

FOR ISSUE IN THE UK AND EU. FINANCIAL PROMOTION/MARKETING MATERIAL.
FOR PROFESSIONAL CLIENTS AND QUALIFIED INVESTORS ONLY.
NOT TO BE REPRODUCED WITHOUT PRIOR WRITTEN APPROVAL.
PLEASE REFER TO ALL RISK DISCLOSURES AT THE BACK OF THIS DOCUMENT.



QUALIFYING MONEY MARKET FUNDS — EXPLAINED

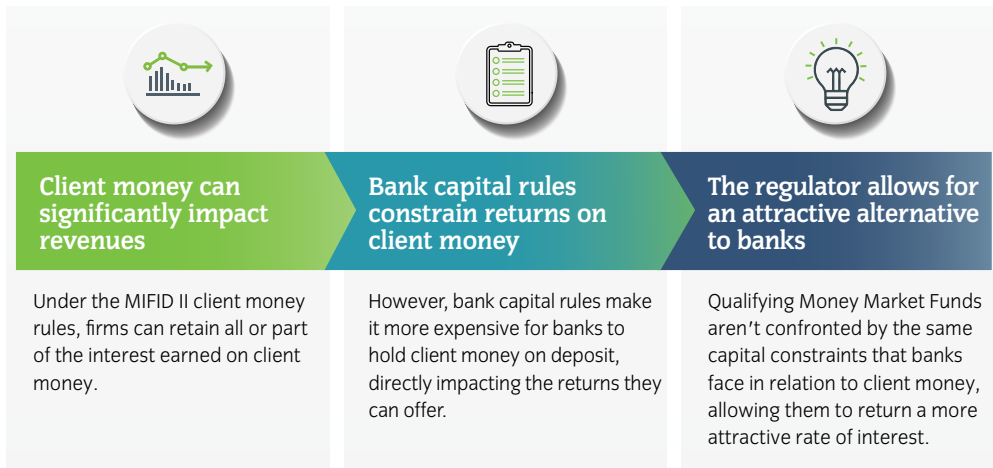
AUGUST 2024

QUALIFYING MONEY MARKET FUNDS EXPLAINED

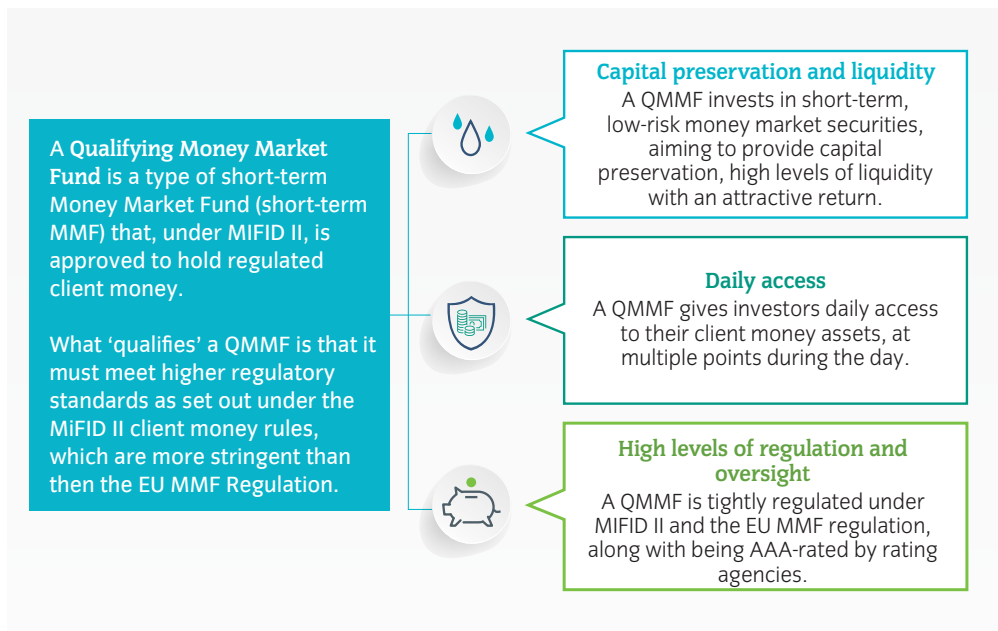
CLIENT MONEY AND QUALIFYING MONEY MARKET FUNDS

Authorised firms can face regulatory limitations on depositing client money at banks. We believe Qualifying Money Market Funds (QMMFs) offer several advantages over traditional bank deposits.

Why you should care



QUALIFYING MONEY MARKET FUNDS EXPLAINED



Achieving money market returns and safeguarding client money should not be mutually exclusive. QMMFs allow for these twin goals to coexist.

CHRIS BROWN, HEAD OF MONEY MARKETS

BENEFITS OF HOLDING CLIENT MONEY WITH QMMFS VERSUS BANKS

QMMFs



- High levels of liquidity
- Provides capital preservation
- Attractive money market returns
- Diversified risk profile

BANKS



- Returns on client money deposits impacted by bank capital rules
- Higher risk profile due to single counterparty exposure to a bank's balance sheet

Considerations for firms

- To deposit client money into a QMMF, a firm needs to ensure the terms and conditions of any agreement with a client contain explicit reference to the firm's ability to do so. Some older firms may need to update their terms and conditions.
- In addition, and most crucially, firms must demonstrate to regulators that they are following the Client Money Regulation when assessing if a fund meets the criteria of a QMMF. The burden for establishing whether a MMF is a QMMF lies solely with the firm holding client money, not the regulator or the asset manager.

