ST. JAMES'S PLACE
WEALTH MANAGEMENT

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David Bellamy
Chief Executive

Pension Practioner.Com
Gavin Mc Klosky
33-35 Daws Lane
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NW7 4DD

24 January 2012

Dear Client

Please find enclosed a copy of your Wealth Account report for 2011.

2011 was very challenging in many respects, not least for global economies and markets, and at the time of writing it is clear that most commentators are forecasting another difficult year ahead. Economists are worried about the outlook for the economies of the Eurozone, with most continuing to be concerned about the levels of personal and government indebtedness, and what this means for the UK. Outside of Europe, there are some signs though of a brighter economic outlook, tempered by continuing political uncertainty as we wait to see how the 'Arab Spring' unfolds.

Reflecting back on 2011, markets provided mixed results for investors with weakness in global equities in the summer offsetting a strong first half of the year. The 'flight to safety' caused by the Eurozone crisis and continuing low interest rates led to gains from UK, US and German government bonds. There was also a steady improvement in the commercial property market. For equity investors, US equities saw a positive return over the year whilst the UK market, aided by corporate dividends, managed to regain most of the falls seen in the summer, ending the year around 3.5% lower.

Investors in international equities fared worse with the problems of the Eurozone dragging European stocks significantly lower. Having provided investors with the strongest returns in three out of the last five years, returns from Emerging Markets and the Far East were also significantly weaker in 2011 with markets showing double-digit falls over the year.

It seems inevitable that, in the short-term, the Eurozone crisis will continue to dominate sentiment. That said, we believe there are reasons to be optimistic. Company balance sheets have strengthened, giving an improved outlook for future dividends. Interest rates look set to continue at historic low levels, which in turn should provide support for fixed interest and equity markets. Despite the poor performance of their stock markets in 2011, the emerging economies are expected to contribute over two-thirds of global growth in 2012, lending further support for cautious optimism.

A lot is expected of the global political leadership, and elections in France and the US may yet help bring a renewed focus to bear on some of the current problems. In particular, when it becomes clear that the Eurozone problem will be tackled – and we believe it will be even if, like every other commentator, we can't be sure whether the eventual solution will see all 17 Euro members remaining in the single currency – markets will move forward.

Of course, it isn't possible to time events like this, so we reiterate our advice to clients to maintain a well-diversified portfolio of investments. This strategy has served investors well over the years and we are confident it continues to be the best way to prepare for the opportunities and the challenges that lie ahead. Clients spread across our range of funds and those invested in the Portfolios introduced last January benefited from the spread of returns achieved across different asset classes and the different approaches taken by the individual managers.

In addition to your Wealth Account, I have enclosed a copy of the annual report of our Investment Committee which includes commentary from Vivian Bazalgette, who gives his thoughts on the year and outlines his objectives for the Committee since being appointed Chairman during the summer. Over the last few years we have added to our fund range, as well as replacing managers where the Investment Committee decided it is time to do so. The report explains the background to some of the major changes made last year and I urge you to read it. In the next few weeks we will be making information available about new investment opportunities that we plan to launch early in 2012.

We value feedback from our clients and we are very conscious of the changing nature of communication media generally, so if you could spare a few minutes to complete the enclosed survey questionnaire and return it to us in the envelope provided it would be really helpful. Alternatively if you would prefer to complete it online the survey is also available on our website (www.wasurvey.sjp.co.uk) and can be accessed using your personal reference number, **3549727**.

We live in uncertain times and no-one can predict what new challenges 2012 will bring but I offer my sincere thanks and appreciation for your support in 2011 and I wish you all the best for the year ahead.

Yours sincerely

David Bellamy
Chief Executive

ST. JAMES'S PLACE
WEALTH MANAGEMENT

Wealth Account Questionnaire

We take great care in the way we communicate with you but we recognise that individual preferences are different and that the nature of communication is changing all the time. Please take a few minutes to give us your thoughts on how we communicate with you and how we might improve in the future.

