



STERLING

Individual Savings Account and
Investment Account

Sterling panel funds guide

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Introduction

The information in this guide is intended for customers working with their adviser, who will help them understand the information. If you are reading this without the help of an adviser, we recommend you take financial advice to help you decide on your appropriate investment approach.

The investment funds described in this guide are available to new investors through Sterling's Individual Savings Account and Investment Account which are medium to long-term investment contracts, typically of five to ten years.

Full details of these accounts, including the charges and their affect on investment returns, are given in the key features and Sterling charges summary documents. Full terms and conditions are available on request.

You can choose from a range of Sterling panel funds and Wider market funds.

Sterling panel funds

The Sterling panel funds are chosen carefully. While this does not mean that their performance is guaranteed, we have tried to ensure that they are managed by strong fund management companies with appropriate processes and controls. We regularly review how these funds perform and may remove funds or add new funds in the future.

Funds that Sterling no longer consider appropriate for the Sterling panel may be re-classified as Wider market funds, in which case higher charges would usually apply. Before we remove any funds from the Sterling panel fund range, we will write and tell you and give you the option to switch to other funds.

Details of the range of Sterling panel funds are available in this guide and their charges are detailed in the Sterling charges summary which is available from your adviser.

Wider market funds

You can also choose from a range of Wider market funds for extra choice. These might be suitable where the Sterling panel funds don't meet your needs or you want to widen your investment portfolio.

We do not apply the same selection process to, and will not review these funds, in the way we do for Sterling panel funds.

Details of the range of Wider market funds are available from your adviser or from our website at www.sterling-assurance.co.uk.

For details of the fund objectives and risks associated with the Wider market funds, please refer to the relevant simplified prospectus available from your adviser. Fund fact sheets are also available from our website www.sterling-assurance.co.uk. The Wider market funds charges are detailed in the Sterling charges summary which is available from your adviser.

Investment returns

By their very nature investment returns of Sterling panel and Wider market funds cannot be guaranteed. You should not use past performance as a suggestion of future performance. It should not be the main or sole reason for making an investment decision. The value of investments and any income from them can fall. You may not get back the amount you invested.

List of current investment funds by sector

Risk rated portfolios

Cautious

- 9 Defensive

Moderately cautious

- 10 Defensive Equity & Bond
- 10 CF 7IM AAP Moderately Cautious
- 10 CF 7IM Moderately Cautious

Balanced

- 11 Equity & Bond
- 11 CF 7IM AAP Balanced
- 11 CF 7IM Balanced

Moderately Adventurous

- 11 Global Equity & Bond 05
- 12 CF 7IM AAP Moderately Adventurous
- 12 CF 7IM Moderately Adventurous

Adventurous

- 12 Global Equity 05
- 12 CF 7IM AAP Adventurous
- 12 CF 7IM Adventurous

Managed funds

- 13 Artemis Strategic Assets
- 13 BlackRock Balanced Growth Portfolio
- 13 Fidelity Multi Asset Strategic
- 13 Henderson Cautious Managed
- 13 Invesco Perpetual Distribution
- 13 Investec Cautious Managed
- 13 Jupiter Distribution
- 13 M&G Cautious Multi Asset
- 14 M&G Managed Growth
- 14 Neptune Balanced
- 14 Newton Balanced
- 14 Newton Managed

Threadneedle fund

- 14 Managed Income

Multimanaged funds

- 15 CF 7IM Income
- 15 CF Midas Balanced Growth
- 15 Cazenove Multi-Manager Diversity
- 15 F&C Lifestyle Balanced
- 15 F&C Lifestyle Cautious
- 16 F&C Lifestyle Defensive
- 16 F&C Lifestyle Growth
- 16 Fidelity MultiManager Growth
- 16 Fidelity MultiManager Income
- 16 Henderson Multi-Manager Income & Growth
- 16 Jupiter Merlin Balanced Portfolio
- 17 Jupiter Merlin Growth Portfolio
- 17 Jupiter Merlin Income Portfolio
- 17 Jupiter Merlin Worldwide Portfolio

The following distributor requested multimanager funds are also available:

- 17 Cirilium Cautious
- 17 Cirilium Dynamic
- 17 Cirilium Moderate
- 17 Cirilium Strategic Income
- 17 IFDS Omnis Advanced
- 17 IFDS Omnis Balanced
- 17 IFDS Omnis Cautious
- 17 IFDS Omnis Distribution
- 17 IFDS Omnis (Threadneedle) Advanced
- 17 IFDS Omnis (Threadneedle) Balanced
- 17 IFDS Omnis (Threadneedle) Cautious
- 17 IFSL Sinfonia Adventurous Growth Portfolio
- 17 IFSL Sinfonia Balanced Managed Portfolio
- 17 IFSL Sinfonia Cautious Managed Portfolio
- 17 IFSL Sinfonia Income and Growth Portfolio
- 17 IFSL Sinfonia Income Portfolio
- 17 IM Verbatim Portfolio 4
- 17 IM Verbatim Portfolio 5 Growth
- 17 IM Verbatim Portfolio 5 Income
- 17 IM Verbatim Portfolio 6
- 17 IM Verbatim Portfolio 7

UK equity funds

- 18 Artemis Capital
- 18 Artemis Income
- 18 Artemis UK Growth
- 18 Artemis UK Smaller Companies
- 18 Artemis UK Special Situations
- 18 AXA Framlington UK Select Opportunities
- 18 Baring UK Growth
- 19 BlackRock UK Dynamic
- 19 BlackRock UK Special Situations
- 19 Cazenove UK Growth & Income
- 19 Cazenove UK Opportunities
- 19 Fidelity MoneyBuilder UK Index
- 19 Fidelity Special Situations
- 19 HSBC UK Growth & Income
- 19 Invesco Perpetual High Income
- 19 Invesco Perpetual Income
- 20 Investec UK Special Situations
- 20 JPM Premier Equity Growth
- 20 Jupiter High Income
- 20 Jupiter Income
- 20 Jupiter UK Growth
- 20 Jupiter Undervalued Assets
- 20 Kames Ethical Equity
- 20 Lazard UK Alpha
- 20 M&G Recovery
- 20 Neptune Income
- 20 Newton Higher Income

- 20 Old Mutual UK Select Mid Cap
- 21 Rathbone Income
- 21 Schroder Income
- 21 Schroder Income Maximiser
- 21 Schroder UK Alpha Plus
- 21 Schroder UK Mid 250

Threadneedle funds

- 21 Monthly Extra Income
- 21 UK
- 21 UK Equity Alpha Income
- 21 UK Equity Income
- 21 UK Growth & Income
- 22 UK Monthly Income
- 22 UK Select
- 22 UK Smaller Companies

European equity funds

- 23 Cazenove European
- 23 Fidelity European
- 23 Henderson European Selected Opportunities
- 23 Ignis Argonaut European Alpha
- 23 Ignis Argonaut European Enhanced Income
- 23 Ignis Argonaut European Income
- 24 Invesco Perpetual European Equity
- 24 JPM New Europe
- 24 Jupiter Emerging European Opportunities
- 24 Neptune European Opportunities
- 24 Newton Continental European

Threadneedle funds

- 24 European
- 24 European Select
- 24 European Smaller Companies

North American equity funds

- 25 Fidelity American
- 25 Henderson US Opportunities
- 25 HSBC American Index
- 25 Investec American
- 25 M&G American
- 25 Martin Currie North American
- 25 Neptune US Opportunities
- 25 UBS US Equity

Threadneedle funds

- 26 American
- 26 American Select
- 26 American Smaller Companies

Japanese equity funds

- 27 GLG Japan CoreAlpha
- 27 Invesco Perpetual Japan
- 27 Invesco Perpetual Japanese Smaller Companies
- 27 JPM Japan

Threadneedle funds

- 27 Japan
- 27 Japan Smaller Companies

Other regional equity funds

- 28 Aberdeen Asia Pacific
- 28 Allianz RCM BRIC Stars
- 28 Fidelity South East Asia
- 28 First State Asia Pacific Leaders
- 28 Henderson China Opportunities
- 28 Ignis Pacific Growth
- 28 JPM Asia
- 28 Jupiter China
- 28 Jupiter India
- 29 Schroder Asian Income Maximiser

Threadneedle funds

- 29 Asia
- 29 Latin America

Global equity funds

- 30 Aberdeen Emerging Markets
- 30 Allianz RCM Global EcoTrends
- 30 AXA Framlington Global Technology
- 30 AXA Framlington Health
- 30 Baring Emerging Markets
- 30 BlackRock Global Equity
- 30 BlackRock Gold & General
- 30 Fidelity Global Special Situations
- 31 Fidelity Global Focus
- 31 Fidelity WealthBuilder
- 31 First State Global Listed Infrastructure
- 31 First State Global Opportunities
- 31 Henderson Emerging Markets Opportunities
- 31 Henderson Global Focus
- 31 Henderson Global Technology
- 31 Henderson Industries of the Future
- 31 Invesco Perpetual International Equity
- 31 Investec Global Energy
- 32 Investec Global Free Enterprise
- 32 JPM Global Equity Income
- 32 JPM Natural Resources
- 32 Jupiter Ecology
- 32 Jupiter Financial Opportunities
- 32 M&G Global Basics
- 32 Neptune Global Equity
- 32 Newton Global Higher Income
- 32 Schroder Global Alpha Plus
- 32 Schroder Global Equity Income

Threadneedle fund

- 32 Global Select

Property funds

- 33 Aviva Investors Property Trust
- 33 Fidelity Global Property
- 33 Henderson UK Property
- 33 M&G Property Portfolio
- 33 Schroder Global Property Securities

Threadneedle fund

- 33 UK Property Trust

Protected Profits funds

- 35 Global Protected Profits
- 36 Multimanager Protected Profits
- 37 Threadneedle Protected Profits*
- 38 Tracker Protected Profits

The following distributor requested protected profits fund is also available:

- 51 IFDS Omnis J.P. Morgan Protector 80

UK Fixed-interest funds

- 40 Allianz PIMCO Gilt Yield
- 40 Artemis High Income
- 41 Cazenove Strategic Bond
- 41 Fidelity MoneyBuilder Income
- 41 Fidelity Strategic Bond
- 41 Henderson Preference & Bond
- 41 Henderson Strategic Bond
- 41 Ignis Corporate Bond
- 42 Invesco Perpetual Corporate Bond
- 42 Invesco Perpetual Monthly Income Plus
- 42 Kames Ethical Corporate Bond
- 42 Kames Sterling Corporate Bond
- 42 M&G Corporate Bond
- 42 M&G Gilt & Fixed Interest Income
- 42 M&G Optimal Income
- 42 M&G Strategic Corporate Bond
- 42 Old Mutual Corporate Bond
- 43 Schroder All Maturities Corporate Bond
- 43 Schroder All Maturities Index Linked Bond
- 43 Schroder Gilt & Fixed Interest

Threadneedle funds

- 43 Sterling Bond
- 43 UK Corporate Bond

International fixed-interest funds

- 44 Investec Emerging Markets Local Currency Debt
- 44 Kames Strategic Bond
- 45 Newton International Bond

Threadneedle funds

- 45 Emerging Market Bond
- 45 European Bond
- 45 Global Bond
- 45 High Yield Bond
- 45 Strategic Bond

Money market (including deposit & treasury) funds

Please see this section for the current phased investment option for the Investment Account.

- 47 BlackRock Cash
- 47 L&G Cash Trust

Absolute return funds

- 48 Newton Real Return

Threadneedle fund

- 48 Absolute Return Bond

Distributor requested funds

- 49 Cirilium Cautious
- 49 Cirilium Dynamic
- 49 Cirilium Moderate
- 49 Cirilium Strategic Income
- 50 IFDS Omnis Advanced
- 50 IFDS Omnis Balanced
- 50 IFDS Omnis Cautious
- 50 IFDS Omnis Distribution
- 51 IFDS Omnis (Threadneedle) Advanced
- 51 IFDS Omnis (Threadneedle) Balanced
- 51 IFDS Omnis (Threadneedle) Cautious
- 52 IFDS Omnis J.P. Morgan Protector 80
- 53 IFSL Sinfonia Adventurous Growth Portfolio
- 53 IFSL Sinfonia Balanced Managed Portfolio
- 53 IFSL Sinfonia Cautious Managed Portfolio
- 54 IFSL Sinfonia Income and Growth Portfolio
- 54 IFSL Sinfonia Income Portfolio
- 55 IM Verbatim Portfolio 4
- 55 IM Verbatim Portfolio 5 Growth
- 55 IM Verbatim Portfolio 5 Income
- 55 IM Verbatim Portfolio 6
- 55 IM Verbatim Portfolio 7

*This fund was closed to new investors from January 2007.

Investment choice and flexibility

A key ingredient of any investment strategy is choosing investment funds that suit your objectives, with the flexibility to change them if your circumstances or objectives change. At Sterling, we offer a wide range of investment funds covering different areas of the world's stock markets and economies. With the help of your adviser, you can put together and maintain a portfolio that suits your needs.

The funds we offer, except for the Multimanager and Tracker Protected Profits funds, are all authorised unit trusts, Open Ended Investment Companies (OEICs) or Investment Companies with Variable Capital (ICVCs).

Unit trusts, OEICs and ICVCs are 'collective investment schemes' which means many people invest in the same fund and collectively buy a wider spread of investments than they could buy individually. This reduces the risk because the spread of investments means the fund is less vulnerable to the poor performance of any single investment.

Many of the funds are managed by our primary fund manager Threadneedle. We've also appointed other investment managers, to manage a range of other funds. The fund managers are responsible for:

- Managing the fund and taking all investment decisions about buying and selling securities within the fund
- Making sure the fund is managed in line with its objectives and meets all regulatory and legal requirements
- Setting the fund charges and any alterations to the charges within the limits set out in the fund documentation.

Through the investment funds available you can invest in a wide range of countries, economies and market sectors, spreading your investment across many different assets.

