



Platform Based Discretionary Model Portfolios

Managed by Quilter

Succession Distribution June 2011

>> Succession Distribution

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.

Quilter

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

The objective is to produce a return principally dependant on its investment income. The asset allocation will have a significant exposure to fixed interest investments relative to the equity content. The potential for capital growth is expected to be limited and there is no guarantee of capital preservation in real or absolute terms.

The benchmark is a composite index, 25% FTSE All-Share Index and 75% 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 a higher level of secure immediate income than equities but with limited scope for capital growth. A large allocation to fixed income investments will be made to ensure the income objectives are more easily achieved and due to this the prospect for equity-like growth is more 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, we have decided to make a number of changes to the Succession Distribution Strategy. With effect from 1 July 2011:

- The benchmark will change to the **FTSE APCIMS Stock Market Conservative Index**.
- To ensure consistency with its new benchmark we will rename the Succession Distribution Strategy the **Succession Conservative Strategy**.
- We have previously recommended that this strategy is suitable for investors with a minimum time horizon of 3 years but, as a result of events in recent years and the increased volatility of risk assets, we now recommend that this strategy is suitable for investors with a **minimum time horizon of 5 years**.

Contact

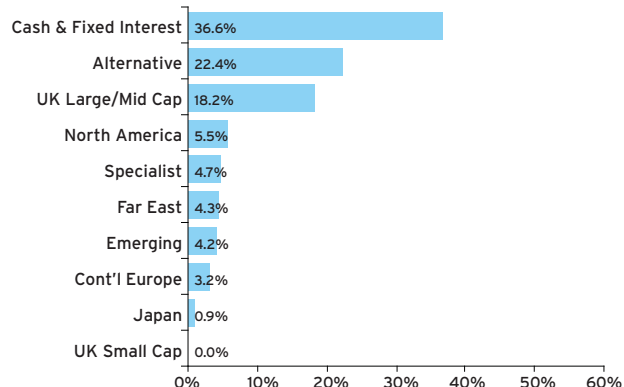
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Performance from Inception - May 2011

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

Fund

1	Allianz Pimco Gilt Yield A Inc	12.27%
2	Threadneedle Absolute Return Bond Ret Net Acc	12.23%
3	M&G Corporate Bond A Inc	12.12%
4	SWIP Property Trust Acc	8.08%
5	Standard Life Inv Glo Abs Ret Strategies Ret Acc	8.07%
6	Artemis Income R Acc	6.35%
7	BlackRock UK Absolute Alpha P Acc	6.29%
8	Invesco Perpetual Income Acc	6.04%
9	Henderson UK Equity Income A Net Inc	5.80%
10	Investec American A Acc Net	5.53%
11	Aberdeen Asia Pacific A Acc	4.25%
12	JPM Emerging Markets A Acc	4.22%
13	Cazenove European A Acc	3.18%
14	BlackRock Gold & General Acc	2.67%
15	JPM Natural Resources A Acc	2.00%
16	Schroder Tokyo A Acc	0.90%

Source: Quilter, Lipper

Portfolio Yield (Net)

1.84%

Performance and fund constituent data up to end May 2011

Distribution Performance 1 Year	n/a
Benchmark Performance 1 Year	10.80%
1 Year relative performance	n/a
Distribution Performance 3 Years	n/a
Benchmark Performance 3 Years	25.33%
3 Years relative performance	n/a
Distribution Performance 5 Years	n/a
Benchmark Performance 5 Years	32.61%
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

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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