1. **Thinking of your Wealth Account, how easy have you found it to understand?** ***(Please select one only)***

- [ ] Very easy to understand
- [ ] Fairly easy to understand
- [ ] Not very easy to understand
- [ ] Not at all easy to understand

2. **How valuable do you find the information in your Wealth Account?** ***(Please select one only)***

- [ ] Very valuable
- [ ] Quite valuable
- [ ] Not really very valuable
- [ ] Not valuable at all

3. **Looking at the information we provide in your Wealth Account, would you say there is:** ***(Please select one only)***

- [ ] Too much detail
- [ ] Not enough detail
- [ ] About the right amount of detail

4. **What, if anything, is missing that you feel we should include in future?**

....

....

5. **How valuable would you find the following additional services?**

Information and up to date valuations for your non St. James's Place assets in the Wealth Account
e.g. investments you have with another adviser (not St. James's Place) or financial institution, property etc. *(Please select one only)*

- [ ] Very valuable
- [ ] Quite valuable
- [ ] Not really very valuable
- [ ] Not valuable at all

More detail about the performance of your investments. *(Please select one only)*

- [ ] Very valuable
- [ ] Quite valuable
- [ ] Not really very valuable
- [ ] Not valuable at all

Access, on demand, to an up-to-date secure online version of your Wealth Account. *(Please select one only)*

- [ ] Very valuable
- [ ] Quite valuable
- [ ] Not really very valuable
- [ ] Not valuable at all

6. **If you had online access to your Wealth Account (including up to date valuation information on your investments), would you still want to receive a printed version once a year?** ***(Please select one only)***

- [ ] Yes
- [ ] No

Please turn over

Finally, we would like to ask you a few questions about how we should communicate with you in future, particularly given the increased use of the internet.

7. **What devices, if any, do you personally use for receiving email and/or accessing the internet?** ***(Please tick all that apply)***

- ☐ Desktop Computer
- ☐ Laptop
- ☐ iPad
- ☐ Other Tablet device
- ☐ Mobile phone/Smart phone
- ☐ I don't use email/Internet

8. **Where you use other financial services providers (e.g. for banking services), do you generally deal with them online via the internet?** ***(Please select one only)***

- ☐ Yes
- ☐ No
- ☐ Sometimes

9. **Which of the following online social networking sites, if any, do you use on a regular basis?** ***(Please tick all that apply)***

- ☐ Facebook
- ☐ Twitter
- ☐ Linked In
- ☐ Flickr
- ☐ You Tube
- ☐ Slideshare
- ☐ Other - *please specify* ....
....

10. **Thinking about the frequency of communication you have with your St. James's Place Partner, would you say that you were:** ***(Please select one only)***

- ☐ Very satisfied
- ☐ Quite satisfied
- ☐ A little dissatisfied
- ☐ Very dissatisfied
- ☐ Not applicable

11. **If you could choose how St. James's Place communicates with you, which of the following do you prefer?** ***(Please tick all that apply)***

- ☐ Via email
- ☐ Online via the Internet
- ☐ By post
- ☐ By phone
- ☐ By text

Thank you for taking the time to provide us with your feedback.

ST. JAMES'S PLACE
WEALTH MANAGEMENT

Pension Practioner.Com
Gavin Mc Klosky
33-35 Daws Lane
London
NW7 4DD

121630#

Pension Practioner.Com

Wealth Account

31 December 2011

Your St. James's Place Partner
Andy Barrett
Tel: 0207 6382400

1549727

ST. JAMES'S PLACE
WEALTH MANAGEMENT

St. James's Place House
1 Tetbury Road Cirencester Gloucestershire GL7 1FP
Telephone: 0800 028 0615

Wealth Account

The Wealth Account provides you with information about your investments with St. James's Place for the period ending 31 December 2011. It includes all plans owned by you individually or jointly with someone else. The totals therefore include the full value of all jointly held investments.

