

### Fusion LIBOR+

Fusion LIBOR+ is a systematic currency strategy with a range of target returns, from 4% to 20% over \$O/N LIBOR, with controlled volatility. It trades spot G10 currencies and offers daily liquidity.

The strategy is available to investors via:

- Fusion Fund investment (LIBOR+ 450)
- UCITS Fund investment (LIBOR+ 800)
- Managed account (LIBOR+450-LIBOR+2000)

### Brief History of Fusion LIBOR+

<b>May 2004</b>	Fusion Asset Management LLP was launched. The firm is an independent investment manager and advisor, authorised and regulated by the FSA
<b>Jan 2009</b>	Fusion LIBOR+ 450 strategy launched
<b>Dec 2009</b>	Fusion LIBOR+ 450 ended the year ahead of expectations and out-performed on a risk-adjusted basis all competing products, according to Bloomberg
<b>Dec 2010</b>	Fusion LIBOR+ 800 launched in UCITS format on the SEB Prime Solutions platform in Luxembourg

### Investment Strategy

Fusion LIBOR+ concentrates on managing cash balances in G10 currencies, the most liquid market in the world. The program provides clients with daily liquidity, as well as full position and pricing transparency. The strategy does not use any derivative instruments and limits position sizes in non-base currencies to 25%.

The Fusion LIBOR+ strategy utilises a quantitative trading system, which combines interest rate optimisation techniques and volatility-based filtering derived from Fusion volatility forecasting models. The system analyses interest rate dynamics, the yield curve and cross-currency momentum.

The Fusion volatility filtering system is used for position sizing and is designed to protect the LIBOR+ strategy from sharp spikes in risk-aversion. Fusion volatility forecasting models have been utilised within our active trading of the Fusion Long Volatility strategy since 2007.

### Fusion LIBOR+ performance indices quoted on Bloomberg

#### FUAMLIB1 Index -

Target 100bps over O/N \$LIBOR with 0.5% volatility

#### FUAMLIB4 Index -

Target 450bps over O/N \$LIBOR with 2.5% volatility

#### FUAMLIB8 Index -

Target 800bps over O/N \$LIBOR with 4.5% volatility

### Contact Fusion Investor Relations

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### Fusion Asset Management LLP

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### Fusion LIBOR+ 450 Characteristics

#### Fusion Fund

Bloomberg Ticker Code	FUSCMP1 KY Equity
Management Fee	0.5%, monthly
Performance Fee	<O/N LIBOR: 0% >O/N LIBOR: 10% , semi annually
High Watermark	Yes
Subscription/Redemption	Daily
Capital Structure	Class C1-USD, Class C2- EUR, C3-GBP, C4-CHF
Fund Jurisdiction	Cayman Islands
Prime Broker	UBS AG
Administrator	Citi Hedge Fund Services (Ireland), Limited
Legal Adviser	Dechert LLP / Walkers
Investment Manager	Fusion Asset Management LLP

### Fusion LIBOR+ 800 Characteristics

#### SEB Prime Solutions-Fusion LIBOR+ 800 Currency UCITS Fund

Bloomberg Ticker Codes	USD institutional: SFLCIUA LX Equity EUR institutional: SFLCIEA LX Equity
Management Fee	1% for institutional classes 1.5% for retail classes
Performance Fee	<O/N LIBOR: 0% >O/N LIBOR: 10%, semi annually
High Watermark	Yes
Subscription/Redemption	Daily
Capital Structure	Institutional share classes: Class EUR-1 (acc), Class USD-1 (acc), Class GBP-1 (acc), Class CHF-1 (acc) Retail share classes: Class EUR-R (acc), Class GBP-R (acc)
Fund jurisdiction	Luxembourg
Prime Broker	Skandinaviska Enskilda Banken
Administrator	European Fund Administration S.A.
Legal Adviser	Elvinger, Hoss & Prussen
Management Company	SEB Fund Services S.A.
Investment Manager	Fusion Asset Management LLP

### Management Team

#### Kirill Ilinski – Managing Partner & Chief Investment Officer

Kirill is a founding partner of Fusion and also the Chief Investment Officer. Prior to Fusion, he was a Vice President at JP Morgan Chase in London from 2000 to 2004, where he co-founded the "Debt-Equity Relative Value Group" while trading equity and credit derivatives. Before that, Kirill was a Physics research fellow at the University of Birmingham from 1994 to 2000. He holds a Physics PhD from the Russian Academy of Sciences.

#### Ksenia Bobkova – Partner & Chief Operating Officer

Ksenia is responsible for infrastructure, compliance and legal matters at Fusion and has been a partner in the firm since 2004. Prior to Fusion, she worked at the international law firm Allen & Overy LLP and in the legal department of Credit Suisse First Boston. Ksenia is a certified solicitor in England and Wales and a qualified New York attorney.

This Fact Sheet is issued and approved by Fusion Asset Management LLP ("Fusion"), which is authorised and regulated by the Financial Services Authority (the "FSA").

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