Income Fund	
Warburg Pincus Intermediate Maturity Government Fund	
Warburg Pincus New York Intermediate Municipal Fund	
Warburg Pincus Trust II: Fixed Income Portfolio	
Global Fixed Income Portfolio	

</TABLE>

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DISTRIBUTOR. Counsellors Securities Inc. ("Counsellors Securities") serves as distributor of the shares of each Portfolio. Counsellors Securities is a wholly owned subsidiary of Warburg and its principal business address is at 466 Lexington Avenue, New York, NY 10017. Counsellors Securities receives a fee at an annual rate equal to 0.25% of the average daily net assets of certain Portfolios' Common Shares and up to 0.75% (currently 0.50%) of the average daily net assets of a Portfolio's Advisor Shares for distribution services, pursuant to a shareholder servicing and distribution plan (the "12b-1 Plan") adopted by the Portfolio pursuant to Rule 12b-1 under the 1940 Act. Amounts paid to Counsellors Securities under the 12b-1 Plan may be used by Counsellors Securities to cover expenses that are primarily intended to result in, or that are primarily attributable to, the sale of the Common Shares or the Advisor Shares, as the case may be, and ongoing servicing and/or maintenance of the accounts of the respective class of shareholders of the Portfolio.

PORTFOLIO	FISCAL YEAR ENDED	AGGREGATE FEE PAID TO COUNSELLORS SERVICE DURING LAST FISCAL YEAR	AGGREGATE FEE PAID TO COUNSELLORS SECURITIES DURING LAST FISCAL YEAR
Warburg Pincus Balanced Fund	10/31/98	\$38,982	\$97,887
Warburg Pincus Capital Appreciation Fund	10/31/98	\$694,499	\$166,239
Warburg Pincus Cash Reserve Fund	12/31/98	\$519,004	\$0
Warburg Pincus Emerging Growth Fund	10/31/98	\$2,021,230	\$1,957,786
Warburg Pincus Emerging Markets Fund	10/31/98	\$98,604	\$247,287
Warburg Pincus Fixed Income Fund	10/31/98	\$359,847	\$8,768
Warburg Pincus Global Fixed Income Fund	10/31/98	\$181,107	\$38,716
Warburg Pincus Global Post-Venture Capital Fund	10/31/98	\$3,489	\$8,724
Warburg Pincus Growth & Income Fund	10/31/98	\$849,366	\$502,703
Warburg Pincus Health Sciences Fund	10/31/98	\$43,240	\$108,100
Warburg Pincus Institutional Fund, Inc.:			
Emerging Markets Portfolio	10/31/98	\$31,433	\$0
International Equity Portfolio	10/31/98	\$1,188,965	\$0
Japan Growth Portfolio	10/31/98	\$1,414	\$0
Post-Venture Capital Portfolio	10/31/98	\$1,622	\$0
Small Company Growth Portfolio	10/31/98	\$223,614	\$0
Small Company Value Portfolio	10/31/98	\$6,181	\$0
Value Portfolio	10/31/98	\$50,950	\$0

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PORTFOLIO	FISCAL YEAR ENDED	AGGREGATE FEE PAID TO COUNSELLORS SERVICE DURING LAST FISCAL YEAR	AGGREGATE FEE PAID TO COUNSELLORS SECURITIES DURING LAST FISCAL YEAR
Warburg Pincus Intermediate Maturity Government Fund	10/31/98	\$54,802	\$17
Warburg Pincus International Equity Fund	10/31/98	\$2,171,086	\$1,982,695
Warburg Pincus International Small Company Fund	10/31/98	\$457	\$1,143
Warburg Pincus Japan Growth Fund	10/31/98	\$35,042	\$87,669
Warburg Pincus Japan Small Company Fund	10/31/98	\$42,122	\$105,308
Warburg Pincus Major Foreign Markets Fund	10/31/98	\$23,200	\$2,142
Warburg Pincus New York Intermediate Municipal Fund	10/31/98	\$96,633	\$0
Warburg Pincus New York Tax Exempt Fund	12/31/98	\$157,551	\$0
Warburg Pincus Post-Venture Capital Fund	10/31/98	\$93,788	\$234,763
Warburg Pincus Small Company Growth Fund	10/31/98	\$10,574	\$0



Warburg Pincus Small Company			
Value Fund	10/31/98	\$153,007	\$382,903
Warburg Pincus Trust:			
Emerging Markets Portfolio	12/31/98	\$1,409	\$0
Growth & Income Portfolio	12/31/98	\$7,835	\$0
International Equity Portfolio	12/31/98	\$368,949	\$0
Post-Venture Capital Portfolio	12/31/98	\$45,364	\$0
Small Company Growth Portfolio	12/31/98	\$677,174	\$0
Warburg Pincus Trust II:			
Fixed Income Portfolio	12/31/98	\$1,324	\$0
Global Fixed Income Portfolio	12/31/98	\$1,679	\$0
Warburg Pincus WorldPerks			
Money Market Fund	12/31/98	\$0	\$7,419
Warburg Pincus WorldPerks Tax			
Free Money Market Fund	12/31/98	\$0	\$6,932

Counsellors Service is expected to continue to provide services to the Portfolios under the current arrangements if the New Advisory Agreements are approved. However, upon or shortly following the closing of the Acquisition, Counsellors Securities is expected to cease to be the principal underwriter of each Portfolio and will no longer perform certain other distribution services due to restrictions imposed by regulations applicable to Credit Suisse and its subsidiaries under the Bank Holding Company Act of 1956, as amended. Such discontinuation

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of Counsellors Securities' services may be delayed for an initial period if appropriate regulatory approvals are received which will provide the Funds with additional time to select an appropriate new principal underwriter. During any such period, Counsellors Securities would be expected to continue to serve under the current arrangements.

Exhibit C sets forth the fees and other information regarding other U.S. registered investment companies advised by Warburg or CSAM.

#### BROKERAGE COMMISSIONS ON PORTFOLIO TRANSACTIONS

In selecting brokers and dealers with which to place portfolio transactions for a Portfolio, neither Warburg nor the New Adviser will consider sales of shares of funds currently advised by either of them, although each may place such transactions with brokers and dealers that sell shares of funds currently advised by either of them. Allocation of Fund portfolio transactions is supervised by Warburg. The Portfolios currently do not execute portfolio transactions through Counsellors Securities or any other affiliate of Warburg. Following the closing of the Acquisition, the Portfolios may be authorized to execute portfolio transactions through Credit Suisse First Boston, an affiliate of CSAM, or another Credit Suisse affiliated broker-dealer (including Counsellors Securities), subject to compliance with the 1940 Act.

#### REQUIRED VOTE

Approval of the New Advisory Agreement for any Portfolio requires the affirmative vote of a "majority of the outstanding voting securities," as defined above, of the Portfolio. The Directors of each Fund, including the Non-interested Directors, unanimously recommend that the shareholders of each Portfolio vote in favor of this Proposal 1.

#### PROPOSAL 2: ELECTION OF DIRECTORS/TRUSTEES FOR EACH FUND

At the Special Meeting, eight (8) Directors are to be elected who will constitute the Board of each Fund. For election of Directors at the Special Meeting, each Fund's Board has approved the nomination of the following

individuals: William W. Priest, Arnold M. Reichman, Richard H. Francis, Jack W. Fritz, Jeffrey E. Garten, James S. Pasman, Jr., Steven N. Rappaport and Alexander B. Trowbridge. The election of Messrs. Priest, Francis, Pasman and Rappaport to a Fund's Board will take effect only upon the closing of the Acquisition (assuming Proposal 1 is approved by such Fund, or at least one Portfolio of such Fund, where applicable); the election of Messrs. Reichman, Fritz, Garten and Trowbridge will be immediately effective in any event as they currently are members of each Board, although Messrs. Reichman and Garten have not previously been presented to shareholders of certain Funds. Effective upon the closing of the Acquisition, assuming Proposal 1 is approved by a Fund (or at least one Portfolio of such Fund, where applicable), each of Richard N. Cooper, John L. Furth and Thomas A. Melfe will resign as current Directors of such Fund.

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The persons named as proxies on the enclosed proxy card will vote for the election of the nominees named above unless authority to vote for any or all of the nominees is withheld in the proxy. Each Director so elected will serve as a Director of the respective Fund until the next meeting of shareholders, if any, called for the purpose of electing Directors and until the election and qualification of a successor or until such Director sooner resigns, dies or is removed as provided in the organizational documents of each Fund.

Each of the nominees has indicated that he is willing to serve as a Director. If any or all of the nominees should become unavailable for election due to events not now known or anticipated, the persons named as proxies will vote for such other nominee or nominees as the Directors may recommend.

The following table sets forth certain information concerning the current Directors and the nominees. Unless otherwise noted, each of the Directors and nominees has engaged in the principal occupation listed in the following table for more than five years, but not necessarily in the same capacity.

NOMINEES

NAME (AGE)	PRESENT OFFICE WITH THE FUNDS (DATE NOMINEE BECAME DIRECTOR), PRINCIPAL OCCUPATION OR EMPLOYMENT AND DIRECTORSHIPS
-----	-----
William W. Priest* (56) c/o Credit Suisse Asset Management 153 East 53rd Street New York, NY 10022	Nominee for Director of the Funds; Chairman- Management Committee, Chief Executive Officer and Executive Director of CSAM (U.S.) since 1990; Director of TIG Holdings, Inc.; Director of other investment companies advised by CSAM.
Arnold M. Reichman ** (50) c/o Warburg Pincus Asset Management, Inc. 466 Lexington Avenue New York, NY 10017-3147	Director of the Funds since February 8, 1996; Managing Director and Chief Operating Officer of Warburg; Associated with Warburg since 1984; Director of The RBB Fund, Inc. since July 1991; Officer of Counsellors Securities and other companies affiliated with Warburg; Director/Trustee of other investment companies in the Warburg Pincus family of funds.

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PRESENT OFFICE WITH THE FUNDS  
(DATE NOMINEE BECAME DIRECTOR),  
PRINCIPAL OCCUPATION OR  
EMPLOYMENT AND  
DIRECTORSHIPS

NAME (AGE)

-----  
Richard H. Francis (65)  
40 Grosvenor Road  
Short Hills, NJ 07078

-----  
Nominee for Director of the Funds; Currently  
retired; Executive Vice President and Chief  
Financial Officer of Pan Am Corporation and  
Pan American World Airways, Inc. from 1988  
to 1991; Director of one other investment  
company advised by CSAM; Director of The  
Infinity Mutual Funds, BISYS Group  
Incorporated.

Jack W. Fritz (71)  
2425 North Fish Creek Road  
P.O. Box 483  
Wilson, WY 83014

Director of the Funds since their inception;  
Private investor; Consultant and Director of  
Fritz Broadcasting, Inc. and Fritz  
Communications; Director of Advo, Inc.;  
Director/Trustee of other investment  
companies in the Warburg Pincus family of  
funds.

Jeffrey E. Garten (52)  
Box 208200  
New Haven, CT 06520-8200

Director of the Funds since February 6, 1998;  
Dean of Yale School of Management and  
William S. Beinecke Professor in the Practice  
of International Trade and Finance;  
Undersecretary of Commerce for International  
Trade from November 1993 to October 1995.

James S. Pasman, Jr. (68)  
29 The Trillium  
Pittsburgh, PA 15238

Nominee for Director of the Funds; Currently  
retired; President and Chief Operating Officer  
of National InterGroup, Inc. from April 1989  
to March 1991; Chairman of Permian Oil Co.  
from April 1989 to March 1991; Director of  
two other investment companies advised by  
CSAM; Director of Education Management  
Corp., Tyco International Ltd.; Trustee, BT  
Insurance Funds Trust.

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PRESENT OFFICE WITH THE FUNDS  
(DATE NOMINEE BECAME DIRECTOR),  
PRINCIPAL OCCUPATION OR  
EMPLOYMENT AND  
DIRECTORSHIPS

NAME (AGE)

-----  
Steven N. Rappaport (49)  
c/o Loanet, Inc.  
153 East 53rd Street,  
Suite 5500  
New York, NY 10022

-----  
Nominee for Director of the Funds; President  
of Loanet, Inc. since 1997; Executive Vice  
President of Loanet, Inc. from 1994 to 1997;  
Director, President, North American  
Operations, and former Executive Vice  
President from 1992 to 1993 of Worldwide  
Operations of Metallurg Inc.; Executive Vice  
President, Telerate, Inc. from 1987 to 1992;  
Partner in the law firm of Hartman & Craven  
until 1987; Director of other investment  
companies advised by CSAM.

Alexander B. Trowbridge (69)  
1317 F Street, N.W.,

Director of the Funds since their inception;  
Currently retired; President of Trowbridge

Partners, Inc. from January 1990 to November 1996; Director or Trustee of New England Life Insurance Co., ICOS Corporation, The Rouse Company, Harris Corp., The Gillette Co., Sunoco, Inc. and IRI International, Inc.; Director/Trustee of other investment companies in the Warburg Pincus family of funds.

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- \* Nominees considered by the Funds and their counsel to be "interested persons" (as defined in the 1940 Act) of the Funds or of their investment adviser because of their employment by Warburg or CSAM.
- + Mr. Reichman, as a partner of Counsellors and of Warburg, Pincus & Co., the current ultimate parent company of Warburg, will share in the purchase prices received by Counsellors and Warburg, Pincus & Co. from Credit Suisse in connection with the Acquisition and the Private Equity Investment, respectively.

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CURRENT DIRECTORS NOT STANDING FOR RE-ELECTION:

NAME (AGE)	PRESENT OFFICE WITH THE FUNDS (DATE NOMINEE BECAME DIRECTOR), PRINCIPAL OCCUPATION OR EMPLOYMENT AND DIRECTORSHIPS
-----	-----
Richard N. Cooper* (64) c/o Harvard University 1737 Cambridge Street Cambridge, MA 02138	Director of the Funds since their inception; Professor at Harvard University; National Intelligence Council from June 1995 until January 1997; Director or Trustee of CircuitCity Stores, Inc. and Phoenix Home Mutual Life Insurance Company; Director/Trustee of other investment companies in the Warburg Pincus family of funds.
John L. Furth** (68) c/o Warburg Pincus Asset Management, Inc.	Director of the Funds since their inception; Chairman of the Board of the Funds and Warburg and Managing Director of Warburg;

466 Lexington Avenue  
New York, NY 10017-3147

Associated with Warburg since 1970; Director of other companies affiliated with Warburg; Chairman of the Board of Directors/Trustees of other investment companies in the Warburg Pincus family of funds.

Thomas A. Melfe\* (67)  
c/o Piper & Marbury, L.L.P.  
1251 Avenue of the Americas  
29th Floor  
New York, NY 10020-1104

Director of the Funds since their inception; Partner in the law firm of Piper & Marbury, L.L.P.; Partner in the law firm of Donovan Leisure Newton & Irvine from April 1984 to April 1998; Chairman of the Board, Municipal Fund for New York Investors, Inc.; Director/Trustee of other investment companies in the Warburg Pincus family of funds.

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- \* Directors considered by the Funds and their counsel to be "interested persons" (as defined in the 1940 Act) of the Funds or of their investment adviser. Mr. Furth is considered an "interested person" because of his employment by Warburg. Mr. Cooper is considered an "interested person" because he provides economic consulting services to a controlling person of Warburg. Mr. Melfe is considered an "interested person" of Warburg Pincus Intermediate Maturity Government Fund and Warburg Pincus Global Fixed Income Fund because his law firm provided certain legal services to these Funds within the past two fiscal years of the Funds.
- + Mr. Furth, as a partner of Counsellors and of Warburg, Pincus & Co., the current ultimate parent company of Warburg, will share in the purchase prices received by Counsellors and Warburg, Pincus & Co. from Credit Suisse in connection with the Acquisition and the Private Equity Investment, respectively.

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The table below sets forth the number of shares of each Portfolio owned directly or beneficially by the nominees to and Directors of the relevant Board and the executive officers of each Fund as of March 9, 1999. Nominees or Directors who do not own any Shares have been omitted from the table. Portfolios which are not owned by any nominees, Directors or executive officers also have been omitted from the table.

