Ivy+ Risk Managed Funds

Risk management
from the investors point of view

Designed to manage risk in downmarkets and participate in upmarkets

A better solution for participants

The Ivy+ Risk Managed UCITS funds offer Investors two critical layers of risk management:

- Broad diversification across multiple asset classes
- Tactical asset allocation designed to protect against significant market losses

Why choose IVY+ Risk Managed Funds

Easier decision-making

Rather than researching and selecting a portfolio of funds, participants can simply choose a professionally managed fund based on their risk tolerance and capacity for loss levels. ML Capital also manage a range of similar Portfolios and Capital Gains Tax assessable portfolios.

Fund diversification

Choose only one strategy to receive a fully diversified fund covering equities, fixed income, commodities, property and cash utilising low cost passive index funds and ETF's.

Active downside risk management

In contrast to traditional benchmark centric products that stay fully invested through downmarkets, Ivy+ risk managed funds are actively managed and seek to avoid significant market losses.

Alignment of goals

Ivy+ risk managed funds align their investment strategies with the goals of investors, targeting relative returns in rising markets and managing risk of loss in downmarkets. Our performance based fee structure also reflects the alignment of our interests with our investors.

Why choose ML Capital?

ML Capital Asset Management is an investment management firm offering innovative investment strategies based on their Ivy+ risk managed approach. ML Capital have worked closely with Professors Andrew Clare and Stephen Thomas of Cass Business School in London in developing this risk managed approach to investing. Cass Business School have carried out extensive research in the area of rules based investing, authoring a number of white papers on the subject. They are both members of our Investment committee.

Why focus on downside risk management?

The terms "risk" and "risk management" are some of the most confusing in the financial industry and some of the most often misunderstood. But for virtually all investors, the most important aspect of risk management is very straightforward- "try not to lose my money"

At ML capital, we share our client's view of risk management with the primary goal of minimising investment losses.

Substantial market downturns are not uncommon

Historically, the market has seen several severe market downturns. In fact, since 1950, there have been numerous bear markets,defined as a market drawdown of 20% or more.

Our active downside risk management process is designed to provide participants with the confidence to stay the course during market declines.

We use active asset allocation to "de-risk" and "re-risk" the funds in response to changing market conditions.

During severe economic downturns, traditional products can be "locked in" to the market decline because of their buy and hold approach. The Ivy+ risk management funds are evaluated continuously and are designed to systematically de-risk by eliminating holdings within each asset class that are expected to generate near-term losses.

The Strategies are designed to "re-risk" each fund by moving back into those holdings as market conditions improve. In severe downmarkets, the strategy has the ability to reallocate to cash equivalents in an effort to truly protect participants assets.

IVY+ Balanced Growth Fund changes in asset allocation during the period Dec 2006 to Dec 2009.

It is very important to note that although our investment process is rules based and can be meaningfully backtested, the changes in asset allocation below are the product of backtesting and are not an indication of future rules based results.

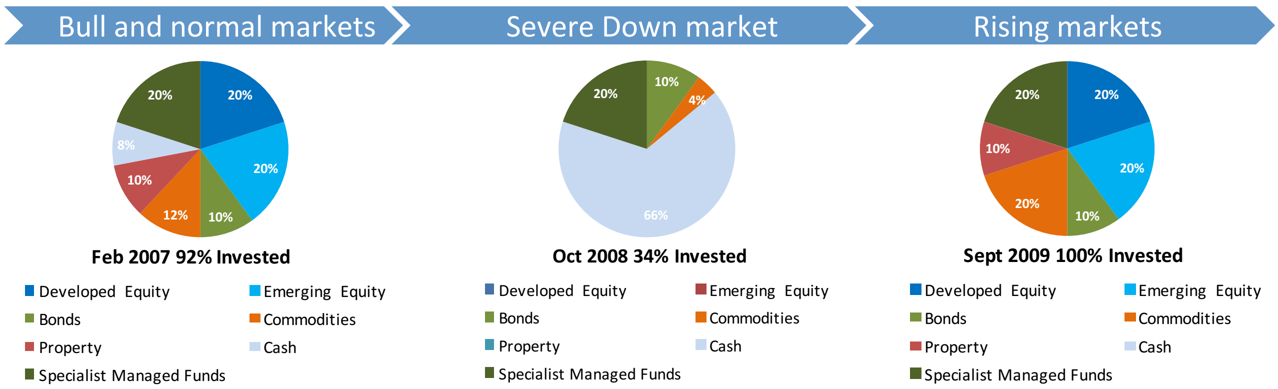


Chart 1 indicates that the Fund is 92% invested, reflecting that some asset classes have started to trend downwards and cash levels have been raised to a partly defensive position.
Chart 2 reflecting the holdings in Oct 2008, shows a very defensive allocation with 66% in cash.
Chart 3 reflecting asset allocation in Dec 2009 indicates a strong recovery phase in markets, and a fully reinvested position.

Source: MLCAM research.

A better solution for participants

The Ivy+ Risk Managed Funds offer investors two critical layers of risk management:

- Broad diversification across multiple asset classes
- Tactical asset allocation designed to protect against significant market losses

Rather than simply creating static diversified funds that stay fully invested at all times, the funds are actively monitored and adjusted to reallocate assets as market conditions change. These built-in processes that manage the risk of significant market losses are designed to provide participants with the confidence to **stay the course** and help achieve their ultimate objective of a successful investment experience.

