



PERFORMA RESERVE FUND LTD.
Performa International Bond Fund (USD)

Investment Objective

The Fund's primary investment objective is to provide long term capital appreciation through an optimized mix of investment grade securities across international markets and maintaining a relatively short duration that will not exceed six years.

Letter of Credit Facility

Our LOC providers will value the Shares, for collateral purposes, at 95% of the Net Asset Value per Share at the time of issuance of any letter of credit.

Key Investment Restrictions

1. No securities rated less than A/A2 are permitted (as rated by S&P/Moody's).
2. No more than 50% of the investments are to be obligations on non-U.S. or Canadian borrowers or guarantors.
3. All securities are to be denominated in United States Dollars (USD).
4. No derivatives are permitted except if used for hedging purposes.
5. The portfolio's modified duration target is 5 years and is allowed to vary +2 and -3 years.
6. No convertible or equity-linked bonds are permitted.
7. Investments in money market funds are not permitted unless they are rated AAAM by S&P.

Expenses

There are no dealing costs such as front or back end loads or transactions costs. The Investment Advisor, Administrator and Custodian are reimbursed for all out-of-pocket expenses incurred on behalf of the Fund and receive the following remuneration directly from the Fund:

Investment Advisor:	30 basis points
Custodian:	8.8 basis points on the first \$100 million 7.7 basis points on the next \$100 million 5.5 basis points on the excess of \$200 million
Administrator:	8 basis points on the first \$100 million 4 basis points on the excess of \$100 million

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