PORTFOLIO NAME	NAME OF DIRECTOR/NOMINEE	NUMBER OF SHARES BENEFICIALLY OWNED (1)	PERCENTAGE OF OUTSTANDING SHARES
Warburg Pincus Balanced Fund	Current Directors/ executive officers as a group	556	*
Warburg Pincus Capital Appreciation Fund	A.M. Reichman	7,305	*
	J.W. Fritz	35,754	*
	J.L. Furth	737	*
	T.A. Melfe	15,853	*

	Current Directors/ executive officers as a group	62,287	*
Warburg Pincus Cash Reserve Fund	A.M. Reichman	1,080	*
	J.W. Fritz	192,576	*
	J.L. Furth	1,061	*
	Current Directors/ executive officers as a group	288,157	*
Warburg Pincus Emerging Growth Fund	A.M. Reichman	16,159	*
	J.W. Fritz	12,413	*
	R.N. Cooper	5,046	*
	J.L. Furth	286	*
	T.A. Melfe	5,265	*
	Current Directors/ executive officers as a group	57,984	*
Warburg Pincus Emerging Markets Fund	Current Directors/ executive officers as a group	4,940	*
Warburg Pincus Fixed Income Fund	J.W. Fritz	77,698	*
	J.L. Furth	3,057	*
	T.A. Melfe	52,594	*

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PORTFOLIO NAME	NAME OF DIRECTOR/NOMINEE	NUMBER OF SHARES BENEFICIALLY OWNED (1)	PERCENTAGE OF OUTSTANDING SHARES
	Current Directors/ executive officers as a group	133,350	*
Warburg Pincus Global Fixed Income Fund	J.L. Furth	467	*
	Current Directors/ executive officers as a group	850	*
Warburg Pincus Global Post-Venture Capital Fund	Current Directors/ executive officers as a group	61	*
Warburg Pincus Growth & Income Fund	J.W. Fritz	21,953	*
	J.L. Furth	344	*
	T.A. Melfe	9,794	*
	Current Directors/ executive officers as a group	35,336	*
Warburg Pincus Health Sciences Fund	J.W. Fritz	6,251	*
	Current Directors/ executive officers		

	as a group	6,393	*
Warburg Pincus Intermediate Maturity Government Fund	Current Directors/ executive officers as a group	4,690	*
Warburg Pincus International Equity Fund	A.M. Reichman	7,320	*
	R.N. Cooper	6,646	*
	J.L. Furth	491	*
	Current Directors/ executive officers as a group	30,802	*
Warburg Pincus Japan Growth Fund	A.M. Reichman	7,288	*
	Current Directors/ executive officers as a group	41,227	*

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PORTFOLIO NAME	NAME OF DIRECTOR/NOMINEE	NUMBER OF SHARES BENEFICIALLY OWNED (1)	PERCENTAGE OF OUTSTANDING SHARES
-----	-----	-----	-----
Warburg Pincus Japan Small Company Fund	Current Directors/ executive officers as a group	4,324	*
Warburg Pincus Major Foreign Markets Fund	A.M. Reichman	962	*
	T.A. Melfe	17,883	*
	Current Directors/ executive officers as a group	18,845	*
Warburg Pincus New York Intermediate Municipal Fund	J.L. Furth	50,615	*
	Current Directors/ executive officers as a group	50,615	*
Warburg Pincus New York Tax Exempt Fund	A.M. Reichman	483,817	*
	Current Directors/ executive officers as a group	483,817	*
Warburg Pincus Post-Venture Capital Fund	R.N. Cooper	8,283	*
	Current Directors/ executive officers as a group	31,825	*
Warburg Pincus Small Company Growth Fund	Current Directors/ executive officers as a group	6,312	1.4%
Warburg Pincus Small Company Value Fund	Current Directors/ executive officers as a group	2,827	*

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(1) The information as to beneficial ownership is based on statements furnished to the Funds by each Director, nominee and executive officer. Each individual listed above has sole voting and investment power with respect to shares deemed to be beneficially owned by him/her, except in certain instances where the individual may share voting and investment power with spouse and/or other immediate family members.

\* Less than 1% of the total shares outstanding of such Portfolio.

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The table below sets forth the aggregate number of shares, and percentage of the outstanding shares of certain Portfolios owned by certain accounts on March 9, 1999 for which Warburg acts as investment adviser. Lionel I. Pincus may be deemed to be a beneficial owner of such shares by virtue of his indirect ownership interest in Warburg but disclaims any beneficial ownership in such shares.

<TABLE>  
<CAPTION>

NAME OF PORTFOLIO	NUMBER OF SHARES AS OF MARCH 9, 1999	PERCENTAGE OF SHARES OUTSTANDING AS OF MARCH 9, 1999
-----	-----	-----
<S>	<C>	<C>
Warburg Pincus Balanced Fund	28,052	1.07%
Warburg Pincus Capital Appreciation Fund	18,206,634	48.25%
Warburg Pincus Cash Reserve Fund	210,307,053	52.51%
Warburg Pincus Emerging Growth Fund	4,913,833	9.78%
Warburg Pincus Emerging Markets Fund	534,282	6.65%
Warburg Pincus Fixed Income Fund	15,034,834	36.65%
Warburg Pincus Global Fixed Income Fund	67,315	0.46%
Warburg Pincus Global Post-Venture Capital Fund	154,295	47.11%
Warburg Pincus Growth & Income Fund	3,047,186	7.30%
Warburg Pincus Health Sciences Fund	982,955	19.93%
Warburg Pincus Institutional Fund, Inc.:		
Emerging Markets Portfolio	416,172	46.83%
International Equity Portfolio	4,647,824	7.38%
Japan Growth Portfolio	161,755	100.00%
Post-Venture Capital Portfolio	131,674	98.59%
Small Company Growth Portfolio	1,136,293	7.27%
Small Company Value Portfolio	109,337	99.35%
Value Portfolio	1,232,173	27.21%
Warburg Pincus Intermediate Maturity Government Fund	2,962,656	42.08%
Warburg Pincus International Equity Fund	3,126,483	4.34%
Warburg Pincus International Small Company Fund	80,403	0.52%
Warburg Pincus Japan Growth Fund	34,073	0.65%
Warburg Pincus Japan Small Company Fund	19,649	0.12%



Warburg Pincus Major Foreign Markets Fund	3,218,897	67.83%
Warburg Pincus New York Intermediate Municipal Fund	7,444,467	72.31%

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NAME OF PORTFOLIO	NUMBER OF SHARES AS OF MARCH 9, 1999	PERCENTAGE OF SHARES OUTSTANDING AS OF MARCH 9, 1999
<S>	<C>	<C>
Warburg Pincus New York Tax Exempt Fund	78,746,888	44.76%
Warburg Pincus Post-Venture Capital Fund	283,842	8.37%
Warburg Pincus Small Company Growth Fund	191,905	43.59%
Warburg Pincus Small Company Value Fund	523,363	14.37%
Warburg Pincus Trust:		
Emerging Markets Portfolio	100,000	25.65%
Growth & Income Portfolio	9,507	0.68%
International Equity Portfolio	5,348	0.02%
Small Company Growth Portfolio	5,000	0.01%
Warburg Pincus Trust II:		
Fixed Income Portfolio	62,760	22.55%
Global Fixed Income Portfolio	181,159	100.00%
Warburg Pincus WorldPerks Money Market Fund	101,833	0.83%
Warburg Pincus WorldPerks Tax Free Money Market Fund	100,991	0.92%

</TABLE>

To the best of each Fund's knowledge, as of March 9, 1999, no person owned beneficially more than 5% of any Portfolio's outstanding shares except as stated above or in Annex I.

#### RESPONSIBILITIES OF THE BOARD -- BOARD AND COMMITTEE MEETINGS

The Board of Directors of each Fund is responsible for the general oversight of Fund business. A majority of the Board's members are not affiliated with Warburg. These Non-interested Directors have primary responsibility for assuring that each Fund is managed in a manner consistent with the best interests of its shareholders.

Each Board meets in person at least quarterly to review the investment performance of the Portfolios and other operational matters, including policies and procedures designed to assure compliance with various regulatory requirements. At least annually, the Non-interested Directors review the fees paid to Warburg and its affiliates for investment advisory services and administrative and distribution services.

The Board of each Fund has both an Audit Committee and a Nominating Committee, the responsibilities of which are described below.

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#### AUDIT COMMITTEE

The Board of each Fund has an Audit Committee consisting of Messrs. Cooper, Fritz, Garten, Melfe and Trowbridge. The Audit Committee reviews with management and the independent accountants for each Portfolio, among other things, the scope of the audit and the internal controls for each Portfolio and its agents, reviews and approves in advance the type of services to be rendered by independent accountants, recommends the selection of independent accountants for each Portfolio to the Board and, in general, considers and reports to the

Board on matters regarding each Portfolio's accounting and bookkeeping practices.

NOMINATING COMMITTEE

The Board of each Fund has a Nominating Committee consisting of all the Non-interested Directors. The Committee is charged with the duty of making all nominations of Non-interested Directors and consideration of other related matters. Shareholders' recommendations as to nominees received by Fund management would be referred to the Committee for its consideration and action.

The following chart sets forth the number of meetings of the Board, the Audit Committee and the Nominating Committee of each Fund during the calendar year 1998.

NUMBER OF BOARD AND COMMITTEE MEETINGS HELD  
DURING THE CALENDAR YEAR 1998

NAME OF PORTFOLIO	BOARD OF DIRECTORS MEETINGS	AUDIT COMMITTEE MEETINGS	NOMINATING COMMITTEE MEETINGS
Warburg Pincus Balanced Fund	5	2	1
Warburg Pincus Capital Appreciation Fund	5	2	1
Warburg Pincus Cash Reserve Fund	5	2	1
Warburg Pincus Emerging Growth Fund	5	2	1
Warburg Pincus Emerging Markets Fund	5	2	1
Warburg Pincus Fixed Income Fund	5	2	1
Warburg Pincus Global Fixed Income Fund	6	2	1
Warburg Pincus Global Post-Venture Capital Fund	5	2	1
Warburg Pincus Growth & Income Fund	5	2	1
Warburg Pincus Health Sciences Fund	5	2	1

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NAME OF PORTFOLIO	BOARD OF DIRECTORS MEETINGS	AUDIT COMMITTEE MEETINGS	NOMINATING COMMITTEE MEETINGS
Warburg Pincus Institutional Fund, Inc.	6	2	1
Warburg Pincus Intermediate Maturity Government Fund	5	2	1
Warburg Pincus International Equity Fund	5	2	1
Warburg Pincus International Small Company Fund	2	1	0
Warburg Pincus Japan Growth Fund	5	2	1
Warburg Pincus Japan Small Company Fund	6	2	1
Warburg Pincus Major Foreign Markets Fund	5	2	1
Warburg Pincus New York Intermediate Municipal Fund	5	2	1
Warburg Pincus New York Tax Exempt Fund	5	2	1
Warburg Pincus Post-Venture Capital Fund	5	2	1
Warburg Pincus Small Company Growth Fund	6	2	1
Warburg Pincus Small Company Value Fund	6	2	1
Warburg Pincus Trust	6	2	1
Warburg Pincus Trust II	6	2	1
Warburg Pincus WorldPerks Money Market Fund	1	1	0
Warburg Pincus WorldPerks Tax Free Money Market Fund	1	1	0

Each incumbent Director attended at least 75% of the total number of Board meetings and meetings of committees on which he served during each Fund's last full fiscal year.

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EXECUTIVE OFFICERS

The following persons are executive officers of each of the Funds:

NAME (AGE)	PRESENT OFFICE WITH THE FUNDS (YEAR FIRST BECAME AN OFFICER); PRINCIPAL OCCUPATION OR EMPLOYMENT (1) (2)
-----	-----
Eugene L. Podsiadlo (42) 466 Lexington Avenue New York, NY 10017-3147	PRESIDENT (1994) Managing Director of Warburg; Associated with Warburg since 1991; Officer of Counsellors Securities and of other companies affiliated with Warburg and investment companies in the Warburg Pincus family of funds.
Steven B. Plump (40) 466 Lexington Avenue New York, NY 10017-3147	EXECUTIVE VICE PRESIDENT (1998) Senior Vice President of Warburg; Associated with Warburg since 1995; Associated with Chemical Investment Services and its affiliates from 1993 until 1995; Officer of other investment companies in the Warburg Pincus family of funds.
Stephen Distler (45) 466 Lexington Avenue New York, NY 10017-3147	VICE PRESIDENT (1985) Managing Director of Warburg; Associated with Warburg since 1984; Officer of Counsellors Securities and of other companies affiliated with Warburg and investment companies in the Warburg Pincus of funds.
Lynn Martin (46) 466 Lexington Avenue New York, NY 10017-3147	VICE PRESIDENT OF WARBURG PINCUS EMERGING GROWTH FUND, WARBURG PINCUS GLOBAL POST-VENTURE CAPITAL FUND, WARBURG PINCUS POST-VENTURE CAPITAL FUND, WARBURG PINCUS SMALL COMPANY GROWTH FUND, WARBURG PINCUS SMALL COMPANY VALUE FUND, WARBURG PINCUS INSTITUTIONAL FUND, INC. AND WARBURG PINCUS TRUST ONLY (1998) Managing Director of Warburg; Associated with Warburg since 1992.

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NAME (AGE)	PRESENT OFFICE WITH THE FUNDS (YEAR FIRST BECAME AN OFFICER); PRINCIPAL OCCUPATION OR EMPLOYMENT (1) (2)
-----	-----
Janna Manes, Esq. (31) 466 Lexington Avenue	VICE PRESIDENT AND SECRETARY (1996) Vice President, Secretary and General Counsel

New York, NY 10017-3147

of Warburg; Associated with Warburg since 1996; Associated with the law firm of Willkie Farr & Gallagher from 1993 to 1996; Officer of Counsellors Securities and of other companies affiliated with Warburg and investment companies in the Warburg Pincus family of funds.

Howard Conroy, CPA (45)  
466 Lexington Avenue  
New York, NY 10017-3147

VICE PRESIDENT AND CHIEF FINANCIAL OFFICER (1996)  
Vice President of Warburg; Associated with Warburg since 1992; Officer of Counsellors Securities and of other companies affiliated with Warburg and investment companies in the Warburg Pincus family of funds.

Daniel S. Madden, CPA (33)  
466 Lexington Avenue  
New York, NY 10017-3147

TREASURER AND CHIEF ACCOUNTING OFFICER (1996)  
Vice President of Warburg; Associated with Warburg since 1995; Associated with BlackRock Financial Management, Inc. from September 1994 to October 1996; Associated with CSAM from April 1993 to September 1994; Officer of other investment companies in the Warburg Pincus family of funds.

It is presently contemplated that certain of the executive officers of the Funds may change and that additional executive officers may be added following consummation of the Acquisition, subject in each case to Board approval and compliance with any restrictions imposed by regulations applicable to Credit Suisse and its subsidiaries under the Bank Holding Company Act of 1956, as amended.

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- (1) Unless otherwise stated, all of the executive officers have been associated with their respective companies for more than five years, although not necessarily in the same capacity.
- (2) Unless otherwise stated, all of the executive officers have been associated with their respective companies for more than five years, although not necessarily in the same capacity.

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#### COMPENSATION OF DIRECTORS AND OFFICERS

Each Fund pays each Director who is not an employee of Warburg an annual fee and an annual Audit Committee fee plus specified amounts for Board meetings attended and compensates him for out-of-pocket expenses related to Fund business.

Warburg supervises each Portfolio's investments, pays the compensation and certain expenses of its personnel who serve as Directors and officers of each Fund and receives an advisory fee for its services. Several of each Fund's officers and Directors are also officers, Directors, employees or indirect shareholders of Warburg and participate in the fees paid to that firm, although each such Fund makes no direct payments to them.

The following Compensation Table provides in tabular form the following

data:

Column (1) Name of each Fund from which each Director receives compensation.

Column (2) Aggregate compensation received by each Director of each Fund during the calendar year 1998 and total compensation received by each Director from the 39 investment companies comprising the Warburg Pincus Funds (collectively, the "Fund Complex") during the calendar year 1998.

The Directors do not receive any pension or retirement benefits from any Fund in the Fund Complex.