This provides exposure to many investment opportunities and helps to reduce the risk associated with investing in a single company.

The objective of the funds is to produce consistently good returns over the medium to longer-term, by investing in equities (shares in companies), property or fixed-interest investments or investments linked to the performance of these. However, it must be borne in mind that the value of investments and any income they produce can fall and you may not get back the amount you invested.

We provide a range of managed and multimanager funds, some specifically tailored to suit different investors' attitudes to risk – from cautious to adventurous.

Alternatively, you may invest in specific UK, international or specialist funds reflecting your own preferences and objectives.

We don't provide advice on the suitability of any particular fund. You must seek advice from your adviser before you decide which funds to invest in.

Each fund follows a particular investment policy and these are explained in more detail over the following pages.

We aim to maintain a broad fund choice and, over time, will look for opportunities to add to the choices available. At other times we might remove funds. You can get an up-to-date list of funds from our website at www.sterling-assurance.co.uk or by contacting your adviser.

Fund risks

All investment funds carry an element of risk. The funds have different levels of risk, from the more cautious to the more adventurous, and different levels of investment performance:

- Over time a fund that invests mostly in shares is likely to offer greater potential for higher returns than a fund investing in cash deposits, but with it come greater fluctuations in value. A fund classed as a 'protected' fund, or one with a high proportion of fixed interest securities, is more likely to produce lower returns with more stability.
- Certain funds, typically investing in fixed-interest securities tend to be more suited for a shorter-term investment or as part of a personalised portfolio designed to achieve an overall balance of risk and potential return. Investing solely in these funds for the longer-term may result in a lower return than a bank or building society savings account.
- Some funds make use of derivatives to achieve an overall risk profile. A derivative is an asset issued by financial institutions and its value is usually linked to another asset or index. When the derivative matures, the financial institution pays out an agreed value. Ultimately, though, if the financial institution is not able to meet its obligations, the derivative may be worthless and the fund's value will reduce as a result.
- If you invest in a fund that is part of an Open Ended Investment Company (OEIC) or Investment Company with Variable Capital (ICVC), in the exceptional event of another fund within that structure being unable to meet its liabilities, those liabilities may be allocated to the fund you are invested in, reducing its value.
- The rate of income on fixed interest securities such as corporate bonds and government bonds won't increase in line with inflation unless they are index-linked. So, over time, the real value of the income they produce is likely to fall. The value of these investments is affected by interest rate changes and is likely to fall if long-term interest rates rise.
- Specific risks that may adversely affect the value of investments within a fund include exchange rate fluctuations and dealing in relatively less mature markets, such as Eastern Europe, Central and South America and some areas of the Far East.
- If you choose a fund that invests in overseas assets, changes in exchange rates between currencies may also cause the value of your investment to fall or rise.
- Funds which specialise or concentrate their investment in specific regions, sectors (such as smaller companies or emerging markets) or in a smaller number of shares can result in greater fluctuations in value. Funds that invest in a wider range of sectors are likely to carry less risk.
- Property funds are normally valued by taking into account the views of an independent valuer, general market conditions for commercial property and the value received for recent property sales. At times the value of your investments in these funds could fall quite sharply.
- High yield bond funds tend to invest in high yielding corporate bonds, which are generally higher risk investments than government bonds or lower yielding corporate bonds.
- Funds that specialise in gold-mining shares tend not to follow stock market movements.
- Funds investing in the shares of smaller companies, in a concentrated portfolio of shares, or in a less mature market (such as Eastern Europe, some areas of the Far East, Central and South America) carry more investment risk.
- In some less developed stock markets there are risks from political, economic and market factors that could cause a large increase in currency and fund price risk.
- Some fund managers take their yearly management charge from capital rather than income. This results in a higher income but lower capital growth.

Sectors and fund objectives

Risk rated portfolios

A managed fund allows you to invest in a range of countries and/or market sectors, spreading your investment across different types of assets. The fund manager is able to adjust the asset allocation of the fund in anticipation of changing market conditions. The funds benefit from two layers of investment management as the fund manager takes account of the opportunities in the world's major economies and then selects what he considers to be the best investments within those markets. There are also multimanager funds where the fund manager is able to invest in other managers funds and adjust the make up of the fund.

We provide a number of portfolios specifically tailored to suit different attitudes to risk – from cautious right through to adventurous. Five managed portfolios invest with our primary fund manager Threadneedle. Another eight risk-rated portfolios provided by CF 7IM invest with some of the UK's largest investment fund managers.

Cautious

If you are a 'cautious' investor you are likely to accept limited risks with your money and may want to try to avoid large fluctuations in the value of your investment, accepting the prospect of a more modest longer-term gain to achieve this.

The cautious portfolio includes a high proportion of fixed-interest investments, such as company and government bonds, and some investment in UK company shares.

Defensive

The investment objective is to provide a total return by way of income from a defensively managed investment. The fund may invest internationally and mainly in funds that invest in fixed interest securities, cash or near cash. The fund may also invest in equities but this will not normally represent more than 20% of the portfolio. The fund may also invest up to 20% of its assets in funds that do not restrict the use of derivatives to effective portfolio management. The fund may invest directly in cash, near cash and/or money market instruments.

This fund is more suited for shorter-term investment or as part of a personalised portfolio invested to achieve an overall balance of risk and potential return. Investing solely in this fund for the longer term may result in a lower return than a bank or building society.

Moderately Cautious

If you are a 'moderately cautious' customer you are likely to accept some risk in return for the prospect of steady investment gains over the longer-term.

You want to try to avoid large fluctuations in the value of your investment, but accept there will be some fluctuation, particularly over the shorter-term.

The moderately cautious portfolios include a high proportion of fixed-interest investments. This includes company and government bonds from the UK and other countries.

The portfolios also contain other investments such as company shares, mainly in the UK. The fund manager alters the mix of fixed-interest investment and company shares to take advantage of changing market conditions.

Defensive Equity & Bond

The investment objective is to provide a return from capital growth and income. The fund may invest internationally and will invest primarily in funds that invest in fixed interest securities and/or equities of companies that are domiciled in the UK and have significant UK Operations. The fund may also invest up to 20% of its assets in funds that do not restrict the use of derivatives to effective portfolio management. The fund may invest directly in cash, near cash and/or money market instruments.

CF 7IM AAP Moderately Cautious^{1,2}

The fund aims to provide a total return, mostly from income, but with some capital growth, by applying active asset allocation techniques to a mainly passive investment strategy. The fund will invest mainly in fixed interest and equity instruments using mainly passive strategies while also using alternative asset classes, some of which may be actively managed. While income-generating assets are likely to represent a significant part of the fund's composition, it may also include assets with scope for capital growth. As a result, there is a moderate risk to capital.

CF 7IM Moderately Cautious¹

This fund aims to provide a return by way of income with some capital growth. There may be a moderate risk to capital. The fund invests mainly in a range of collective investment vehicles and securities managed by selected fund managers. While income generating assets are likely to represent a significant part of the portfolio, the portfolio may also include assets with scope for capital growth in real terms. The fund may use different asset classes, with a substantial proportion in fixed-interest. The fund may also invest in money market instruments and deposits.

¹Allied Zurich Holdings Limited (a member of the Zurich Financial Services Group) has a shareholding in 7IM and may therefore benefit from investments in the CF 7IM funds.

²For investments in CF 7IM AAP funds, 7IM may make additional payments, based on the value of the holdings in these funds, to certain financial adviser firms. Any additional payments will be paid from CF 7IM's management charge and are included in the fund charges disclosed to you. Your adviser will have informed you if this arrangement applies to your investment.

Balanced

If you are a 'balanced' customer you are likely to accept a risk in return for the prospect of good investment gains over the longer-term.

You accept there will be some fluctuation in the value of your investment, particularly over the shorter-term. However, you want to limit the amount of your money held in more risky investments.

The balanced portfolios invest in a mix of company shares and fixed-interest investments. Investing in shares through the balanced portfolios is a way of benefiting from the performance of many different kinds of companies, mostly in the UK, but including some companies from the major world markets. The manager alters the mix of fixed-interest investment and company shares to take advantage of changing market conditions.

Equity & Bond

The investment objective is to provide a return from capital growth and income. The fund may invest internationally and will invest primarily in funds that invest in equities, fixed interest securities, cash or near cash. The fund may also invest up to 20% of their assets in funds that do not restrict the use of derivatives to effective portfolio management. The fund may also invest directly in cash, near cash and/or money market instruments.

CF 7IM AAP Balanced^{1, 2}

The fund aims to provide a balance of income and capital growth by applying active asset allocation techniques to a mainly passive investment strategy. The fund will invest mainly in equities and fixed interest investments or instruments that track the returns of equity and fixed interest as well as investing in alternative asset classes, some of which may be actively managed. The fund will comprise a mixture of income-generating assets and assets with scope for capital growth in real terms. As a result, there may be some risk to capital.

CF 7IM Balanced¹

The fund aims to provide a balance of income and capital growth, however there may be some risk to capital. The fund invests mainly in a range of collective investment vehicles and securities managed by selected fund managers. The fund will comprise a mixture of income-generating assets and assets with scope for capital growth in real terms. The fund may use different asset classes, with investment mainly in equities and fixed-interest with no long-term bias to either class. The fund may also invest in money market instruments, deposits and warrants.

Moderately Adventurous

If you are a 'moderately adventurous' customer you are likely to understand that the value of your investment can go down and up sharply, and accept this to get the potential for greater returns over the longer-term.

The moderately adventurous portfolios include a high proportion of world-wide company shares and a smaller proportion of company and government bonds.

Investing in shares through the moderately adventurous portfolios is a way of potentially benefiting from the performance of many different kinds of companies both in the UK and from other major world markets.

Global Equity & Bond 05

The investment objective is to provide capital growth with some income. The fund will invest internationally and will invest primarily in funds that invest in equities, and/or fixed income securities. The fund may also invest up to 20% of its assets in funds that do not restrict the use of derivatives to effective portfolio management. The fund may also invest directly in cash, near cash and/or money market instruments.

¹Allied Zurich Holdings Limited (a member of the Zurich Financial Services Group) has a shareholding in 7IM and may therefore benefit from investments in the CF 7IM funds.

²For investments in CF 7IM AAP funds, 7IM may make additional payments, based on the value of the holdings in these funds, to certain financial adviser firms. Any additional payments will be paid from CF 7IM's management charge and are included in the fund charges disclosed to you. Your adviser will have informed you if this arrangement applies to your investment.

CF 7IM AAP Moderately Adventurous^{1, 2}

The fund aims to provide a total return, mainly through growth in capital, by applying active asset allocation techniques to a mainly passive investment strategy. The fund will invest mainly in equities or instruments that track the returns of equity indices as well as using alternative asset classes, some of which may be actively managed. Assets with scope for capital growth are likely to represent a significant part of the fund's composition, although it may also include other assets held mainly for income generation. As a result, there is a risk of fluctuations in capital values.

CF 7IM Moderately Adventurous¹

This fund aims to provide a return mainly by way of capital growth. There is a risk of fluctuations in capital values. The fund invests mainly in a range of collective investment vehicles and securities managed by selected fund managers. While assets with scope for capital growth in real terms are likely to represent a significant part of the portfolio, the portfolio may also include other assets held mainly for income generation. The fund may use different asset classes, with a substantial proportion in equities. The fund may also invest in money market instruments, deposits and warrants.

Adventurous

If you are an 'adventurous' customer you are likely to aim for the highest possible returns and accept higher levels of risk, recognising the value of your investment may fluctuate significantly, particularly over the short-term.

The adventurous portfolios are fully invested in worldwide company shares. Investing in shares through the adventurous portfolios is a way of benefiting from the performance of many different kinds of companies from around the world's major markets.

Global Equity 05

The investment objective is to provide above average capital growth. The fund will invest internationally and will invest primarily in funds that invest in equities. The fund may also invest up to 20% of its assets in funds that do not restrict the use of derivatives to effective portfolio management. The fund may also invest directly in cash, near cash and/or money market instruments.

CF 7IM AAP Adventurous^{1, 2}

The fund aims to provide capital growth by applying active asset allocation techniques to a mainly passive investment strategy. The fund will invest mainly in equities or instruments that track the returns of equity indices as well as investing in alternative asset classes, some of which may be actively managed. Assets with scope for capital growth in real terms are likely to represent a significant part of the fund's composition. As a result, there is a risk of wide fluctuations in capital values.

CF 7IM Adventurous¹

This fund aims to provide capital growth. There is a risk of wide fluctuations in capital values. The fund invests mainly in a range of collective investment vehicles and securities managed by selected fund managers. Assets with scope for capital growth in real terms are likely to represent a major part of the portfolio. The fund may use different asset classes, with the composition mainly in equities. The fund may also invest in money market instruments, deposits and warrants.

¹Allied Zurich Holdings Limited (a member of the Zurich Financial Services Group) has a shareholding in 7IM and may therefore benefit from investments in the CF 7IM funds.

²For investments in CF 7IM AAP funds, 7IM may make additional payments, based on the value of the holdings in these funds, to certain financial adviser firms. Any additional payments will be paid from CF 7IM's management charge and are included in the fund charges disclosed to you. Your adviser will have informed you if this arrangement applies to your investment.

Managed funds

Managed funds give exposure to a wider range of investment opportunities and aims to reduce the risk to your capital because it is not tied to the fortunes of just one market area.

Artemis Strategic Assets

The fund aims to achieve long-term growth through investment in a portfolio of UK and international assets. The fund will take a broadly 'multi-asset' approach with the intention of performing well when markets are favourable, and preserve capital when markets are poor. Therefore, it aims to provide longer-term positive returns under most market conditions, outperforming both cash and equities over rolling three-year periods. The fund is not restricted by choice of investments.

BlackRock Balanced Growth Portfolio

The fund aims to produce long-term total return either through capital growth and/or income generation depending on market conditions. The fund will invest in a global portfolio of equities and fixed-interest securities, as well as collective investment schemes, cash deposits and money market instruments, but generally with an emphasis on the UK.