If you have any questions about the information in your Wealth Account, please contact your St. James's Place Partner, Andy Barrett on 0207 6382400. Alternatively you can contact us on:

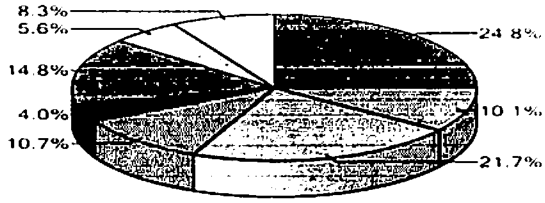
Telephone	:	0800 028 0615
Email	:	client.reports@sjp.co.uk
Post	:	St. James's Place Administration Centre, P.O. Box 64, Stirling, FK9 4YS

Wealth Account Summary

Overview	Value as at 31 Dec 2010	Changes since 31 Dec 2010			Value as at 31 Dec 2011
		Investments	Withdrawals	UT/ISA Income	
Investment					
Retirement	£224,201				£214,160
Banking					
Total Values	**£224,201**				**£214,160**

Split of Assets by Asset Class

Asset Class	Current Value
UK Equity	£53,150
North American Equity	£21,641
Asia & Pacific Equity	£46,574
European Equity	£22,860
Other Equity	£8,603
Alternative Investments	£0
Property	£31,652
Fixed Interest	£12,002
Cash	£17,678
Not Classified	£0
	£214,160



Investment

No current holdings

Retirement	Plan/Account Number	Value as at 31 Dec 2010	Changes since 31 Dec 2010		Value as at 31 Dec 2011
			Investments	Withdrawals	
Retirement Plan	87C09K89	£224,201			£214,160
Total		**£224,201**	**-**	**-**	**£214,160**

Banking

No current holdings

Protection

No current holdings

Retirement Summary

This page provides analyses of your retirement plans by asset class and fund/asset.

Split of Investments by Asset Class

Asset Class	Current Value
UK Equity	£53,150
North American Equity	£21,641
Asia & Pacific Equity	£46,574
European Equity	£22,860
Other Equity	£8,603
Alternative Investments	£0
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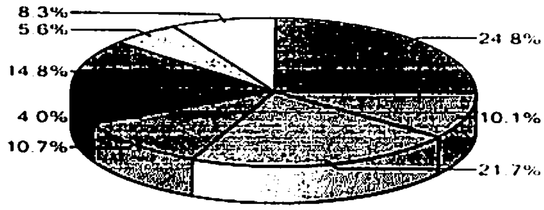
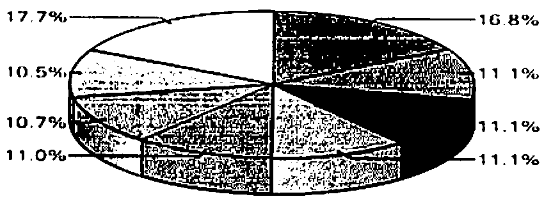
Not Classified	£0
	£214,160



Split of Investments by Fund/Asset

Fund/Asset	Current Value
Property	£36,009
SJP/Worldwide Managed	£23,874
Global Emerging Markets	£23,808
SJP/AXA Framlington Mgd	£23,701
SJP/Invesco Perpetual Mgd	£23,506
Far East	£22,905
UK Equity	£22,504
Other	£37,853
	£214,160



Split of Investments by Fund and Asset Class

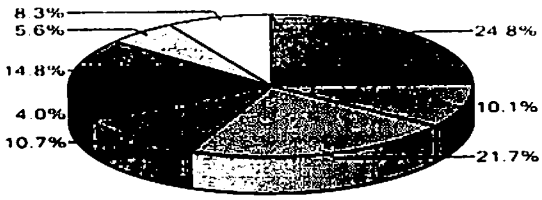
	UK Equity %	North American Equity %	Asia & Pacific Equity %	European Equity %	Other Equity %	Alternative Investments %	Property %	Fixed Interest %	Cash %	Not Classified %	Current Value
Property	-	-	-	-	-		87.9	-	12.1		£36,009
SJP/Worldwide Managed	7.6	38.0	13.6	26.0	3.7		-	-	11.1		£23,874
Global Emerging Markets	5.4	-	47.5	20.2	21.5	-	-	-	5.4	-	£23,808
SJP/AXA Framlington Mgd	40.5	13.1	9.2	11.2	0.4	-	-	11.8	13.8	-	£23,701
SJP/Invesco Perpetual Mgd	41.8	12.2	7.2	12.4	1.4	-	-	22.2	2.8	-	£23,506
Far East	-	-	97.2	-	-	-	-	-	2.8	-	£22,905
UK Equity	97.5	0.2	-	0.1	1.5	-	-	0.5	0.2	-	£22,504
SJP/Schroder Managed	35.6	2.4	8.9	11.5	0.8	-	-	19.6	21.2	-	£19,769
Global Equity	9.1	33.6	22.8	22.0	9.3	-	-		3.2	-	£18,084
Totals	24.8	10.1	21.7	10.7	4.0	-	14.8	5.6	8.3	-	£214,160