<TABLE>  
<CAPTION>

COMPENSATION TABLE

NAME OF FUND (1)	AGGREGATE COMPENSATION (2)					
	RICHARD N. COOPER	DONALD DONAHUE	JACK W. FRITZ	JEFFREY E. GARTEN	THOMAS A. MELFE	ALEXANDER B. TROWBRIDGE
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Warburg Pincus Balanced Fund	\$1,900	\$ 475	\$2,150	\$1,675	\$2,150	\$2,250
Warburg Pincus Capital Appreciation Fund	\$2,400	\$ 600	\$2,650	\$2,050	\$2,650	\$2,750
Warburg Pincus Cash Reserve Fund	\$4,400	\$1,100	\$4,900	\$3,800	\$4,900	\$5,000
Warburg Pincus Emerging Growth Fund	\$2,400	\$ 600	\$2,650	\$2,050	\$2,650	\$2,750
Warburg Pincus Emerging Markets Fund	\$1,900	\$ 475	\$2,150	\$1,675	\$2,150	\$2,250
Warburg Pincus Fixed Income Fund	\$2,400	\$ 600	\$2,650	\$2,050	\$2,650	\$2,750
Warburg Pincus Global Fixed Income Fund	\$2,650	\$ 600	\$2,900	\$2,300	\$1,700	\$2,750
Warburg Pincus Global Post-Venture Capital Fund	\$1,900	\$ 475	\$2,150	\$1,675	\$2,150	\$2,250
Warburg Pincus Growth & Income Fund	\$1,900	\$ 475	\$2,150	\$1,675	\$2,150	\$2,250
Warburg Pincus Health Sciences Fund	\$1,900	\$ 475	\$2,150	\$1,675	\$2,150	\$2,250

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<CAPTION>

NAME OF FUND (1)	AGGREGATE COMPENSATION (2)					
	RICHARD N. COOPER	DONALD DONAHUE	JACK W. FRITZ	JEFFREY E. GARTEN	THOMAS A. MELFE	ALEXANDER B. TROWBRIDGE
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Warburg Pincus Institutional Fund, Inc.	\$2,150	\$ 475	\$2,400	\$1,925	\$2,400	\$2,250
Warburg Pincus Intermediate Maturity Government Fund	\$2,400	\$ 600	\$2,650	\$2,050	\$1,450	\$2,750
Warburg Pincus International Equity Fund	\$2,400	\$ 600	\$2,650	\$2,050	\$2,650	\$2,750

International Small Company Fund	\$ 500	\$ 0	\$ 500	\$ 500	\$ 500	\$ 500
Warburg Pincus Japan Growth Fund	\$2,150	\$ 475	\$2,400	\$1,675	\$2,400	\$2,500
Warburg Pincus Japan Small Company Fund	\$1,900	\$ 475	\$2,150	\$1,675	\$2,150	\$2,250
Warburg Pincus Major Foreign Markets Fund	\$1,900	\$ 475	\$2,150	\$1,675	\$2,150	\$2,250
Warburg Pincus New York Intermediate Municipal Fund	\$2,400	\$ 600	\$2,650	\$2,050	\$2,650	\$2,750
Warburg Pincus New York Tax Exempt Fund	\$4,400	\$1,100	\$4,900	\$3,800	\$4,900	\$5,000
Warburg Pincus Post-Venture Capital Fund	\$1,900	\$ 475	\$2,150	\$1,675	\$2,150	\$2,250
Warburg Pincus Small Company Growth Fund	\$2,150	\$ 475	\$2,400	\$1,925	\$2,400	\$2,250
Warburg Pincus Small Company Value Fund	\$2,150	\$ 475	\$2,400	\$1,925	\$2,400	\$2,250
Warburg Pincus Trust	\$2,150	\$ 475	\$2,400	\$1,925	\$2,400	\$2,250
Warburg Pincus Trust II	\$2,150	\$ 475	\$2,400	\$1,925	\$2,400	\$2,250
Warburg Pincus WorldPerks Money Market Fund	\$ 250	\$ 0	\$ 250	\$ 250	\$ 250	\$ 250
Warburg Pincus WorldPerks Tax Free Money Market Fund	\$ 250	\$ 0	\$ 250	\$ 250	\$ 250	\$ 250
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Total Compensation from the Funds and Fund Complex paid to each Director	\$56,600	\$13,525	\$63,100	\$49,325	\$60,700	\$64,000

</TABLE>

Arnold M. Reichman and John L. Furth receive compensation from affiliates of Warburg and, accordingly, receive no compensation from the Fund or any other investment company in the Fund Complex.

Donald Donahue resigned as Director/Trustee of each Fund effective February 6, 1998.

#### REQUIRED VOTE

Election of each of the listed nominees for Director requires the affirmative vote of a plurality of the votes of each Fund cast at the Special Meeting in person or by proxy. This means that the eight nominees receiving the largest number of votes will be elected. The Directors of each Fund, including the Non-interested Directors, unanimously recommend that the shareholders of each Fund vote in favor of each of the nominees listed in this Proposal 2.

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#### PROPOSAL 3: APPROVAL OF NEW SUB-INVESTMENT ADVISORY AGREEMENT

As investment adviser to Warburg Pincus WorldPerks Money Market, Warburg Pincus WorldPerks Tax Free Money Market, Warburg Pincus Post-Venture Capital and Warburg Pincus Global Post-Venture Capital Funds and the Post-Venture Capital Portfolios of Warburg Pincus Institutional Fund, Inc. and Warburg Pincus Trust, Warburg is a party to the sub-investment advisory agreement that each such Fund (a "Sub-Advised Fund") has entered into with the relevant sub-investment adviser (each, a "Current Sub-Advisory Agreement"). The sub-adviser to Warburg Pincus WorldPerks Money Market and Warburg Pincus WorldPerks Tax Free Money Market Funds is BlackRock Institutional Management Corporation ("BlackRock"); and the sub-adviser to the Warburg Pincus Post-Venture Capital and Warburg Pincus Global Post-Venture Capital Funds and the Post-Venture Capital Portfolios of Warburg

Pincus Institutional Fund, Inc. and Warburg Pincus Trust is Abbott Capital Management, LLC ("Abbott"). Abbott and BlackRock are each herein referred to as the Sub-Adviser, as applicable. The Merger has no effect on either BlackRock or Abbott or on the services that they are and have been providing to the Sub-Advised Funds.

As is the case with the Current Advisory Agreements, consummation of the Acquisition would constitute an "assignment" of the Current Sub-Advisory Agreements, as that term is defined in the 1940 Act, merely because Warburg is a party to them, and, if later consummated, consummation of the Reorganization could be deemed to constitute a second "assignment". As a result, each Current Sub-Advisory Agreement will terminate upon consummation of the Merger and, therefore, in anticipation of the Merger a new sub-investment advisory agreement (each a "New Sub-Advisory Agreement" and collectively, the "New Sub-Advisory Agreements") among each Sub-Advised Fund, the New Adviser and the relevant sub-adviser is being proposed for approval by shareholders of each Sub-Advised Fund to take effect upon consummation of the Acquisition and Reorganization.

However, if the Acquisition is consummated but the Reorganization is delayed or not ultimately consummated, each New Sub-Advisory Agreement would take effect between the applicable Sub-Adviser and Warburg (under Credit Suisse ownership) upon consummation of the Acquisition, and would remain in effect with Warburg until such time (if ever) as the Reorganization is consummated; approval of a New Sub-Advisory Agreement at the Special Meeting will constitute shareholder approval for such New Sub-Advisory Agreement to take effect with the New Adviser if the Acquisition and the Reorganization are consummated simultaneously, and to take effect with Warburg if the Acquisition is consummated prior to consummation of the Reorganization.

In the event that the Acquisition and the Reorganization are not simultaneously consummated, upon consummation of the Reorganization, each New Sub-Advisory Agreement would be transferred to the New Adviser as part of the combination of the businesses of Warburg and Credit Suisse's existing U.S.

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asset management business. If not consummated simultaneously with the Acquisition, consummation of the Reorganization could be deemed to constitute a second "assignment" of each Sub-Advised Fund's sub-investment advisory agreement (which would result in its automatic termination, as discussed above); approval of a New Sub-Advisory Agreement at the Special Meeting also will constitute shareholder approval for such New Sub-Advisory Agreement to take effect with the New Adviser upon consummation of the Reorganization (if consummated) in the event that the Reorganization is consummated after consummation of the Acquisition.

A copy of the master form of the New Sub-Advisory Agreement for BlackRock Sub-Advised Funds is attached hereto as Exhibit D-1 and that for the Abbott Sub-Advised Funds is attached hereto as Exhibit D-2. THE NEW SUB-ADVISORY AGREEMENT FOR EACH SUB-ADVISED FUND IS IN ALL MATERIAL RESPECTS ON THE SAME TERMS AS THE CORRESPONDING CURRENT SUB-ADVISORY AGREEMENT (except that the New Adviser will be the investment adviser thereunder following the consummation of the Reorganization (if consummated)). The material terms of each current Sub-Advisory Agreement are described under "Description of the Current Sub-Advisory Agreements" below.

#### BOARD EVALUATION AND RECOMMENDATION

At the same time and in the same manner that the Board of each Fund considered the New Advisory Agreements, the relevant Boards considered the New Sub-Advisory Agreements. (See "Board Evaluation" under "Proposal 1: Approval of New Investment Advisory Agreement".) Since neither of the Sub-Advisers nor the services they perform nor the compensation they receive will be affected by the Merger, no considerations arise with regard to approval of the New Sub-Advisory Agreements that are not also present for the New Advisory Agreements.

Each of Messrs. John L. Furth and Arnold M. Reichman, current directors of Funds (Mr. Reichman also being a nominee for Director of the Funds), is a partner of Counsellors and of Warburg, Pincus & Co., the current ultimate parent company of Warburg, and will share in the purchase prices received by Counsellors and Warburg, Pincus & Co. from Credit Suisse in connection with the Acquisition and the Private Equity Investment, respectively.

On March 8, 1999, the Directors of each relevant Fund, including the Non-interested Directors of each relevant Fund, unanimously approved the New Sub-Advisory Agreements.

#### DESCRIPTION OF THE CURRENT SUB-ADVISORY AGREEMENTS

Under the Current Sub-Advisory Agreements entered into with BlackRock, BlackRock supervises the day-to-day operations of and provides ongoing investment advisory services to each Sub-Advised Fund. BlackRock (a) provides investment research and credit analysis concerning the Sub-Advised Fund's investments, (b) conducts a continual program of investment of the Sub-Advised

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Fund's assets, (c) places orders for all purchases and sales of the investments made for the Fund and (d) maintains the books and records required in connection with its duties thereunder.

Under the Current Sub-Advisory Agreements entered into with Abbott, Abbott provides each Sub-Advised Fund with ongoing specialized investment advisory services. Abbott (a) determines whether to purchase, retain or sell interests in United States or foreign private investment vehicles which invest in debt and equity securities of companies in the venture-capital and post-venture-capital stages of development or companies engaged in special situations or changes in corporate control, including buyouts, (b) authorizes the execution and orders for the execution of the foregoing investments on behalf of the Sub-Advised Fund, (c) assists the custodian and accounting agent of the Sub-Advised Fund to determine or confirm the value of these investments, (d) monitors the execution of orders for the purchase or sale of these investments and the settlement and clearance of these orders, (e) exercises voting rights in respect of these investments, and (d) provides reports to the Sub-Advised Fund's Board. In providing these services, Abbott may contract at its own expense with third parties for the acquisition of research.

In return for the services provided by the Sub-Adviser as sub-investment adviser, and the expenses it assumes under each Current Sub-Advisory Agreement, Warburg pays the Sub-Adviser an advisory fee which is accrued daily and payable monthly to BlackRock and quarterly to Abbott out of the advisory fee that Warburg receives from the relevant Sub-Advised Fund.

Each Current Sub-Advisory Agreement further provides that the Sub-Adviser shall not be liable for any error of judgment or mistake of law or for any loss suffered by any Sub-Advised Fund in connection with matters to which such agreement relates, except a loss resulting from willful misfeasance, bad faith or gross negligence on the part of the Sub-Adviser in the performance of its duties or from reckless disregard by the Sub-Adviser of its obligations and duties under such agreement.

Each Current Sub-Advisory Agreement may be terminated without penalty upon sixty (60) days' written notice by the Sub-Adviser, the Sub-Advised Fund or Warburg.\* Each Sub-Advised Fund may agree to terminate its Current Sub-Advisory Agreement either by a vote of the Board or by the vote of a majority of the outstanding voting securities of the Sub-Advised Fund. As stated above, each Current Sub-Advisory Agreement automatically terminates in the event of its assignment.

Each Sub-Adviser has acted as the sub-investment adviser for each



Sub-Advised Fund since each Sub-Advised Fund commenced operations, except as shown below. Also shown below is the date of each Current Sub-Advisory

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\* In the case of the Current Sub-Advisory Agreements with BlackRock, the Sub-Advised Fund can terminate the agreements immediately.

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Agreement, the date when each Current Sub-Advisory Agreement was last approved by the Board and the shareholders of each Sub-Advised Fund and the date to which each Current Sub-Advisory Agreement was last continued. Each Current Sub-Advisory Agreement was last submitted to shareholders prior to its becoming effective, as required by the 1940 Act.

<TABLE>  
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FUND	COMMENCEMENT OF OPERATIONS*	DATE OF SUB-ADVISORY AGREEMENT	DATE LAST APPROVED BY		DATE CONTINUED TO
			DIRECTORS	SHARE- HOLDERS	
<S>	<C>	<C>	<C>	<C>	<C>
Warburg Pincus Global Post-Venture Capital Fund	9/30/96	7/1/97	3/8/99	7/1/97	4/17/00
Warburg Pincus Institutional Fund, Inc. - Post-Venture Capital Portfolio	10/31/97	10/31/97	3/8/99	10/31/97	4/17/00
Warburg Pincus Post-Venture Capital Fund	9/29/95	7/1/97	3/8/99	7/1/97	4/17/00
Warburg Pincus Trust - Post-Venture Capital Portfolio	9/30/96	7/1/97	3/8/99	7/1/97	4/17/00
Warburg Pincus WorldPerks Money Market Fund	10/1/98	9/30/98	3/8/99	9/30/98	4/17/00
Warburg Pincus WorldPerks Tax Free Money Market Fund	10/1/98	9/30/98	3/8/99	9/30/98	4/17/00

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THE NEW SUB-ADVISORY AGREEMENTS

Shareholders of the Sub-Advised Funds are not being asked to approve or disapprove the Merger; rather, they are being asked only to approve or disapprove the New Sub-Advisory Agreements for the relevant Portfolios. OTHER THAN THE EXECUTION AND TERMINATION DATES AND THE IDENTIFICATION OF THE NEW ADVISER AS THE INVESTMENT ADVISER THEREUNDER FOLLOWING THE CONSUMMATION OF THE REORGANIZATION (IF CONSUMMATED), THE NEW SUB-ADVISORY AGREEMENTS ARE SUBSTANTIALLY IDENTICAL TO THE CURRENT SUB-ADVISORY AGREEMENTS. IN PARTICULAR, THE SUB-ADVISORY FEES WILL CONTINUE TO BE PAID BY NEW ADVISER RATHER THAN BY THE SUB-ADVISED FUND.

The New Sub-Advisory Agreement for each Fund will be dated as of the date of the consummation of the Merger, which is expected to occur in mid-1999. Each New Sub-Advisory Agreement will be in effect for an initial two-year term ending on the second anniversary of the Acquisition, and may continue thereafter from year to year only if specifically approved at least annually by the Board or by the vote of "a majority of the outstanding voting securities" of each Sub-Advised Fund, and, in either event, the vote of a majority of the Non-interested Directors, cast in person at a meeting called for such purpose. In the event that shareholders of a Sub-Advised Fund do not approve the New Sub-Advisory Agreement, the corresponding Current Sub-Advisory Agreement will remain in effect until the closing of the Acquisition, at which time it would terminate. In such event, the Board of the relevant Sub-Advised Fund will take such action as it deems to be in the best interests of the relevant Sub-Advised

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\* Abbott commenced providing investment advisory services for Warburg Pincus Post-Venture Capital Fund on May 28, 1996.

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event the Acquisition is not consummated, each Sub-Adviser will continue to provide services to each Sub-Advised Fund in accordance with the terms of each Current Sub-Advisory Agreement for such periods as may be approved at least annually by the Board, including a majority of the Non-interested Directors.

#### DIFFERENCES BETWEEN THE CURRENT AND NEW SUB-ADVISORY AGREEMENTS

THE NEW SUB-ADVISORY AGREEMENTS ARE SUBSTANTIALLY THE SAME AS THE CURRENT SUB-ADVISORY AGREEMENTS IN ALL MATERIAL RESPECTS (EXCEPT THAT THE NEW ADVISER WILL BECOME A PARTY TO THE NEW SUB-ADVISORY AGREEMENTS FOLLOWING THE CONSUMMATION OF THE REORGANIZATION (IF CONSUMMATED)).

#### REQUIRED VOTE

Approval of the New Sub-Advisory Agreement for any Sub-Advised Fund requires the affirmative vote of a "majority of the outstanding voting securities," as defined above, of the Portfolio. The Directors of each Sub-Advised Fund, including the Non-interested Directors, unanimously recommend that the shareholders of each relevant Sub-Advised Fund vote in favor of this Proposal 3.

#### PROPOSAL 4: RATIFICATION OR REJECTION OF THE SELECTION OF INDEPENDENT ACCOUNTANTS

The Board of Directors of each of the Funds, including a majority of the Non-interested Directors, has selected PricewaterhouseCoopers LLP to act as independent accountants for each of the Portfolios for each Portfolio's current fiscal year. PricewaterhouseCoopers LLP are independent accountants and have advised the Portfolios that they have no direct financial interest or material indirect financial interest in the Portfolios. One or more representatives of PricewaterhouseCoopers LLP are expected to be present at the Special Meeting and will have an opportunity to make a statement if they so desire. Such representatives are expected to be available to respond to appropriate questions posed by shareholders or management.

#### REQUIRED VOTE

Ratification of the selection of independent accountants requires the affirmative vote of a majority of the votes of each Fund cast at the Special Meeting in person or by proxy. The Directors of each Fund unanimously recommend that the shareholders of each Fund vote in favor of this Proposal 4.

#### ADDITIONAL INFORMATION

##### GENERAL

The cost of preparing, printing and mailing the enclosed proxy, accompanying notice and proxy statement and all other costs incurred in connection with the solicitation of proxies, including any additional solicitation made by letter or telephone, will be paid by Warburg and Credit Suisse. In addition to solicitation by mail, certain officers and representatives of each Fund, officers

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and employees of Warburg and certain financial services firms and their representatives, who will receive no extra compensation for their services, may solicit proxies in person or by telephone.