Fidelity Multi Asset Strategic

The fund aims to achieve long-term capital growth by investing in a range of global assets providing exposure to bonds, equities, commodities, property and cash. The fund will invest mainly through other regulated collective investment schemes, including schemes managed by Fidelity, and may also invest directly in other transferable securities, money market instruments, cash and deposits. Derivatives and forward transactions may also be used for investment purposes.

Henderson Cautious Managed

The fund aims to provide a combination of income and long-term capital growth.

Invesco Perpetual Distribution

The fund aims to achieve a balance of income and capital growth through investing mainly in UK equity & fixed-interest securities.

Investec Cautious Managed

The fund aims to provide a combination of income and long-term capital growth by investing conservatively in a diversified portfolio of equities, bonds and other fixed-interest securities of high quality and marketability. At all times the fund's equity exposure will be limited to a maximum of 60% of the portfolio value.

Jupiter Distribution

The fund aims to provide a sustainable level of income and the prospect of capital growth over the long-term by investing in an actively balanced portfolio of fixed-interest securities and mainly UK equities.

M&G Cautious Multi Asset

The fund aims to produce a total return (the combination of income and capital growth) through investment in a varied range of asset types. Subject to this, the fund aims to grow income in the long-term.

M&G Managed Growth

The fund aims to achieve long-term capital growth.

Neptune Balanced

The fund aims to generate a positive total return from investment mainly in equities and bonds. There are no limits on the regional or sector allocation policy used. Other eligible asset classes may include collective investment schemes, other transferable securities, cash or near-cash deposits and money market instruments.

Newton Balanced

The objective of the fund is to achieve a balance between capital growth and income mainly from a portfolio of UK and International securities. The fund may also invest in derivative instruments, forward transactions, and collective investment schemes.

Newton Managed

The fund aims to achieve capital growth and income from a portfolio of UK, EC and international securities.

Threadneedle fund

Managed Income

The investment objective is to provide a growing income with capital growth prospects. The fund may invest internationally and will invest primarily in equities, fixed interest securities, cash or near cash. The fund may also invest up to 20% of its assets in funds that do not restrict the use of derivatives to effective portfolio management. The fund may also invest directly in cash, near cash and/or money market instruments.

Multimanaged funds

These add another level of management from managed funds. The fund manager splits the portfolio between fund managers, choosing different investment managers to run different parts of the portfolio. This enables the funds to combine differing skills across the market from the style of the manager to managing different investment types.

CF 7IM Income¹

The fund aims to provide an above-average level of income, while seeking to maintain capital over the longer-term. There may be some risk to capital. The fund invests mainly in a range of securities and collective investment vehicles managed by selected fund managers. While income generating assets are likely to represent a significant part of the portfolio, the portfolio may also include assets with scope for capital growth in real terms. The fund may use different asset classes, with the emphasis on fixed-interest. The fund may also invest in money market instruments and deposits. A significant proportion of the fund may be maintained in or hedged² back to sterling at any time. Forward foreign exchange transactions may be used to hedge currency risk.

CF Midas Balanced Growth

The fund aims to achieve long-term capital growth by investing in a balanced and varied portfolio of UK and international equities and fixed-interest securities including government and corporate bonds. Investments may also be made in regulated collective investment schemes, money markets and cash deposits to provide further variety within the fund in accordance with applicable regulations.

Cazenove Multi-Manager Diversity

The fund's aim is to achieve long-term capital growth in excess of inflation from a portfolio invested across a broad range of asset classes. The fund is intended to provide consistent rates of return with lower risk than more traditional approaches to portfolio management which tend to be largely dependent on the performance of equities.

F&C Lifestyle Balanced³

The fund will invest in UK equities with the balance of the fund allocated across the principal non-UK equity markets to include some exposure to emerging markets and UK corporate bonds. Investment in property will be mainly through collective investment schemes. The fund may also hold transferable securities, money market instruments. Derivatives may be used to increase, maintain, and reduce investment exposures.

F&C Lifestyle Cautious¹

The fund will invest in UK equities and corporate bonds with a lower exposure to property and a greater exposure to non-UK equities than the F&C Lifestyle Defensive Fund. The fund may also hold transferable securities, money market instruments, and collective investment schemes. Derivatives may be used to increase, maintain, and reduce investment exposures.

¹Allied Zurich Holdings Limited (a member of the Zurich Financial Services Group) has a shareholding in 7IM and may therefore benefit from investments in the CF 7IM funds.

²Currency hedging intends to reduce the risk of loss from exchange rate fluctuations in the market. It would be like taking out an insurance policy against this happening so that any unfavourable change in a currency (for example, the dollar against the euro) would not seriously reduce the value of your investment.

³For investments in F&C Lifestyle funds, F&C will make additional payments, based on the value of the holdings in these funds, to certain financial adviser firms. Any additional payments will be paid from F&C's management charge and are included in the fund charges disclosed to you. Your adviser will have informed you if this arrangement applies to your investment.

F&C Lifestyle Defensive¹

The fund will invest mainly in UK equities and corporate bonds with some exposure to property and non-UK equities through collective investment schemes. The fund may also hold transferable securities, money market instruments, and collective investment schemes. Derivatives may be used to increase, maintain, and reduce investment exposures.

F&C Lifestyle Growth¹

The fund will invest approximately half the portfolio in UK equities with the balance split between the major international markets and emerging markets with an allocation to UK corporate bonds and a small allocation to property mainly through collective investment schemes. The fund may also hold transferable securities, money market instruments, and collective investment schemes. Derivatives may be used to increase, maintain, and reduce investment exposures.

Fidelity MultiManager Growth

The fund aims to achieve long-term capital growth. It invests mainly in a range of worldwide funds managed by other companies. It may also invest in funds managed by Fidelity, and directly in company shares, bonds and money market instruments. The fund may invest in derivatives for the purposes of the efficient management of the fund.

Fidelity MultiManager Income

The fund aims to provide an income along with the possibility of capital growth. It invests mainly in a range of UK funds managed by other companies. It may also invest in funds managed by Fidelity, and directly in company shares (equities), bonds and money market instruments. The fund may invest in derivatives for the purposes of the efficient management of the fund.

Henderson Multi-Manager Income & Growth

The fund aims to provide an income in excess of the yield of the FTSE All Share Index with prospects for some capital growth through investment in a spread of authorised unit trusts and/or authorised companies. The fund will not be restricted to any particular economic sectors and the investment policy will take a long-term balanced view of stock markets worldwide while maintaining a core holding in the UK. The fund may also invest in transferable securities including investment trusts, money market instruments, deposits, derivatives and forward transactions.

Jupiter Merlin Balanced Portfolio

The fund aims to achieve long-term capital growth with income investing mainly in unit trusts, OEICs, Exchange Traded Funds and other collective investment schemes across several management groups.

¹For investments in F&C Lifestyle funds, F&C will make additional payments, based on the value of the holdings in these funds, to certain financial adviser firms. Any additional payments will be paid from F&C's management charge and are included in the fund charges disclosed to you. Your adviser will have informed you if this arrangement applies to your investment.

Jupiter Merlin Growth Portfolio

The fund aims to achieve long-term capital growth investing mainly in unit trusts, OEICs, Exchange Traded Funds and other collective investment schemes across several management groups.

Jupiter Merlin Income Portfolio

The fund aims to achieve a high and rising income with some potential for capital growth, investing mainly in unit trusts, OEICs, Exchange Traded Funds and other collective investment schemes across several management groups.

Jupiter Merlin Worldwide Portfolio

The fund aims to achieve long-term capital growth investing mainly in unit trusts, OEICs, Exchange Traded Funds and other collective investment schemes across several management groups.

Other funds in this sector

The following multimanager funds are also available. Their objectives are detailed in the 'Distributor requested funds' section starting on page 48.

[Cirilium Cautious](#)

[Cirilium Dynamic](#)

[Cirilium Moderate](#)

[Cirilium Strategic Income](#)

[IFDS Omnis Advanced](#)

[IFDS Omnis Balanced](#)

[IFDS Omnis Cautious](#)

[IFDS Omnis Distribution](#)

[IFDS Omnis \(Threadneedle\) Advanced](#)

[IFDS Omnis \(Threadneedle\) Balanced](#)

[IFDS Omnis \(Threadneedle\) Cautious](#)

[IFSL Sinfonia Adventurous Growth Portfolio](#)

[IFSL Sinfonia Balanced Managed Portfolio](#)

[IFSL Sinfonia Cautious Managed Portfolio](#)

[IFSL Sinfonia Income and Growth Portfolio](#)

[IFSL Sinfonia Income Portfolio](#)

[IM Verbatim Portfolio 4](#)

[IM Verbatim Portfolio 5 Growth](#)

[IM Verbatim Portfolio 5 Income](#)

[IM Verbatim Portfolio 6](#)

[IM Verbatim Portfolio 7](#)

UK equity funds

The UK has always been a popular home for investments, with UK investors traditionally seeing good returns from a mature and stable economy. In addition, it offers an opportunity for many investors to take a stake in the success of their home country's economy and industry.

Artemis Capital

The investment objective of the fund is capital growth. The trust deed allows great flexibility, though the main content of the fund is in companies of UK origin.

Artemis Income

The fund aims to produce a rising income combined with capital growth from a portfolio mainly made up of investments in the UK, including ordinary shares, preference shares convertibles and fixed-interest securities.

Artemis UK Growth

The fund aims to provide long-term capital growth by investment in companies listed, quoted and/or traded in the UK and in companies which are headquartered or have a significant part of their activities in the UK which are quoted on a regulated market outside the UK. The fund aims to provide investors with a total return in excess of that of the FTSE Actuaries All-Share Index.

Artemis UK Smaller Companies

The fund aims to provide long-term capital growth by investment in companies listed, quoted and/or traded in the UK and in companies which are headquartered or have a significant part of their activities in the UK which are quoted on a regulated market outside the UK. Investment will be

made in companies which mainly comprise the bottom 10% of the UK stock market. The fund aims to provide investors with a total return in excess of that of the Hoare Govett Smaller Companies Index (excluding investment companies).

Artemis UK Special Situations

The fund aims to provide long-term capital growth by exploiting special situations. The fund invests mainly in UK equities and in companies which are headquartered or have a significant part of their activities in the UK which are quoted on a regulated market outside the UK. The fund aims to provide investors with a total return in excess of that of the FTSE Actuaries All-Share Index.

AXA Framlington UK Select Opportunities

The fund aims to achieve capital growth by investing in companies, mainly of UK origin, where the Manager believes above-average returns can be realised.

Baring UK Growth

The fund aims to achieve long-term capital growth through selective investment in economic sectors in the UK through securities in any country and/or economic sectors throughout the world represented in the UK markets.

BlackRock UK Dynamic

The fund aims to achieve long-term capital growth for investors. The fund invests mainly in the shares of companies incorporated or listed in the UK which the manager considers exhibit either growth or value investment characteristics, placing an emphasis as the market outlook warrants. The fund may also invest in collective investment schemes.

BlackRock UK Special Situations

The fund aims to achieve long-term capital growth for investors. The fund invests mainly in the shares of small or medium-sized companies incorporated or listed in the UK. The fund may also invest in collective investment schemes. Small and medium-sized companies are those whose market capitalisation is lower than that of companies in the FTSE 100 Index.

Cazenove UK Growth & Income

The fund aims to achieve long-term capital and income growth through investment mainly in the UK. Investments will be made mainly in UK equities, fixed-interest and other securities.

Cazenove UK Opportunities

The fund aims to achieve long-term capital growth from UK equities.

Fidelity MoneyBuilder UK Index

The aim is to achieve long-term capital growth by matching the performance of the FTSE All-Share Index as closely as possible. The fund will invest in all companies in the FTSE 100 and the FTSE 50, but, investment in companies in the FTSE Smallcap Index will be limited. The fund may invest in derivatives for the purposes of the efficient management of the fund.

Fidelity Special Situations

The fund aims to achieve long-term capital growth. It invests mainly in the shares of UK companies. It can also invest up to 20% of its value in companies based outside the UK. The portfolio is likely to have a bias towards medium sized and smaller companies. The fund may invest in derivatives for the purposes of the efficient management of the fund.

HSBC UK Growth & Income

The fund aims to provide long-term capital and income growth by investing mainly in the UK.

Invesco Perpetual High Income

The fund aims to achieve a high level of income, together with capital growth. The fund intends to invest mainly in companies listed in the UK, with the balance invested internationally. In pursuing this objective, the fund managers may include investments that they consider appropriate which include transferable securities, money market instruments, warrants, collective investment schemes, deposits and other permitted investments and transactions.

Invesco Perpetual Income

The fund aims to achieve a reasonable level of income, together with capital growth. The fund intends to invest mainly in companies listed in the UK, with the balance invested internationally. In pursuing this objective, the fund managers may include investments that they consider appropriate which include transferable securities, money market instruments, warrants, collective investment schemes, deposits and other permitted investments and transactions.

Investec UK Special Situations

The fund aims to provide a combination of income and long-term capital growth. This will be achieved through a focus on UK equities and derivatives (the underlying assets of which are UK equities) which are considered to be out of favour in the marketplace.

JPM Premier Equity Growth

The fund aims to provide long-term capital growth from investment in stocks and shares. The fund currently invests mainly in a portfolio of UK equities.

Jupiter High Income

The fund aims to achieve a high and rising income with capital growth from investment mainly in UK equities and high yielding convertibles with some exposure to fixed-interest securities.

Jupiter Income

The fund aims to produce a high income, increasing at least in line with inflation, from a managed portfolio chiefly invested in UK equities and fixed-interest stocks although with some overseas exposure.

Jupiter UK Growth

The fund aims to obtain long-term capital growth from investment mainly in UK equities.

Jupiter Undervalued Assets

The fund aims to achieve long-term capital growth by investing in companies which the manager believes have recovery potential and considers to be undervalued, mainly in UK equities with the potential for some overseas exposure.