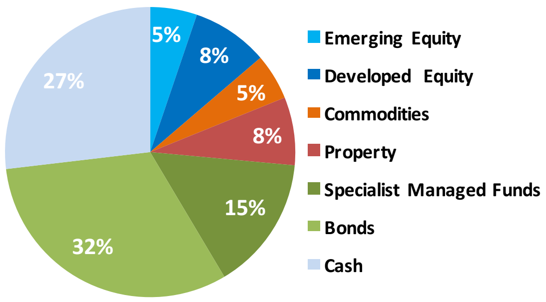
Selecting a Fund that is right for you

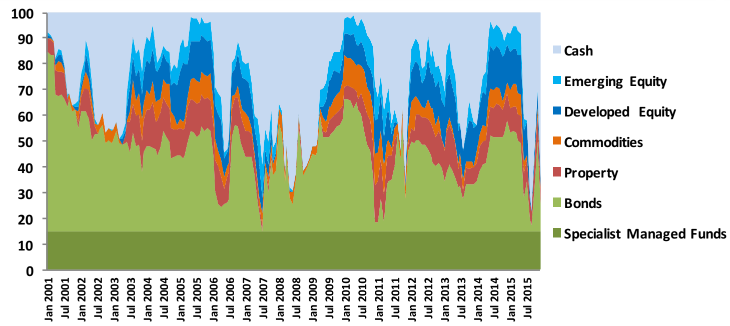
The graphs below show the average historic asset allocation of each backtested fund. The asset allocation may change substantially from the historic average when the fund is de-risked and invested into cash.

The IVY+ Risk Managed Funds are designed to meet an individual investors risk tolerance level.

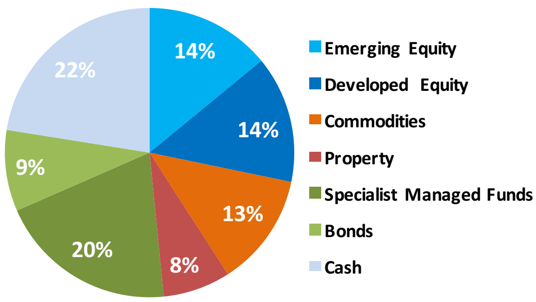
The Coloured graphs show the changes in the amount held in different assets from 2001 to 2015.
This identifies the active asset allocation with cash holdings reflecting the risk protection when markets are falling.

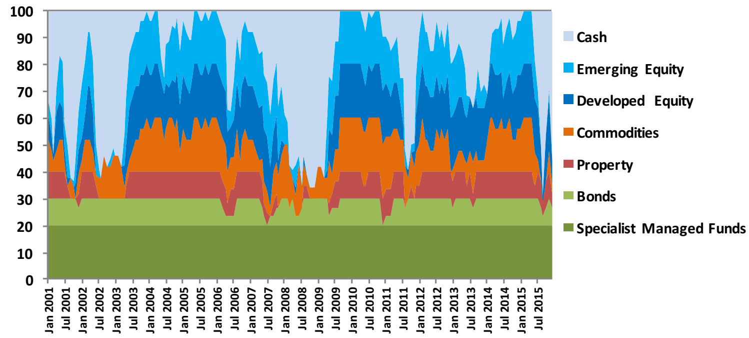
Ivy+ Defensive Growth Fund — Risk Rating 2 **3** 4 5 6 7



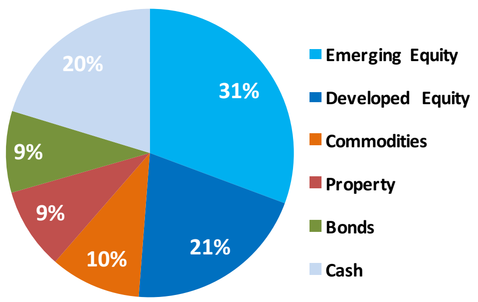


Ivy+ Balanced Growth Fund — Risk Rating 2 3 **4** 5 6 7

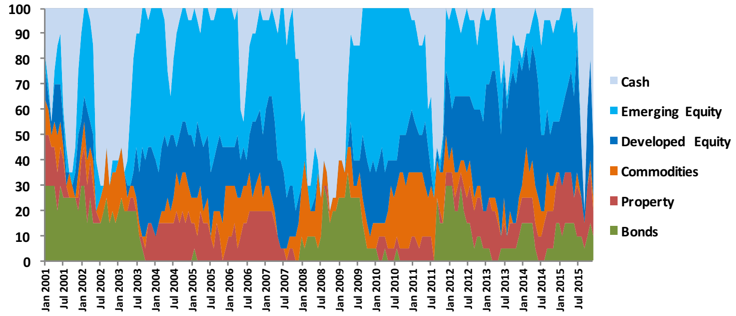




Ivy+ Dynamic Growth Portfolio — Risk Rating 2 3 4 **5** 6 7



Source: MLCAM research.



This strategy is not yet available as a UCITS Fund, it is available in Portfolio form.

Warning: The value of your investment may go down as well as up.
Warning: Funds may be affected by changes in currency exchange rates.
Warning: If you invest in this product you may lose some or all of the money you invest.

For more information please contact ML Capital at ivyplus@mlcapital.com or contact your financial advisor.