D.F. King & Co., Inc. (the "Agent") has been engaged to assist in the solicitation of proxies. As the Special Meeting date approaches, certain shareholders of each Portfolio may receive a telephone call from a representative of the Agent if their vote has not yet been received. Authorization to permit the Agent to execute proxies may be obtained by telephonic or electronic transmitted instructions from shareholders of each Portfolio. Proxies that are obtained telephonically will be recorded in accordance with the procedures set forth below. The Directors believe that these procedures are reasonably designed to ensure that the identity of the shareholder casting the vote and the shareholder's voting instructions are accurately determined.

In all cases where a telephonic proxy is solicited, the Agent's representative is required to ask for each shareholder's full name, address, last four digits of the shareholder's social security or tax identification number, title of the person and whether such person is authorized to direct the voting of such shares (if an entity), the number of shares owned, if known, and to confirm that the shareholder has received the proxy statement and proxy card in the mail. If the information solicited agrees with the information provided to the Agent, then the Agent representative has the responsibility to explain the process, read the proposals listed on the proxy card, and ask for the shareholder's instructions on each proposal. The Agent's representative, although he or she is permitted to answer questions about the process, is not permitted to recommend to the shareholder how to vote, other than to read any recommendation set forth in the proxy statement. The Agent will record the shareholder's instructions on the card. Within 72 hours, the shareholder will be sent a letter by first class mail to confirm his or her vote and asking the shareholder to call the Agent immediately if his or her votes are not correctly reflected in the confirmation.

If the shareholder wishes to participate in the Special Meeting, but does not wish to give his or her proxy by telephone, or by the Internet, the shareholder may still submit the proxy card originally sent with the proxy statement or attend in person. Should shareholders require additional information regarding the proxy or replacement proxy cards, they may contact the Agent toll-free at 1-800-848-3409. Any proxy given by a shareholder, whether in writing, by telephone or by the Internet, is revocable.

#### PROPOSALS OF SHAREHOLDERS

Shareholders wishing to submit proposals for inclusion in a proxy statement for a shareholder meeting subsequent to the Special Meeting, if any, should send their written proposals to Janna Manes, Secretary of the Warburg Pincus Funds, c/o Warburg Pincus Asset Management, Inc., 466 Lexington

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Avenue, New York, NY 10017, within a reasonable time before the solicitation of proxies for such meeting. The timely submission of a proposal does not guarantee its inclusion.

#### OTHER MATTERS TO COME BEFORE THE SPECIAL MEETING

No Board is aware of any matters that will be presented for action at the Special Meeting other than the matters set forth herein. Should any other matters requiring a vote of shareholders arise, the proxy in the accompanying form will confer upon the person or persons entitled to vote the shares represented by such proxy the discretionary authority to vote the shares as to

any such other matters in accordance with their best judgment in the interest of each Fund and/or Portfolio.

PLEASE COMPLETE, SIGN AND RETURN THE  
ENCLOSED PROXY CARD(S) PROMPTLY. NO POSTAGE  
IS REQUIRED IF MAILED IN THE UNITED STATES.

By order of the governing Boards,

/s/ [Janna Manes signature]

Janna Manes  
Secretary

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[PROXY]

WARBURG PINCUS FUNDS

[FUND NAME]

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

The undersigned hereby appoints EUGENE L. PODSIADLO, JANNA MANES and STUART J. COHEN, and each of them, as proxies of the undersigned, each with the power to appoint his or her substitute, and hereby authorizes a majority of them, or any one if only one be present, to represent and to vote, as designated on the reverse side, all the shares of the Warburg Pincus Fund named above held of record by the undersigned, or with respect to which the undersigned is entitled to vote or act, at the Special Meeting of Shareholders to be held on May 21, 1999 at 3:00 p.m., Eastern time, for the purposes referred to on the reverse side.

-----  
PLEASE VOTE, DATE AND SIGN ON REVERSE AND RETURN PROMPTLY IN THE  
ENCLOSED ENVELOPE.  
-----

NOTE: Please sign exactly as your name(s) appear(s) hereon. Joint owners should each sign. When signing as attorney, executor, administrator, trustee or guardian, please give your full title as such.  
-----

HAS YOUR ADDRESS CHANGED?

DO YOU HAVE ANY COMMENTS?

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[REVERSE SIDE]

PLEASE MARK VOTES  
AS IN THIS EXAMPLE [ ]

-----  
WARBURG PINCUS FUNDS  
-----

For Against Abstain  
[ ] [ ] [ ]

1. To approve or disapprove a new investment advisory agreement for the Fund.

VOTE THIS CARD TODAY!  
BY MAIL, BY PHONE AT 1-800-848-3409  
OR ON-LINE AT WWW.WARBURG.COM

For All Withheld For all  
Nominees Except  
[ ] [ ] [ ]

2. To elect Directors/Trustees of the Fund:

R.H. Francis	W.W. Priest
J.W. Fritz	S.N. Rappaport
J.E. Garten	A.M. Reichman
J.C. Pasman	A.B. Trowbridge

INSTRUCTION: To withhold authority to vote for any individual nominee, mark the "For All Except" box and strike a line through the name(s) of the nominee(s).

For Against Abstain  
[ ] [ ] [ ]

3. To approve or disapprove a new sub-investment advisory agreement for the Fund.

For Against Abstain  
[ ] [ ] [ ]

4. To ratify the selection of Pricewaterhouse Coopers LLP as independent accountants for the Fund for the current fiscal year.

Please be sure to sign and date this Proxy.

Date Mark box at right if comments or address change have been noted on the reverse side of this card. [ ]

-----  
Shareholder sign here

-----  
Co-owner sign here

RECORD DATE SHARES:

EXHIBIT A

NEW ADVISORY AGREEMENT

MASTER FORM

INVESTMENT ADVISORY AGREEMENT

\_\_\_\_\_ Asset Management, Inc.  
466 Lexington Avenue  
New York, New York 10017-3147

Dear Sirs:

[\_\_\_\_\_] Fund, Inc. (the "Fund"), [a corporation organized and existing under the laws of the State of Maryland,] [a business trust organized under the laws of the Commonwealth of Massachusetts,] herewith confirms its agreement with [\_\_\_\_\_] Asset Management, Inc. (the "Adviser") as follows:

1. INVESTMENT DESCRIPTION; APPOINTMENT

The Fund desires to employ the capital of the Fund by investing and reinvesting in investments of the kind and in accordance with the limitations specified in its [Articles of Incorporation,] [Agreement and Declaration of Trust,] as may be amended from time to time, and in the Fund's Prospectus(es) and Statement(s) of Additional Information as from time to time in effect (the "Prospectus" and "SAI," respectively), and in such manner and to such extent as may from time to time be approved by the Board of [Directors] [Trustees] of the Fund. Copies of the Fund's Prospectus and SAI have been or will be submitted to the Adviser. The Fund desires to employ and hereby appoints the Adviser to act as investment adviser to the Fund. The Adviser accepts the appointment and agrees to furnish the services for the compensation set forth below.

2. SERVICES AS INVESTMENT ADVISER

Subject to the supervision and direction of the Board of [Directors] [Trustees] of the Fund, the Adviser will (a) act in strict conformity with the Fund's [Articles of Incorporation,] [Agreement and Declaration of Trust,] the Investment Company Act of 1940 (the "1940 Act") and the Investment Advisers Act of 1940, as the same may from time to time be amended, (b) manage the Fund's assets in accordance with the Fund's investment objective and policies as stated in the Fund's Prospectus and SAI, (c) make investment decisions for the Fund, (1) (d) place purchase and sale orders for securities on behalf of the Fund, (e) exercise voting rights in respect of portfolio securities and other investments for the Fund, (2) and (f) monitor and evaluate the services provided by the Fund's

investment sub-adviser(s), if any, under the terms of the applicable investment sub-advisory agreement(s). In providing those services, the Adviser will provide investment research and supervision of the Fund's investments and conduct a continual program of investment, evaluation and, if appropriate, sale and reinvestment of the Fund's assets. In addition, the Adviser will furnish the Fund with whatever statistical information the Fund may reasonably request with respect to the securities that the Fund may hold or contemplate purchasing.

Subject to the approval of the Board of [Directors] [Trustees] of the Fund and where required, the Fund's shareholders, the Adviser may engage an investment sub-adviser or sub-advisers to provide advisory services in respect of the Fund and may delegate to such investment sub-adviser(s) the responsibilities described in subparagraphs (b), (c), (d) and (e) above. In the event that an investment sub-adviser's engagement has been terminated, the Adviser shall be responsible for furnishing the Fund with the services required to be performed by such investment sub-adviser(s) under the applicable investment sub-advisory agreements or arranging for a successor investment sub-adviser(s) to provide such services on terms and conditions acceptable to the Fund and the Fund's Board of [Directors] [Trustees] and subject to the

requirements of the 1940 Act.

### 3. BROKERAGE (3)

In executing transactions for the Fund, selecting brokers or dealers and negotiating any brokerage commission rates, the Adviser will use its best efforts to seek the best overall terms available. In assessing the best overall terms available for any portfolio transaction, the Adviser will consider all factors it deems relevant including, but not limited to, breadth of the market in the security, the price of the security, the financial condition and execution capability of the broker or dealer and the reasonableness of any commission for the specific transaction and for transactions executed through the broker or dealer in the aggregate. In selecting brokers or dealers to execute a particular transaction and in evaluating the best overall terms available, the Adviser may consider the brokerage and research services (as those terms are defined in Section 28(e) of the Securities Exchange Act of 1934, as the same may from time to time be amended) provided to the Fund and/or other accounts over which the Adviser or an affiliate exercises investment discretion.

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- (1) In the case of Warburg Pincus Cash Reserve Fund and Warburg Pincus New York Tax-Exempt Fund, the Adviser will make only GENERAL investment decisions for the Fund including decisions concerning (i) the specific types of securities to be held by the Fund and the proportion of the Fund's assets that should be allocated to such investments during particular market cycles, (ii) the specific issuers whose securities will be purchased or sold by the Fund, (iii) the appropriate maturity of its portfolio investments and (iv) the appropriate average weighted maturity of its portfolio in light of current market conditions.
- (2) These services will not be provided by the Adviser in the case of Warburg Pincus Cash Reserve Fund or Warburg Pincus New York Tax-Exempt Fund.
- (3) Section 3. Brokerage will be omitted in the Investment Advisory Agreements for Warburg Pincus Cash Reserve Fund and Warburg Pincus New York Tax-Exempt Fund.

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### 4. INFORMATION PROVIDED TO THE FUND

The Adviser will keep the Fund informed of developments materially affecting the Fund, and will, on its own initiative, furnish the Fund from time to time with whatever information the Adviser believes is appropriate for this purpose.

### 5. STANDARD OF CARE

The Adviser shall exercise its best judgment in rendering the services listed in paragraphs 2, 3 and 4 above. The Adviser shall not be liable for any error of judgment or mistake of law or for any loss suffered by the Fund in connection with the matters to which this Agreement relates, provided that nothing herein shall be deemed to protect or purport to protect the Adviser against any liability to the Fund or to shareholders of the Fund to which the Adviser would otherwise be subject by reason of willful misfeasance, bad faith or gross negligence on its part in the performance of its duties or by reason of the Adviser's reckless disregard of its obligations and duties under this Agreement.

### 6. COMPENSATION

In consideration of the services rendered pursuant to this Agreement,

the Fund will pay the Adviser an annual fee calculated at an annual rate of [\_\_\_%] (4) of the Fund's average daily net assets. The fee for the period from the date of this Agreement to the end of the year shall be prorated according to the proportion that such period bears to the full yearly period. Upon any termination of this Agreement before the end of a year, the fee for such part of that year shall be prorated according to the proportion that such period bears to the full yearly period and shall be payable upon the date of termination of this Agreement. For the purpose of determining fees payable to the Adviser, the value of the Fund's net assets shall be computed at the times and in the manner specified in the Fund's Prospectus or SAI.

#### 7. EXPENSES

The Adviser will bear all expenses in connection with the performance of its services under this Agreement[, including the fees payable to any investment sub-adviser engaged pursuant to paragraph 2 of this Agreement(5)]. The Fund will bear its proportionate share of certain other expenses to be incurred in its operation, including: investment advisory and administration fees; taxes, interest, brokerage fees and commissions, if any; fees of [Directors] [Trustees] of the Fund who are not officers, directors, or employees of the Adviser, any sub-adviser or any of their affiliates; fees of any pricing service employed to value shares of the Fund;

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(4) For fee rates for each Fund, see Exhibit B.

(5) Except in the case of Warburg Pincus Cash Reserve Fund and Warburg Pincus New York Tax-Exempt Fund, where the sub-advisory fees are paid to the sub-adviser directly by the respective Fund.

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Securities and Exchange Commission fees and state blue sky qualification fees; charges of custodians and transfer and dividend disbursing agents; the Fund's proportionate share of insurance premiums; outside auditing and legal expenses; costs of maintenance of the Fund's existence; costs attributable to investor services, including, without limitation, telephone and personnel expenses; costs of preparing and printing prospectuses and statements of additional information for regulatory purposes and for distribution to existing shareholders; costs of shareholders' reports and meetings of the shareholders of the Fund and of the officers or Board of [Directors] [Trustees] of the Fund; and any extraordinary expenses.

The Fund will be responsible for nonrecurring expenses which may arise, including costs of litigation to which the Fund is a party and of indemnifying officers and [Directors] [Trustees] of the Fund with respect to such litigation and other expenses as determined by the [Directors] [Trustees].

#### 8. SERVICES TO OTHER COMPANIES OR ACCOUNTS

The Fund understands that the Adviser now acts, will continue to act and may act in the future as investment adviser to fiduciary and other managed accounts and to one or more other investment companies or series of investment companies, and the Fund has no objection to the Adviser so acting, provided that whenever the Fund and one or more other accounts or investment companies or portfolios advised by the Adviser have available funds for investment, investments suitable and appropriate for each will be allocated in accordance with a formula believed to be equitable to each entity. The Fund recognizes that in some cases this procedure may adversely affect the size of the position obtainable for the Fund. In addition, the Fund understands that the persons employed by the Adviser to assist in the performance of the Adviser's duties hereunder will not devote their full time to such service and nothing contained



herein shall be deemed to limit or restrict the right of the Adviser or any affiliate of the Adviser to engage in and devote time and attention to other businesses or to render services of whatever kind or nature, provided that doing so does not adversely affect the ability of the adviser to perform its services under this Agreement.

9. TERM OF AGREEMENT

This Agreement shall continue for an initial two-year period commencing on the date first written above, and thereafter shall continue automatically for successive annual periods, provided such continuance is specifically approved at least annually by (a) the Board of [Directors] [Trustees] of the Fund or (b) a vote of a "majority" (as defined in the 1940 Act) of the Fund's outstanding voting securities, provided that in either event the continuance is also approved by a majority of the Board of [Directors] [Trustees] who are not "interested persons" (as defined in said Act) of any party to this Agreement, by vote cast in person at a meeting called for the purpose of voting on such approval. This Agreement is terminable, without penalty, on 60 days' written notice, by the Board of [Directors] [Trustees] of the Fund or by vote of holders of a majority of the Fund's shares, or

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upon 90 days' written notice, by the Adviser. This Agreement will also terminate automatically in the event of its assignment (as defined in said Act).

10. REPRESENTATION BY THE FUND

The Fund represents that a copy of its [Articles of Incorporation,] [Agreement and Declaration of Trust,] dated [\_\_\_\_\_], together with all amendments thereto, is on file in the [Department of Assessments and Taxation of the State of Maryland.] [office of the Secretary of State of the Commonwealth of Massachusetts.]

INCLUDE THE FOLLOWING SECTION 11 ONLY FOR FUNDS THAT ARE MASSACHUSETTS BUSINESS TRUSTS

[11. LIMITATION OF LIABILITY

It is expressly agreed that this Agreement was executed by or on behalf of the Fund and not by the Trustees of the Fund or its officers individually, and the obligations of the Fund hereunder shall not be binding upon any of the Trustees, shareholders, nominees, officers, agents or employees of the Fund individually, but bind only the assets and property of the Fund, as provided in the Agreement and Declaration of Trust of the Fund. The execution and delivery of this Agreement have been authorized by the Trustees and the sole shareholder of the Fund and signed by an authorized officer of the Fund, acting as such, and neither such authorization by such Trustees and shareholder nor such execution and delivery by such officer shall be deemed to have been made by any of them individually or to impose any liability on any of them personally, but shall bind only the trust property of the Fund as provided in its Agreement and Declaration of Trust.]

