

**COLLECTION OF MODERN ART
INTERMEDIARY EXIT CLASS SHARE**
DECEMBER 2011 FACTSHEET

Fund Overview

Fund Objective

The primary investment objective is the preservation of capital and the creation of long-term wealth, whilst offering a hedge against inflation.

Fund Strategy

The Collection of Modern Art can invest across a diversified portfolio of museum quality post-war art. The fund invests predominantly in works by non-producing or deceased blue-chip artists and employs a buy and hold strategy.

Fund Information

Investment Team:
Investment Manager:
Angus Murray

Fund Launch Date:
March 2009

Minimum Investment:
\$/£10,000

Fees:
Management Fee: 1.00%
Administration Fee: 1.25%
Performance Fee: 20.00%

Dealing Frequency:
Monthly**

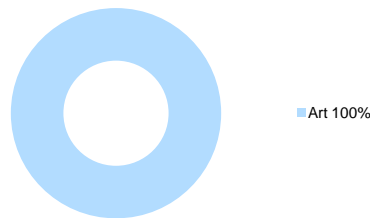
Benchmark Index:
AMR Post-War 50 Index (14
Month Moving Average -
Central 50%)

Domicile:
British Virgin Islands

Fund Performance*

Month to Date:	2.02%
Year to Date:	3.75%
Cumulative Returns:	17.12%
Annualized Returns:	6.76%
Monthly Average Returns:	0.55%
Positive Returns:	65.52%

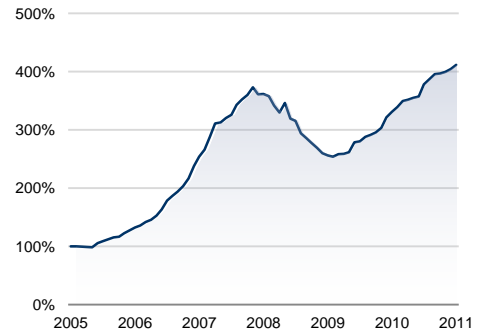
Sector Breakdown***



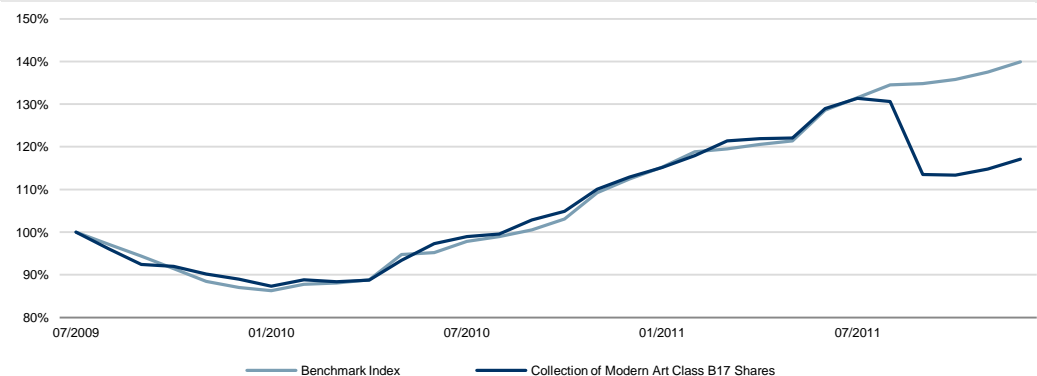
Fund Risk Statistics*

Standard Deviation:	12.36%
Downside Deviation:	10.42%
Sharpe Ratio:	0.20
Sortino:	-0.29
Alpha:	-0.45%
Beta:	0.89

