

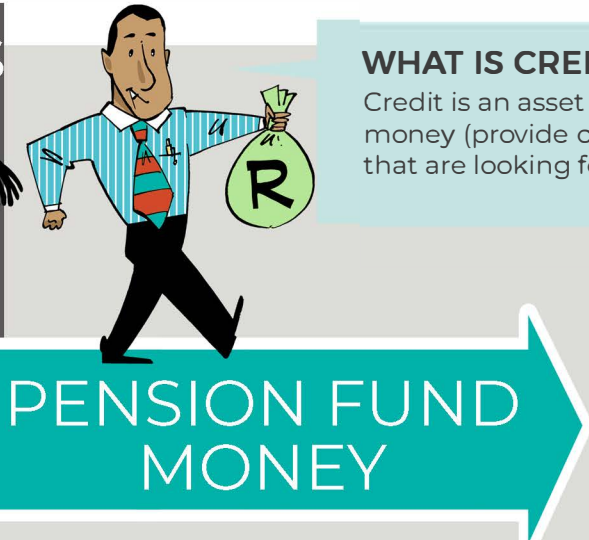
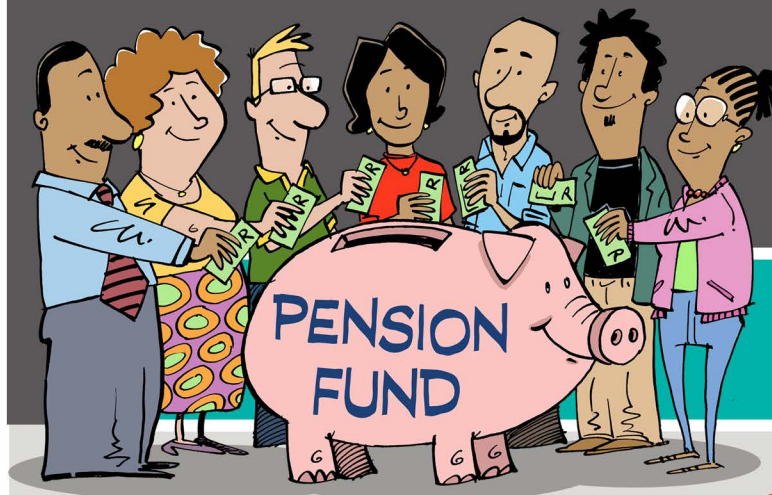
CREDIT AS AN ASSET CLASS

And how it can enhance the return on your fund

FUTUREGROWTH

/ ASSET MANAGEMENT

PENSION FUND MEMBERS



WHAT IS CREDIT?
Credit is an asset class where institutional investors lend money (provide credit) to companies (or organisations) that are looking for debt funding.

FUTUREGROWTH FUNDS



BORROWER

URBAN REGENERATION

CHICKEN FARMS

FOOD FACTORIES

CORPORATES

When companies need to expand, for instance, they can offer investors an equity stake in their business...

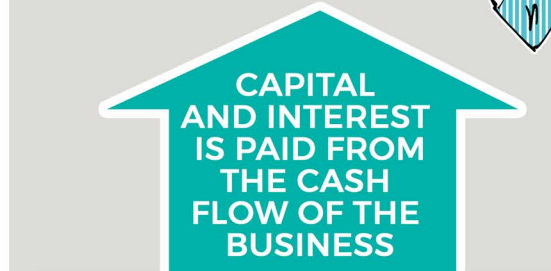
... or they can borrow money from a bank or an institutional investor.

SHAREHOLDERS

INVESTMENTS & LOANS



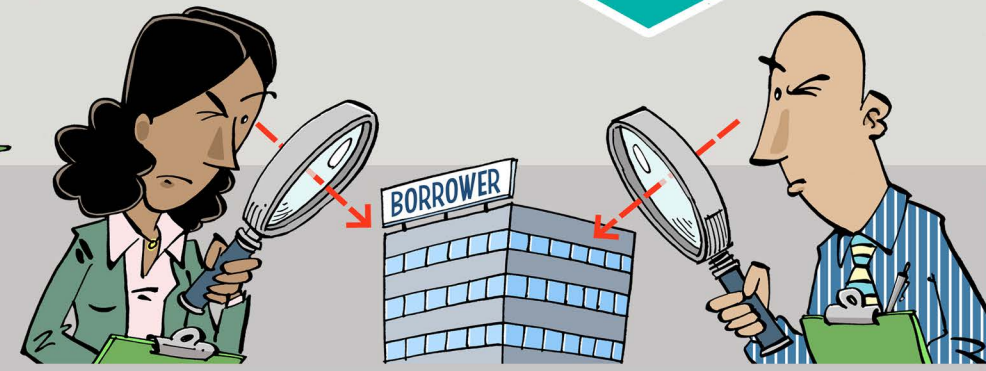
Credit is designed to generate enhanced returns (appropriate for the level of risk) for pension funds and their members by taking advantage of the opportunities provided in the credit markets.



DECISION TO INVEST

YES

NO



DUE DILIGENCE PROCESS

Assess business using financial and non-financial criteria.

Decide on the interest rate to be paid based on:

- 1 The risk profile resulting from analysis and research.
- 2 Negotiated terms, conditions and covenants which provide members' funds with added protection.

Futuregrowth has an experienced team of credit and equity analysts who perform a due diligence on the investee company to determine its suitability for investment.

A key element in the process is pricing for risk and the probability of default.

WHAT HAPPENS IN THE CASE OF DEFAULT?

In the event of a default and possible financial loss, a recovery/workout process is implemented to ensure the best outcome for our pension fund clients.