Kames Ethical Equity

The main investment objective is to produce a total return by investment in equities and equity type securities in companies based in the UK, principally conducting business in the UK or listed on the UK stock market which meet the fund's predefined ethical criteria.

Lazard UK Alpha

The fund aims to achieve long-term capital growth by investing in a concentrated portfolio of UK equities.

M&G Recovery

The fund's sole aim is capital growth. The fund mainly invests in a diversified range of securities issued by companies which are out of favour, in difficulty or whose future prospects are not fully recognised by the market. There is no particular income yield target.

Neptune Income

The fund aims to provide a total return mainly through a rising level of income. Whilst this is the main objective there is also potential for capital growth, from an actively managed portfolio invested mainly in UK securities and fixed-interest stocks, with some overseas exposure.

Newton Higher Income

The fund aims to achieve increasing yearly distributions together with long-term capital growth.

Old Mutual UK Select Mid Cap

The fund aims to provide capital growth from investing mainly in a portfolio of medium-sized UK companies.

Rathbone Income

The fund aims to achieve above-average and maintainable income but without neglecting capital security and growth. The manager intends to achieve the objective mainly through the purchase of ordinary shares with an above-average yield. There is no restriction on the economic sectors or geographic areas in which the fund may invest. However, investments will always be mainly in the ordinary shares of UK companies.

Schroder Income

The fund aims to provide a growing income by investing mainly in UK equities. The fund manager will invest in shares where it is believed the company will be able to continue to pay out a high level of income through growing profits.

Schroder Income Maximiser

The fund aims to provide income with potential for capital growth mainly through investment in equity and equity related securities of UK companies. The fund will also use derivative instruments to generate additional income.

Schroder UK Alpha Plus

The fund aims to provide capital growth through investment in UK and other companies.

Schroder UK Mid 250

The fund aims to achieve long-term capital growth by investing mainly in companies listed in the FTSE 250 (ex Investment Trusts) Index. However, the fund may also hold former components of, or expected entrants into, that index if in the opinion of the manager it may be advantageous to do so.

This fund is not in any way sponsored, endorsed, sold or promoted by FTSE International Limited, or by the London Stock Exchange Limited or by the Financial Times Limited.

Threadneedle funds

Monthly Extra Income

The investment objective is to achieve a high level of income with prospects of capital growth. Income will be paid monthly. The investment policy is to invest mainly in sterling denominated fixed-interest securities and UK equities.

UK

The investment objective is to achieve capital growth. The investment policy is to invest the assets of the fund mainly in equities of companies based in the UK or which have significant UK operations. If the Authorised Corporate Director considers it desirable, it may further invest in other securities (including fixed-interest securities, other equities and money market securities).

UK Equity Alpha Income

The investment objective of the fund is to achieve a reasonable and growing income with the prospects of capital growth from a concentrated portfolio of UK equities.

UK Equity Income

The investment objective is to achieve an above-average rate of income combined with sound prospects for capital growth. The investment policy is to invest mainly in UK equities. It may, however, invest in other securities such as convertibles and gilts.

UK Growth & Income

The investment objective is to achieve a high level of income. The investment policy is to invest mainly in 'blue chip' large capitalised UK companies, but including, when deemed appropriate small and medium-sized companies, mainly from the UK.

UK Monthly Income

The investment objective is to achieve an above-average income combined with sound prospects for capital growth.

The investment policy is to invest mainly in UK equities.

It may, however, invest in other securities such as convertibles and gilts.

UK Select

The investment objective is to achieve above-average capital growth. The investment policy is to invest the assets of the fund for growth, through a concentrated, actively managed portfolio. The select investment approach means that the Authorised Corporate Director has the flexibility to take significant stock and sector positions which may lead to increased levels of volatility. The portfolio will consist mainly of equities of companies based in the UK, or which have significant UK operations. If the Authorised Corporate Director considers it desirable, it may further invest in other securities (including fixed-interest securities, other equities and money market securities).

UK Smaller Companies

The investment objective is to achieve capital growth.

The investment policy is to invest mainly in the equities of smaller companies in the UK.

European equity funds

Europe has become a popular choice for UK investors. As the central economies forge closer ties and eastern European countries develop their industries, the potential for investors is considerable.

Cazenove European

The fund aims to achieve long-term capital growth by investing in any or all European markets (excluding the UK) and any or all economic sectors. The fund also aims to invest in a wide range of companies without any restrictions on the size of those companies.

Fidelity European

The fund aims to achieve long-term capital growth. It invests mainly in the shares of continental European companies. The portfolio is likely to have a bias towards medium sized and smaller companies. The fund may invest in derivatives for the purposes of the efficient management of the fund.

Henderson European Selected Opportunities

The fund aims to achieve a long-term return, in excess of the long-term return that is typically achieved from European equity markets, by investing in:

- companies having their registered office in Europe,
- companies that do not have their registered office in Europe but either
 - (i) carry out a major proportion of their business activity in these markets, or
 - (ii) are holding companies which mainly own companies with registered offices in Europe.

Ignis Argonaut European Alpha

The fund aims to produce returns by investing in a concentrated portfolio of 30 – 55 (with a maximum of 60) stocks selected mainly from European markets excluding the UK.

Ignis Argonaut European Enhanced Income

The fund aims to provide a high income with some long-term capital growth in sterling terms by investing in a concentrated portfolio of approximately 30 to 55 stocks of companies incorporated in Europe (excluding UK). The fund will use derivative instruments to generate additional income by selling call options on a significant number of its holdings.

Ignis Argonaut European Income

The fund aims to provide an income in excess of the yield of the MSCI Europe ex UK Index by investing in a concentrated portfolio of approximately 30 – 50 securities of companies mainly incorporated in Europe (excluding the UK) or which produce a significant part of their business from Europe (excluding the UK), whilst preserving the value of capital.

Invesco Perpetual European Equity

The fund aims to achieve capital growth in Continental Europe, although it may include other European related investments. The fund managers may include investments such as transferable securities, money market instruments, warrants, collective investment schemes, deposits and other permitted investments and transactions.

JPM New Europe

The fund aims to provide long-term capital growth by investing mainly in companies operating or investing in central and eastern Europe and Russia.

Jupiter Emerging European Opportunities

The fund aims to achieve long-term capital growth through investment mainly in central and eastern Europe.

Neptune European Opportunities

The fund aims to generate capital growth by investing mainly in a concentrated portfolio of securities selected from European markets, excluding the UK.

Newton Continental European

The fund aims to achieve capital growth from a portfolio of mainly European securities.

Threadneedle funds

European

The investment objective is to achieve capital growth. The investment policy is to invest the assets of the fund mainly in equities of companies based in Continental Europe or which have significant Continental European operations with growth prospects. If the Authorised Corporate Director considers it desirable, it may further invest in other securities (including fixed-interest securities, other equities and money market securities).

European Select

The investment objective is to achieve above-average capital growth. The investment policy is to invest the assets of the fund mainly in a relatively concentrated portfolio of equities of companies based in Continental Europe or which have significant Continental European operations. The select investment approach means that the Authorised Corporate Director has the flexibility to take significant stock and sector positions which may lead to increased levels of volatility. If the Authorised Corporate Director considers it desirable, it may further invest in other securities (including fixed-interest securities, other equities and money market securities).

European Smaller Companies

The investment objective is to achieve capital growth. The investment policy is to invest the assets of the fund mainly in the equities of smaller companies based in Continental Europe or with significant Continental European operations. If the Authorised Corporate Director considers it desirable it may further invest in other securities (including fixed-interest securities, other equities and money market securities).

North American equity funds

North America boasts the world's largest equity market and economy. Its economic diversity is unmatched. It draws on huge natural resources and has a reputation for ambition and entrepreneurial spirit.

Fidelity American

The fund aims to achieve long-term capital growth. It invests mainly in the shares of US companies. The portfolio is likely to have a bias towards larger and medium-sized companies. The fund may invest in derivatives for the purposes of the efficient management of the fund.

Henderson US Opportunities

The fund aims to achieve a long-term return in excess of that typically achieved from the US equity markets. The fund will invest mainly in US companies or companies which carry out a predominant proportion of their business activity in the US. The fund may invest in companies of any market capitalisation.

HSBC American Index

The fund aims to provide long-term capital growth by matching the capital performance of the Standard & Poor's 500 Index.

Investec American

The fund aims to achieve long-term capital growth through investment in a portfolio of equities issued by USA companies and in derivatives, the underlying assets of which are equities issued by USA companies.

M&G American

The fund's aim is long-term capital growth through investment wholly or mainly in securities of North American (including Canadian) issuers. When not wholly invested as above, it may only invest in companies which are listed, registered or trading within North America.

Martin Currie North American

The fund aims to produce capital growth by investment in the United States of America and Canada. The portfolio will consist mainly of transferable securities but the investment manager may also invest in units in collective investment schemes, money-market instruments, derivatives and forward transactions, deposits, nil and partly paid securities, bonds, convertible bonds, cash and near cash as deemed economically appropriate, to meet the fund's objective.

Neptune US Opportunities

The fund aims to achieve capital growth through investing mainly in North American (including Canadian) securities. Derivatives and forward transactions may be used for the efficient management of the fund. The fund may also invest in cash or near cash where appropriate.

UBS US Equity

The fund aims to achieve long-term capital growth through active management of a diversified portfolio invested mainly in US equities. The fund may also invest in other transferable securities (including warrants), money market instruments, deposits, cash and near cash and units in collective investments schemes. The fund will use derivatives only for the purpose of efficient portfolio management.

Threadneedle funds

American

The investment objective is to achieve capital growth. The investment policy is to invest the assets of the fund in medium to large companies based in North America or which have significant North American operations. If the Authorised Corporate Director considers it desirable, it may further invest in other securities (including fixed-interest securities, other equities and money market securities).

American Select

The investment objective is to achieve above-average capital growth. The investment policy is to invest the assets of the fund in companies based in North America or which have significant North American operations. These include smaller and emerging growth companies, those with potential for merger or takeover, those with new management, recovery situations and exploration companies. There will be no particular specialisation. The select investment approach means that the Authorised Corporate Director has the flexibility to take significant stock and sector positions which may lead to increased levels of volatility.

American Smaller Companies

The fund aims to achieve capital growth. The investment policy is to invest mainly in smaller US based companies, which offer potential for capital growth.

Japanese equity funds

Japan is the largest single market outside the US and European Union and is a gateway to the increasingly affluent markets of the Pacific Rim countries.

GLG Japan CoreAlpha

The fund aims to achieve capital growth by investing in the quoted securities of companies operating in Japan. The fund is mainly invested in securities of companies listed on Japan's stock markets. The fund may also invest in other investments to the extent permitted by the Financial Services Authority.

Invesco Perpetual Japan

The fund aims to achieve capital growth by investing mainly in the shares of companies in Japan, although it may include other Japanese related investments.

Invesco Perpetual Japanese Smaller Companies

The fund aims to achieve capital growth, mainly through a portfolio of investments in smaller Japanese companies.

JPM Japan

The fund aims to provide capital growth over the long-term by investing mainly in the shares of Japanese companies.

Threadneedle funds

Japan

The investment objective is to achieve capital growth. The investment policy is to invest in a diversified portfolio of Japanese companies, concentrating on value and growth prospects. While mainly equity-based, the fund may invest in warrants, convertible bonds, and other approved instruments deemed appropriate.

Japan Smaller Companies

The investment objective is to achieve capital growth. The investment policy is to invest mainly in the equity of smaller companies in the Japanese market.

Other regional equity funds

These funds invest in specific regions of the globe, many of which are emerging as investment opportunities.

Aberdeen Asia Pacific

The fund aims to achieve capital growth by investing in countries of the Asia Pacific region, excluding Japan.

Allianz RCM BRIC Stars

The fund aims to achieve capital growth in the long-term by investing mainly in the equity markets of Brazil, Russia, India and China.

Fidelity South East Asia

The fund aims to achieve long-term capital growth from a portfolio made up of the shares of mainly large companies throughout the Pacific Basin (excluding Japan).

First State Asia Pacific Leaders

The fund aims to achieve long-term capital growth. The fund invests in large and mid capitalisation leaders fund equities in the Asia Pacific region (excluding Japan, but including Australasia).

Henderson China Opportunities

The fund aims to achieve a long-term return, in excess of the long-term return that is typically achieved from investments in Hong Kong and Chinese equity markets, by investing in:

- companies having their registered office in Hong Kong or China,
- companies that do not have their registered office in Hong Kong or China but either
 - (i) carry out most of their business activity in these markets, or
 - (ii) are holding companies which mainly own companies with registered offices in Hong Kong or China.

Ignis Pacific Growth

The fund aims to achieve growth by investing in companies throughout the Far East and Pacific Basin, including Australia and India but not Japan. At least 80% of the fund's assets are invested in Far Eastern securities. The fund is actively managed with its investments spread across the region with focus on companies with above-average growth prospects.

JPM Asia

The fund aims to provide long-term capital growth from investing mainly in the securities of companies quoted or trading in Asia (excluding Japan).

Jupiter China

The fund aims to achieve long-term capital growth through investing mainly in companies in China (including Hong Kong) but may also invest in companies operating in other countries which, in the manager's opinion, conduct a material proportion of their business in China (including Hong Kong) or receive a material proportion of their earnings from activities in China. The manager will only enter into derivative transactions for the purpose of efficient portfolio management and not for investment.

Jupiter India

The fund aims to achieve long-term capital growth. It will invest mainly in companies which operate or reside in India. It may also invest in companies based in Pakistan, Sri Lanka and Bangladesh and in countries which derive a significant proportion of business from or within India. The Manager will only enter into derivative transactions for the purpose of efficient management of the portfolio and not for investment.

Schroder Asian Income Maximiser

The fund aims to provide income with potential for capital growth mainly through investment in equity and equity related securities of Asian companies, excluding Japan. The fund will also use derivative instruments to generate additional income.

