

# Flexible Income Annuity - Investment Fund Objectives

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For fund size and performance please refer to the MGM Advantage website at [www.mgmadvantage.com](http://www.mgmadvantage.com)

Risk category	Fund	Fund Manager(s)	Fund Objective	Annual Management Charge* (Rebate **)
Adventurous	<b>MGM Jupiter Merlin Growth Portfolio</b>	<b>Jupiter</b>	The objective is to achieve long term capital growth by investing predominantly in unit trusts, OEICs, Exchange Traded Funds and other collective investment schemes across several management groups. The underlying funds invest in international equities, fixed interest stocks, commodities and property, with a core in the UK. Suitable for customers who can accept significant fluctuations in value in return for the potential for better long term performance (7 - 10 years).	1.5% (Rebate 0.75%)
	<b>MGM Passive Adventurous</b>	<b>Vanguard / Insight</b>	The objective is to achieve long term capital growth by managing the asset allocation of a portfolio of predominantly UK and overseas equities. Suitable for customers who can accept significant fluctuations in value in return for the potential for better long term performance (7 - 10 years). Target equity weighting is 80%.	0.30%
Moderate	<b>MGM Newton Balanced</b>	<b>Newton</b>	The objective is to achieve a balance between capital growth and income predominantly from a portfolio of UK and international securities. May also invest in derivatives, forward transactions and collective investment schemes. Suitable for customers who can accept fluctuations in value in return for potentially higher investment returns over the medium to long term (at least 5 years) and who are prepared to accept that the value of their investment can fall in the short to medium term.	1.5% (Rebate 0.75%)
	<b>MGM Passive Balanced</b>	<b>Vanguard / Insight</b>	The objective is to achieve a combination of capital growth and capital preservation by managing the asset allocation of a portfolio of predominantly equities and fixed income. Suitable for customers who can accept fluctuations in value in return for potentially higher investment returns over the medium to long term (at least 5 years) and who are prepared to accept that the value of their investment can fall in the short to medium term. Target equity weighting is 60%.	0.25%
Cautious	<b>MGM JPM Cautious Total Return</b>	<b>J.P. Morgan Asset Management</b>	The objective is to deliver returns in excess of cash over the medium term by moving flexibly between a broad range of assets including currency and convertible bonds. An alternative to bond funds. Suitable for customers who are seeking to minimise fluctuations in value but who are prepared to accept that markets do sometimes fall in return for the potential to achieve better returns than a high street deposit account. Maximum equity weighting is 40%.	1.25% (Rebate 0.625%)
	<b>MGM Passive Cautious</b>	<b>Vanguard / Insight</b>	The objective is capital preservation with some opportunity for growth in the medium term (3-5 years) by managing the asset allocation of a portfolio of predominantly fixed income and cash with some equities. Suitable for customers who are seeking to minimise fluctuations in value but who are prepared to accept that markets do sometimes fall in return for the potential to achieve better returns than a high street deposit account. Target equity weighting is 40%.	0.2%
Low	<b>MGM Insight Liquidity</b>	<b>Insight</b>	The objective is to achieve a money market rate of return from a diversified portfolio of securities, instruments and obligations that carry a minimum rating of A1 for short term investments. The fund is suitable for customers who are uncomfortable with the potential for fluctuations in value. The capital value is not guaranteed.	0.25% (Rebate 0.15%)

\*Please note that Annual Management Charges are not fixed, and in future may increase or decrease. \*\* The rebates shown will be deducted from policy charges.



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