[11.] [12.] MISCELLANEOUS

The Fund recognizes that directors, officers and employees of the Adviser may from time to time serve as directors, trustees, officers and employees of corporations and business trusts (including other investment companies) and that such other corporations and trusts or certain classes of its shares, as applicable, may include the name "Warburg Pincus", "Credit Suisse" or any derivation or abbreviation thereof as part of their names, and that the Adviser or its affiliates may enter into advisory or other agreements with such other corporations and trusts. If the Adviser ceases to act as the investment adviser of the Fund's shares, the Fund agrees that, at the Adviser's request, the Fund's license to use the words "Warburg Pincus", "Credit Suisse" or any

derivation or abbreviation thereof will terminate and that the Fund will take all necessary action to change the name of the Fund to names not including the words "Warburg Pincus", "Credit Suisse" or any derivation or abbreviation thereof. As a condition of the Fund's license, the Fund agrees (a) not to challenge the validity of any Warburg Pincus or Credit Suisse trademarks or the ownership by Warburg, Pincus & Co. or Credit Suisse Group or their respective affiliates of any of their respective trademarks; and (b) to use the names "Warburg Pincus", "Credit Suisse" or any derivation or abbreviation thereof within commercially reasonable standards of quality.

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Please confirm that the foregoing is in accordance with your understanding by indicating your acceptance hereof at the place below indicated, whereupon it shall become a binding agreement between us.

Very truly yours,

[ \_\_\_\_\_ ] FUND, INC.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Accepted:

[ \_\_\_\_\_ ] ASSET MANAGEMENT, INC.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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EXHIBIT B

CONTRACTUAL ADVISORY FEE RATE  
FOR EACH PORTFOLIO

NAME OF PORTFOLIO -----	CONTRACTUAL ADVISORY FEE RATE -----
Warburg Pincus Balanced Fund	0.90%
Warburg Pincus Capital Appreciation Fund	0.70%
Warburg Pincus Cash Reserve Fund*	0.25%
Warburg Pincus Emerging Growth Fund*	0.90%
Warburg Pincus Emerging Markets Fund	1.25%
Warburg Pincus Fixed Income Fund*	0.50%
Warburg Pincus Global Fixed Income Fund*	1.00%

Warburg Pincus Global Post-Venture Capital Fund	1.25%
Warburg Pincus Growth & Income Fund	0.75%
Warburg Pincus Health Sciences Fund	1.00%
Warburg Pincus Institutional Fund, Inc.*:	
Emerging Markets Portfolio*	1.00%
International Equity Portfolio*	0.80%
Japan Growth Portfolio*	1.10%
Post-Venture Capital Portfolio*	1.10%
Small Company Growth Portfolio*	0.90%
Small Company Value Portfolio*	0.90%
Value Portfolio*	0.75%
Warburg Pincus Intermediate Maturity Government Fund	0.50%
Warburg Pincus International Equity Fund	1.00%
Warburg Pincus International Small Company Fund	1.10%
Warburg Pincus Japan Growth Fund	1.25%
Warburg Pincus Japan Small Company Fund	1.25%
Warburg Pincus Major Foreign Markets Fund	1.00%
Warburg Pincus New York Intermediate Municipal Fund*	0.40%
Warburg Pincus New York Tax Exempt Fund*	0.25%
Warburg Pincus Post-Venture Capital Fund	1.25%
Warburg Pincus Small Company Growth Fund	1.00%
Warburg Pincus Small Company Value Fund	1.00%
Warburg Pincus WorldPerks Money Market Fund	0.40%
Warburg Pincus WorldPerks Tax Free Money Market Fund	0.40%

CONTRACTUAL  
ADVISORY  
FEE RATE  
-----

NAME OF PORTFOLIO  
-----

Warburg Pincus Trust*:	
International Equity Portfolio*	1.00%
Growth & Income Portfolio*	0.75%
Emerging Markets Portfolio*	1.25%
Post-Venture Capital Portfolio*	1.25%
Small Company Growth Portfolio*	0.90%
Warburg Pincus Trust II*:	
Fixed Income Portfolio*	0.50%
Global Fixed Income Portfolio*	1.00%

-----

\* For this Portfolio (for a Portfolio by Portfolio vote) or Fund (for a Fund-wide vote), the holders of a majority of the shares entitled to be cast of such Fund or Portfolio shall be necessary and sufficient to constitute a quorum.

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EXHIBIT C

OTHER U.S. REGISTERED INVESTMENT COMPANIES  
ADVISED BY WARBURG OR CSAM:  
FEES AND OTHER INFORMATION

NAME OF FUND -----	NET ASSETS AS OF MARCH 9, 1999 -----	CONTRACTUAL ADVISORY FEE RATE+ -----
CSAM Advised Funds -----		
Warburg Pincus International Growth Fund	\$ 703,898,808	0.800%
Warburg Pincus Emerging Markets II Fund	\$ 18,917,319	1.000% (0.620%)
Warburg Pincus U.S. Core Equity Fund Fund	\$ 70,911,268	0.750% (0.710%)
Warburg Pincus U.S. Core Fixed Income Fund	\$ 371,626,283	0.375% (0.250%)
Warburg Pincus Strategic Global Fixed Income Fund	\$ 28,138,016	0.500% (0.240%)
Warburg Pincus High Yield Fund	\$ 141,616,190	0.700% (0.430%)
Warburg Pincus Municipal Bond Fund	\$ 23,920,713	0.700% (0.450%)
Warburg Pincus Global Telecommunications Fund	\$ 8,059,443	1.000% (0.000%)
Warburg Pincus Long-Short Market Neutral Fund	\$ 27,183,024	1.500%
Warburg Pincus Long-Short Equity Fund	\$ 1,220,497	0.100% (0.000%)
Warburg Pincus Select Economic Value Equity Fund	\$ 35,211,091	0.750% (0.720%)
Warburg Pincus European Equity Fund	\$ 27,225,754	1.000% (0.300%)
Warburg Pincus Central & Eastern Europe Fund	\$ 0	++

-----

+ Advisory fee rate after waivers and/or expense limitations, if applicable, appears in parentheses next to the contractual advisory fee rate.

++ As of March 9, 1999, shares of this Fund has not been offered or sold to the public, and this Fund has not entered into an investment advisory agreement.

NET ASSETS  
AS OF

CONTRACTUAL  
ADVISORY

NAME OF FUND -----	MARCH 9, 1999 -----	FEE RATE -----
CSAM Advised Fund*		
AUL American Series Fund, Inc. - Aggressive Investor	\$ 6,651,596	0.650%
AUL American Series Fund, Inc. - Conservative Investor	\$ 6,407,227	0.650%
AUL American Series Fund, Inc. - Moderate Investor	\$ 6,967,607	0.650%
American Odyssey Fund - Global High Yield Bond	\$ 84,097,618	0.425%
Panorama Series Fund I: LifeSpan Diversified Income	\$ 44,502,829	0.450%
Panorama Series Fund I: LifeSpan Balanced	\$ 83,605,068	0.450%
Panorama Series Fund I: LifeSpan Capital Appreciation	\$ 70,164,417	0.450%
Frank Russell Investment Company Fixed Income III Fund	\$ 452,799,326	0.250%
Frank Russell Investment Company Multistrategy Bond Fund	\$ 573,143,095	0.250%
Centurion U.S. Equity Fund	\$ 56,876,293	0.100%
Centurion International Equity Fund	\$ 59,214,418	0.100%
Centurion U.S. Contra Fund	\$ 40,962,933	0.850%
SEI High Yield Bond Portfolio	\$ 404,605,550	0.338%
Touchstone International Equity Fund A & C	\$ 11,581,113	0.850%
Touchstone International Equity Fund II	\$ 33,207,057	0.850%
American General Annuity - Credit Suisse Growth & Income Fund	\$ 19,878,524	0.500%

\* CSAM is a co-manager of these funds. Net Assets are based on total fund assets.

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NAME OF FUND -----	NET ASSETS AS OF MARCH 9, 1999 -----	CONTRACTUAL ADVISORY FEE RATE -----
Warburg Sub-Advised Funds		
EQ Advisors Trust - WP Small Company Value Portfolio	\$ 145,012,684	0.500%
Jefferson Pilot Variable Fund, Inc. - Growth & Income Portfolio	\$ 66,833,467	0.500%
Nationwide Separate Account Trust - Nationwide Small Company Fund	\$ 69,665,161	0.600%
North American Funds - Emerging Growth Fund	\$ 1,026,732	0.550%
Style Select Series - Aggressive Growth Portfolio	\$ 55,655,781	0.550%
WM Trust II - International Growth Fund	\$ 147,557,297	0.500%

WM Variable Trust - International Growth Fund	\$ 59,134,216	0.500%
Variable Investors Series Trust - Growth & Income Portfolio	\$ 28,412,592	0.500%
Manufacturers Investment Trust - Emerging Small Company Trust **	\$ 281,630,547	0.550%

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\*\* Effective April 30, 1999, Warburg will no longer serve as sub-investment adviser to this Fund.

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EXHIBIT D-1

FORM OF NEW ABBOTT SUB-ADVISORY AGREEMENT

June , 1999

Abbott Capital Management, LLC  
50 Rowes Wharf  
Boston, MA 02110

Dear Sirs:

[ ] Post-Venture Capital Fund, Inc. (the "Fund"), a corporation organized and existing under the laws of the State of Maryland, and [ ] Asset Management, Inc., as its investment adviser (the "Adviser"), herewith confirm their agreement with Abbott Capital Management, LLC (the "Sub-Adviser") as follows:

1. INVESTMENT DESCRIPTION; APPOINTMENT

The Fund desires to employ the capital of the Fund by investing and reinvesting in securities of the kind and in accordance with the limitations specified in the Fund's Articles of Incorporation, as may be amended from time to time (the "Articles of Incorporation"), and in the Prospectus and Statement of Additional Information, as from time to time in effect (the "Prospectus" and "SAI," respectively), and in such manner and to such extent as may from time to time be approved by the Board of Directors of the Fund. Copies of the Prospectus, SAI and Articles of Incorporation have been or will be submitted to the Sub-Adviser. The Fund agrees to provide the Sub-Adviser copies of all amendments to the Prospectus and SAI on an on-going basis. The Fund employs the Adviser as its investment adviser. The Adviser desires to employ and hereby appoints the Sub-Adviser to act as its sub-investment adviser upon the terms set

forth in this Agreement. The Sub-Adviser accepts the appointment and agrees to furnish the services set forth below for the compensation provided for herein.

## 2. SERVICES AS SUB-ADVISER

(a) Subject to the supervision and direction of the Adviser, the Sub-Adviser will provide investment advisory assistance and portfolio management advice to the Fund in accordance with (a) the Articles of Incorporation, (b) the Investment Company Act of 1940, as amended (the "1940 Act"), and the Investment Advisers Act of 1940, as amended (the "Advisers Act"), and all applicable Rules and Regulations of the Securities and Exchange Commission (the "SEC") and all other applicable laws and regulations and (c) the Fund's investment objective and policies as stated in the Prospectus and SAI and investment parameters provided by the Adviser from time to time. In connection therewith, the Sub-Adviser will:

(i) determine whether to purchase, retain or sell interests in United States or foreign private investment vehicles that themselves invest in debt and equity securities of companies in the venture capital and post-venture capital stages of development or companies engaged in special situations or changes in corporate control, including buyouts ("Investments"). The Sub-Adviser is hereby authorized to execute, or place orders for the execution of, all Investments on behalf of the Fund;

(ii) assist the custodian and accounting agent for the Fund in determining or confirming, consistent with the procedures and policies stated in the Prospectus and SAI, the value of any Investments for which the custodian and accounting agent seek assistance from or identify for review by the Sub-Adviser;

(iii) monitor the execution of orders for the purchase or sale of Investments and the settlement and clearance of those orders;

(iv) exercise voting rights in respect of Investments; and

(v) provide reports to the Fund's Board of Directors for consideration at quarterly meetings of the Board on the Investments and furnish the Adviser and the Fund's Board of Directors with such periodic and special reports as the Fund or the Adviser may reasonably request.

(b) In connection with the performance of the services of the Sub-Adviser provided for herein, the Sub-Adviser may contract at its own expense with third parties for the acquisition of research, clerical services and other administrative services that would not require such parties to be required to register as an investment adviser under the Advisers Act; provided that the Sub-Adviser shall remain liable for the performance of its duties hereunder.

## 3. EXECUTION OF TRANSACTIONS

(a) The Sub-Adviser will not effect orders for the purchase or sale of securities on behalf of the Fund through brokers or dealers as agents.

(b) It is understood that the services of the Sub-Adviser are not exclusive, and nothing in this Agreement shall prevent the Sub-Adviser from providing similar services to other investment companies or from engaging in other activities, provided that those activities do not adversely affect the ability of the Sub-Adviser to perform its services under this Agreement. The Fund and the Adviser further understand and acknowledge that the persons employed by the Sub-Adviser to assist in the performance of its duties under this Agreement will not devote their full time to that service. Nothing contained in this Agreement will be deemed to limit or restrict the right of the

Sub-Adviser to engage in and devote time and attention to other businesses or to render services of whatever kind or nature, provided that doing so does not adversely affect the ability of the Sub-Adviser to perform its services under this Agreement.

(c) On occasions when the Sub-Adviser deems the purchase or sale of a security to be in the best interest of the Fund as well as of other investment advisory clients of the Sub-Adviser, the Sub-Adviser may, to the extent permitted by applicable laws and regulations, but shall not be obligated to, aggregate the securities to be so sold or purchased with those of its other clients. In such event, allocation of the securities so purchased or sold, as well as the expenses incurred in the transaction, will be made by the Sub-Adviser in a manner that is fair and equitable, in the judgment of the Sub-Adviser, in the exercise of its fiduciary obligations to the Fund and to such other clients. The Sub-Adviser shall provide to the Adviser and the Fund all information reasonably requested by the Adviser and the Fund relating to the decisions made by the Sub-Adviser regarding allocation of securities purchased or sold, as well as the expenses incurred in a transaction, among the Fund and the Sub-Adviser's other investment advisory clients.

(d) In connection with the purchase and sale of securities for the Fund, the Sub-Adviser will provide such information as may be reasonably necessary to enable the custodian and co-administrators to perform their administrative and recordkeeping responsibilities with respect to the Fund.

#### 4. DISCLOSURE REGARDING THE SUB-ADVISER

(a) The Sub-Adviser has reviewed the disclosure about the Sub-Adviser contained in the Fund's registration statement and represents and warrants that, with respect to such disclosure about the Sub-Adviser or information related, directly or indirectly, to the Sub-Adviser, such registration statement contains, as of the date hereof, no untrue statement of any material fact and does not omit any statement of a material fact which is required to be stated therein or necessary to make the statements contained therein not misleading.

(b) The Sub-Adviser agrees to notify the Adviser and the Fund promptly of any (i) statement about the Sub-Adviser contained in the Fund's registration statement that becomes untrue in any material respect or (ii) omission of a material fact about the Sub-Adviser in the Fund's registration statement which is required to be stated therein or necessary to make the statements contained therein not misleading or (iii) any reorganization or change in the Sub-Adviser, including any change in its ownership or key employees.

(c) Prior to the Fund or the Adviser or any affiliated person (as defined in the 1940 Act, an "Affiliate") of either using or distributing sales literature or other promotional material referring to the Sub-Adviser, the Sub-Adviser shall have the right to approve the general advertising or promotional plan pursuant to which such literature or material is being utilized or distributed; provided that the Sub-Adviser shall be deemed to have approved such advertising or plan if it

has not objected to its use within ten (10) business days after such material has been sent to it. The Fund or the Adviser will use all reasonable efforts to ensure that all advertising, sales and promotional material used or distributed by or on behalf of the Fund or the Adviser that refers to the Sub-Adviser will comply with the requirements of the Advisers Act, the 1940 Act and the rules and regulations promulgated thereunder.



(d) The Sub-Adviser has supplied the Adviser and the Fund copies of its Form ADV with all exhibits and attachments thereto and will hereinafter supply The Adviser, promptly upon preparation thereof, copies of all amendments or restatements of such document.

#### 5. CERTAIN REPRESENTATIONS AND WARRANTIES OF THE SUB-ADVISER

(a) The Sub-Adviser represents and warrants that it is a duly registered investment adviser under the Advisers Act, a duly registered investment adviser in any and all states of the United States in which the Sub-Adviser is required to be so registered and has obtained all necessary licenses and approvals in order to perform the services provided in this Agreement. The Sub-Adviser covenants to maintain all necessary registrations, licenses and approvals in effect during the term of this Agreement.

(b) The Sub-Adviser represents that it has read and understands the Prospectus and SAI and warrants that in investing the Fund's assets it will use all reasonable efforts to adhere to the Fund's investment objectives, policies and restrictions contained therein.

#### 6. COMPLIANCE

(a) The Sub-Adviser agrees that it shall promptly notify The Adviser and the Fund (i) in the event that the SEC or any other regulatory authority has censured its activities, functions or operations; suspended or revoked its registration as an investment adviser; or has commenced proceedings or an investigation that may result in any of these actions, (ii) in the event that there is a change in the Sub-Adviser, financial or otherwise, that adversely affects its ability to perform services under this Agreement or (iii) upon having a reasonable basis for believing that, as a result of the Sub-Adviser's investing the Fund's assets, the Fund's investment portfolio has ceased to adhere to the Fund's investment objective, policies and restrictions as stated in the Prospectus or SAI or is otherwise in violation of applicable law.