Threadneedle funds

Asia

The investment objective is to achieve capital growth. The investment policy is to invest the assets of the fund mainly in the equity of companies based in Asia (with the exclusion of Japan) or with significant Asian (excluding Japan) operations. It may further invest in other securities including fixed-interest securities, other equities and money market securities.

Latin America

The investment objective is to achieve capital growth. The investment policy is to invest the assets of the fund mainly in equities of companies based in Latin America or which have significant Latin American operations and it may further invest in fixed income securities such as sovereign and corporate Latin American debt, other equities and money market securities.

Global equity funds

The international funds allow you to pursue a truly global investment strategy and cover the world's major investment markets.

Aberdeen Emerging Markets

The fund aims to provide long-term capital growth from direct or indirect investment in emerging stock markets worldwide, or companies with significant activities in emerging markets.

Allianz RCM Global EcoTrends

The fund aims to achieve long-term capital growth by investing in companies worldwide that are directly or indirectly active in the ecoenergy, pollution control, and clean water sectors. These companies will mainly be listed on the FTSE Environmental Technology 50 Index (FTSE ET50). The fund may also invest in cash deposits and collective investment schemes.

AXA Framlington Global Technology

The fund aims to achieve long-term growth mainly through investments in companies engaged in the research, design and development of technologies in all sectors including information technology and the internet and in companies manufacturing and distributing products and/or providing services resulting from such research, design and development.

AXA Framlington Health

The fund aims to achieve capital growth through investment in healthcare and medical services and product companies worldwide. Investment will be in producers of pharmaceuticals, biotechnology firms, medical device and instrument manufacturers, distributors of healthcare products, care providers and managers and other healthcare services companies.

Baring Emerging Markets

The fund aims to achieve long-term capital growth through investment, both direct and indirect, in a diversified portfolio of emerging market securities.

BlackRock Global Equity

The fund aims to achieve capital growth mainly through an actively managed portfolio of the world's most successful companies. Most of these companies possess dominant global franchises and have internationally diversified revenues. Other holdings will normally represent leading growth industries where the process of globalisation is currently less advanced.

BlackRock Gold & General

This is a specialised unit trust which aims to achieve long-term capital growth by investing in gold mining and precious metal related shares. It tends to be volatile and is particularly suitable for spreading risk in a larger portfolio.

Funds which specialise in goldmining shares tend not to follow stockmarket movements. In some less developed stockmarkets there are risks from political, economic and markets factors which could cause a large increase in currency and fund price risk.

Fidelity Global Special Situations

The fund aims to achieve long-term capital growth from a portfolio mainly made up of shares of companies from around the world. The fund will have a blend of investments in larger, medium and smaller-sized companies. The Authorised Corporate Director is not restricted in its choice of companies either by size or industry, or in terms of the geographical split of the portfolio and will choose stocks largely determined by the availability of attractive investment opportunities. The fund may also invest in other transferable securities, units in collective investment schemes, money market instruments, cash and deposits. Derivatives and forward transactions may also be used for investment purposes.

Fidelity Global Focus

The fund aims to achieve long-term capital growth. It invests mainly in the shares of companies from around the world. It invests in a relatively concentrated portfolio with no predetermined bias to any particular country, sector or company size. The fund may invest in derivatives for the purposes of the efficient management of the fund.

Fidelity WealthBuilder

The fund aims to achieve long-term capital growth. It invests mainly in a range of worldwide funds managed by Fidelity. The fund may invest in derivatives for the purposes of the efficient management of the fund.

First State Global Listed Infrastructure

The fund aims to deliver capital growth and inflation-protected income by investing in a globally diversified portfolio of listed infrastructure and infrastructure-related securities.

If you invest in a Listed infrastructure fund, some residual risk will remain that the project will not be completed within budget or within the agreed timeframe or to the agreed specifications. The operations of infrastructure projects are exposed to unplanned interruptions caused by significant catastrophic events. Operational or supply disruption could adversely impact the cashflows available from these assets. Infrastructure projects are affected by national and local environmental laws and regulations. These laws set standards, and regulations are imposed, which may have a detrimental impact on the financial performance of infrastructure projects.

First State Global Opportunities

The fund aims to achieve long-term capital growth through investment in equities worldwide, in any economic sector.

Henderson Emerging Markets Opportunities

The fund aims to achieve a long-term return in excess of that which is typically achieved from emerging equity markets, by investing mainly in companies whose businesses are based in countries which are referred to by the World Bank as developing countries. The fund may also invest in other transferable securities, money market instruments, cash and near cash, derivative instruments and forward transactions, deposits and units in collective investment schemes. The return will be a combination of capital and income.

Henderson Global Focus

The fund aims to achieve a long-term return, in excess of the long-term return that is typically achieved from global equity markets, by investing in a concentrated portfolio of companies having their registered office in global markets.

Henderson Global Technology

The fund aims to provide capital growth by investing in companies worldwide that derive, or are expected to derive, profits from technology.

Henderson Industries of the Future

The fund aims to provide capital growth by investing in companies that meet the ethical criteria applied by the Authorised Corporate Director. The fund may invest in companies in any economic sector and any area of the world.

Invesco Perpetual International Equity

The fund aims to achieve capital growth by investing in equities quoted on world stockmarkets.

Investec Global Energy

The fund aims to achieve long-term capital growth mainly through investment in equities issued by companies around the globe involved in the exploration, production or distribution of oil, gas and other energy sources or companies which service the energy industry.

Investec Global Free Enterprise

The fund aims to achieve long-term capital growth mainly through investment in equities issued by companies from around the world that are expected to benefit from the process of privatisation, deregulation or demutualisation or otherwise believed to offer above-average opportunities for capital gains.

JPM Global Equity Income

The fund aims to provide a portfolio designed to achieve high and rising income by investing globally, mainly in equities, in any economic sector while still participating in long-term capital growth.

JPM Natural Resources

The aim of the fund is to invest, mainly in the shares of companies throughout the world engaged in the production and marketing of commodities. The fund aims to provide capital growth over the long-term.

Jupiter Ecology

The fund aims to provide long-term capital growth and a growing income. This will be achieved by investing worldwide in companies that demonstrate a positive commitment to the long-term protection of the environment.

Jupiter Financial Opportunities

The fund aims to achieve long-term capital growth mainly through investment in a concentrated portfolio of equities of financial sector companies on an international basis.

M&G Global Basics

The fund aims to achieve long-term capital growth through investing wholly or mainly in companies operating in basic industries ('primary' and 'secondary' industries) and also in companies that service these industries. The fund may also invest in other global equities.

Neptune Global Equity

The fund aims to produce capital growth from a concentrated portfolio of global securities, selected from across world equity markets.

Newton Global Higher Income

The fund aims to achieve increasing annual distributions together with long-term capital growth from investing mainly in global securities. The sub-fund may also invest in collective investment schemes.

Schroder Global Alpha Plus

The fund aims to provide capital growth through investment in equities and securities of companies worldwide. To achieve the objective the manager will invest in a select portfolio of securities, which he believes offer the best potential for future growth and shall not be restricted by size, sector or region. The fund may also invest in a wide range of investments including transferable securities, collective investment schemes, cash, deposits, derivatives, warrants and money-market instruments.

Schroder Global Equity Income

The fund aims to achieve long-term capital growth and income mainly through investment in equity and equity related securities of companies worldwide. These companies must offer attractive yields and sustainable dividend payments. The fund may also invest in collective investment schemes, warrants and money market instruments.

Threadneedle fund

Global Select

The investment objective is to achieve above-average capital growth. The investment policy is to invest the assets of the fund mainly in equities issued by companies worldwide. The portfolio may be concentrated geographically or with respect to stock and sector positions, which may lead to increased levels of volatility. If the Authorised Corporate Director considers it desirable, it may further invest in other securities (including fixed-interest securities, other equities and money market securities).

Property funds

Investing in commercial property allows diversity away from the traditional asset classes of equity and fixed interest. As well as looking for capital growth on the properties, rental income can be received.

Property funds are normally valued by taking into account the views of an independent valuer, general market conditions for commercial property, and the value received for recent property sales. At times the value of your investments in these funds could fall quite sharply.

Aviva Investors Property Trust

The fund aims to obtain optimum returns compatible with security by way of income and capital growth. This is mainly through investment in certain kinds of real property, property related securities, government and other public securities and units in collective investment schemes.

Fidelity Global Property

The fund aims to achieve a combination of income and long-term capital growth from a portfolio mainly made up of the securities of companies mainly engaged in the real estate industry and other real estate-related investments.

Henderson UK Property

The fund aims to achieve a high income together with some growth of both income and capital through investing mainly in commercial property and property-related assets.

M&G Property Portfolio

The portfolio aims to maximise long-term total return (the combination of income and growth of capital) through investment mainly in commercial property.

Schroder Global Property Securities

The fund aims to provide a total return mainly through investment in real estate investment trusts, equity and debt securities of other types of property companies worldwide.

Threadneedle fund

UK Property Trust

The investment objective is to obtain a total return based on income and capital growth mainly through investment in certain kinds of real estate, property-related securities, government and public securities and units in collective investment schemes.

Protected Profits funds

The protected profits funds aim to achieve medium to long-term growth while protecting the unit price from falling below 80% of its highest-ever level. The funds tend to produce more stable, but lower, returns compared to investing in equities and, therefore, often appeal to those inclined to a relatively more cautious outlook when investing in the stockmarket.

The protection is not guaranteed and ultimately depends on another financial company meeting the promises it has made to the fund. This is explained in the risks highlighted for each fund (see below) which you should consider before deciding to invest. Your financial adviser will be able to help you decide.

There may be future, unforeseen, changes to taxation or regulation that adversely affect the funds and the protection they offer. If this happens we will write to you to explain what choices you then have.

In some circumstances, investment conditions may be such that we consider the funds can no longer achieve their aim of medium to long-term growth. If this happens we can close the fund and switch your investment to another fund. We will then write to you and you will have the opportunity to switch to another fund of your own choice.

Each fund is linked to a different range of assets and this is explained in the fund descriptions below. If we consider it is appropriate, we can change the assets the funds are linked to. We can also change the financial company that provides the protection to the fund. If we do, we will tell you.

Investing in the Global Protected Profits fund

Aims

The fund aims to achieve medium to long-term growth while protecting the unit price from falling below 80% of the highest-ever unit price.

The fund makes payments to JPMorgan Chase Bank, N.A. In return, the bank makes payments which provide the investment growth.

Risk factors

The protection is not guaranteed and the unit price could fall below 80% of the highest-ever unit price if:

- JPMorgan Chase Bank, N.A. does not make the payments it has agreed to, or becomes insolvent. If this happens, it is unlikely you will be able to claim under the Financial Services Compensation Scheme
- the proportion of the fund linked to the investment portfolio is at, or close to, zero and the interest earned on the fund's other assets is less than its charges and expenses.

You may get back less than you invest as unit prices can fall as well as rise.

In more detail

How the fund works

The fund is a J.P. Morgan Structured Funds plc OEIC.

The OEIC makes payments to JPMorgan Chase Bank, N.A., who in return agree to make payments back to the OEIC based on the return of the investment portfolio and cash element.

The investment portfolio gives a return based on a mix of UK and international assets. Every three months the mix is set to equity indices (60%), bonds (30%) and a commodities index (10%).

The cash element gives a return based on overnight sterling interest rates.

As the fund increases in value, more of the fund is linked to the investment portfolio. As the fund falls in value, less of the fund is linked to the investment portfolio. At any particular time the proportion linked to the investment portfolio could be between zero and 100%.

Your money is not invested directly in the underlying equities, bonds, commodities or cash.

The fund's protection

To mitigate the risk that JPMorgan Chase Bank, N.A. does not make the payments it has agreed to, or becomes insolvent, they are required to provide a separate holding of government bonds. These are held by the OEIC's independent custodian.

The bonds are a loan to the governments of Canada, France, Germany, Japan, UK and USA. If JPMorgan Chase Bank, N.A. does not make the payments it has agreed to, or becomes insolvent, the government bonds will be used to make good that shortfall.

If any of these governments do not pay their debts, or there is an increased risk any of them might not, the value of this security may be insufficient to make good the shortfall.

The cost of protection

Only a proportion of the fund is linked to the investment portfolio. If equity, bond and commodity values rise, you will not get back as much as you would by investing directly in these assets.

There is a cost to provide the protection. This is included in the total yearly expenses shown in our charges summary document and fund factsheets.

The protection is on the fund's unit price, not on your original investment. Any charges taken directly from your account will reduce what you get back and may result in you getting back less than 80% of your original investment.

Investing in the Multimanager Protected Profits fund

Aims

The fund aims to achieve medium to long-term growth while protecting the unit price from falling below 80% of the highest-ever unit price.

You are investing in a type of loan to Barclays Bank plc. The payments the bank makes in return provide the investment return.

Risk factors

You could lose some or all of your money if Barclays Bank plc does not make the payments it has agreed to, or becomes insolvent. If this happens, it is unlikely you will be able to claim under the Financial Services Compensation Scheme.

The unit price could fall below 80% of the highest-ever unit price if the fund's equity content is at, or close to, zero and the interest earned on the fund's other assets is less than its charges and expenses.

You may get back less than you invest as unit prices can fall as well as rise.

In more detail

How the fund works

The fund is a Medium Term Note issued by Barclays Bank plc. This is a type of loan to the bank. In return the bank agrees to make payments based on the investment return described below:

The investment return is linked to actively managed equity funds and the BlackRock Institutional Sterling Liquidity fund.

The equity funds are spread across the UK (60%), Europe (20%) and North America (20%). This split is set every three months and so may vary in between times.

The BlackRock Institutional Sterling Liquidity fund aims to achieve a return in line with wholesale money market short-term interest rates.

As the fund increases in value, more of the fund is linked to the equity funds up to a maximum of 70%. As the fund falls in value, less of the fund is linked to the equity funds. At any particular time the proportion linked to the equity funds could be between zero and 70%.

