

## Reasons Why: Frontier Multi Asset Platform Funds

### What are the Frontier Multi Asset Platform Funds?

The Frontier Multi Asset Platform Funds (“the MAP Funds”) provide investors with exposure to eight asset classes in one fund. The strategy is based on an evidence-based investment philosophy, access to alternative asset classes, the fee efficiency of indexing strategies and institutional pricing.

### What are the investment objectives of the Funds?

The aim of the Funds is to provide investors with medium to long term investment growth through investing across multiple asset classes: global equities, global fixed income, emerging market equities, emerging market bonds, global real estate, commodities, hedge funds and managed futures.

### How do the Funds meet my risk profile?

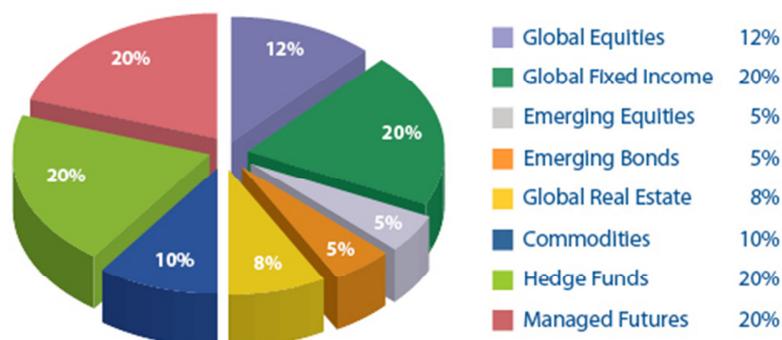
The MAP Conservative sub fund has no leverage and is suitable for investors with a lower risk appetite. Prospective investors can achieve leveraged returns on shares of the MAP Fund by investing in the MAP Moderate sub fund which provides 200% market exposure. Leverage is provided within the fund at exceptionally low cost. For investors with higher risk appetites, there is also a MAP Plus Fund which provides 300% market exposure.

### How do the Funds achieve a leveraged market exposure?

The MAP Moderate and MAP Plus Funds have a borrowing facility with the Fund’s custodian which, together with the cash efficient instruments invested in by the Funds, enables leverage to be secured at very low cost. Investors who maintain borrowings as well as investments should consider their cost of borrowing compared to this rate of interest.

### What is the strategic policy asset allocation?

The asset allocation is reviewed annually to ensure that it is in line with its long term volatility objective. The current asset allocation, implemented on 1st April 2011, is set out below.



### What are the Funds invested in?

Frontier has invested heavily in research to develop very low cost methods of gaining access to each of the eight asset classes. These asset classes will be accessed in the most cost efficient manner by, for example, investment in index tracking or replicating funds, exchange traded funds, futures contracts and funds of managed accounts.

### How do the Funds deal with currency exposure?

The Funds hedge all of the currency exposure in each asset classes except for emerging market currencies or in cases where it is not possible or too expensive to do so.

### Who is the investment manager?

Frontier Investment Management LLP is a London based investment firm founded in 2004 to bring diversified multi-asset and alternative investments to the wider investment community. Its philosophy is highly evidence based, combining classic investment theory with innovative indexing strategies and access to alternative investments. Frontier Investment Management is authorised and regulated in the UK by the Financial Services Authority.

### Why have you recommended this Fund for me?

We have chosen the Frontier Multi Asset Platform Funds for you as we believe that the diversified, strategic and low cost nature of the Fund is suitable for your needs as a 'core holding' within your overall portfolio. By combining asset classes that do not rise and fall at the same time, the risk of investment is reduced and the return on investment increases, to produce more stable, risk adjusted returns. In addition, the scale of potential losses (Maximum Loss) is reduced by investing into many different asset classes. A diversified portfolio with eight asset classes can provide better preservation of capital than a portfolio with just global equities and the time to recover from falls therefore tends to be much quicker. The Funds invest into low cost indexing strategies, which seek to minimize portfolio turnover and trading costs. Over longer time periods, most index investing strategies provide superior net performance (after fees). While there will always be some actively managed funds that outperform index investments on some years, past performance of actively managed funds does not provide a good prediction of future performance. Each of the eight asset classes included in the Funds have provided a real return, above cash and inflation over the longer term. Since 1991, an eight asset portfolio would have generated gross returns over inflation of +7.6% per annum\*.

Investing is for the long term, therefore it is important that you view this investment with a 5-year time horizon, and remain invested during periods of market turbulence. When considering a time horizon of 5-year rolling periods, since 1991 an eight asset class portfolio as produced returns above cash and inflation 100%\* of the time.

Over a shorter holding period, the returns of an eight asset portfolio would have exceed cash and inflation during approximately 85.5%\* of rolling 1-year periods. This highlights the benefits of investing over longer time periods.

### Important Notes

This document is issued for information purposes only by Frontier Investment Management LLP ("Frontier") in respect of the Multi Asset Platform Fund Segregated Portfolio Company ("the Fund"). It does not constitute an offer by Frontier to enter into any contractual/agreement nor is it a solicitation to buy or sell any investment. Potential investors are directed to read the Fund prospectus and should always consult with their professional advisors. In the event that there are any differences between this presentational material and the Prospectus, the terms of the Prospectus will prevail. Frontier is authorized and regulated by the Financial Services Authority ("FSA"). The Fund is defined as an unregulated collective investment scheme and the promotion of such a scheme either within the UK or from the UK is restricted by the Financial Services and Markets ACT 2000 ("FSMA"). Consequently, this document is only made available to professional clients and eligible counterparties as defined by the FSA Conduct of Business Sourcebook 4.12.1R and the statutory requirements used FSMA. Frontier Investment Management LLP, Berkeley Square House, Berkeley Square, Mayfair, London, WEJ 6DB, UK. Tel: +44 207 317 6900 Fax: +44 (0) 207 317 6901 info@frontiercm.com, www.frontierim.com.

\*Historical returns data has been calculated using gross asset class returns from January 1991 – June 2011 for a portfolio consisting of global equities, global fixed interest, emerging market equities, emerging market bonds, global property, commodities, hedge funds and managed futures, using the current asset class weights of the Frontier Multi Asset Platform Conservative Fund, shown on Page 1. Asset class returns shown above are the gross returns of the reference indices of the asset classes in the Fund hedged into GBP. These are provided for information purposes only – they do not represent the actual performance of the Fund. See reverse for further information.

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