(b) The Adviser agrees that it shall promptly notify the Sub-Adviser in the event that the SEC has censured the Adviser or the Fund; placed limitations upon any of their activities, functions or operations; suspended or revoked the Adviser's registration as an investment adviser; or has commenced proceedings or an investigation that may result in any of these actions.

(c) The Fund and the Adviser shall be given access to the records of the Sub-Adviser at reasonable times solely for the purpose of monitoring compliance

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with the terms of this Agreement and the rules and regulations applicable to the Sub-Adviser relating to its providing investment advisory services to the Fund, including without limitation records relating to trading by employees of the Sub-Adviser for their own accounts and on behalf of other clients. The Sub-Adviser agrees to cooperate with the Fund and the Adviser and their representatives in connection with any such monitoring efforts.

#### 7. BOOKS AND RECORDS

(a) In compliance with the requirements of Rule 31a-3 under the 1940 Act, the Sub-Adviser hereby agrees that all records which it maintains for the Fund are the property of the Fund and further agrees to surrender promptly to either the Adviser or the Fund any of such records upon the request of either of them. The Sub-Adviser further agrees to preserve for the periods prescribed by Rule 31a-2 under the 1940 Act the records required to be maintained by Rule 31a-1 under the 1940 Act and to preserve the records required by Rule 204-2 under the Advisers Act for the period specified therein.

(b) The Sub-Adviser hereby agrees to furnish to regulatory authorities having the requisite authority any information or reports in connection with

services that the Sub-Adviser renders pursuant to this Agreement which may be requested in order to ascertain whether the operations of the Fund are being conducted in a manner consistent with applicable laws and regulations.

#### 8. PROVISION OF INFORMATION; PROPRIETARY AND CONFIDENTIAL INFORMATION

(a) The Adviser agrees that it will furnish to the Sub-Adviser information related to or concerning the Fund that the Sub-Adviser may reasonably request.

(b) The Sub-Adviser agrees on behalf of itself and its employees to treat confidentially and as proprietary information of the Fund all records and other information relative to the Fund, the Adviser and prior, present or potential shareholders and not to use such records and information for any purpose other than performance of its responsibilities and duties hereunder except after prior notification to and approval in writing of the Fund, which approval shall not be unreasonably withheld and may not be withheld where the Sub-Adviser may be exposed to civil or criminal contempt proceedings for failure to comply or when requested to divulge such information by duly constituted authorities.

(c) The Sub-Adviser represents and warrants that neither it nor any affiliate will use the name of the Fund, the Adviser or any of their affiliates in any prospectus, sales literature or other material in any manner without the prior written approval of the Fund or the Adviser, as applicable.

#### 9. STANDARD OF CARE

The Sub-Adviser shall exercise its best judgment in rendering the services described herein. The Sub-Adviser shall not be liable for any error of judgment or mistake of law or for any loss suffered by the Fund or the Adviser in connection

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with the matters to which this Agreement relates, except that the Sub-Adviser shall be liable for a loss resulting from a breach of fiduciary duty by the Sub-Adviser with respect to the receipt of compensation for services; provided that nothing herein shall be deemed to protect or purport to protect the Sub-Adviser against any liability to the Fund or the Adviser or to shareholders of the Fund to which the Sub-Adviser would otherwise be subject by reason of willful misfeasance, bad faith or gross negligence on its part in the performance of its duties or by reason of the Sub-Adviser's reckless disregard of its obligations and duties under this Agreement. The Fund and the Adviser understand and agree that the Sub-Adviser may rely upon information furnished to it reasonably believed by the Sub-Adviser to be accurate and reliable and, except as herein provided, the Sub-Adviser shall not be accountable for loss suffered by the Fund by reason of such reliance of the Sub-Adviser.

#### 10. INDEMNIFICATION

(a) The Sub-Adviser agrees to indemnify and hold harmless the Fund, the Adviser, any affiliate thereof, and each person, if any, who, within the meaning of Section 15 of the Securities Act of 1933, as amended (the "1933 Act"), controls ("controlling person") any or all of the Fund and the Adviser (all of such persons being referred to as "Fund Indemnified Persons") against any and all losses, claims, damages, liabilities or litigation (including legal and other expenses) to which any Fund Indemnified Person may become subject under the 1933 Act, the 1940 Act, the Advisers Act, the Internal Revenue Code of 1986, as amended (the "Code"), or under any other statute, at common law or otherwise, arising out of the Sub-Adviser's responsibilities as Sub-Adviser to the Fund which (i) may be based upon any misfeasance, malfeasance or nonfeasance by the Sub-Adviser, or any of its employees or representatives, or any affiliate of or any person acting on behalf of the Sub-Adviser, (ii) may be based upon a failure to comply with paragraph 5(b) of this Agreement, or (iii) may be based upon any

untrue statement or alleged untrue statement of a material fact about the Sub-Adviser contained in the registration statement covering the shares of the Fund, or any amendment or supplement thereto, or the omission or alleged omission to state therein a material fact about the Sub-Adviser known or which should have been known to the Sub-Adviser and was required to be stated therein or necessary to make the statements therein not misleading, if such a statement or omission was made in reliance upon information furnished to the Adviser, the Fund or any affiliate thereof by the Sub-Adviser or any affiliate of the Sub-Adviser; provided that in no case shall the indemnity in favor of any Fund Indemnified Person be deemed to protect such persons against any liability to which any such person would otherwise be subject by reason of willful misfeasance, bad faith, gross negligence in the performance of its duties or by reason of its reckless disregard of its obligations and duties under this Agreement.

(b) The Fund agrees to indemnify and hold harmless the Sub-Adviser, any of its affiliates, and each controlling person, if any, of the Sub-Adviser (all of such persons being referred to as "Sub-Adviser Indemnified Persons") against any

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and all losses, claims, damages, liabilities or litigation (including legal and other expenses) to which any Sub-Adviser Indemnified Person may become subject under the 1933 Act, the 1940 Act, the Advisers Act, the Code or under any other statute, at common law or otherwise, which (i) may be based upon any misfeasance, malfeasance or nonfeasance by the Fund or the Adviser, or any of their respective employees or representatives, or any affiliate of or any person acting on behalf of the Fund or the Adviser, (ii) may be based upon a failure by the Fund or the Adviser to comply with this Agreement, or (iii) may be based upon any untrue statement or alleged untrue statement of a material fact contained in the registration statement covering the shares of the Fund, or any amendment or supplement thereto, or the omission or alleged omission to state therein a material fact known or which should have been known to the Fund and was required to be stated therein or necessary to make the statements therein not misleading, unless such a statement or omission was made in reliance upon information furnished to the Adviser, the Fund or any affiliate thereof by the Sub-Adviser or any affiliate of the Sub-Adviser; provided that in no case shall the indemnity in favor of any Sub-Adviser Indemnified Person be deemed to protect such persons against any liability to which any such person would otherwise be subject by reason of willful misfeasance, bad faith, gross negligence in the performance of its duties or by reason of its reckless disregard of its obligations and duties under this Agreement.

(c) A party (the "Indemnifying Person") shall not be liable under paragraphs 10(a) or 10(b) herein with respect to any claim made against any Fund Indemnified Person or Sub-Adviser Indemnified Person, as applicable (a Fund Indemnified Person and a Sub-Adviser Indemnified Person may be referred to in this paragraph 10(c) as an "Indemnified Person"), unless such Indemnified Person shall have notified the Indemnifying Person in writing within a reasonable time after the summons, notice or other first legal process or notice giving information of the nature of the claim shall have been served upon such Indemnified Person (or after such Indemnified Person shall have received notice of such service on any designated agent), but failure to notify the Indemnifying Person of any such claim shall not relieve the Indemnifying Person from any liability which it may have to any Indemnified Person against whom such action is brought otherwise than on account of this paragraph 10. In case any such action is brought against any Indemnified Person, the Indemnifying Person will be entitled to participate, at its own expense, in the defense thereof or, after notice to the Indemnified Person, to assume the defense thereof, with counsel satisfactory to the Indemnified Person. If the Indemnifying Person assumes the defense of any such action and the selection of counsel by the Indemnifying Person to represent the Indemnifying Person and the Indemnified Person would result in a conflict of interests and therefore would not, in the reasonable judgment of the Indemnified Person, adequately represent the interests of the

Indemnified Person, the Indemnifying Person will, at its own expense, assume the defense with counsel to the Indemnifying Person and, also at its own expense, with separate counsel to the Indemnified Person which counsel shall be satisfactory to the Indemnifying Person and to the Indemnified Person. The Indemnified Person shall bear the fees and expenses of any additional counsel

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retained by it, and the Indemnifying Person shall not be liable to the Indemnified Person under this Agreement for any legal or other expenses subsequently incurred by the Indemnified Person independently in connection with the defense thereof other than reasonable costs of investigation. The Indemnifying Person shall not have the right to compromise on or settle the litigation without the prior written consent of the Indemnified Person if such compromise or settlement results, or may result, in a finding of wrongdoing on the part of the Indemnified Person.

#### 11. COMPENSATION

In consideration of the services rendered pursuant to this Agreement, the Adviser will pay the Sub-Adviser a quarterly fee calculated at an annual rate of 1.00% of the net asset value of the Investments as of the last day of each calendar quarter. The fee for the period from the date of this Agreement to the end of the quarter during which this Agreement commenced shall be prorated according to the proportion that such period bears to the full quarterly period. Such fee shall be paid by the Adviser to the Sub-Adviser within ten (10) business days after the last day of each quarter or, upon termination of this Agreement before the end of a quarter, within ten (10) business days after the effective date of such termination. Upon any termination of this Agreement before the end of a quarter, the fee for such part of that quarter shall be prorated according to the proportion that such period bears to the full quarterly period. For the purpose of determining fees payable to the Sub-Adviser, the value of the Investments shall be computed in the manner specified in the Prospectus or SAI. The Sub-Adviser shall have no right to obtain compensation directly from the Fund for services provided hereunder and agrees to look solely to the Adviser for payment of fees due.

#### 12. EXPENSES

(a) The Sub-Adviser will bear all expenses in connection with the performance of its services under this Agreement, which shall not include the Fund's expenses listed in paragraph 12(b).

(b) The Fund will bear certain other expenses to be incurred in its operation, including: investment advisory and administration fees; taxes, interest, brokerage fees and commissions, if any; fees of Directors of the Fund who are not officers, directors, or employees of the Fund, the Adviser or the Sub-Adviser or affiliates of any of them; fees of any pricing service employed to value shares of the Fund; SEC fees, state Blue Sky qualification fees and any foreign qualification fees; charges of custodians and transfer and dividend disbursing agents; the Fund's proportionate share of insurance premiums; outside auditing and legal expenses; costs of maintenance of the Fund's existence; costs attributable to investor services, including, without limitation, telephone and personnel expenses; costs of preparing and printing prospectuses and statements of additional information for regulatory purposes and for distribution to existing shareholders; costs of shareholders' reports and meetings of the shareholders of the Fund and of the officers or Board of Directors of the Fund; and any extraordinary expenses.

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#### 13. TERM OF AGREEMENT

This Agreement shall continue for an initial two-year period commencing on the date first written above, and thereafter shall continue automatically for

successive annual periods, provided such continuance is specifically approved at least annually by (a) the Board of Directors of the Fund or (b) a vote of a "majority" (as defined in the 1940 Act) of the Fund's outstanding voting securities, provided that in either event the continuance is also approved by a majority of the Board of Directors who are not "interested persons" (as defined in the 1940 Act) of any party to this Agreement, by vote cast in person at a meeting called for the purpose of voting on such approval. This Agreement is terminable, without penalty, (i) by the Adviser on 60 (sixty) days' written notice to the Fund and the Sub-Adviser, (ii) by the Board of Directors of the Fund or by vote of holders of a majority of the Fund's shares on 60 (sixty) days' written notice to the Adviser and the Sub-Adviser, or (iii) by the Sub-Adviser upon 60 (sixty) days' written notice to the Fund and the Adviser. This Agreement will also terminate automatically in the event of its assignment (as defined in the 1940 Act) by any party hereto. In the event of termination of this Agreement for any reason, all records relating to the Fund kept by the Sub-Adviser shall promptly be returned to the Adviser or the Fund, free from any claim or retention of rights in such records by the Sub-Adviser. In the event this Agreement is terminated or is not approved in the foregoing manner, the provisions contained in paragraph numbers 4(c), 7, 8, 9 and 10 shall remain in effect.

#### 14. AMENDMENTS

No provision of this Agreement may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought, and no amendment of this Agreement shall be effective until approved by an affirmative vote of (a) the holders of a majority of the outstanding voting securities of the Fund and (b) the Board of Directors of the Fund, including a majority of Directors who are not "interested persons" (as defined in the 1940 Act) of the Fund or of either party to this Agreement, by vote cast in person at a meeting called for the purpose of voting on such approval, if such approval is required by applicable law.

#### 15. NOTICES

All communications hereunder shall be given (a) if to the Sub-Adviser, to Abbott Capital Management, LLC, 1330 Avenue of the Americas, Suite 2800, New York, New York 10019 (Attention: Raymond L. Held), telephone: (212) 757-2700, telecopy: (212) 757-0835, (b) if to the Adviser, to [\_\_\_\_\_] Asset Management, Inc., 466 Lexington Avenue, New York, New York 10017-3147 (Attention: President), telephone: (212) 878-0600, telecopy: (212) 878-9351, and (c) if to the Fund, c/o [\_\_\_\_\_] Asset Management, Inc., 466 Lexington Avenue, New York, New York 10017-3147, telephone: (212) 878-0600, telecopy: (212) 878-9351 (Attention: President).

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#### 16. CHOICE OF LAW

This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York in the United States, including choice of law principles; provided that nothing herein shall be construed in a manner inconsistent with the 1940 Act, the Advisers Act or any applicable rules, regulations or orders of the SEC.

#### 17. MISCELLANEOUS

(a) The captions of this Agreement are included for convenience only and in no way define or limit any of the provisions herein or otherwise affect their construction or effect.

(b) If any provision of this Agreement shall be held or made invalid by a court decision, by statute or otherwise, the remainder of this Agreement shall not be affected thereby and, to this extent, the provisions of this Agreement shall be deemed to be severable.

(c) Nothing herein shall be construed to make the Sub-Adviser an agent of the Adviser or the Fund.

(d) This Agreement may be executed in counterparts, with the same effect as if the signatures were upon the same instrument.

Please confirm that the foregoing is in accordance with your understanding by indicating your acceptance hereof at the place below indicated, whereupon it shall become a binding agreement between us.

Very truly yours,  
[\_\_\_\_\_] ASSET MANAGEMENT, INC.

By: \_\_\_\_\_  
Name:  
Title:

[\_\_\_\_\_] POST-VENTURE CAPITAL FUND, INC.

By: \_\_\_\_\_  
Name:  
Title:

ABBOTT CAPITAL MANAGEMENT, LLC

By: \_\_\_\_\_  
Name:  
Title:

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EXHIBIT D-2

FORM OF NEW BLACKROCK SUB-ADVISORY AGREEMENT

AGREEMENT dated as of June \_\_, 1999 between [\_\_\_\_\_] ASSET MANAGEMENT, INC., a Delaware corporation (herein called the "Investment Advisor") and BLACKROCK INSTITUTIONAL MANAGEMENT CORPORATION, a Delaware corporation (herein called the "Sub-Advisor").

WHEREAS, the Investment Advisor is the investment advisor to [\_\_\_\_\_] WORLDPERKS [\_\_\_\_\_] FUND, INC. (herein called the "Fund"), an open-end, diversified, management investment company registered under the Investment Company Act of 1940, as amended (the "1940 Act");

WHEREAS, the Investment Advisor wishes to retain the Sub-Advisor to assist the Investment Advisor in providing investment advisory services to the Fund; and

WHEREAS, the Sub-Advisor is willing to provide such services to the Investment Advisor upon the conditions and for the compensation set forth below.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, and intending to be legally bound hereby, it is agreed between the parties hereto as follows:

1. APPOINTMENT. The Investment Advisor hereby appoints the Sub-Advisor its sub-advisor with respect to the Fund as provided for in the Investment Advisory Agreement between the Investment Advisor and the Fund dated as of June \_\_, 1999 (such Agreement or the most recent successor advisory agreement between such parties is herein called the "Advisory Agreement").

The Sub-Advisor accepts such appointment and agrees to render the services herein set forth for the compensation herein provided.

2. DELIVERY OF DOCUMENTS. The Investment Advisor shall provide to the Sub-Advisor copies of the Fund's most recent prospectus and statement of additional information (including any supplement thereto) which relate to any class of shares representing interests in the Fund (each such prospectus and statement of additional information as presently in effect, and as they shall from time to time be amended and supplemented, is herein respectively called a "Prospectus" and a "Statement of Additional Information").

