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ANNOUNCING SIMFUND MF 4.0

We at Strategic Insight are proud to announce the upcoming availability of Simfund MF 4.0, featuring the integration of key performance data from Morningstar and Lipper with new and existing S&P performance data. We foresee that the integration of the three providers' performance information into Simfund's comprehensive functionality and database will enable new valuable analytics and expanded possibilities for supporting sales efforts that can be accomplished more quickly and easily.

Simfund MF 4.0 increases the number of Morningstar data fields from 20 to over 800 including official mutual fund returns, rankings, category averages and portfolio statistics to complement already existing star ratings and categories. Lipper official returns, Lipper Leader scores (ratings), rankings (quartile, quintile, decile, and percentile), and classifications will now be available upon additional subscription to a comprehensive, fully integratable add-on Lipper performance module. S&P existing performance data in Simfund will be expanded to include official rankings and averages. Both the expanded Morningstar data and the Lipper module are packaged with and integrated into Strategic Insight's Simfund Plus fee and expense database.

A summary of many of the data and functional enhancements titled "Simfund MF 4.0 Summary" accompanies this letter. For a more thorough description of all new functionality and data read our five page "Simfund MF 4.0 Detailed – What is New" and the three page "Lipper Module Detailed" posted on our website www.sionline.com (click [find out more](#) in the Introducing Simfund MF 4.0 homepage highlighted box) or request them by calling 212-944-4455 and asking for anyone in Customized Research.

Comparing peer groups and evaluating fund lines can now be accomplished using Morningstar-only data. Similarly, comparisons based on Lipper-only data can also be accomplished given the full integration of Lipper performance information, which importantly includes historical Lipper rankings with survivorship-bias-free-data (accounting for the historical performance of "dead funds"), exclusively available in Simfund MF 4.0. Note that Lipper data will be updated in Simfund MF 4.0 with prior month's data around the 8th business day of each month, while the rest of the Simfund data will be updated, as always, after the 15th business day. One benefit of Simfund MF 4.0 is that innovative and revealing summary management reports and graphs using key fields from different performance vendors' data integrated with other fields from Simfund's extensive database can now be easily produced.

Quickly-run presentations capturing consistency over time in peer group performance leadership, risk/reward characteristics, ratings, and rankings are now possible in Simfund MF 4.0 using performance data from any one of three providers. Integrating multiple performance vendors' data

in one table or graph enables users to quickly visualize a single fund's sometimes different investment classification by the three rating agencies, how such differing classification can dramatically impact ratings and rankings (due to comparisons with entirely different peer groups), and how a fund's investment classification may have changed over time. Such analysis can facilitate communicating a deeper understanding of a fund's relative performance to investors, financial advisors, gate-keepers, and fund trustees. It also may help highlight specific fund opportunities for enhanced targeted marketing. Simfund's widely used "scattergraph, bubble, and snail" performance and flow graphics, and a new floating-bar chart can now be run using any one of three performance sources, allowing the differences among them to be more clearly discernable.

In addition to the many presentation possibilities that accompany this letter and which are posted on our website www.sionline.com (click [find out more](#) on our homepage), an expanded depiction of the growing range of Simfund's automated pre-formatted templates utilizing performance data will soon also be available on our website. With Simfund MF 4.0, such pre-formatted reports, charts, and data can now be seamlessly exported to Word, PDF, Excel, or HTML.

More areas within your firm should now be able to benefit from Simfund as a result of the new performance data, preformatted analytics, new software features, flexible and savable automated presentation capabilities, and the ongoing training and user assistance that are an integral part of our service. Functional areas benefiting from Simfund MF 4.0's enhancement may now include performance analytics teams, CIOs, and compliance reporting, in addition to sales and distribution. We also foresee an expanded and more frequent use of Simfund among the 1,500-plus analysts industrywide already using Simfund for competitive fund analysis, product line development, marketing support, management and board reporting, and company tracking.

We anticipate Simfund MF 4.0 will be released for general use at the end of August. Once released, as in the past, your suggestions for further enhancements will be integrated into Simfund when possible. SI will continue to make available and support the current version Simfund MF 3.0 through the October 21st release, to allow you sufficient time to integrate the expanded Simfund into your operations.

Simfund MF 4.0's new data and features will be available through year-end 2005 at no increase in cost (SI will absorb our additional data licensing fees through year-end). The associated upgrade price increase (and, when requested, additional user license charges) will not take effect on a pro-rata contract license basis until January 1, 2006. Subscriptions to the comprehensive add-on Lipper module will be billed, as per Lipper, upon commencement of their module's use.

Strategic Insight, now with 56 associates supporting you, is most pleased to provide Simfund MF 4.0 to our many relationships associated with the mutual fund community. We will be contacting your company to explore how you can leverage the benefits permitted by the wider range of data and functionality. SI will also be offering a new *Certified Simfund Analyst Program* later this year to enhance the mastery and professionalism in the use of the new Simfund.

Joel Rosenthal