Index Cumulative Returns



Cumulative Returns



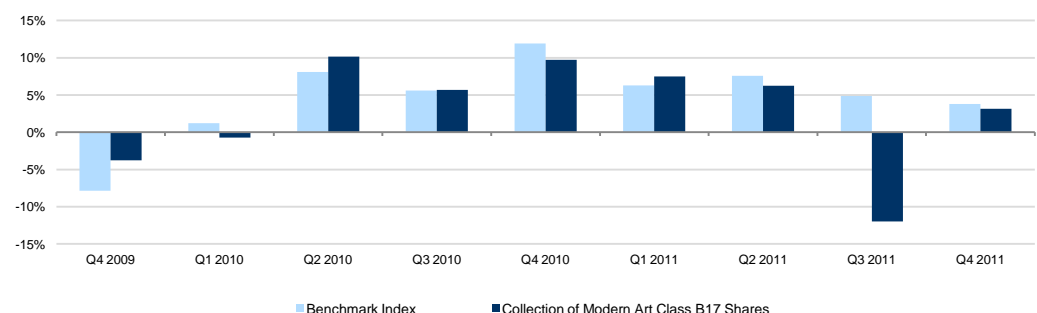
Historical Performance

Class	1mth	3mth	6mth	YTD	1yr	3yr	5yr
B17 - \$USD	2.02%	3.17%	-9.16%	3.75%	3.75%	N/A	N/A
BBB17 - £GBP	2.02%	3.15%	-9.18%	3.77%	3.77%	N/A	N/A
Benchmark Index	1.79%	3.78%	8.85%	24.45%	24.45%	13.92%	211.32%

Share Class Information

Class	Nav	Bloomberg	ISIN	Start Date
B17 - \$USD	\$1,347.26	CLMAB17 VI	VGG227301089	31/07/10
BBB17 - £GBP	£1,402.42	CLBBB17 VI	VGG227301246	31/08/09

Quarterly Performance



Glossary

Sharpe Ratio

Measures how much fund performance is attributed to risk. The Sharpe Ratio is calculated as the average excess rate of return over the risk-free rate divided by the Standard Deviation of the excess returns. A Sharpe Ratio above 1 is good.

Sortino Ratio

The Sortino Ratio is similar to the Sharpe Ratio except it only focuses on risk surrounding fund performance when it falls below a specified target or rate of return.

Standard Deviation

A measure of volatility, often described as risk. The Standard Deviation measures the amount performance varies from its average. The larger the number, the more fund performance differs from its average, so the more volatility there is.

Investment Manager

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Managers Commentary

Following November's strong auctions, 2011 ended on a high note for post-war and contemporary art. In a year in which the S&P 500 returned close to 0%, the art market enjoyed double digit gains, with a flood of money into blue-chip modern and contemporary 'masters'. Sotheby's and Christie's International raised a combined total of \$1.7 billion from evening sales, while works by Gerhard Richter and Clyfford Still topped previous auction records.

Certainly the market has shown healthy demand. But the strong – often sensational – auction results seen throughout the year may be related to several key characteristics that are uniquely shaping the art world today.

Over the past year, there has been a major shift in the way business is done. From online auctions to VIP2.0 (the second edition of the online-only art fair), galleries and auction houses are increasingly going virtual. 'People want to buy art online because it is fast, simple and the transaction costs are very small' says Hans Neuendorf, the Chief Executive Office of Artnet AG. So while the pool of buyers has broadened dramatically (for instance, an unprecedented 14% of buyers at Christie's contemporary London sale in October were Asian), there have also been important structural changes in the way art is traded.

And as a result of online exposure, demand for museum-quality works is soaring. According to Christie's CEO Steven Murphy, 'the virtual world, the ease of access to images in high definition, the total availability of art online – all those things have increased the value of the object itself.'

So, what lies ahead for the art market? Art, like gold, is increasingly seen as a viable investment class and a great hedge. As investors look to diversify their portfolios with hard assets that will go up with inflation, we believe that this trend will further intensify driving prices up over the next few years.

Disclaimer: This document is intended for and directed at investment professionals and is not intended for retail customer use. Persons who do not have professional experience in matters relating to investments should not rely on it.

* Performance Statistics represent Collection of Modern Art Fund Class B17.

** Subscriptions must be received by the close of business London (GMT) on the 25th day of the preceding month, or the previous business day in the case of a UK or Netherlands public holiday

*** The allocations are indicative and for illustrative purposes only.

**** Source: Scott Reyburn, 'Richter Tops Hot Artists as New Buyers Boost \$1.7 Billion Sales', Bloomberg.com, December 27, 2011, 7:00 PM EST.

***** Source: Catherine Hickley, 'Hirst, Warhol Prices Outperform S&P 500 in Art-Investment Index for Decade', Bloomberg.com, Dec 21, 2011, 12:00 AM GMT

***** Source: Peter Aspden, 'The art world is exploding', FT.com, June 24, 2011 5:40 pm

The data denotes the actual performance net of management fees, performance fees and expenses of the Collection of Modern Art share class B17 since July 31, 2009, Collection of Modern Art share class BBB17 August 31, 2009 and AMR Post-War 50 Index (14 Month Moving Average - Central 50%) since December 31, 2003.

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