W.R. HUFF ASSET
MANAGEMENT CO., L.L.C

W.R. Huff Asset Management Co., L.L.C

> In addition to his long and successful history of protecting and fighting for his clients' interests, founder William R. Huff is a master furniture maker.

- Manages **global high yield bonds** for MLC, since 2000
- Manages $3.6 billion, across the company, as at 31 December 2010
- Origins dating back to 1984
- Based in Morristown, New Jersey, USA.
- Over 30 analysts devoted entirely to high yield bonds

Why has MLC chosen W.R. Huff?

MLC utilise W.R. Huff because of their expertise in the high yield market. W.R. Huff's in house research is committed to identifying the highest possible return for the mandated level of risk. Furthermore, their focus on high yield corporate securities complements the investment strategies of MLC's other bond managers.

WILLIAM R. HUFF
Chief Investment Officer & Portfolio Manager

Philosophy on investing

W.R. Huff believes the high yield bond market is a relatively inefficient one, and hence superior information, sourced from intense fundamental research and stock selection can lead to superior returns. W.R. Huff bases decisions on extensive in house company research, and relative value analysis. Their investment objective is to achieve an optimum balance between high returns and risk.

Investment process

W.R. Huff separates the opportunity set of corporate high yield securities into two groups. They focus on those sectors suited to high leverage. Common characteristics of such industries include stable and predictable cash flows, strong asset protection and solid growth prospects. Those that are considered to have weak fundamentals are avoided.

Sectors favoured by W.R. Huff include:

- HealthCare and life sciences,
- cable system operators, wireless and telecommunications services, telecommunications equipment,
- information and data service providers,
- defence technology,
- natural resources, paper and forest products, containers and packaging,
- media, publishing, advertising and entertainment,
- food and drug retailing, food and beverages,
- energy and special situations.

Periodic industry reviews are carried out to ensure these biases are well founded.

W.R. Huff has a large research team with over 30 analysts devoted entirely to high yield bond research. They have a depth and breadth of experience sourced from professionals who have worked in the industries they research, such as aerospace, chemical, electrical and mechanical engineering. Analysts typically have an MBA, CFA or both. Further, Huff employ a team of legal and tax experts who focus on understanding the covenants of each bond issue under consideration.

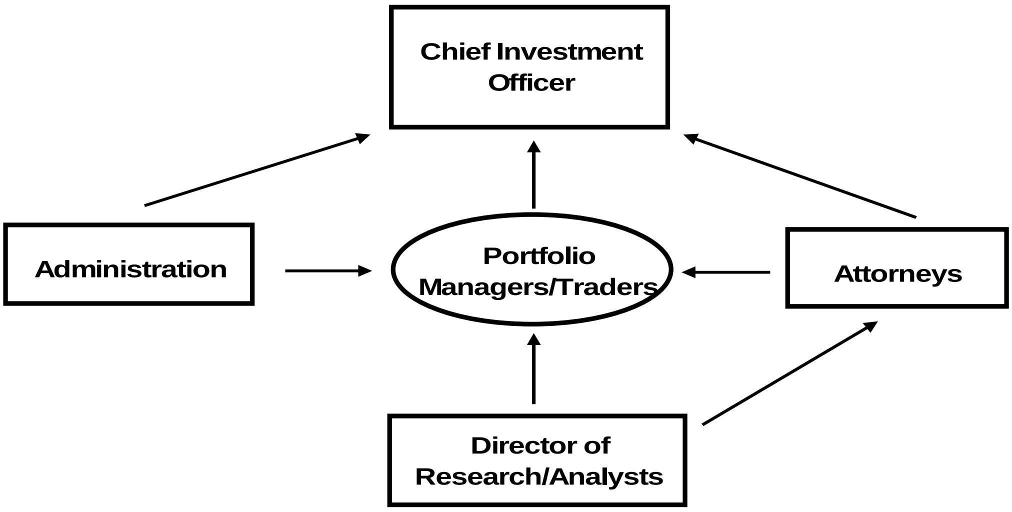
The investment analysts undertake extensive research on the industries they cover, by looking beyond the company fundamentals. They regularly meet and interview company management, competitors, customers, suppliers and regulators to develop a broad understanding of their sectors. Quantitative analysis is also undertaken to understand a company's financial condition and performance relative to peers.

The portfolio management team is then responsible for culling through the research effort of the analysts to construct portfolios. They look for the best ideas, whilst also monitoring the potential risk of the portfolio, considering both absolute and relative value in portfolio construction.

Portfolios tend to be relatively concentrated, typically 50-65 issues, within 17 favoured sectors. Duration and yield curve management are **NOT** used as a source of value. Portfolio turnover is low, as this manager tends to buy and hold securities for the long term.

All securities in the portfolio are $US denominated. A passive currency overlay program is used to ensure this portfolio is 100% hedged back into $AUD.

Investment people



The following investment professionals are involved in the management of MLC’s mandate.

William R. Huff
Mr. Huff is the founder of W.R. Huff Asset Management Co., L.L.C., and is chief investment officer of the firm. Mr. Huff is responsible for portfolio management, trading and oversight of all Huff investing activities. Prior to 1984, Mr. Huff was the Vice President of Fixed Income, Eberstadt Asset Management Co. Mr. Huff holds a B.B.A. from Baruch College.

Bryan E. Bloom
Mr. Bloom is a portfolio manager with the firm and has been employed by W.R. Huff or its affiliates since 1994. Mr. Bloom holds a B.S. from The Wharton School at University of Pennsylvania, a J.D. from American University and an L.L.M. from New York University Law School. Mr. Bloom is Chartered Financial Analyst.