Your money is not invested directly in the underlying funds or equities. We act as your agent in arranging to buy or sell the Medium Term Note provided by Barclays Bank plc. As your nominee we hold the Medium Term Note for your benefit.

The fund's protection

The Medium Term Note is provided by Barclays Bank plc who also protect the unit price from falling below 80% of the highest-ever unit price.

Credit ratings can be a useful guide to the risk associated with Barclays Bank plc. Ratings are given by independent agencies such as Standard & Poor's and Moody's.

Companies are rated from most secure (AAA) to most risky (D). As at September 2010, Barclays Bank plc has been rated AA- by Standard and Poor's and Aa3 by Moody's.

Barclays Bank plc is authorised and regulated by the Financial Services Authority.

The cost of protection

Only a proportion of the fund is linked to the equity funds. If equity values rise, you will not get back as much as you would by investing in a fund that directly invests in equities.

There is a cost to provide the protection. This is included in the total yearly expenses shown in our charges summary document and fund factsheets.

The protection is on the fund's unit price, not on your original investment. Any charges taken directly from your account will reduce what you get back and may result in you getting back less than 80% of your original investment.

Investing in the Threadneedle Protected Profits fund

Aims

The fund aims to achieve medium to long-term growth while protecting the unit price from falling below 80% of the highest-ever unit price.

You are investing in a type of loan to Barclays Bank plc. The payments the bank makes in return provide the investment return.

Risk factors

You could lose some or all of your money if Barclays Bank plc does not make the payments it has agreed to, or becomes insolvent. If this happens, it is unlikely you will be able to claim under the Financial Services Compensation Scheme.

The unit price could fall below 80% of the highest-ever unit price if the fund's equity content is at, or close to, zero and the interest earned on the fund's other assets is less than its charges and expenses.

You may get back less than you invest as unit prices can fall as well as rise.

In more detail

How the fund works

The fund is a Medium Term Note issued by Barclays Bank plc. This is a type of loan to the bank. In return the bank agrees to make payments based on the investment return described below:

The investment return is linked to Threadneedle equity funds and the BlackRock Institutional Sterling Liquidity fund.

The equity funds are spread across the UK (60%), Europe (20%) and North America (20%). This split is set every three months and so may vary in between times.

The BlackRock Institutional Sterling Liquidity fund aims to achieve a return in line with wholesale money market short-term interest rates.

As the fund increases in value, more of the fund is linked to the equity funds up to a maximum of 70%. As the fund falls in value, less of the fund is linked to the equity funds. At any particular time the proportion linked to the equity funds could be between zero and 70%.

Your money is not invested directly in the underlying funds or equities. We act as your agent in arranging to buy or sell the Medium Term Note provided by Barclays Bank plc. As your nominee we hold the Medium Term Note for your benefit.

The fund's protection

The Medium Term Note is provided by Barclays Bank plc who also protect the unit price from falling below 80% of the highest-ever unit price.

Credit ratings can be a useful guide to the risk associated with Barclays Bank plc. Ratings are given by independent agencies such as Standard & Poor's and Moody's. Companies are rated from most secure (AAA) to most risky (D). As at September 2010, Barclays Bank plc has been rated AA- by Standard and Poor's and Aa3 by Moody's.

Barclays Bank plc is authorised and regulated by the Financial Services Authority.

The cost of protection

Only a proportion of the fund is linked to the equity funds. If equity values rise, you will not get back as much as you would by investing in a fund that directly invests in equities.

There is a cost to provide the protection. This is included in the total yearly expenses shown in our charges summary document and fund factsheets.

The protection is on the fund's unit price, not on your original investment. Any charges taken directly from your account will reduce what you get back and may result in you getting back less than 80% of your original investment.

Please note this fund was closed to new customers from January 2007.

Investing in the Tracker Protected Profits fund

Aims

The fund aims to achieve medium to long-term growth while protecting the unit price from falling below 80% of the highest-ever unit price.

You are investing in a type of loan to Barclays Bank plc. The payments the bank makes in return provide the investment return.

Risk factors

You could lose some or all of your money if Barclays Bank plc does not make the payments it has agreed to, or becomes insolvent. If this happens, it is unlikely you will be able to claim under the Financial Services Compensation Scheme.

The unit price could fall below 80% of the highest-ever unit price if the fund's equity content is at, or close to, zero and the interest earned on the fund's other assets is less than its charges and expenses.

You may get back less than you invest as unit prices can fall as well as rise.

In more detail

How the fund works

The fund is a Medium Term Note issued by Barclays Bank plc. This is a type of loan to the bank. In return the bank agrees to make payments based on the investment return described below:

The investment return is linked to equity index tracking funds and the BlackRock Institutional Sterling Liquidity fund.

The equity index tracking funds are spread across the UK (60%), Europe (20%) and North America (20%). This split is set every three months and so may vary in between times.

The BlackRock Institutional Sterling Liquidity fund aims to achieve a return in line with wholesale money market short-term interest rates.

As the fund increases in value, more of the fund is linked to the equity funds up to a maximum of 70%. As the fund falls in value, less of the fund is linked to the equity funds. At any particular time the proportion linked to the equity funds could be between zero and 70%.

Your money is not invested directly in the underlying funds or equities. We act as your agent in arranging to buy or sell the Medium Term Note provided by Barclays Bank plc. As your nominee we hold the Medium Term Note for your benefit.

The fund's protection

The Medium Term Note is provided by Barclays Bank plc who also protect the unit price from falling below 80% of the highest-ever unit price.

Credit ratings can be a useful guide to the risk associated with Barclays Bank plc. Ratings are given by independent agencies such as Standard & Poor's and Moody's. Companies are rated from most secure (AAA) to most risky (D). As at September 2010, Barclays Bank plc has been rated AA- by Standard and Poor's and Aa3 by Moody's.

Barclays Bank plc is authorised and regulated by the Financial Services Authority.

The cost of protection

Only a proportion of the fund is linked to the equity funds. If equity values rise, you will not get back as much as you would by investing in a fund that directly invests in equities.

There is a cost to provide the protection. This is included in the total yearly expenses shown in our charges summary document and fund factsheets.

The protection is on the fund's unit price, not on your original investment. Any charges taken directly from your account will reduce what you get back and may result in you getting back less than 80% of your original investment.

Other funds in this sector

The following protected profits fund is also available.
How it works and its objective is detailed in the
'distributor requested funds' section starting on page 48.

IFDS Omnis J.P. Morgan Protector 80

UK Fixed-interest funds

Many governments and companies borrow money from investors as a way to raise funds. In turn they issue securities known as 'bonds' or 'gilts' if they are loans to a government. In return for the loan, an agreed rate of interest is paid until a set date. These securities can be traded (bought or sold) before the set date. Often referred to as fixed-interest investments, these types of funds are expected to produce lower but more stable returns than equity funds. Fixed-interest funds tend to be more suited for shorter-term investment or as part of a personalised portfolio invested to achieve an overall balance of risk and potential return. Investing solely in the funds for the longer-term may result in a lower return than a bank or building society savings account.

The rate of income on fixed-interest securities such as corporate bonds and government bonds won't increase in line with inflation unless they are index-linked. So, over time the real value of the income they produce is likely to fall. The value of these investments is affected by interest rate changes and is likely to fall if long-term interest rates rise. They may also fall if a company or bank the fund invests in becomes insolvent or is unable to make the payments they have agreed to. High yield bond funds tend to invest in high yielding corporate bonds, which are generally higher risk investments than government bonds or lower yielding corporate bonds.

Allianz PIMCO Gilt Yield

The fund aims to maximise total return, while maintaining a relatively high level of capital security, by investing mainly in UK government bonds. The fund may also invest in cash deposits, money market instruments, derivatives and collective investment schemes. More than 35% of the fund may be invested in UK government bonds.

Artemis High Income

The investment objective of the fund is to provide a higher than average initial yield, combined with the prospect of rising income and some capital growth over the long-term. To achieve the objective the fund invests mainly in UK fixed-interest securities and preference shares. The fund may invest in equities, other transferable securities, money market instruments, derivatives and forward transactions, deposits and units in collective investment schemes. Investment may be in all economic sectors worldwide.

Cazenove Strategic Bond

The fund aims to achieve a total return above sterling cash interest rates, mainly through a flexible allocation to investment grade bonds, non investment grade bonds and derivative instruments. The fund may invest in rated and unrated securities including bonds, notes of fixed and variable interest, preference shares, equities, convertible and other securities issued by government, quasi government, supranational, bank and corporate entities, and derivative instruments. The fund may also invest in cash, near cash and deposits without limitation.

Fidelity MoneyBuilder Income

The fund aims to achieve an attractive level of income. It invests mainly in the UK. Any overseas investments are hedged¹ back to sterling. It invests mainly in investment grade (higher quality) sterling denominated bonds issued by companies. It can also invest in government bonds, sub-investment grade (lower quality) corporate bonds and other sterling fixed-interest securities. Most of the bonds it invests in will have a credit rating of BBB or above, although it may invest a small proportion of its value in bonds which are rated lower than BBB. The fund can invest in bonds of any duration. The fund may invest in derivatives for the purposes of the efficient management of the fund.

Fidelity Strategic Bond

The fund aims to achieve income with the potential for capital growth from a portfolio mainly invested in sterling-denominated (or hedged¹ back to sterling) fixed-interest securities. Derivatives and forward transactions may also be used for investment purposes.

Henderson Preference & Bond

The fund aims to provide a return by investing mainly in sterling denominated preference shares, government securities, corporate bonds, Eurobonds and other bonds. The fund may invest in other transferable securities, money market instruments, derivatives and forward transactions, deposits and units in collective investment schemes.

Henderson Strategic Bond

The fund aims to provide a return by investing in higher yielding assets including high yield bonds, investment grade bonds, government bonds, preference shares and other bonds. The fund may also invest in equities. The fund will take strategic asset allocation decisions between countries, asset classes, sectors and credit ratings. The fund may invest in other transferable securities, money market instruments, derivatives and forward transactions, deposits and units in collective investment schemes.

Ignis Corporate Bond

The fund aims to produce an income and capital growth by investing in UK fixed-interest securities (which includes corporate bonds) and gilts. The fund can invest up to 15% of its investments in fixed-interest securities outside the UK. The fund is actively managed to produce a stable level of income (which is paid out every three months) and capital growth. This is done by focusing mainly on investment-grade (lower risk) corporate bonds, where a higher yield can be obtained than from gilts, and bonds with different maturity dates.

¹Currency hedging intends to reduce the risk of loss from exchange rate fluctuations in the market. It would be like taking out an insurance policy against this happening so that any unfavourable change in a currency (for example, the dollar against the euro) would not seriously reduce the value of your investment.

Invesco Perpetual Corporate Bond

The fund aims to achieve a high level of overall return, with relative security of capital. It intends to invest mainly in fixed-interest securities. In pursuing this objective, the fund managers may include investments that they consider appropriate which include transferable securities, money market instruments, warrants, collective investment schemes, deposits and other permitted investments and transactions, although the fund will not invest in any instrument which gives rise to a stamp duty liability.

Invesco Perpetual Monthly Income Plus

The fund aims to achieve a high level of income whilst seeking to maximise total return through investing in high yielding corporate and government bonds, together with UK equities. In pursuing this objective, the fund managers may include investments that they consider appropriate which include transferable securities, money market instruments, warrants, collective investment schemes, deposits and other permitted investments and transactions.

Kames Ethical Corporate Bond

The fund aims to provide a total return (income plus capital) by investing in sterling denominated bonds issued by a company or organisation that meets the fund's stated ethical criteria. Investments may be in investment grade corporate bonds, cash and up to 10% of the fund may be in high yield bonds.

Kames Sterling Corporate Bond

The fund aims to produce a total return (income plus capital) by investing mainly in sterling denominated bonds, including investment grade corporate bonds, government bonds and cash. Up to 10% of the fund may be invested in high yield bonds.

M&G Corporate Bond

The fund aims to achieve a higher return than would be achieved through investing in UK government bonds, by investing in sterling denominated fixed and variable rate securities such as corporate bonds.

M&G Gilt & Fixed Interest Income

The fund aims to provide a high and secure income (with relative security of capital) by mainly investing in government bonds.

M&G Optimal Income

The fund aims to achieve a total return through maximising income returns where at least 50% will be invested in debt instruments such as corporate bonds. The fund may also invest in a wider range of assets including, collective investment schemes, money market instruments, cash, near cash, deposits, equities, and derivatives. Derivatives may be used both for investment purposes and the efficient management of the fund.

M&G Strategic Corporate Bond

The fund aims to maximise total return (the combination of income and growth of capital). The fund invests mainly in investment grade bonds. The fund may invest in derivatives in pursuit of the fund objective and for the purposes of efficient portfolio management. The fund may also invest in other assets including collective investment schemes, other transferable securities and other debt instruments (including corporate, high yield and government debt, convertible and preference stocks), cash, and near cash, deposits, warrants and money market instruments.

Old Mutual Corporate Bond

The fund aims to maximise total return through investment in a diversified portfolio of fixed-interest and other debt securities.

Schroder All Maturities Corporate Bond

The fund aims to provide capital growth and income mainly through investment in non-government debt securities. The fund may also invest in a wider range of investments including transferable securities, derivatives, cash, deposits, collective investment schemes and money market instruments.

Schroder All Maturities Index Linked Bond

The fund aims to achieve capital growth and income mainly through investment in index-linked gilts. The fund may also invest in a wide range of investments including transferable securities, derivatives, cash deposits, collective investment schemes, warrants and money market instruments.

Schroder Gilt & Fixed Interest

The fund aims to achieve a high level of income with the potential for capital growth, from investment in a diversified portfolio of sterling denominated fixed-interest securities.

Threadneedle funds

Sterling Bond

The investment objective is to achieve total return mainly by way of income with some capital growth. The investment policy is to invest mainly in UK government securities, agencies, sovereign and supranational borrowers denominated in sterling.

UK Corporate Bond

The investment objective is to achieve a high level of income. The investment policy is to invest mainly in fixed-interest investments in the UK and Continental Europe.

