The Brandes Institute

Manager Challenge®

GETTING STARTED

If you are eligible to play in a specific Manager Challenge, you should receive an invitation by e-mail giving you details, including a password and information on when it becomes "active." Any time after the "active" date, go to www.managerchallenge.com and enter your e-mail address and the password. When you log-in, you'll be asked if you want to create a team, or become a spectator. Either way, you'll then have access to the universe of hypothetical managers and products for your Manager Challenge event, and all the details available in the "Manager Profile" section.

To create your team, just fill out the brief team details on the registration page, and you're off to the races (well, off to the Manager Challenge). Now you can start to build your team's initial portfolio, ahead of game time.

Note that each team is restricted to one log-in (using the e-mail address you chose when you registered). Other players on your team can "huddle" around your PC to view your team's home page, or they can log-in separately as "spectators." That way they can use their own PC, and can research all managers, as well as monitor the Manager Challenge progress on the Leaderboard, but they can't see details of their team's portfolio.

TEAM NAME

Feel free to be imaginative in selecting your team name, but be aware that that's how you'll be listed on a public site (so nothing too risqué, please). Your team name will be all that other competitors and spectators will know about you. You can choose to include your organization as part of your team name, but if you don't want that to be known, you can play under any name. Note that if you end up a winner, the rules of that Manager Challenge may require you to disclose your organization.

Team names must be unique within the Manager Challenge. So if someone else has already taken the name you want, then you'll need to make an alternative choice.

COMMUNICATIONS: E-MAILS AND MESSAGES

In general, we will communicate electronically with teams. Before, and during the Manager Challenge, we may send e-mails to teams (during the Manager Challenge, these will go to the registered team ID e-mail addresses). However, while the Manager Challenge is in progress, the primary communications will be through messages which will pop up on the teams' home page, and then be archived under the message header on that page.

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YOUR TEAM HOME PAGE

Once your team is registered, you will move to your team's home page. On this page you can view potential managers and products (in the lower universe grid), track your own team's portfolio (in the upper portfolio grid), and keep an eye on your progress relative to the Manager Challenge targets. You will also find links to the FAQ page (on the Brandes Institute site) and to the Leaderboard, so you can check your rankings as the competition progresses.

SELECTING AND MANAGING YOUR PORTFOLIO

For each Manager Challenge, an index allocation mix is selected (e.g. 60% equity, 40% fixed income), as well as a liability target (expressed as an annual percentage). You can then start reviewing the hypothetical managers and products in the universe grid (lower part of your home page). This gives you basic information on each manager/product, including type of strategy and recent hypothetical record. For more detailed information, you'll need to follow the link to "Manager Profiles." In that downloadable spreadsheet, you'll find significantly more information on the manager's history and organization, plus full data on product performance. Because there is so much information available, it may be to teams' advantage to start researching potential investment choices as soon as your password is active.

When you've decided on your initial selections, you may start to allocate your assets once you've registered your team for that Manager Challenge. (See the instructions on your home page on how to allocate and withdraw assets.) Note that there is a "flat" transaction fee each time you make an allocation or withdrawal.

As the Manager Challenge progresses through each three-year period, your portfolio will update with the last period's performance. The universe of managers and products will also update, both on your home page, and in the Manager Profile section. News headlines will appear on your home page with updates on developments of managers. These may (or may not) have an impact on whether you wish to retain or hire specific managers.

From time-to-time, a manager may decide to close a product. If that happens, the product will no longer be available for selection from the lower universe grid (it will be highlighted, and the trading link will no longer be active). If you happen to have that product in your portfolio at the time it closes, you can still withdraw assets, but you won't be able to add to that position. Note that a closed product might re-open later in the Manager Challenge (but of course, there's no guarantee of that).

Period 4 is the last "active" period of play. Once the Manager Challenge moves to Period 5, you can no longer change your portfolio and the team scores and rankings are final.

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MANAGER PROFILES EXPLAINED

Each hypothetical manager is profiled in this excel file, that can be reached by a link from your team home page. There's a tab for each, sending you to a worksheet with basic details on their organization, history, investment philosophy, and performance. This also includes some metrics that may not be so familiar, such as the Q-sort and Concentration Coefficient; to understand these, you may need to follow links to the Brandes Institute website, where they're explained.

The Manager Profile has summary worksheets that allow you to sort and view product performance characteristics in a variety of ways, along with the ability to chart up to four products for comparison.

Each period, the information in the Manager Profiles will update for the latest performance, as well as any changes in the organization, its products or its investment approach.

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