

Kleinwort Benson Retirement Plan Investment Strategy - USD Cautious

Fund Benchmark

US BLS CPI All Urban NSA 1982-1984

Investment Objective

To achieve capital returns in excess of cash and/or inflation over the medium to long term, by employing an investment strategy that places an emphasis on capital preservation with a cautious approach to long-term capital growth.

Fund Manager Commentary

Investor confidence has improved significantly since late 2011, however, the outlook for growth remains challenging. The consensus expects the global economy to grow by 2.2% in 2012. This forecast is below trend & is lower than the International Monetary Fund's most recent forecast of 3.3%. Looking forward, we anticipate a gradual increase in the growth rate in several major economies. The Euro-zone debt crisis may be in remission but the consensus forecasts that GDP growth will fall by 0.4% this year. On balance, we consider that growth at the levels forecast will be insufficient to make much of a dent in excess capacity or to generate inflationary pressures. Equity markets drifted lower in early March, however, the latest & largest supply of liquidity to the financial system from the European Central Bank boosted investor confidence & helped global equity markets to rally into the month end. The MSCI World Index rose 1% for the month although the FTSE 100 fell, failing to hold on to gains as economic data disappointed at month end. Commodity prices also finished a little lower & gold failed to recover from last month's disappointment at the lack of additional quantitative easing in the US. Hedge fund performance was mixed & UK Government bonds retreated modestly in March as investors generally favoured risk assets.

Risk Measures

| | | | |
|-------------------|---|-------------------|------|
| Alpha | - | 3-Yr Sharpe Ratio | 0.08 |
| Beta | - | 3-Yr Std Dev | 2.17 |
| R-Squared | - | 3-Yr Risk | - |
| Information Ratio | - | 5-Yr Risk | - |
| Tracking Error | - | 10-Yr Risk | - |

Calculations use US BLS CPI All Urban NSA 1982-1984 (where applicable)

Maturity Range

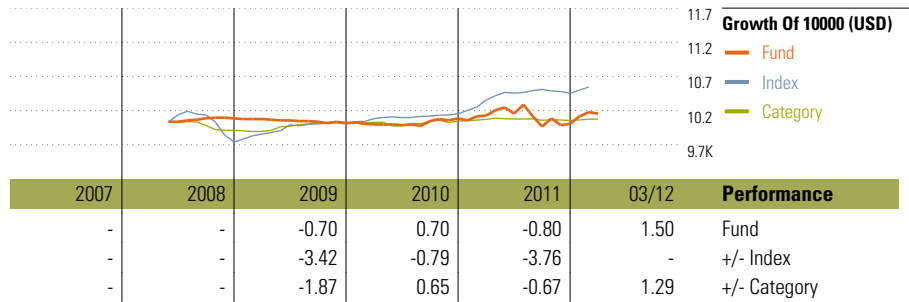
| Maturity Range | % |
|----------------|-------|
| 1 to 3 | 53.41 |
| 3 to 5 | 46.59 |
| 5 to 7 | 0.00 |
| 7 to 10 | 0.00 |
| 10 to 15 | 0.00 |
| 15 to 20 | 0.00 |
| 20 to 30 | 0.00 |
| Over 30 | 0.00 |

Morningstar Rating™

N/A

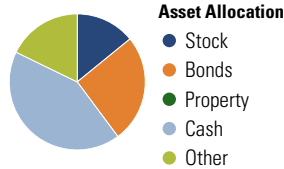
Morningstar® Category

USD Money Market



| Trailing Returns (31 Mar 2012) | Return % | +/-Idx | +/-Cat | Quarterly Returns | 1st qtr | 2nd qtr | 3rd qtr | 4th qtr |
|--------------------------------|----------|--------|--------|-------------------|---------|---------|---------|---------|
| 3 Months | 1.50 | - | 1.29 | 2012 | 1.50 | - | - | - |
| 6 Months | 1.91 | - | 1.72 | 2011 | 0.40 | 0.30 | -1.88 | 0.40 |
| 1 Year | 0.30 | - | 0.30 | 2010 | -0.20 | -0.10 | 0.60 | 0.40 |
| 3 Years Annualised | 0.26 | - | -0.15 | 2009 | -0.10 | -0.20 | -0.20 | -0.20 |
| 5 Years Annualised | - | - | - | 2008 | - | - | 0.50 | 0.00 |

Portfolio 31 Mar 2012



| Top 5 Instruments and Issuers | % Bond |
|-------------------------------|--------|
| Non-US Corp | 53.41 |
| US Treasury | 28.29 |
| US Agency | 18.31 |

| Credit Quality | % | % | |
|----------------|--------|-----------|------|
| AAA | 100.00 | BBB | 0.00 |
| AA | 0.00 | BB | 0.00 |
| A | 0.00 | B | 0.00 |
| | | Below B | 0.00 |
| | | Not Rated | 0.00 |

Data as of: 31 Mar 2012

| Coupon Range | % |
|--------------|--------|
| 0 PIK | 0.00 |
| 0 to 4 | 100.00 |
| 4 to 6 | 0.00 |
| 6 to 8 | 0.00 |
| 8 to 10 | 0.00 |
| 10 to 12 | 0.00 |
| Over 12 | 0.00 |

Morningstar Fixed Income Style Box™

| Effective Duration (Y) | 2.75 |
|------------------------|------|
| Effective Maturity (Y) | - |
| Avg Credit Quality | AAA |

Top 10 Holdings

| Top 10 Holdings | % Port. |
|--|---------|
| Cash & Cash Equivalents | 33.18 |
| Rabobank Nederland 2.5%2013-12-12 | 9.17 |
| Kreditanstalt Fur Wiederaufbau... | 9.10 |
| US Treasury Note 2.75%2016-11-30 | 7.27 |
| ETFS Gold Bullion Securities ETC | 7.05 |
| Landwirtschaftliche Rentenbank... | 4.71 |
| Net Rail Infra 1.5%2014-01-13 | 4.56 |
| Bluecrest Allblue Fund USD | 3.52 |
| Dexion Absolute Limited USD | 3.42 |
| Standard Life SICAV GIB AbsRt Str D USDH | 3.42 |