International fixed-interest funds

Many governments and companies borrow money from investors as a way to raise funds. In turn they issue securities known as 'bonds' or 'gilts' if they are loans to a government. In return for the loan, an agreed rate of interest is paid until a set date. These securities can be traded (bought or sold) before the set date. Often referred to as fixed-interest investments, these types of funds are expected to produce lower but more stable returns than equity funds. Fixed-interest funds tend to be more suited for shorter-term investment or as part of a personalised portfolio invested to achieve an overall balance of risk and potential return. Investing solely in the funds for the longer-term may result in a lower return than a bank or building society savings account.

The rate of income on fixed-interest securities such as corporate bonds and government bonds won't increase in line with inflation unless they are index-linked. So, over time the real value of the income they produce is likely to fall. The value of these investments is affected by interest rate changes and is likely to fall if long-term interest rates rise. They may also fall if a company or bank the fund invests in becomes insolvent or is unable to make the payments they have agreed to. High yield bond funds tend to invest in high yielding corporate bonds, which are generally higher risk investments than government bonds or lower yielding corporate bonds.

The level of risk associated with overseas investments depends largely on the countries in which the fund is invested. There are bigger risks to investing in emerging markets. They may be less reliable in paying back debt and have a less stable economy.

Investec Emerging Markets Local Currency Debt

The fund aims to achieve long-term total returns mainly through investment in public sector, sovereign and corporate bonds issued by emerging market borrowers (typically countries that are classified as low or medium income by the World Bank) and in associated derivatives.

Kames Strategic Bond

The main investment objective is to produce a total return (income plus capital) by investing in global debt instruments, denominated in any currency, ranging from AAA government bonds through to high yield and emerging market corporate bonds. At least 50% of the fund will be invested in sterling and other currency denominated bonds hedged¹ back to sterling. This fund's management style incorporates tactical asset allocation with high frequency portfolio adjustments.

Newton International Bond

The fund aims to maximise total return from income and capital growth in the world bond markets through investment mainly in government and other public securities.

Threadneedle funds

Emerging Market Bond

The investment objective is to achieve a total return mainly by way of income with some capital growth. The investment policy is to invest mainly in high yielding public sector, sovereign and corporate bonds issued by emerging market borrowers. Typically these countries are outside the Organisation for Economic Cooperation and Development (OECD). It may further invest in other fixed-interest securities, including bonds issued by countries making up the G7, deposits, cash and near cash. Additionally, it may use derivatives (including currency, interest rate and credit default swaps) and forward transactions for purposes that are limited to efficient portfolio management techniques.

European Bond

The investment objective is to achieve total return primarily by way of income with some capital growth. The investment policy is to invest in European public sector sovereign bonds and corporate bonds, issued by companies domiciled in Europe or with significant European operations, denominated in a range of European currencies or other Euro-denominated public sector sovereign bonds and corporate bonds. The Fund has the flexibility to invest in bonds issued by Eastern European issuers.

Global Bond

The investment objective is to achieve a total return comprising mainly income with some capital growth. The investment policy is to invest the assets of the fund in a managed portfolio of fixed income securities quoted on markets worldwide.

High Yield Bond

The investment objective is to achieve growth through a higher level of income. The investment policy is to invest principally in higher risk UK and international fixed-interest securities. It may also invest in equities. Income will be paid monthly.

Strategic Bond

The investment objective is to achieve total return mainly by way of income. Income will be paid monthly. The investment policy is to invest in a managed portfolio of mainly UK and European fixed-interest securities. The portfolio will include investment grade as well as below investment grade fixed-interest securities. From time to time, it may also invest in securities issued by sovereign and supranational borrowers. Where securities are non-sterling denominated it is intended that they will typically be hedged¹ back into sterling.

¹Currency hedging intends to reduce the risk of loss from exchange rate fluctuations in the market. It would be like taking out an insurance policy against this happening so that any unfavourable change in a currency (for example, the dollar against the euro) would not seriously reduce the value of your investment.

Money market (including deposit and treasury) funds

These types of fund tend to be more suited for the shorter-term investment or as part of a personalised portfolio invested to achieve an overall balance of risk and potential return. They are only available with the Investment Account.

Investing solely in these funds for the longer term may result in a lower return than a bank or building society account, or a return lower than inflation. In the longer term the returns of money market funds are generally expected to be lower than those from equity funds.

In some circumstances there can be a fall in value. For example, when interest rates are low returns may be less than the charges. If a company or bank that the fund invests in becomes insolvent, or is unable to make payments they have to agreed to, the value of the fund could also fall.

Money market funds

Money market funds invest in a much broader range of money market instruments (compared to deposit and treasury funds) and seek to obtain a higher return, although this carries an increased risk of the fund value falling. Money market instruments include commercial paper and floating rate notes. Commercial paper is short-term unsecured notes issued by a company or bank. A floating rate note is an instrument whose interest payment varies with short-term interest rates. These types of money market instruments are debt instruments that produce an income and can be traded (bought and sold). Their value when traded can fall and rise between the time of purchase and their maturity date. Their value will depend on comparable rates of interest achieved in the market place and the financial security and credit worthiness of the underlying institution the loan has been made to. This tends to mean the value of these instruments can fall and rise more than other near cash assets. When an overseas money market instrument is used it will often be hedged¹ back into sterling currency to reduce risk of foreign exchange fluctuations affecting its value.

¹Currency hedging intends to reduce the risk of loss from exchange rate fluctuations in the market. It would be like taking out an insurance policy against this happening so that any unfavourable change in a currency (for example, the dollar against the euro) would not seriously reduce the value of your investment.

BlackRock Cash

Although the fund has cash in the name, it will invest in a portfolio of cash, cash deposits, and other money market instruments. The fund will be managed to produce a high rate of income. It is not aimed at investors seeking long-term capital growth.

Deposit and treasury funds

Some money market funds, which are also referred to as deposit and treasury funds, invest mainly in cash deposits or near cash assets. By near cash, we mean short-term (normally less than one year) debt investments like certificates of deposit. A debt investment is where a loan of cash is made in return for interest paid on that cash for a specified period and the repayment of the loan by a specified date.

Legal & General Cash Trust

Although the fund has cash in the name, the fund expects to generally invest in overnight and short-term deposits. It is not aimed at investors seeking long-term capital growth.

This fund is the current choice for phased investments.

Absolute return funds

Absolute return funds aim to deliver positive returns in any market conditions. This is in contrast to more traditionally managed funds that aim to outperform a benchmark such as an index or similar funds, but which can still have negative returns over a specified period.

It's important to note that although absolute return funds typically aim to achieve consistent positive returns in each year, this is not guaranteed and, in particular, returns may not be positive after charges have been taken into account.

Performance comparisons with other funds in the absolute return sector may be inappropriate due to the varied nature of the funds within this sector resulting in different benchmarks, risk profiles and timeframes for delivering returns. However, the funds would generally be expected to achieve consistent but moderate returns.

Many absolute return funds will use derivatives to help in the risk management of the fund as well as for investment purposes.

Newton Real Return

The fund aims to achieve significant real rates of return in sterling terms mainly from a portfolio of UK and international securities. The fund emphasises real return and invests in a mixture of cash, equities, and corporate and government fixed-interest securities of any duration from around the world. The fund may also invest in deposits, money market instruments, derivative instruments, forward transactions and collective investment schemes.

Threadneedle fund

Absolute Return Bond

The fund aims to achieve a total return in all market conditions, through investing in global bond markets. The fund will invest mainly in derivatives, cash and near cash, fixed-interest and index-linked securities, money market instruments and deposits. At times, the fund may be concentrated in any one or a combination of these assets. Derivatives may be used for investment purposes and the efficient management of the fund.

This fund is more suited for shorter-term investment or as part of a personalised portfolio invested to achieve an overall balance of risk and potential return. Investing solely in this fund for the longer-term may result in a lower return than a bank or building society savings account.

Distributor requested funds

Distributor requested funds are a range of funds provided by fund managers together with a fund sponsor (which may be part of the organisation your adviser works for). The investment objectives and risk profiles of the funds are set in conjunction with the fund sponsor. These funds tend to be either risk-rated funds and/or multimanaged funds. Generally, the fund sponsor also receives payments out of the fund charges in addition to any commission your adviser receives from us. The amount of any payments to fund sponsors is taken from the fund charges disclosed to you.

Cirilium funds

The Cirilium funds are managed by Henderson Global Investors in accordance with the investment objectives and risk profiles of the funds which have been set in conjunction with the fund sponsor, Intrinsic Financial Services, which is a network of financial advisers. Henderson will make payments to Intrinsic out of the fund charges.

Cirilium Cautious

The fund aims to achieve long-term capital growth through investment in both UK and overseas markets, broadly diversified across asset classes. The fund will adopt a cautious investment approach by limiting equity exposure to a maximum of 60%.

Cirilium Dynamic

The fund aims to achieve long-term capital growth through investment in both the UK and overseas markets, diversified across asset classes. Equity exposure will be up to 90% of the fund.

Cirilium Moderate

The fund aims to achieve long-term capital growth through investment in both UK and overseas markets, broadly diversified across asset classes. The fund will adopt a moderate investment approach by limiting equity exposure to a maximum of 80%.

Cirilium Strategic Income

The fund aims to provide an income in excess of the yield of the FTSE All-Share Index and with the prospect for some capital growth. The portfolio will be cautious in that it will be broadly diversified across asset classes but with a maximum exposure of 60% to equities. Investment will not be confined to any particular geographic or economic sector.

IFDS Omnis funds

The IFDS Omnis, IFDS Omnis (Threadneedle) and the IFDS Omnis J.P. Morgan Protector 80 funds are managed by Octopus Investments Limited, Threadneedle Asset Management Limited and J.P. Morgan Mansart Investments respectively, in accordance with the investment objectives of the funds. The investment objectives and risk profiles of the funds have been set in conjunction with the fund sponsor, Omnis Investment Ltd. As sponsor, Omnis Investments Ltd receives payment out of the fund charges. Omnis Investment Ltd is part of the Openwork Group (which is part of the Zurich Financial Services Group). The Openwork Group includes Openwork Limited, a network of financial advisers. Therefore, both Openwork and Zurich may benefit financially from these payments.

IFDS Omnis Advanced

The objective of the fund is to achieve capital growth over the medium to longer term significantly in excess of cash deposit rates. The fund will mainly invest in collective investment schemes across a range of global geographical areas and asset classes, managed by multiple different investment managers, but with a core holding in UK equities. The fund may invest in other asset where appropriate. Foreign currency exposure through non-UK investments may be hedged¹ back into £-sterling.

IFDS Omnis Balanced

The objective of the fund is to achieve capital growth over the medium to longer term well in excess of cash deposit rates. The fund will mainly invest in collective investment schemes across a range of global geographical areas and asset classes, managed by multiple different investment managers, but with a core holding in UK equities. The fund may invest in other asset classes where appropriate. Foreign currency exposure through non-UK investments may be hedged¹ back into £-sterling.

IFDS Omnis Cautious

The objective of the fund is to achieve capital growth over the medium to longer term in excess of cash deposit rates. The fund will mainly invest in collective investment schemes, and individual stocks and bonds, across a range of global geographical areas and asset classes, managed by multiple different investment managers, but with a core holding in UK equities. The fund may invest in other asset classes where appropriate. Foreign currency exposure through non-UK investments may be hedged¹ back into £-sterling.

IFDS Omnis Distribution

The objective of the fund is to provide, over the medium to long-term, a growing income without reducing the purchasing power of capital. This will be achieved through mainly investing in collective investment schemes across a range of global geographical areas and asset classes, but with a core holding in UK equities and bonds. The fund may invest in other asset classes where appropriate. Foreign currency exposure through non-UK investments may be hedged¹ back into £-sterling.

¹Currency hedging intends to reduce the risk of loss from exchange rate fluctuations in the market. It would be like taking out an insurance policy against this happening so that any unfavourable change in a currency (for example, the dollar against the euro) would not seriously reduce the value of your investment.

IFDS Omnis (Threadneedle) Advanced

The objective of the fund is to achieve capital growth over the medium to longer term well in excess of cash deposit rates. The fund will mainly invest in collective investment schemes (almost exclusively from the Threadneedle Group) across a range of global geographical areas and asset classes but with a core holding in UK equities. The fund may invest in other asset classes where appropriate. Foreign currency exposure through non-UK investments may be hedged¹ back into £-sterling.

IFDS Omnis (Threadneedle) Balanced

The objective of the fund is to achieve capital growth over the medium to longer term, in excess of cash deposit rates. The fund will mainly invest in collective investment schemes (almost exclusively from the Threadneedle Group) across a range of global geographical areas and asset classes but with a core holding in UK equities and bonds. The fund may invest in other asset classes where appropriate. Foreign currency exposure through non-UK investments may be hedged¹ back into £-sterling.

IFDS Omnis (Threadneedle) Cautious

The objective of the fund is to achieve capital growth over the medium to longer term that is above cash deposit rates. The fund will mainly invest in collective investment schemes (almost exclusively from the Threadneedle Group) across a range of global geographical areas and asset classes but with a core holding in UK equities and bonds. The fund may invest in other asset classes where appropriate. Foreign currency exposure through non-UK investments may be hedged¹ back into £-sterling.

¹Currency hedging intends to reduce the risk of loss from exchange rate fluctuations in the market. It would be like taking out an insurance policy against this happening so that any unfavourable change in a currency (for example, the dollar against the euro) would not seriously reduce the value of your investment.

Investing in the IFDS Omnis J.P. Morgan Protector 80 fund

Aims

The fund aims to achieve medium to long-term growth while protecting the unit price from falling below 80% of the highest-ever unit price.

The fund makes payments to JPMorgan Chase Bank, N.A. In return, the bank makes payments which provide the investment growth.

