



**Principal Stability Fund Ratings Definitions**

**AAAm** A fund rated 'AAAm' has extremely strong capacity to maintain principal stability and to limit exposure to principal losses due to credit, market and/or liquidity risks. 'AAAm' is the highest principal stability fund rating assigned by Standard & Poor's.

**AAm** A fund rated 'AAm' has very strong capacity to maintain principal stability and to limit exposure to principal losses due to credit, market and/or liquidity risks.

**Am** A fund rated 'Am' has strong capacity to maintain principal stability but is somewhat more susceptible to principal losses due to adverse credit, market and/or liquidity risks than higher-rated funds.

**BBBm** A fund rated 'BBBm' has adequate capacity to maintain principal stability. However, adverse market conditions and/or higher levels of redemption activity are more likely to lead to a weakened capacity to limit exposure to principal loss as a result of higher exposure to credit, market and/or liquidity risks.

**BBm** A fund rated 'BBm' has uncertain capacity to maintain principal stability and is vulnerable to principal losses resulting from its exposures to credit, market and/or liquidity risks.

**Dm** A fund rated 'Dm' has failed to maintain principal stability resulting in a realized or unrealized loss of principal.

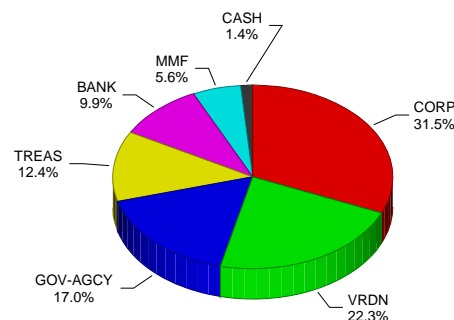
**G** The letter 'G' follows the rating symbol when a fund's portfolio consists primarily of direct U.S. government securities.

**Plus (+) or Minus (-)**  
The ratings may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the rating categories.

**About the Fund**

|                             |  |
|-----------------------------|--|
| <b>Fund Rating</b>          | <b>AAAm</b>  |
| <b>Fund Type</b>            | General Purpose Taxable  |
| <b>Investment Adviser</b>   | LOM Asset Management Ltd.<br>27 Reid Street, Hamilton, Bermuda<br>441-295-6999 |
| <b>Portfolio Manager</b>    | J. Heckscher   |
| <b>Date Rating Assigned</b> | March 2001   |
| <b>Custodian</b>            | UBS AG   |
| <b>Auditor</b>              | Marcum & Kliegman LLP  |

**Portfolio Composition as of December 31, 2007**



CORP - Corporate; VRDN - Taxable Variable Rate Demand Note; GOV-AGCY - Agency and Government; TREAS - Treasury; BANK - Bank Deposits; MMF - Money Market Fund; CASH - Cash

**Rationale**

A 'AAAm' rating is assigned to the LOM Money Market Fund Ltd., Class AI. The rating indicates that the fund has an extremely strong capacity to maintain principal stability and to limit exposure to principal losses due to credit, market, and/or liquidity risks. The rating reflects high credit standards used in selecting investments and sound management practices.

**Overview**

LOM Money Market Fund Ltd., Class AI is an open-ended investment company incorporated under the laws of the Cayman Islands as an exempted company on February 19, 1998. The fund's investment objective is to provide preservation of capital, liquidity and returns that are similar to short-term money rates of the currency in which the class is denominated. The fund seeks to achieve its investment objective by purchasing short-term money market instruments with first-tier ratings as defined by nationally recognized rating organizations, whilst maintaining disciplined and effective management strategies.

**Management**

LOM Asset Management Limited has been appointed Investment Manager for the LOM Money Market Fund. LOM Asset Management, a boutique investment management firm, with offices in London, Bahamas, Bermuda and the Cayman Islands, has been serving the needs of captive managers, reinsurance companies, institutional and private clients for the past 15 years. Jonathan Heckscher, the Money Market Fund's lead Manager since 2000, is one of four on the team providing investment services for the LOM Money Market Fund.

Marco decisions on the Fund are made by the LOM Investment Policy Committee, a team of investment professionals providing high-level, strategic guidance on individual investing. This advisory committee

does not recommend specific investments, but rather identifies areas of investment opportunity and risk created by current market and economic conditions. Asset managers and research analysts use analytical tools to conduct capital market and fund management research. These managers then turn the Committee's global investment insights into a portfolio, specially tailored to the Funds' long or short-term goals and risk sensitivity.

In addition to the Money Market Fund, The LOM stable of funds includes multiple equity, fixed income, balanced and hedge funds.

**Portfolio Assets**

The company seeks to achieve its investment objective through active management of the fund in short-term money market instruments. These instruments are cash equivalents and various types of short term debt instruments which may include government or agency paper, commercial paper and other short-term corporate obligations, certificates of deposit, guaranteed investment certificates, bankers acceptances, bank deposits, and other financial institutions obligations. The LOM Money Market Fund maintains high credit quality standards by investing at least 50% of fund assets in securities rated 'A-1+' by Standard & Poor's or equivalent. The fund seeks to maintain a weighted average maturity of 55 days or less to enhance liquidity and diminish sensitivity to changing interest rates.

Guyna Johnson - (1) 312-233-7008

*Investors should consider the investment objectives, risks and charges and expenses of the fund before investing. The prospectus which can be obtained from your broker-dealer, contains this and other information about the fund and should be read carefully before investing. An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.*