3. SUB-ADVISORY SERVICES TO THE FUND. Subject to the supervision of the Investment Advisor, the Sub-Advisor will supervise the day-to-day operations of the Fund and perform the following services: (i) provide investment research and credit analysis concerning the Fund's investments, (ii) conduct a continual program of investment of the Fund's assets, (iii) place orders for all purchases and sales of the investments made for the Fund and (iv) maintain the books and records required in connection with its duties hereunder. In addition, the Sub-Advisor will

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keep the Investment Advisor promptly informed in writing of developments materially affecting the Fund. The Sub-Advisor will communicate to the Investment Advisor on each day that a purchase or sale of a security is effected for the Fund (i) the name of the issuer, (ii) the amount of the purchase or sale, (iii) the name of the broker or dealer, if any, through which the purchase or sale will be effected, (iv) the CUSIP number of the security, if any, and (v) such other information as the Investment Advisor may reasonably require for purposes of fulfilling its obligations to the Fund under the Advisory Agreement. The Sub-Advisor will render to the Fund's Board of Directors such periodic and special reports as the Investment Advisor may reasonably request. The Sub-Advisor will provide the services rendered by it hereunder in accordance with the Fund's investment objectives, policies and restrictions as stated in the Prospectus and Statement of Additional Information.

4. BROKERAGE. The Sub-Advisor may place orders pursuant to its investment determinations for the Fund either directly with the issuer or with any broker or dealer. In placing orders, the Sub-Advisor will consider the experience and skill of the firm's securities traders as well as the firm's financial responsibility and administrative efficiency. The Sub-Advisor will attempt to obtain the best price and the most favorable execution of its orders. Consistent with these obligations, the Sub-Advisor may, subject to the approval of the Board of Directors, select brokers on the basis of the research, statistical and pricing services they provide to the Fund. A commission paid to such brokers may be higher than that which another qualified broker would have charged for effecting the same transaction, provided that the Sub-Advisor determines in good faith that such transaction is reasonable in terms either of the transaction or the overall responsibility of the Sub-Advisor to the Fund and its other clients and that the total commissions paid by the Fund will be reasonable in relation to the benefits to the Fund over the long-term. In no instance will portfolio securities be purchased from or sold to the Fund's principal distributor, the Investment Advisor, or any affiliate thereof, except to the extent permitted by an exemptive order of the Securities and Exchange Commission or by applicable law.

5. COMPLIANCE WITH LAWS; CONFIDENTIALITY. The Sub-Advisor agrees that it will comply with all applicable rules and regulations of all federal and state regulatory agencies having jurisdiction over the Sub-Advisor in performance of its duties hereunder (herein called the "Rules"). The Sub-Advisor will treat confidentially and as proprietary information of the Fund all records and information relative to the Fund, and will not use such records and information for any purpose other than performance of its responsibilities and duties hereunder, except after prior notification to and approval in writing by the Fund, which approval shall not be unreasonably withheld and may not be withheld where the Sub-Advisor may be exposed to civil or criminal contempt proceedings for failure to comply, when requested to divulge such information by duly constituted authorities, or when so requested by the Fund.

6. CONTROL BY THE FUND'S BOARD OF DIRECTORS. Any recommendations

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concerning the Fund's investment program proposed by the Sub-Advisor to the Fund and the Investment Advisor pursuant to this Agreement, as well as any other activities undertaken by the Sub-Advisor on behalf of the Fund pursuant thereto, shall at all times be subject to any applicable directives of the Board of Directors of the Fund.

7. SERVICES NOT EXCLUSIVE. The Sub-Advisor's services hereunder are not deemed to be exclusive, and the Sub-Advisor shall be free to render similar services to others so long as its services under this Agreement are not impaired thereby.

8. BOOKS AND RECORDS. In compliance with the requirements of Rule 31a-3 under the 1940 Act, the Sub-Advisor hereby agrees that all records which it maintains for the Fund are the property of the Fund and further agrees to surrender promptly to the Fund any such records upon the Fund's request. The Sub-Advisor further agrees to preserve for the periods prescribed by Rule 31a-2 under the 1940 Act, the records required to be maintained by the Sub-Advisor hereunder pursuant to Rule 31a-1 and Rule 2a-7 under the 1940 Act.

9. EXPENSES. During the term of this Agreement, the Sub-Advisor will bear all expenses in connection with the performance of its services under this Agreement. The Sub-Advisor shall not bear certain other expenses related to the operation of the Fund including, but not limited to: taxes, interest, brokerage fees and commissions and any extraordinary expense items.

10. COMPENSATION. For the services which the Sub-Advisor will render to the Investment Advisor under this Agreement, the Investment Advisor will pay to the Sub-Advisor on the first day of each month, a fee for the previous month calculated daily, at an annual rate of .06% of the Fund's average daily net assets.

11. LIMITATION ON LIABILITY. The Sub-Advisor will not be liable for any error of judgment or mistake of law or for any loss suffered by the Investment Advisor or by the Fund in connection with the matters to which this Agreement relates, except that it shall be liable to the Investment Advisor and the Fund for a loss resulting from a breach of fiduciary duty with respect to the receipt of compensation for services or a loss resulting from willful misfeasance, bad faith or gross negligence on its part in the performance of its duties or from reckless disregard by it of its obligations or duties under this Agreement.

12. DURATION AND TERMINATION. This Agreement shall become effective with respect to the Fund upon approval of this Agreement by vote of a majority of the outstanding voting securities of the Fund and, unless sooner terminated as provided herein, shall continue in effect with respect to the Fund for an initial two-year period commencing on the date first written above. Thereafter, if not terminated, this Agreement shall continue in effect for successive annual periods, provided such continuance is specifically approved at least annually (a) by the vote of a majority of those members of the Board of Directors of the Fund who are not interested persons of the Fund or any party to this Agreement, cast in person at a

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meeting called for the purpose of voting on such approval, and (b) by the Board of Directors of the Fund or by vote of a majority of the outstanding voting securities of the Fund. Notwithstanding the foregoing, this Agreement may be terminated at any time, without the payment of any penalty, by the Fund (by vote of the Board of Directors of the Fund or by vote of a majority of the outstanding voting securities of the Fund), or by the Investment Advisor or the



Sub-Advisor on sixty (60) days' written notice. This Agreement will immediately terminate in the event of its assignment. (As used in this Agreement, the terms "majority of the outstanding voting securities," "interested person" and "assignment" shall have the same meaning as such terms have in the 1940 Act.)

13. AMENDMENT OF THIS AGREEMENT. No provision of this Agreement may be changed, discharged or terminated orally, but only by an instrument in writing signed by the party against which enforcement of the change, discharge or termination is sought, and no amendment of this Agreement affecting the Fund shall be effective until approved by vote of the holders of a majority of the outstanding voting securities of the Fund.

14. MISCELLANEOUS. The captions in this Agreement are included for convenience of reference only and in no way define or delimit any provisions hereof or otherwise affect their construction or effect. If any provision of this Agreement shall be held or made invalid by a court decision, statute, rule or otherwise, the remainder of this Agreement shall not be affected thereby. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and shall be governed by Delaware law.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed by their officers designated below as of the day and year first above written.

[ \_\_\_\_\_ ] ASSET MANAGEMENT, INC.

By: \_\_\_\_\_  
Title:

BLACKROCK INSTITUTIONAL  
MANAGEMENT CORPORATION

By: \_\_\_\_\_  
Title:

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Annex I

NAME AND ADDRESS -----	SHARES HELD -----	PERCENTAGE OWNERSHIP OF OUTSTANDING SHARES -----
WARBURG PINCUS BALANCED FUND Charles Schwab & Co. Inc.* Special Custody Account for the Exclusive Benefit of Customers Attn: Mutual Funds Department 101 Montgomery Street San Francisco, CA 94104-4122	1,251,843	47.88%
National Financial Services Corp.* FBO Customers Church Street Station P.O. Box 3908	346,440	13.25%

New York, NY 10008-3908

Carn & Co. FBO Whiting Swenson Employees Savings Plan A/C# 022194-01 P.O. Box 96211 Washington DC 20090-6211	169,178	6.47%
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WARBURG PINCUS CAPITAL APPRECIATION FUND Charles Schwab & Co. Inc.* Special Custody Account for the Exclusive Benefit of Customers Attn: Mutual Funds Department 101 Montgomery Street San Francisco, CA 94104-4122	3,291,140	8.72%
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Bank One Securities FBO The One Investment Solution 733 Greenrest Drive Westerville, OH 43081-4903	2,456,105	6.51%
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NAME AND ADDRESS -----	SHARES HELD -----	PERCENTAGE OWNERSHIP OF OUTSTANDING SHARES -----
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WARBURG PINCUS CASH RESERVE FUND Fiduciary Trust Co. International* Customer Account Attn: Felyce Porr Securities Services Group Church Street Station P. O. Box 3199 New York, NY 10008-3199	74,795,100	18.67%
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Neuberger & Berman* Attn: Operations Control Dept. 55 Water Street, 27th Floor New York, NY 10041-0001	155,967,694	38.94%
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The Bank of New York* c/o Frank Notaro Special Processing Dept. One Wall Street, 2nd Floor New York, NY 10005-2501	31,205,959	7.79%
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WARBURG PINCUS EMERGING GROWTH FUND Charles Schwab & Co. Inc.* Special Custody Account for the Exclusive Benefit of Customers Attn: Mutual Funds Department 101 Montgomery Street San Francisco, CA 94104-4122	6,658,989	13.26%
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Nationwide Life Insurance Company Nationwide QPVA c/o IPO Portfolio Accounting P. O. Box 182029 Columbus, OH 43218-2029	4,976,057	9.91%
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National Financial Services Corp.* FBO Customers Church Street Station P. O. Box 3908 New York, NY 10008-3908	2,942,461	5.86%
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Fidelity Investment Institutional Operations Cnt as Agent for Certain Employee Benefit Plans 100 Magellan Way Covington, KY 41015-1999	3,716,110	7.40%
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NAME AND ADDRESS -----	SHARES HELD -----	PERCENTAGE OWNERSHIP OF OUTSTANDING SHARES -----
First Trust National Association Trustee for United Healthcare Corp. 401(k) Savings Plan Attn: Mutual Funds A/C #21740224 P.O. Box 64010 St. Paul, MN 55164-0010	2,781,008	5.54%
Connecticut General Life Insurance. Co.* On behalf of its Separate Accounts 55G c/o Melissa Spencer M110 CIGNA Corp. P. O. Box 2975 Hartford, CT 06104-2975	8,053,191	16.03%
WARBURG PINCUS EMERGING MARKETS FUND Salomon Smith Barney Inc* Book Entry Account Attn: Matt Maesstri 333 West 34th Street Mutual Fund Dept., 7th Floor New York, NY 10001-2483	1,607,299	19.75%
Charles Schwab & Co. Inc.* Special Custody Account for the Exclusive Benefit of Customers Attn: Mutual Funds Department 101 Montgomery Street San Francisco, CA 94104-4122	2,395,430	29.43%
National Financial Services Corp.* FBO Customers Church Street Station P. O. Box 3908 New York, NY 10008-3908	888,011	10.91%

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NAME AND ADDRESS -----	SHARES HELD -----	PERCENTAGE OWNERSHIP OF OUTSTANDING SHARES -----
WARBURG PINCUS FIXED INCOME FUND Salomon Smith Barney Inc.* Book Entry Account Attn: Matt Maestri 333 West 34th Street Mutual Funds Dept., 7th Floor New York, NY 10001-2483	3,966,019	9.67%

Charles Schwab & Co. Inc.* Special Custody Account for the Exclusive Benefit of Customers Attn: Mutual Funds Department 101 Montgomery Street San Francisco, CA 94104-4122	12,802,307	31.21%
John L. Vogelstein c/o E.M. Warburg Pincus & Co. 466 Lexington Avenue New York, NY 10017-3140	2,445,914	5.96%
WARBURG PINCUS GLOBAL FIXED INCOME FUND Salomon Smith Barney Inc.* Book Entry Account Attn: Matt Maestri 333 West 34th Street Mutual Funds Dept., 7th Floor New York, NY 10001-2483	2,534,931	17.52%
Charles Schwab & Co. Inc.* Special Custody Account for the Exclusive Benefit of Customers Attn: Mutual Funds Department 101 Montgomery Street San Francisco, CA 94104-4122	4,639,219	32.06%
Donaldson Lufkin & Jenrette Securities Corp.* Pershing Division Mutual Fund Balancing 1 Pershing Plaza, 14th Floor Jersey City, NJ 07399-0001	784,640	5.42%

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NAME AND ADDRESS -----	SHARES HELD -----	PERCENTAGE OWNERSHIP OF OUTSTANDING SHARES -----
National Financial Services Corp.* FBO Customers P. O. Box 3908 New York, NY 10008-3908	1,878,333	12.98%
Prudential Securities Inc.* For exclusive benefit of customers PC 1 New York Plaza New York, NY 10004-1901	936,489	6.47%
WARBURG PINCUS GLOBAL POST-VENTURE CAPITAL FUND Charles Schwab & Co. Inc.* Special Custody Account for the Exclusive Benefit of Customers Attn: Mutual Funds Department 101 Montgomery Street San Francisco, CA 94104-4122	29,865	9.12%
Elizabeth Dater c/o E.M. Warburg Pincus & Co. 466 Lexington Avenue New York, NY 10017-3140	20,836	6.36%
Warburg Pincus Asset Management, Inc.** Attn: Stephen Distler	104,074	31.78%

466 Lexington Avenue, 10th Floor  
New York, NY 10017-3140

WARBURG PINCUS GROWTH & INCOME FUND

Charles Schwab & Co. Inc.* Special Custody Account for the Exclusive Benefit of Customers Attn: Mutual Funds Department 101 Montgomery Street San Francisco, CA 94104-4122	10,063,058	24.09%
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National Financial Services Corp.* FBO Customers Church Street Station P. O. Box 3908 New York, NY 10008-3908	10,028,018	24.01%
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NAME AND ADDRESS -----	SHARES HELD -----	PERCENTAGE OWNERSHIP OF OUTSTANDING SHARES -----
Connecticut General Life Insurance Co.* On behalf of its Separate Accounts 55S c/o Melissa Spencer M110 CIGNA Corp. P. O. Box 2975 Hartford, CT 06104-2975	4,642,187	11.11%
WARBURG PINCUS HEALTH SCIENCES FUND Charles Schwab & Co. Inc.* Special Custody Account for the Exclusive Benefit of Customers Attn: Mutual Funds Department 101 Montgomery Street San Francisco, CA 94104-4122	1,234,502	25.02%
National Financial Services Corp.* FBO Customers Church Street Station P. O. Box 3908 New York, NY 10008-3908	727,769	14.75%
WARBURG PINCUS INSTITUTIONAL FUND, INC. - EMERGING MARKETS PORTFOLIO American Jewish Committee Retirement Plan c/o Clifford Surloff 165 East. 56th Street New York, NY 10022-2746	99,935	11.25%
David Mitchell The Taft School 110 Woodbury Road Watertown, CT 06795-2100	111,560	12.55%
The Greenwall Foundation William C. Stubing 2 Park Avenue New York, NY 10016-5675	148,303	16.69%

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NAME AND ADDRESS -----	SHARES HELD -----	PERCENTAGE OWNERSHIP OF OUTSTANDING SHARES -----
Beekman Vista Inc. c/o Robert Julien 5646 Milton Street, Suite 128 Dallas, TX 75206-3929	199,067	22.40%
The Juilliard School 60 Lincoln Center Plaza New York, NY 10023-6588	324,100	36.47%
WARBURG PINCUS INSTITUTIONAL FUND, INC. - INTERNATIONAL EQUITY PORTFOLIO Vanguard Fiduciary Trust Co. Trust Agreement FBO Compaq Computer Corporation U/A dated 7/1/95 P.O. Box 2600 VM613 Valley Forge, PA 19482-2900	3,575,676	5.68%
Northern Trust Co. FBO Harnishfeger Ind P.O. Box 92956 Chicago, IL 60675-2956	3,236,601	5.14%
WARBURG PINCUS INSTITUTIONAL FUND, INC. - JAPAN GROWTH PORTFOLIO Warburg Pincus Asset Management, Inc.** Attn: Stephen Distler 466 Lexington Ave., 10th Floor New York, NY 10017-3140	149,869	92.65%
WARBURG PINCUS INSTITUTIONAL FUND, INC. - POST-VENTURE CAPITAL PORTFOLIO Warburg Pincus Asset Management, Inc.** Attn: Stephen Distler 466 Lexington Avenue, 10th Floor New York, NY 10017-3140	100,100	74.95%
Guarantee & Trust Co. Stuart Goode IRA R/O 70 East 77th Street, Apt. 9A New York, NY 10021-1811	12,495	9.36%