Risk factors

The protection is not guaranteed and the unit price could fall below 80% of the highest-ever unit price if:

- JPMorgan Chase Bank, N.A. does not make the payments it has agreed to, or becomes insolvent. If this happens, it is unlikely you will be able to claim under the Financial Services Compensation Scheme
- the proportion of the fund linked to the investment portfolio is at, or close to, zero and the interest earned on the fund's other assets is less than its charges and expenses.

You may get back less than you invest as unit prices can fall as well as rise.

In more detail

How the fund works

The fund is an IFDS Omnis Investments ICVC OEIC.

The OEIC makes payments to JPMorgan Chase Bank, N.A., who in return agree to make payments back to the OEIC based on the return of the investment portfolio and cash element.

The investment portfolio gives a return based on a diverse mix of UK and international equities (up to 70%), bonds and cash (30% to 75%), commodities (up to 10%) and the US\$ to Japanese Yen exchange rate (up to 10%). The mix of the investment portfolio is set every three months based on recent market performance and risk.

The cash element gives a return based on overnight sterling interest rates.

As the fund increases in value, more of the fund is linked to the investment portfolio. As the fund falls in value, less of the fund is linked to the investment portfolio. At any particular time the proportion linked to the investment portfolio could be between zero and 100%.

Your money is not invested directly in the underlying equities, bonds, commodities or cash.

The fund's protection

To mitigate the risk that JPMorgan Chase Bank, N.A. does not make the payments it has agreed to, or becomes insolvent, they are required to provide a separate holding of government bonds. These are held by the OEIC's independent custodian.

The bonds are a loan to the governments of Canada, France, Germany, Japan, UK and USA. If JPMorgan Chase Bank, N.A. does not make the payments it has agreed to, or becomes insolvent, the government bonds will be used to make good that shortfall.

If any of these governments do not pay their debts, or there is an increased risk any of them might not, the value of this security may be insufficient to make good the shortfall.

The cost of protection

Only a proportion of the fund is linked to the investment portfolio. If equity, bond and commodity values rise, you will not get back as much as you would by investing directly in these assets.

There is a cost to provide the protection. This is included in the total yearly expenses shown in our charges summary document and fund factsheets.

The protection is on the fund's unit price, not on your original investment. Any charges taken directly from your account will reduce what you get back and may result in you getting back less than 80% of your original investment.

IFSL Sinfonia funds

The IFSL Sinfonia funds are managed by FundQuest in accordance with the investment objectives and risk profiles of the funds. These have been set in conjunction with the fund sponsor, Sinfonia Asset Management Limited, which is a subsidiary of Tenet Group Limited, a network of financial advisers. As sponsor, Sinfonia Asset Management Limited receives payments out of the fund charges.

Your adviser may also receive a share of the value if Sinfonia Asset Management Limited is sold or floated on a stock exchange based on the value of the investments made into the IFSL Sinfonia funds. This payment will be met from the proceeds of sale of Sinfonia Asset Management Limited and not by way of any deductions from your investment. Your adviser will have informed you if this arrangement applies to your investment.

IFSL Sinfonia Adventurous Growth Portfolio

The fund aims to provide long-term capital growth by investing in collective investment schemes. The fund will invest in a diversified global portfolio of equities, fixed-interest securities, warrants and money market instruments, and there may be an emphasis on the UK. The fund may also invest in derivative instruments and forward transactions, mainly for the purposes of the efficient management of the fund, but also for investment purposes.

IFSL Sinfonia Balanced Managed Portfolio

The fund aims to provide medium to long-term capital growth by investing in collective investment schemes. The fund will invest in a diversified global portfolio of equities, fixed-interest securities, warrants and money market instruments, and there may be an emphasis on the UK and Europe. The fund may also invest in derivative instruments and forward transactions, mainly for the purposes of the efficient management of the fund, but also for investment purposes.

IFSL Sinfonia Cautious Managed Portfolio

The fund aims to provide a combination of long-term income and capital growth by investing in collective investment schemes. The fund will invest in a diversified global portfolio of equities, fixed-interest securities, warrants and money market instruments, and there may be an emphasis on the UK. The fund may also invest in derivative instruments and forward transactions, mainly for the purposes of the efficient management of the fund, but also for investment purposes.

IFSL Sinfonia Income and Growth Portfolio

The fund aims to provide long-term income and capital growth by investing in collective investment schemes.

The fund will invest in a diversified global portfolio of equities, fixed-interest securities, warrants and money market instruments with an emphasis on the UK. The fund may also invest in derivative instruments and forward transactions, mainly for the purposes of the efficient management of the fund, but also for investment purposes.

IFSL Sinfonia Income Portfolio

The fund aims to provide regular income with some potential for long-term capital growth by investing in collective investment schemes. The fund will invest in a diversified global portfolio of equities, fixed-interest securities, warrants and money market instruments with an emphasis on the UK. The fund may also invest in derivative instruments and forward transactions, mainly for the purposes of the efficient management of the fund, but also for investment purposes.

IM Verbatim funds

The IM Verbatim funds are managed by the investment managers shown below in accordance with the investment objectives and risk profiles of the funds which have been set in conjunction with the fund sponsor, Verbatim Asset Management Ltd, who are part of the SimplyBiz group. SimplyBiz provide support services for financial advisers. As sponsor Verbatim may receive payments out of the fund charges.

IM Verbatim Portfolio 4

The fund will use a broadly cautious managed investment strategy with the aim of achieving capital growth over the medium to longer term. It will seek to do this by blending a diversified selection of funds, including quality UK and overseas equity, bond and property funds. The fund is managed by Schroders Investment Management Limited.

IM Verbatim Portfolio 5 Growth

The fund will use a broadly cautious balanced strategy with the aim of achieving capital growth over the medium to longer term. The fund will seek to achieve its objective through investment in collective investment schemes (regulated and unregulated) as well as directly held transferable securities, derivatives, cash, deposits, warrants and money market instruments. Investment may be made globally but foreign currency exposure through non-UK investments may be hedged¹ back into sterling. The fund is managed by Architas Multi-Manager Limited.

IM Verbatim Portfolio 5 Income

The fund will use a broadly cautious balanced investment strategy with the aim of achieving income with some potential for capital growth over the medium to longer term. It will invest in a diversified portfolio of global equity shares and will also gain exposure to the UK Corporate Bond sector through investment in a unitised vehicle. The fund is managed by Schroder Investment Management Limited

IM Verbatim Portfolio 6

The fund will use a broadly balanced investment strategy with the aim of achieving capital growth over the medium to longer term. The fund will seek to achieve its objective through investment in collective investment schemes (regulated and unregulated) as well as directly held transferable securities, derivatives, cash, deposits, warrants and money market instruments. Investment may be made globally but foreign currency exposure through non-UK investments may be hedged¹ back into sterling. The fund is managed by Ignis Investment Services Limited.

IM Verbatim Portfolio 7

The fund seeks to combine a strategic overlay with careful fund and security selection from a broad and diverse range of asset classes. The fund is managed by Henderson Global Investors Limited.

¹Currency hedging intends to reduce the loss from exchange rate fluctuations in the market. For example, it would be like taking out an insurance policy against this happening so that any unfavourable change in a currency (for example, the dollar against the euro) would not seriously reduce the value of your investment.

Payment dates for Sterling panel funds that distribute income

Each fund pays its income at various dates during the year as shown in this table. We receive this income and hold it until the next Sterling distribution date, 10 March, June, September and December. We will pay you income we

receive in the previous three months at the next Sterling distribution. However, if you choose to reinvest the income in your account, we will reinvest it for you on the day we receive the income from the fund manager.

Fund	Payment Date											
	10 March			10 June			10 September			10 December		
Allianz PIMCO Gilt Yield				30/04						31/10		
Artemis High Income	7/01			7/04			7/07			7/10		
Artemis Income							30/06					31/12
Baring UK Growth		6/02						20/08				
Cazenove Strategic Bond		end/02						31/08				
Cazenove UK Growth & Income		end/02						31/08				
Cirilium Strategic Income							30/06					31/12
CF 7IM Income	31/01			30/04			31/07			31/10		
CF Midas Balanced Income			15/03				15/06		15/09			15/12
Fidelity MoneyBuilder Income	26/01	end/02	26/03	26/04	26/05		26/06	26/07	26/08	26/09	26/10	26/11
Fidelity MultiManager Income			31/03				30/06			30/09		31/12
Fidelity South East Asia				30/04								
Fidelity Strategic Bond	25/01	25/02	25/03	25/04	25/05		25/06	25/07	25/08	25/09	25/10	25/11
First State Global Listed Infrastructure			31/03							30/09		
Henderson Industries of the Future							30/06					31/12
Henderson Multi-Manager Income & Growth	23/01			23/04			23/07			23/10		
Henderson Preference & Bond		28/02			31/05			31/08			30/11	
Henderson Strategic Bond		28/02			31/05			31/08			30/11	
HSBC UK Growth & Income			15/03						15/09			
IFDS Omnis Distribution		28/02			31/05			31/08			30/11	
IFSL Sinfonia Income Portfolio		28/02			31/05			31/08			30/11	
IFSL Sinfonia Income and Growth Portfolio					31/05						30/11	
Ignis Argonaut European Enhanced Income				31/03			30/06		30/09			31/12
Ignis Argonaut European Income	31/01			30/04			31/07		31/10			
Ignis Corporate Bond	15/01			15/04			15/07		15/10			
IM Verbatim Portfolio 5 Income		28/02			31/05			31/08			30/11	
Invesco Perpetual Distribution	31/01	28/02	31/03	30/04	31/05		30/06	31/07	31/08	30/09	31/10	30/11
Invesco Perpetual Japan												31/12
Invesco Perpetual Corporate Bond							30/06					31/12
Invesco Perpetual High Income		28/02						31/08				
Invesco Perpetual Income					31/05						30/11	
Invesco Perpetual Monthly Income Plus	31/01	end/02	31/03	30/04	31/05		30/06	31/07	31/08	30/09	31/10	30/11
Investec Emerging Markets Local Currency Debt	31/01			30/04				31/07			31/10	
Investec Global Free Enterprise		28/02										
Investec UK Special Situations											30/11	
JPM Asia				30/04								
JPM Global Equity Income	31/01			30/04			31/07		31/10			
Jupiter Distribution	27/01	27/02	27/03	27/04	27/05		27/06	27/07	27/08	27/09	27/10	27/11
Jupiter Ecology					31/05						30/11	
Jupiter Financial Opportunities							30/06					31/12
Jupiter High Income					31/05						30/11	
Jupiter Income		28/02						31/08				
Jupiter Merlin Income Portfolio			15/03				15/06		15/09			15/12
Jupiter UK Growth		28/02						31/08				
Kames Ethical Corporate Bond			31/03				30/06		30/09			31/12
Kames Sterling Corporate Bond			31/03				30/06		30/09			31/12
Kames Strategic Bond			31/03				30/06		30/09			31/12
Lazard UK Alpha					31/05						30/11	
M&G Corporate Bond		end/02			31/05			31/08			30/11	
M&G Gilt & Fixed Interest Income	31/01			30/04			31/07		31/10			
M&G Optimal Income					31/05						30/11	
M&G Property Portfolio		28/02			31/05			31/08			30/11	
M&G Strategic Corporate Bond	31/01			30/04			31/07		31/10			
Neptune European Opportunities		28/02						31/08				
Neptune Income		28/02						31/08				
Newton Balanced		28/02						31/08				
Newton Continental European									31/10			
Newton Global Higher Income		28/02			31/05			31/08			30/11	
Newton Higher Income		28/02			31/05			31/08			30/11	

Fund	Payment Date											
	10 March			10 June			10 September			10 December		
Newton International Bond	28/02						31/08					
Newton Managed	28/02									30/09		
Newton Real Return	28/02									30/09		
Old Mutual Corporate Bond				31/03			30/06			30/09		
Rathbone Income							15/06					
Schroder All Maturities Corporate Bond												
Schroder Asian Income Maximiser	28/02			31/05			31/08			30/11		
Schroder Gilt & Fixed Interest				30/04						31/10		
Schroder Global Equity Income				15/03						15/09		
Schroder Income				25/04						25/10		
Schroder Income Maximiser	31/01			30/04			31/07			31/10		
Threadneedle Emerging Market Bond				7/05						7/11		
Threadneedle European Bond				7/05						7/11		
Threadneedle Global Bond				7/05						7/11		
Threadneedle High Yield Bond	4/01	4/02	4/03	4/04	4/05	4/06	4/07	4/08	4/09	4/10	4/11	4/12
Threadneedle Managed Income	21/01	21/02	21/03	21/04	21/05	21/06	21/07	21/08	21/09	21/10	21/11	21/12
Threadneedle Monthly Extra Income	4/01	4/02	4/03	4/04	4/05	4/06	4/07	4/08	4/09	4/10	4/11	4/12
Threadneedle Sterling Bond				7/05						7/11		
Threadneedle Strategic Bond	4/01	4/02	4/03	4/04	4/05	4/06	4/07	4/08	4/09	4/10	4/11	4/12
Threadneedle UK				7/05						7/11		
Threadneedle UK Corporate Bond	7/02			7/05			7/08			7/11		
Threadneedle UK Equity Alpha Income							30/06			30/12		
Threadneedle UK Equity Income				7/05						7/11		
Threadneedle UK Growth & Income				7/05						7/11		
Threadneedle UK Monthly Income	4/01	4/02	4/03	4/04	4/05	4/06	4/07	4/08	4/09	4/10	4/11	4/12
Threadneedle UK Property Trust	15/01						15/07					
Threadneedle UK Select				7/05						7/11		
Threadneedle UK Smaller Companies				7/05						7/11		

Notes

- Other funds accumulate income within the fund and this increases the value of your account.
- Generally you must hold units in the fund two months before the payment date to qualify for income. For example, if the payment date is 7 August you must have units in the fund on the previous 7 June. Where the funds pay monthly, normally you need to hold units at the previous month to qualify for the current month's payment.

Please let us know if you would like a copy of this in large print or braille, or on audiotape or CD.