

FOR PROFESSIONAL CLIENTS ONLY. NOT TO BE DISTRIBUTED TO RETAIL CLIENTS

The Fund is an actively managed fixed income fund targeting an attractive premium over three-month sterling LIBOR. The portfolio manager aims to achieve the performance objective by investing in asset-backed floating rate notes. The majority of the investments are high quality, conservatively structured securities. The team apply a defensive approach to asset selection with the intention of ensuring minimal credit risk. The Fund is highly diversified with the majority of securities having a credit rating of AAA and a bias to European prime Residential Mortgage Backed Securities (RMBS). The Fund is also managed with a focus on liquidity management and so has a high allocation to short maturity instruments.

Originally launched as a QIF in December 2007 the Fund has operated throughout the worst financial crisis since the 1930s and has delivered an impressive 3-year track record showing positive returns in every year, and has never experienced a default or a downgrade. There is no other ABS fund that has comparable performance from the Fund's launch<sup>1</sup>.

Please note, past performance is not a guide to the future. The value of investments and any income will fluctuate and is not guaranteed (this may be partly due to exchange rate fluctuations). Investors may not get back the full amount invested.

<sup>1</sup> As at 30 June 2011.

## Key Fund facts

Objective:	The investment objective of the Fund is to produce an interest rate based return, primarily through investment in a portfolio of asset-backed securities and corporate Floating Rate Notes (FRNs). The interest rate based return of the Fund is referenced to LIBOR
Benchmark:	3-month GBP LIBOR
Portfolio manager:	Shaheer Guirguis
Approach:	The Fund invests primarily in asset-backed FRNs. The majority of assets consist of AAA rated securities, with a bias to prime residential mortgage-backed securities, all issued by leading financial institutions

## Investment philosophy and process

The Fund offers a unique proposition in that it targets an attractive premium over cash via investments in high quality securities that carry low credit risk and benefit from compelling opportunities within the asset-backed securities (ABS) sector.

We believe the optimal way to extract the best value in ABS is to appoint a highly-experienced specialist team employing a rigorous investment process. The specialist ABS team have the benefit of leveraging off the ideas of the entire 50-strong fixed income team and in particular can draw on the research and expertise of the credit analyst team.

► A BNY MELLON COMPANY<sup>SM</sup>

## Key benefits

- Targets returns in excess of cash via exposure to high quality securities that benefit from compelling value opportunities
- Employs a defensive asset selection process with the intention of extracting liquidity premium and minimising credit risk
- Majority of assets consist of AAA-rated securities, with a bias to prime RMBS
- ABS have historically had a low correlation to other asset classes
- ABS have floating rate coupons providing insulation from interest rate risk
- Irish regulated UCITS structure

There are four stages to our investment process that are key to the Fund's success:

**Asset screening:** Our defensive philosophy and the scope of the opportunity set means we can decline around 80% of the available investments and still generate high risk-adjusted returns.

**Qualitative analysis:** Our access to proprietary macroeconomic forecasting tools and our deep understanding of mortgage originating practices allows us to select what we believe to be the highest quality investments.

**Quantitative analysis:** A combination of our proprietary analytics and third party systems allow us to price investments accurately and conservatively.

**Pro-active monitoring:** Our surveillance systems can allow us to spot potential problems ahead of the market.

## Investment performance

Representative performance is available on request.

## Fund specifics

Investment universe:	<ul style="list-style-type: none"><li>• Asset-backed FRNs (including residential mortgage backed securities)</li><li>• Corporate FRNs and fixed rate bonds</li><li>• Credit default swaps (CDS)</li><li>• Currency forwards</li><li>• Currency swaps</li><li>• Interest rate swaps</li><li>• Other cash and liquid assets</li><li>• Private placement funding trades</li></ul>
Legal structure:	UCITS <sup>2</sup>
Domicile:	Ireland
Listing:	Irish Stock Exchange
Reporting:	Annual and interim report and accounts and quarterly factsheets
Currency:	Sterling
Pricing:	Weekly
Liquidity:	Weekly, with one week notice period for redemption
Custodian:	Northern Trust Custodial Services (Ireland) Limited
Minimum investment:	£1 million
Administrator:	Northern Trust

<sup>2</sup>The structure of this Fund changed from a QIF to a UCITS Structure on the 31 March 2011.

## About Insight Investment

Insight Investment is a specialist asset manager at the forefront of designing investment solutions to meet our clients' needs. Launched in 2002, Insight is a leading asset manager, with £137.3 billion in assets under management<sup>3</sup> across fixed income, liability driven investment, cash management, multi-asset, absolute return and specialist equity strategies. We manage money for private investors, pension funds, sovereign wealth funds, insurance groups, local government, charities and other financial institutions.

<sup>3</sup>As at 30 June 2011, represented by the value of physical securities and liability benchmarks.

For full risk details please read the Insight Global Funds II plc Prospectus and Insight LIBOR Plus Supplement.

This document is only directed at investors resident in jurisdictions where our funds are registered. It is not an offer or invitation to persons outside of those jurisdictions. Insight Investment reserves the right to reject any applications from outside of such jurisdictions. Issued by Insight Investment Funds Management Limited. Registered office 160 Queen Victoria Street, London EC4V 4LA. Registered in England and Wales. Registered number 1835691. Authorised and regulated by the Financial Services Authority.

## Our team

We have one of the best-resourced and most highly experienced fixed income teams in the UK. Led by Adrian Grey, Head of Fixed Income, our team of 50 fixed income investment professionals has an average of 14 years' industry experience. The team is built on specialist knowledge, experience and proven ability to generate strong performance and is organised into dedicated units.

### Shaheer Guirguis Structured Credit Portfolio Manager

Shaheer joined the fixed income team at Insight in September 2007 as a structured credit portfolio manager. Shaheer began his career at Gulf International Bank in 2000 as a market risk analyst. He also worked as an investment analyst before his appointment as a fixed income portfolio manager. Shaheer holds a BSc in Economics from the University of Surrey, an MSc in Finance from the University of Durham as well as the CFA charter.

## Find out more

For further information, please contact:

**Institutional Business Development**  
business.development@  
insightinvestment.com  
020 7321 1547

**Wholesale Business Development**  
brokersupport@bnymellon.com  
0500 66 00 00

**Consultant Relationship Management**  
consultantrelations@  
insightinvestment.com  
020 7321 1209

**Client Relationship Management**  
cddirect@insightinvestment.com  
020 7321 1499

**www.insightinvestment.com**

Telephone calls may be recorded.  
Call charges may vary by provider.