WHY INSIGHT?

Insight Investment is a leading asset and risk manager with over £660bn in assets under management¹. Managing liquidity is one of our core competencies – based on years of experience with cash and fixed-interest investments.



Our MMF range (available in EUR, GBP and USD) has been authorised by the **Central Bank of Ireland** as **QMMFs** which has been noted in the fund documentation.



Assets are safeguarded in line with client money regulatory requirements, which are documented in a **signed safeguarding letter**.



Dividend interest can be separated from redemption proceeds, allowing for authorised firms to retain all or part of the return.



We are here to help you optimise your client money returns and would be more than happy to answer any queries you might have. You can reach me via robert.oriordan@insightinvestment.com or on +44 20 4570 1687.

I very much look forward to hearing from you.



ROBERT O'RIORDAN, INSTITUTIONAL BUSINESS DEVELOPMENT DIRECTOR

¹ As at 30 June 2024. Assets under management (AUM) are represented by the value of cash securities and other economic exposure managed for clients.

IMPORTANT INFORMATION

RISK DISCLOSURES

Past performance is not indicative of future results. Investment in any strategy involves a risk of loss which may partly be due to exchange rate fluctuations.

The performance results shown, whether net or gross of investment management fees, reflect the reinvestment of dividends and/or income and other earnings. Any gross of fees performance does not include fees, taxes and charges and these can have a material detrimental effect on the performance of an investment. Taxes and costs incurred when purchasing, holding, converting or selling any investment, will impact returns. Costs may increase or decrease as a result of certain currency conversions, such as currency hedging, and exchange rate fluctuations.

Any target performance aims are not a guarantee, may not be achieved and a capital loss may occur. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies over time, and/or prevailing market conditions and are not an exact indicator. They are speculative in nature and are only an estimate. What you will get will vary depending on how the market performs and how long you keep the investment/product. Strategies which have a higher performance aim generally take more risk to achieve this and so have a greater potential for the returns to be significantly different than expected.

Any projections or forecasts contained herein are based upon certain assumptions considered reasonable. Projections are speculative in nature and some or all of the assumptions underlying the projections may not materialise or vary significantly from the actual results. Accordingly, the projections are only an estimate.

Portfolio holdings are subject to change, for information only and are not investment recommendations.

ASSOCIATED INVESTMENT RISKS

Cash

An investment in a money market fund is not a guaranteed investment and it is different to an investment in deposits as the principal invested is capable of fluctuation. The Fund does not rely on external support for guaranteeing its ability to sell its assets and/or meet redemptions (liquidity) or stabilising the fund's price per unit/share (Net Asset Value). There is a risk of loss of the principal invested, which is borne by the investor.

Where the portfolio holds over 35% of its net asset value in securities of one governmental issuer, the value of the portfolio may be profoundly affected if one or more of these issuers fails to meet its obligations or suffers a ratings downgrade.

This is not a banking product and whilst preservation of capital is a major component of the objective it is not guaranteed. The value of capital invested in a money market fund may fluctuate. Neither Insight nor any other BNYM group company will provide capital support in the event of any capital loss, which will be borne by the investor.

The issuer of a debt security may not pay income or repay capital to the bondholder when due.

This document is a financial promotion/marketing communication and is not investment advice.

This document is not a contractually binding document and must not be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or otherwise not permitted. This document should not be duplicated, amended or forwarded to a third party without consent from Insight Investment.

Insight does not provide tax or legal advice to its clients and all investors are strongly urged to seek professional advice regarding any potential strategy or investment.

For a full list of applicable risks, investor rights, KIID/KID risk profile, financial and non-financial investment terms and before investing, where applicable, investors should refer to the Prospectus, other offering documents, and the KIID/KID which is available in English and an official language of the jurisdictions in which the fund(s) are registered for public sale. Do not base any final investment decision on this communication alone. Please go to www.insightinvestment.com

Unless otherwise stated, the source of information and any views and opinions are those of Insight Investment.

Telephone conversations may be recorded in accordance with applicable laws.

For clients and prospects of Insight Investment Management (Global) Limited: Issued by Insight Investment Management (Global) Limited. Registered office 160 Queen Victoria Street, London EC4V 4LA. Registered in England and Wales. Registered number 00827982. Authorised and regulated by the Financial Conduct Authority. FCA Firm reference number 119308.

For clients and prospects of Insight Investment Management (Europe) Limited: Issued by Insight Investment Management (Europe) Limited. Registered office Riverside Two, 43-49 Sir John Rogerson's Quay, Dublin, D02 KV60. Registered in Ireland. Registered number 581405. Insight Investment Management (Europe) Limited is regulated by the Central Bank of Ireland. CBI reference number C154503.

© 2024 Insight Investment. All rights reserved.