Retirement Plan Details

Retirement Plan - S7C09K89

Investor	Pension Practioner.Com
Commencement Date	25 Mar 2010
Total Invested	£209,000
Total Withdrawn/Transferred Out	-
Current Value	£214,160
Net Change	£5,160

Value By Asset Class



Fund/Asset	Number of Units	Unit Price	Current Value	Fund/ Asset %
Property - Acc	28,760.872	125.20p	£36,009	16.8%
SJP/Worldwide Managed - Acc	24,066.859	99.20p	£23,874	11.1%
Global Emerging Markets - Acc	21,506.416	110.70p	£23,808	11.1%
SJP/AXA Framlington Mgd - Acc	18,677.225	126.90p	£23,701	11.1%
SJP/Invesco Perpetual Mgd - Acc	5,570.153	422.00p	£23,506	11.0%
Far East - Acc	5,513.879	415.40p	£22,905	10.7%
UK Equity - Acc	4,105.833	548.10p	£22,504	10.5%
SJP/Schroder Managed - Acc	9,169.442	215.60p	£19,769	9.2%
Global Equity - Acc	2,736.288	660.90p	£18,084	8.4%
Total			**£214,160**	

UK Equity
North American Equity
Asia & Pacific Equity
European Equity
Other Equity
Alternative Investments
Property
Fixed Interest
Cash
Not Classified

649727

Information about your Wealth Account

Basis of the Report

This Wealth Account shows the latest valuation we hold for your plans and assets as at 31 Dec 2011.

The values as at 31 Dec 2010 shown in the Wealth Account Summary section are those we had at that time. Please note that if there has been a currency conversion the values will differ from those reported last year.

Plans that have been applied for but were not in force as at 31 Dec 2011 are not included.

Where appropriate we have assumed that contributions due have been received.

Explanatory Notes

This Wealth Account is intended as an overview of your investments with St. James's Place and is for information purposes only. You should always contact your St. James's Place Partner or our Administration Centre to check for any changes to the values set out in the Wealth Account prior to relying on them. Should you decide to cash in or transfer all or part of any plan, the values will be those applicable at the date of encashment or transfer and may be subject to charges as set out in the Plan Conditions or other equivalent documents. There may also be a tax charge depending on your circumstances. You should discuss this with your St. James's Place Partner before taking any action.

The net change figures in Plan Details are calculated as (current value) + (total withdrawn or transferred out) + (total income paid) - (total invested).

'Withdrawals' in the Wealth Account Summary section will include quarterly distributions paid to you from income distribution bonds, income drawdown payments and amounts transferred out of pension plans or ISAs.

In order to simplify the presentation we have rounded all values to the nearest whole number. For example, a current value of £35,287.64 will be shown as £35,288. For the same reason percentages are shown on the pie charts only when they represent at least 2% of the total.

The asset class information shown in the analysis is from 31 Dec 2011 for St. James's Place funds and 30 Nov 2011 or earlier for non-St. James's Place funds, and has been supplied by Lipper Ltd., a Reuters company.

Assets grouped together under the heading of Alternative Investments include Absolute Return funds, Hedge funds and commodity exposure within the St. James's Place Alternative Assets funds.

Market Background

The movements in the main market indices during 2011 and other key financial data are set out below for reference.

FTSE All Share Index	-3.46%
MSCI World Index	-4.84%
FTSE Asia Pacific Index	-14.14%
EURO STOXX Index	-18.15%
UK Base Rate as at 31 December 2011	0.50%
Retail Prices Index	5.20%

Market indices quoted show the percentage change for the 12 month period to 31 December 2011 on a mid to mid basis, with net income reinvested. Source: Financial Express.
The movement in the Retail Prices Index is the latest published information as at 31 December and covers the 12 month period to November 2011.