



Platform Based Discretionary Model Portfolios

Managed by Quilter

Succession Cautious June 2011

Quilter

Succession has appointed Quilter, a leading investment house, as one of the investment managers for its Platform Based Discretionary Model Portfolios.

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The Platform Based Discretionary Model Portfolios invest solely in collective securities (unit trusts and OEICs). The models are managed by Quilter, a leading investment house.

The objective is to produce a return from a high level of income with a degree of capital stability. The asset allocation will be principally comprised of funds which invest in fixed interest investments, such as government and corporate bonds. The potential for capital growth is expected to be limited and there is no guarantee of capital preservation in real and/or absolute terms.

The benchmark is the FTSE Actuaries UK Gilts Over 15 Years Index.

The annual investment management fee is 0.30% plus VAT.

A typical client in this strategy is investing for a minimum of 3 years aiming for immediate secure income with a degree of capital stability. An almost exclusive allocation to fixed income investments will be made to ensure the immediate income objectives are more easily achieved. Capital growth excluding any reinvested income is expected to be limited.

Risk category for this strategy is considered low risk.

Important Information

On 1 July 2011, the Association of Private Client Investment Managers and Stockbrokers (APCIMS) will add two new benchmarks to its range of Private Investor Indices. As a result, to avoid any confusion due to the similarity in names with the new FTSE APCIMS Conservative benchmark, with effect from 1 July 2011:

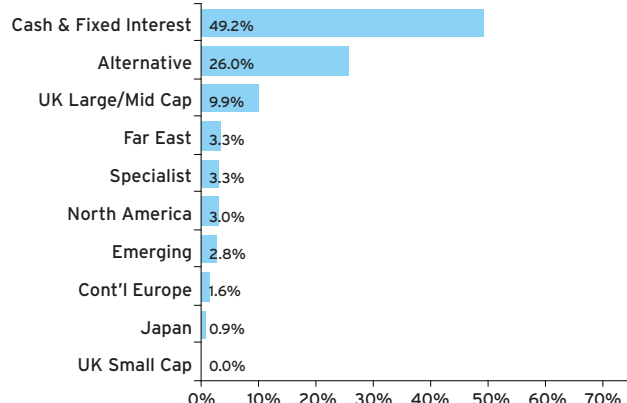
- We will rename the Succession Cautious Strategy the **Succession Defensive Strategy**.

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Performance from Inception - May 2011

Regulatory restrictions mean that performance data cannot be shown until the strategy has a one year track record.

Asset Class/Geographic Allocation



Source: Quilter, Lipper

Cautious Performance 1 Year	n/a
Benchmark Performance 1 Year	7.21%
1 Year relative performance	n/a
Cautious Performance 3 Years	n/a
Benchmark Performance 3 Years	24.84%
3 Years relative performance	n/a
Cautious Performance 5 Years	n/a
Benchmark Performance 5 Years	27.60%
5 Years relative performance	n/a
Inception	May 2011
Positive Months %	n/a
Correlation with benchmark returns	n/a
Alpha (annualised since inception)	n/a
Beta (annualised since inception)	n/a
Tracking Error (annualised since inception)	n/a
Volatility of returns (annualised since inception)	n/a

Fund

1	Threadneedle Absolute Return Bond Ret Net Acc	18.65%
2	Allianz Pimco Gilt Yield A Inc	15.37%
3	M&G Corporate Bond A Inc	15.18%
4	Standard Life Inv Glo Abs Ret Strategies Inst Acc	9.12%
5	BlackRock UK Absolute Alpha P Acc	8.75%
6	SWIP Property Trust Acc	8.09%
7	Invesco Perpetual Income Acc	5.07%
8	Artemis Income R Acc	4.82%
9	Aberdeen Asia Pacific A Acc	3.32%
10	Investec American A Acc Net	3.03%
11	JPM Emerging Markets A Acc	2.81%
12	BlackRock Gold & General Acc	1.70%
13	Cazenove European A Acc	1.63%
14	JPM Natural Resources A Acc	1.56%
15	Schroder Tokyo A Acc	0.90%

Source: Quilter, Lipper

Portfolio Yield (Net)

1.78%

Performance and fund constituent data up to end May 2011

Investors should remember that the value of investments and the income from them can go down as well as up and that past performance is no guarantee of future returns. Performance for a full year is not yet available as the strategy was launched in May 2011.

Notes

Alpha: The excess return after adjusting for market/benchmark risk. The intercept of the regression line of returns between the benchmark and the strategy.

Beta: Ratio of a market move that is captured by the strategy. The slope of the regression line of returns between the benchmark and the strategy.

Tracking Error: The standard deviation of the performance differentials between the strategy and the benchmark.

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