

## **Internal Investment Guideline**

### **HBOS – 130/30 European Fund**

#### **Performance Objective**

The fund's objective is to achieve capital appreciation whilst closely controlling risk. Specifically, the objective is a benchmark (MSCI Europe ex-UK) relative investment return of 2-4% gross p.a over a rolling 3 year basis with a tracking error of 6-8%.

#### **Internal Investment Guidelines**

- Gross Exposure Limit = 160%
- Weight Long = 130%
- Asset weight constraint: +/- 1% benchmark relative
- Sector constraint = +/- 10%
- Country constraint = +/- 10%
- Number of holdings  $\approx$  140-200 (maximum assets = 200)

*Updated 11-12-2008*