

Who We Are

Polygon Investment Management is a global fund management company whose goal is to provide customized investment solutions for individual investors and smaller institutions. We believe that smaller is better in fund management, and do not seek to be the largest firm, but the firm that adds the most value per unit of risk. We bring a disciplined, intellectually rigorous approach to managing portfolios, while simultaneously offering our clients the tailored, impartial advice and personalized service that define a classic “private banking” relationship.

Investment Process

Polygon’s approach to investing focuses on asset allocation, which we believe is the major determinant of performance—particularly for a global manager. What ultimately matters most is not whether you buy Ford or GM, but whether you invest in stocks, bonds, cash, or alternative strategies—or whether you invest in the U.S., Germany or Japan. However, we do not ignore stock picking and primarily focus on conservative, value oriented stocks. We will also take limited positions in higher risk areas like smaller companies or developing markets, which we think are likely to outperform over time. Risk control is a critical part of our process, and is supported by our focus on diversification across asset classes and geography.

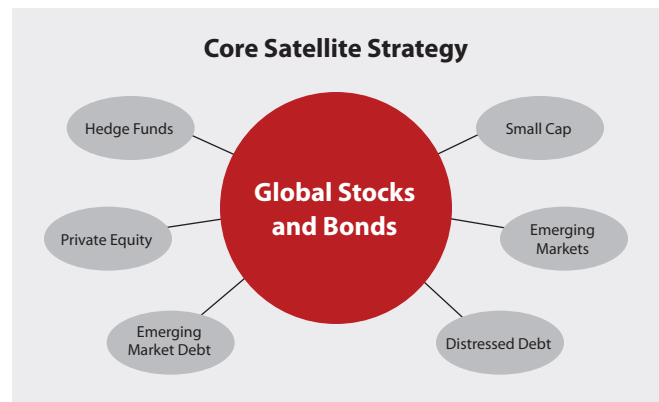
Our investment style is top down and uses a core satellite strategy. Polygon takes a hybrid approach to investment management, seeking to combine the most productive elements of internal and external management in a disciplined process. The bulk of our positions are managed internally in a long term, strategic core. Smaller satellite portions are sometimes managed externally via specialist managers, particularly in inefficient segments of the market like U.S. small cap stocks or Asian equities.

While our core strategy, Global Growth, has a neutral position of 70% equities, 30% “other” (“other” includes bonds, cash and alternatives), these weightings may vary over time depending on our forward looking assessment of markets, political risk and company specific factors. All of our portfolios are individually tailored, and we spend a great deal of time working with clients to try to understand and define their objectives, appetite for risk, investment time horizon and future liabilities. Within client guidelines, we are unconstrained in our portfolio construction and look for value across a broad range of asset classes—including stocks, bonds and alternatives—an approach that is

designed to diversify the portfolio and reduce risk. All of the securities in our portfolios are liquid, so clients can have access to their money whenever needed.

Portfolio Construction

Generally, 70-80% of our assets are directly invested in a core strategy, designed to provide exposure to major segments of the markets with minimal transaction costs. We pick stocks on a fundamental basis with an emphasis on value and low volatility. We seek to generate additional outperformance by investing tactically in smaller, higher return environments, like emerging markets and distressed debt, but control the risk by generally limiting exposure to 1-5% of the portfolio in these satellite positions.



In efficient markets like the large cap segment in the U.S. and Europe, we may utilize indexed vehicles including exchange traded funds (ETFs) to generate low cost exposure. In the satellite portion of our portfolios we occasionally make use of closed end funds, and have developed a sub specialty in analyzing and purchasing these types of instruments. Since such securities often trade at a discount, we seek to acquire them at prices below net asset value and to sell them when the discount has narrowed, or, hopefully, at a premium.

Performance and Fees

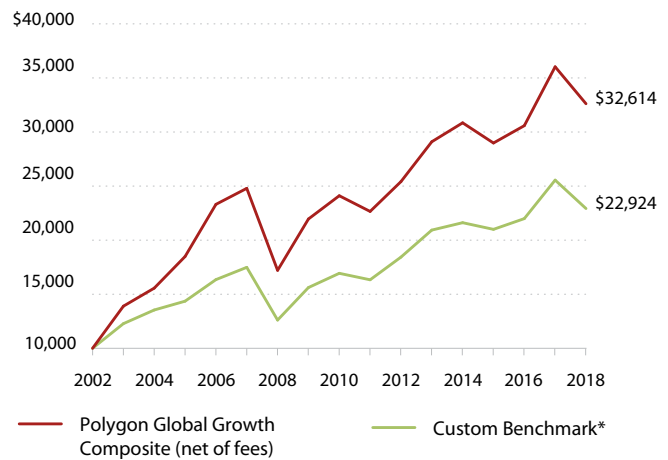
Since inception in 2002, returns in Global Growth have averaged close to 3% a year over its benchmark (see graphic at right), while taking less risk. We have also outperformed global equity markets by an average of 2% annually, with lower volatility, resulting in significantly better risk adjusted returns.

The only fee Polygon receives is a management fee (and performance fees, if applicable), calculated as a percentage of the assets under management. This aligns our interests with those of our clients. The minimum size of our portfolios is \$1,000,000.

Service

Service is a critical component of a Polygon relationship. We focus on providing a communication flow tailored to meeting client requirements and to putting our clients' interests first. We endeavor to respond to all requests within 24 hours.

Growth of \$10,000 since inception



* Based on 70% MSCI All Country Index and 30% Barclays U.S. Aggregate Bond Index

For More Information

For more detail on our firm, our investment process or our performance and fees, please contact us at bpw@polygonim.com or view our website at www.polygonim.com.



IMPORTANT DISCLOSURE INFORMATION

Actual composite performance results for the specified composite represents the performance of all applicable portfolios managed by Polygon Investment Management ("Polygon") since inception of the composite on Jan 1, 2003. The composite performance results reflect the reinvestment of dividends and other account earnings, and are net of applicable account transaction and custodial charges, and Polygon's investment management fee.

Past performance may not be indicative of future results and the performance of a specific individual client account may vary substantially from the composite performance results. Therefore, no current or prospective client should assume that future performance will be profitable, or equal either the aforementioned Polygon composite performance results reflected, nor the performance results for any of the comparative index benchmarks provided. To the extent provided, the historical index performance results are for comparison purposes only, so as to provide general comparative information to assist an individual client or prospective client in determining whether a specific Portfolio meets, or continues to meet, his/her investment objective(s). It should not be assumed that account holdings will correspond directly to any of the comparative index benchmarks. For reasons including variances in client account holdings, variances in the investment management fee incurred, market fluctuation, the date on which a client engaged Polygon's investment management services, and any account contributions or withdrawals, the performance of a specific client's account may vary substantially from the indicated Polygon composite performance results.

To the extent that there has been a change in a client's investment objectives or financial situation, he/she/it is encouraged to advise Polygon immediately. Different types of investments and/or investment strategies involve varying levels of risk, and there can be no assurance that any specific investment or investment strategy (including the investments purchased and/or investment strategies devised by Polygon) will be either suitable or profitable for a client's or prospective client's portfolio. All performance results have been compiled solely by Polygon, are unaudited, and have not been independently verified. Information pertaining to Polygon's advisory operations, services, and fees is set forth in Polygon's current written disclosure statement, a copy of which is available from Polygon upon request.