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NAME AND ADDRESS -----	SHARES HELD -----	PERCENTAGE OWNERSHIP OF OUTSTANDING SHARES -----
WARBURG PINCUS INSTITUTIONAL FUND, INC. - SMALL COMPANY GROWTH PORTFOLIO Mac & Co. A/C OBRF3331022 Mutual Fund Operations P. O. Box 3198 Pittsburgh, PA 15230-3198	1,008,085	6.45%
National City Bank of Kentucky Trustee Baptist Healthcare System	817,305	5.23%

UAD 05/06/97  
 Attn: Trust Mutual Funds  
 P. O. Box 94777  
 Cleveland, OH 44101-4777

Northern Trust Co. Trustee FBO Southern California Rock Products A/C 22-05395 P. O. Box 92956 Chicago, IL 60675-2956	877,715	5.61%
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Key Trust Co., Trustee FBO Thunderbird Mining A/C 2020200-1067163 Dtd 03/01/98 P. O. Box 94871 Cleveland, OH 44101-4871	801,884	5.13%
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Mac & Co. A/C BUCF1831132 Mutual Funds Operations P. O. Box 3198 Pittsburgh, PA 15230-3198	1,936,204	12.38%
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NAME AND ADDRESS -----	SHARES HELD -----	PERCENTAGE OWNERSHIP OF OUTSTANDING SHARES -----
Mac & Co. A/C BUCF1731752 Mutual Funds Operations P. O. Box 3198 Pittsburgh, PA 15230-3198	855,653	5.47%
Trustees of Amherst College Amherst College Ms. Sharon Siegel, Treasurer Office Box 2203 P. O. Box 5000 Amherst, MA 01002-5000	1,779,720	11.38%
WARBURG PINCUS INSTITUTIONAL FUND, INC. - SMALL COMPANY VALUE PORTFOLIO Newman-Stein Profit Sharing Plan c/o Mr. William Stein 902 Broadway New York, NY 10010-6002	15,582	14.16%
Delaware Charter Guarantee & Trust Co. FBO Charles A. Steinberg P.O. Box 8963 Wilmington, DE 19899-8963	9,275	8.43%
Guarantee & Trust Co. Stuart Goode IR R/O 70 East 77th Street, Apt. 9A New York, NY 10021-1811	12,952	11.77%
Wendel & Co. c/o The Bank of New York Mutual Fund/Reorg Dept. Wall Street Station P. O. Box 1066	47,393	43.06%

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NAME AND ADDRESS -----	SHARES HELD -----	PERCENTAGE OWNERSHIP OF OUTSTANDING SHARES -----
WARBURG PINCUS INSTITUTIONAL FUND, INC. - VALUE PORTFOLIO Mandel Associated Foundations 1750 Euclid Avenue Cleveland, OH 44115-2106	720,920	15.93%
Foundations Investments of Ohio P. O. Box 6609 Cleveland, OH 44101-1609	323,330	7.14%
National Financial Services Corp.* FBO Customers Church Street Station P. O. Box 3908 New York, NY 10008-3908	3,299,001	72.88%
WARBURG PINCUS INTERMEDIATE MATURITY GOVERNMENT FUND Charles Schwab & Co. Inc.* Special Custody Account for the Exclusive Benefit of Customers Attn: Mutual Funds Department 101 Montgomery Street San Francisco, CA 94104-4122	2,462,580	34.98%
National Financial Services Corp.* FBO Customers Church Street Station P. O. Box 3908 New York, NY 10008-3908	542,307	7.70%
WARBURG PINCUS INTERNATIONAL EQUITY FUND Charles Schwab & Co. Inc.* Special Custody Account for the Exclusive Benefit of Customers Attn: Mutual Funds Department 101 Montgomery Street San Francisco, CA 94104-4122	15,475,619	21.47%
National Financial Services Corp.* FBO Customers Church Street Station P. O. Box 3908 New York, NY 10008-3908	5,605,325	7.78%

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NAME AND ADDRESS -----	SHARES HELD -----	PERCENTAGE OWNERSHIP OF OUTSTANDING SHARES -----
Connecticut General Life Insurance Co.* On behalf of its separate accounts 55F c/o Melissa Spencer M110 CIGNA Corp. P. O. Box 2975	15,175,186	21.05%



WARBURG PINCUS INTERNATIONAL SMALL COMPANY FUND

Warburg Pincus Asset Management, Inc.\*\* 50,000 23.29%  
 Attn: Stephen Distler  
 466 Lexington Avenue, 10th Floor  
 New York, NY 10017-3140

Charles V. Prothro 51,116 23.81%  
 2304 Midwestern Parkway, Suite 200  
 Wichita Falls, TX 76308-2334

WARBURG PINCUS JAPAN GROWTH FUND

Charles Schwab & Co. Inc.\* 1,688,184 31.99%  
 Special Custody Account for  
 the Exclusive Benefit of Customers  
 Attn: Mutual Funds Department  
 101 Montgomery Street  
 San Francisco, CA 94104-4122

Donaldson Lufkin & Jenrette Securities Corp.\* 357,905 6.78%  
 Pershing Division  
 Mutual Fund Balancing  
 1 Pershing Plaza, 14th Floor  
 Jersey City, NJ 07399-0001

National Financial Services Corp.\* 1,669,369 31.64%  
 FBO Customers  
 Church Street Station  
 P. O. Box 3908  
 New York, NY 10008-3908

Susquehanna Financial Group Inc 294,985 5.59%  
 401 E. City Avenue, Suite 220  
 Bala Cynwyd, PA 19004-1117

National Investor Services Corp.\* 269,633 5.11%  
 For the exclusive benefit of our customers  
 55 Water Street, 32nd Floor  
 New York, NY 10041-3299

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NAME AND ADDRESS -----	SHARES HELD -----	PERCENTAGE OWNERSHIP OF OUTSTANDING SHARES -----
WARBURG PINCUS JAPAN SMALL COMPANY FUND Charles Schwab & Co. Inc.* Special Custody Account for the Exclusive Benefit of Customers Attn: Mutual Funds Department 101 Montgomery Street San Francisco, CA 94104-4122	5,847,315	36.80%
National Financial Services Corp.* FBO Customers Church Street Station P. O. Box 3908 New York, NY 10008-3908	4,640,762	29.20%
National Investor Services Corp.* For the exclusive benefit of our customers 55 Water Street, 32nd Floor	2,180,629	13.72%

WARBURG PINCUS MAJOR FOREIGN MARKETS FUND

Christian Childrens Fund Inc. c/o D. Wayne Ball P. O. Box 26484 2400 Emerywood Parkway Richmond, VA 23261-6484	247,633	5.22%
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The Northern Trust Co. Trustee FBO GATX Master Trust Retirement Trust Dtd 12/19/79 500 W. Monroe St. Chicago, IL 60661-3630	1,014,873	21.38%
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NAME AND ADDRESS -----	SHARES HELD -----	PERCENTAGE OWNERSHIP OF OUTSTANDING SHARES -----
WARBURG PINCUS NEW YORK INTERMEDIATE MUNICIPAL FUND		
Christopher W. Brody c/o E.M. Warburg Pincus & Co. 466 Lexington Avenue New York, NY 10017-3140	539,392	5.24%
Charles Schwab & Co. Inc.* Special Custody Account for the Exclusive Benefit of Customers Attn: Mutual Funds Department 101 Montgomery Street San Francisco, CA 94104-4122	1,010,169	9.81%
WARBURG PINCUS NEW YORK TAX EXEMPT FUND		
Chase Manhattan Bank* Client Service Dept 1 Chase Manhattan Plaza, 16th Floor New York, NY 10005-1401	9,104,103	5.17%
Fiduciary Trust Co. International* Customer A/C Attn: Felyce Porr Securities Services Group Church Street Station P. O. Box 3199 New York, NY 10008-3199	60,978,500	34.66%
Neuberger & Berman* Attn: Operations Control Dept. Steve Gallaro 55 Water Street, 27th Floor New York, NY 10041-0001	93,636,350	53.22%

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NAME AND ADDRESS -----	SHARES HELD -----	PERCENTAGE OWNERSHIP OF OUTSTANDING SHARES -----
WARBURG PINCUS POST-VENTURE CAPITAL FUND		
Charles Schwab & Co. Inc.* Special Custody Account for the Exclusive Benefit of Customers	919,759	27.11%

Attn: Mutual Funds Department  
 101 Montgomery Street  
 San Francisco, CA 94104-4122

National Financial Services Corp.* FBO Customers Church Street Station P. O. Box 3908 New York, NY 10008-3908	430,220	12.68%
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WARBURG PINCUS SMALL COMPANY GROWTH FUND 1991 Trust #1 Edwin Gustafson Jr., Trustee c/o Warburg Pincus Asset Management, Inc. 466 Lexington Avenue New York, NY 10017-3140	27,844	6.32%
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1991 Trust #2 Edwin Gustafson Jr., Trustee c/o Warburg Pincus Asset Management, Inc. 466 Lexington Avenue New York, NY 10017-3140	27,844	6.32%
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Charles Schwab & Co. Inc.* Special Custody Account for the Exclusive Benefit of Customers Attn: Mutual Funds Department 101 Montgomery Street San Francisco, CA 94104-4122	88,068	20.01%
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The Wooden Nickel Foundation** c/o E.M. Warburg Pincus & Co. 466 Lexington Avenue New York, NY 10017-3140	52,751	11.98%
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NAME AND ADDRESS -----	SHARES HELD -----	PERCENTAGE OWNERSHIP OF OUTSTANDING SHARES -----
National Financial Services Corp.* FBO Customers Church Street Station P. O. Box 3908 New York, NY 10008-3908	40,705	9.25%
WARBURG PINCUS SMALL COMPANY VALUE FUND Charles Schwab & Co. Inc.* Special Custody Account for the Exclusive Benefit of Customers Attn: Mutual Funds Department 101 Montgomery Street San Francisco, CA 94104-4122	971,109	26.67%
Donaldson Lufkin & Jenrette Securities Corp.* Pershing Division Mutual Fund Balancing 1 Pershing Plaza, 14th Floor Jersey City, NJ 07399-0001	214,882	5.90%
National Financial Services Corp.* FBO Customers Church Street Station	559,779	15.37%

P. O. Box 3908  
New York, NY 10008-3908

Wendel & Co. A/C 828274 c/o The Bank of New York Attn: Mutual Fund/ Reorg Dept. Wall Street Station P. O. Box 1066 New York, NY 10268-1066	186,159	5.11%
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NAME AND ADDRESS -----	SHARES HELD -----	PERCENTAGE OWNERSHIP OF OUTSTANDING SHARES -----
WARBURG PINCUS TRUST - EMERGING MARKETS PORTFOLIO Warburg Pincus Asset Management, Inc.** Attn: Stephen Distler 466 Lexington Avenue, 10th Floor New York, NY 10017-3140	100,000	25.65%
Sun Life of Canada (US) c/o Retirement Products & Services Accounting Control P. O. Box 9134 Boston, MA 02117-9134	30,845	7.91%
The Travelers SEP Account ABD2 for variable annuities of the Travelers Insurance Co. 1 Tower Square Hartford, CT 06183-0002	86,436	22.17%
The Travelers SEP Account ABD for Variable Annuities of the Travelers Insurance Co. 1 Tower Square Hartford, CT 06183-0002	30,080	7.72%
The Travelers SEP Account TM2 for Variable Annuities of the Travelers Insurance Co. 1 Tower Square Hartford, CT 06183-0002	120,199	30.83%

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NAME AND ADDRESS -----	SHARES HELD -----	PERCENTAGE OWNERSHIP OF OUTSTANDING SHARES -----
WARBURG PINCUS TRUST - GROWTH & INCOME PORTFOLIO Nationwide Life Insurance Company NWVLI - 4 c/o IPO Portfolio Accounting P. O. Box 182029 Columbus, OH 43218-2029	75,064	5.40%
Nationwide Life Insurance Company NWVA - 9 c/o IPO Portfolio Accounting	1,258,741	90.60%

P. O. Box 182029  
Columbus, OH 43218-2029

WARBURG PINCUS TRUST - INTERNATIONAL EQUITY PORTFOLIO		
Nationwide Life Insurance Company	19,111,647	58.16%
Nationwide Variable Account II		
c/o IPO Portfolio Accounting		
P. O. Box 182029		
Columbus, OH 43218-2029		
Equitable Life Insurance Co. of Iowa	3,742,221	11.39%
Separate Account A		
Danelle Knopf		
909 Locust St.		
Des Moines, IA 50309-2803		
Golden American Life	6,487,792	19.74%
Separate Account B		
1001 Jefferson St., Suite 400		
Wilmington, DE 19801-1493		

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NAME AND ADDRESS	SHARES HELD	PERCENTAGE OWNERSHIP OF OUTSTANDING SHARES
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WARBURG PINCUS TRUST - POST-VENTURE CAPITAL PORTFOLIO		
Nationwide Life Insurance Company	1,812,513	35.03%
Nationwide Variable Account II		
c/o IPO Portfolio Accounting		
P. O. Box 182029		
Columbus, OH 43218-2029		
Pruco Life Flexible Premium	1,806,833	34.92%
Variable Annuity Account		
213 Washington St., 7th Floor		
Newark, NJ 07102-2917		
Nationwide Life Insurance Company	594,944	11.50%
NWVA-9		
c/o IPO Portfolio Accounting		
P.O. Box 182029		
Columbus, OH 43218-2029		
Fidelity Investments Life Insurance Company	514,316	9.94%
Attn: Sean Locke		
82 Devonshire St. #R25B		
Boston, MA 02109-3605		
WARBURG PINCUS TRUST - SMALL COMPANY GROWTH PORTFOLIO		
Nationwide Life Insurance Company	18,030,581	40.86%
Nationwide Variable Account II		
c/o IPO Portfolio Accounting		
P.O. Box 182029		
Columbus, OH 43218-2029		
IDS Life Insurance Company	21,249,876	48.16%
c/o American Express Financial Advisors		
Attn: Flex Variable Annuity T11-125		
IDS Tower 10		
Minneapolis, MN 55440		

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NAME AND ADDRESS -----	SHARES HELD -----	PERCENTAGE OWNERSHIP OF OUTSTANDING SHARES -----
WARBURG PINCUS TRUST II - FIXED INCOME PORTFOLIO Warburg Pincus Asset Management, Inc.** Attn: Stephen Distler 466 Lexington Avenue, 10th Floor New York, NY 10017-3140	62,760	22.55%
United Life & Annuity Separate Account One c/o Marketing One, Inc. Attn: Ron Hyde 851 SW Sixth Avenue Portland, OR 97204	215,493	77.44%
WARBURG PINCUS TRUST II - GLOBAL FIXED INCOME PORTFOLIO Warburg Pincus Asset Management, Inc.** Attn: Stephen Distler 466 Lexington Ave., 10th Floor New York, NY 10017-3140	181,159	100.00%
WARBURG PINCUS WORLDPERKS MONEY MARKET FUND Louis Bluver 1901 Walnut Street, Apt. 1901 Philadelphia, PA 19103-4645	1,522,948	12.40%
WARBURG PINCUS WORLDPERKS TAX FREE MONEY MARKET FUND Credit Suisse Asset Management Fund Holding (Luxembourg) S.A.*** 5 Rue Jean Monnet B P 369 L-2013 Luxembourg	6,070,597	55.04%

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- \* The Portfolio believes this entity, the holder of record of these shares, is not the beneficial owner of such shares.
- \*\* Warburg will vote its shares of this Portfolio in the same proportion as the votes received by the Portfolio from other shareholders of this Portfolio.
- \*\*\* Credit Suisse Asset Management Fund Holding (Luxembourg) S.A. will vote its shares of this Portfolio in the same proportion as the votes received by the Portfolio from other shareholders of this Portfolio.

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March 26, 1999

[Client Name]

[Client Organization]

[Client Address]

Re: PROXY STATEMENT

Dear [Client]:

As you know, Warburg, Pincus & Co. and Credit Suisse Group recently announced an agreement for Credit Suisse Group to acquire Warburg Pincus Asset Management, Inc. and combine it with its U.S. subsidiary, Credit Suisse Asset Management, New York. We believe that this combination will enhance the depth and range of our investment capabilities and customized service. The senior professionals of Warburg Pincus Asset Management will join the new firm with a continued commitment to delivering the best possible investment products and service.

As a result of this transaction, it is necessary for the shareholders of record on March 9, 1999 of the funds for which Warburg Pincus acts as an investment advisor to approve a new investment advisory agreement. Shareholders are also being asked to approve certain other matters. The board members of your Fund believe that each proposal set forth in the Notice of Meeting is important and recommend that you vote FOR all the proposals.

Proxy statements have been sent to all shareholders to the registration contact and address as designated. Detailed materials included with the proxy statement describe all the proposals and the methods available to vote on them. It would be appreciated if you would see that your shares are voted on in a timely fashion.

Thank you for your consideration in this matter. We greatly appreciate our relationship with you. Please call me at [phone #] with any questions about this proxy statement or the pending transaction.

Sincerely,

[Client Contact]

[Title]