

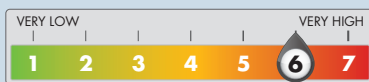


Fund Objective

To generate long-term capital growth by investing in equities that can provide a relatively high, yet sustainable, flow of dividend income for the fund.

Fund Facts

- **Recommended Investment Time Frame:** Medium to long-term (typically 5-7 years or more)
- **Asset Mix*:** High Yield Global Equities – 50-70 shares that typically pay an above average dividend yield
- **Managed By:** Davy Asset Management (Davy)
- **Risk Rating:** High Risk



Investment Process

The Davy High Yield Fund invests in a well-diversified basket (across country and sector) of 50-70 high yielding global equities – a 'concentrated' equity fund.

Financial tests are undertaken that aim to reduce the level of risk experienced by the fund when compared to the broader equity market.

Before a stock is added to the fund, Davy carry out a number of financial tests and ensure specific criteria are met that indicate the Company:

- is financially strong with stable earnings growth expected
- has an attractive and sustainable dividend yield
- has low debt to equity ratio i.e. the company has low levels of borrowings

Typically it is large companies that usually display such criteria.

Fund Manager

It is Davy Asset Management's unique perspective that inspires their thematic styled investment strategies delivering market leading performance. Each strategy has its own precise focus, backed by the consistency of their investment process, attention to detail and vision.

The Davy High Yield Fund provides investors with the opportunity to share in the potential returns that can come from investing in equities that pay high dividends (high yielding equities).

*Equities in this fund may be used for the purpose of securities lending in order to earn an additional return for the fund. While securities lending increases the level of risk within the fund it provides an opportunity to increase the investment return.

Why Invest in High Yield Equities?

The Davy High Yield Fund aims to invest only in equities that pay higher than average dividends on a sustained basis.

The logic behind this investment strategy is that the type of companies that can achieve sustained higher dividends generally provide stable growth opportunities going forward. This can be very important in times of slowing global growth. For this very reason, high yield funds have been one of the most popular areas of investment for decades.

Why Do Dividends Matter?

Between 1950 and 2010, dividend income accounted for 44% of the total return of the S&P500 index (Source: Davy Asset Management). This statistic highlights the importance of incorporating companies with strong dividend income characteristics within a portfolio or fund.

Essentially, the payment of dividends is a powerful message by companies to stock markets and investors about the company's future prospects and performance. It is one of the simplest ways a management team can signal their confidence about the company's future prospects.

Warning: Past performance is not a reliable guide to future performance.

Warning: The value of your investment can go down as well as up.

Warning: This fund may be affected by changes in currency exchange rates.

Warning: If you invest in this fund you may lose some or all of the money you invest.



Davy - Local Provider, Global Offering

Davy is Ireland's leading provider of stockbroking, wealth management and financial advisory services, operating in Ireland since 1926. Their activities are organised around five core business areas: Asset Management, Capital Markets, Corporate Finance, Private Clients and Research.



Minimum Recommended Investment Period

Investing should always be considered over the medium to long-term (typically, 5-7 years or more) to give the underlying assets time to grow in value. However, even long-term investing involves risk as values will fluctuate over time.

Risk Rating – High Risk



New Ireland has rated the Davy High Yield Fund a high risk investment fund. Funds categorised as high risk funds have the following characteristics - the potential return from high risk investments is much higher than deposits or inflation. The focus is on maximising the potential return to investors, rather than minimising risks. Some high risk funds may consist almost entirely of one asset class or be concentrated in one geographic region or sector. Investors' capital is not secure and may fluctuate significantly. Investors may get back substantially less than they originally invested.

Product Availability

The **Davy High Yield Fund** is available to investors through the following New Ireland products:

- SmartFunds
- FutureSave
- Personal Retirement Plan
- Executive Retirement Plan
- Trustee Investment Plan
- Personal Retirement Bond
- Group Pensions
- Approved Retirement Fund (ARF)
- Approved Minimum Retirement Fund (AMRF)
- PRSA (non-standard)

Charges

Charges vary per product type. For Davy High Yield Fund, a fund management charge of 0.25% p.a. applies in addition to the standard charge. For details of the charges that apply talk to your Financial Broker or Advisor.



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[†] To improve our service to you, calls may be recorded. Terms and conditions apply. Where relevant, exit tax (currently up to 41%) applies to gains on life assurance investment policies. A Government levy (currently 1% of the premium) is payable on all premiums paid to a life assurance policy. The information set out is of a general nature, may have been condensed or be incomplete and should not be relied upon without seeking professional advice. We believe the information to be reliable but we cannot guarantee its accuracy. The information set out does not constitute an offer or recommendation to buy or sell any investments or to subscribe to any investment services. Details are as at the date of this document unless otherwise stated and may change over time. For further details please refer to the fund brochure. Terms and conditions as set out in your policy conditions apply. Davy Asset Management is regulated by the Central Bank of Ireland.

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