

FUND OVERVIEW

The IM Octopus Alternative Strategies Fund adopts a 'multi manager' 'absolute return' approach. The Fund is designed to generate a stable and consistent positive return through time, outperforming cash and avoiding capital losses over any twelve month rolling period.

This is achieved through a careful selection of a diverse array of multiple specialist funds (hence 'multi manager'), each aiming to provide positive returns yet always with capital preservation in mind. These are combined into 15 equally weighted 'strategies'. Constant monitoring of their performance and current market conditions results in changes to the range of investments making for additional risk control. This feature allows for rapid adaptation to changing market conditions.

As a multi manager fund, it represents a way for investors to invest in the absolute return sector in a highly diversified manner.

ABSOLUTE RETURN FUNDS

The absolute return IMA sector is now the fastest growing sector in terms of fund launches, growing by 38% from January to November 2009 (Source: IMA). As a multi manager fund, Octopus Alternative Strategies can invest in a range of these funds, as well as some absolute return funds based outside the UK. The fund also invests in cash and 'exchange traded funds' (ETFs) for added liquidity and diversification.

Absolute return funds seek to make money even in a volatile, unpredictable market. They share a common goal of capital preservation in any market, looking to generate the best possible return in all market conditions. They use a range of strategies that are all set within the tightly regulated parameters of a retail fund wrapper. Because of this structure, we believe absolute return strategies are integral to effective long-term financial planning solutions.

WHY INVEST?

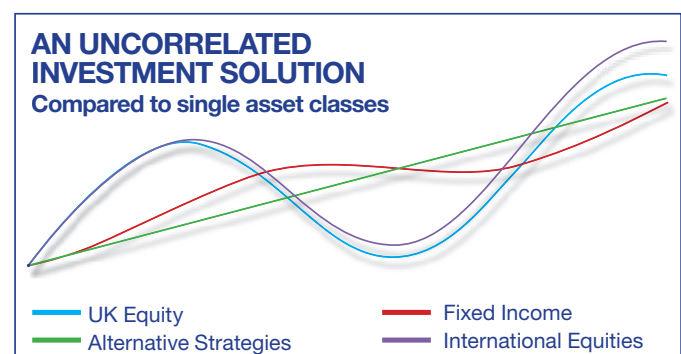
■ An investment that looks to preserve capital in all market conditions

The IM Octopus Alternative Strategies Fund offers a relatively conservative investment option that could be considered an alternative to gilts or bonds. The primary function of the fund is to preserve capital.

This means that the fund offers an interesting solution for investors looking to hold a less volatile investment within a Stocks and Shares ISA – perhaps because they have already used their full Cash ISA allowance and want to take advantage of their remaining Stocks and Shares allowance.

■ Access an uncorrelated investment solution as part of a balanced portfolio

An absolute return fund is 'uncorrelated' to the market, meaning its value is not linked to whether markets are going up or down. As such, it can be considered as an important element of a balanced portfolio. As a multi manager absolute return fund, Octopus Alternative Strategies allows you to access the absolute return sector, but also provides an extra layer of diversification across funds within that sector.



Indicative only. Source: Octopus Investments

WHY OCTOPUS?

■ Absolute return fund expertise

Octopus manages the CF Octopus Absolute UK Equity Fund – currently the top performer in the absolute return sector, based upon two years' performance since launch in March 2008 (Source: Lipper).

■ Multi manager fund expertise

The Octopus Multi Manager Team manages over half a billion pounds for investors in multi manager funds. It runs eleven multi manager funds, including four funds for one of the largest financial adviser networks in the country.

■ Leading customer service

At Octopus Investments we aim to delight our customers, both through the innovative approach we take to designing products that meet their needs, and through exceptional customer service. Financial advisers have given us an AAA rating for customer service in the Citywire Service Index – one of just two investment firms to achieve this top ranking. Awarded every two months, Octopus has held this AAA rating every period since May 2009.

■ Access to the people managing your money

At Octopus we really want you to feel involved with your investment. As such we give our investors full access to our fund managers. They provide monthly fund commentary, write regular blogs on our website, and can be contacted directly at any time, to answer your questions and talk about the fund.

FUND MANAGER COLIN LUNNON

Colin Lunnon is the lead fund manager on the Octopus Alternative Strategies fund. Colin has over 14 years' experience in manager research and portfolio/fund management, having held roles at Killik & Co, Barclays Wealth and Morley Fund Management. He holds an MSc in International Securities, Investment and Banking from the ICMA Centre at Reading University and is a CFA charter holder and a Fellow of the Chartered Institute for Securities & Investment.



HOW TO INVEST

Before investing you must read the simplified prospectus for the fund. Additional information is also available on the most up to date fund factsheet. Application forms are available directly from Octopus or from IFDS Managers Ltd – the Authorised Corporate Director (ACD) of the fund.

If you have any other questions, just give us a call on

0800 294 6855

IMPORTANT INFORMATION

This document is directed at retail investors in the UK. This document is provided for information purposes only and is not an invitation to subscribe in an investment. Past performance is no guide to future performance. The value of an investment, and any income derived from it may go down as well as up and an investor may not get back the full amount invested. When considering what action to take, investors should seek their own personal financial advice from an appropriately authorised independent financial adviser. Octopus Investments Ltd is not able to provide investment advice. Any investment should be made solely on the basis of the information contained in the prospectus. Rates of tax, tax benefits and allowances are based on Octopus' understanding of current legislation and HM Revenue and Customs practice. These may change from time to time and are not guaranteed. The IM Octopus Investment Funds is an authorised Investment Company with Variable Capital. The assets and liabilities of all sub-funds of the IM Octopus Investment Funds will be operated as separate entities. However, if the liabilities of one sub-fund were to exceed its assets, the other funds within the IM Octopus Investment Funds might have to transfer across money to cover the liabilities. This would reduce the value of investments held in those funds. The authorised corporate director of the IM Octopus Investment Funds is IFDS Managers Ltd which is authorised and regulated by the Financial Services Authority, Registered Office: IFDS House, St Nicholas Lane, Basildon, Essex SS15 5FS. This document has been issued and approved for the purposes of section 21 of the Financial Services and Markets Act 2000 by Octopus Investments Limited, which is authorised and regulated by the Financial Services Authority, 25 North Colonnade, London E14 5HS. All information correct as at 17 March 2010. Octopus Investments Limited is Registered in England and Wales under registration number 3942880. Registered office: 20 Old Bailey, London EC4M 7AN. Further product information, including full details of charges and risks, is set out in the simplified prospectus which is available from the Octopus Investments Ltd website. The full prospectus is also available on request from Octopus Investments Ltd or from IFDS Managers Ltd. Telephone calls may be monitored and/or recorded for regulatory, legal and training purposes.