Golden Accumulator Multiple Manager Plan 2nd Qtr 2011

BF&M pension matters

Why should I use a financial advisor rather than running my own portfolio....

After a positive start to the second quarter, markets went on a six week slide from the beginning of May until mid-June. This marked the longest sell off in stocks since October 2002 and had many investors concerned about a major market correction. The sell off was sparked by the reemergence of the European debt problems and in particular Greece.

Stock and bond markets have been volatile for quite some time now and I would like to take the opportunity to reiterate our recommendation of a diversified portfolio. Dr. Marc Faber in his “Gloom, Doom and Boom” newsletter has stressed this fact over the past two months. Below is a summary of his thoughts.

Dr. Faber notes that the prospect of holding a diversified portfolio for the appropriate risk level may seem boring. Most investors feel that it is unnecessary to have a diversified portfolio if you can predict how events will unfold.

However, if your investment approach is based entirely on making those predictions and betting on those outcomes, your returns will only be as good as your forecasts. History suggests that most people’s predictive powers are poor, which sets you up for failure.

Another thing to consider is that we all underestimate the impact of outlier events; lately they have been called black swan events. You can never predict a Japanese earthquake, the fall of communism and breakup of the Soviet Union or the September 11th terror attacks.

All of this means that what probably drives your portfolio returns is not how often you are right but how large your cumulative errors are. As Dr. Faber points out even if you predicted the market flawlessly from 2003 to 2008 all of it would be zero if you failed to predict the failure of Lehman Brothers.

This begs the question: Should I listen to the experts who make predictions? Yes, you should but do it through a trusted financial advisor. People’s investment results would be better if they used a trusted financial advisor to sort through the experts’ predictions and advise you to do what is right for you. A good analogy is a doctor and WebMd.com. You can find a multitude of expert opinions on WebMd.com but when you want a real diagnosis you always go to see a doctor you trust.

People go to great lengths to get the best care for themselves and spare no expense to get the best treatments or drugs etc. Yet when it comes to their financial management they use the financial market’s version of WebMd.com for their investment strategy…CNBC!

In the long run a disciplined, diversified financial strategy executed with the help of a financial advisor you trust and are willing to be open with will provide the best investment results over time.

For help in understanding your risk profile, call BF&M Investment Services at 296-8288 for assistance. Or try our online quiz and calculators at www.bfm.bm.

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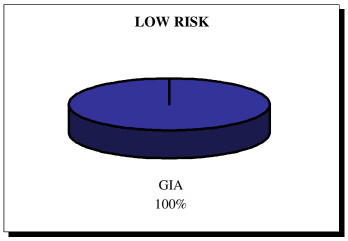

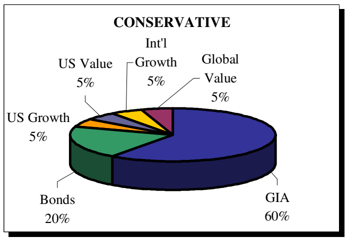

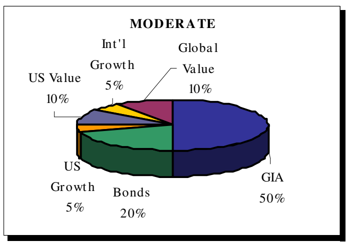

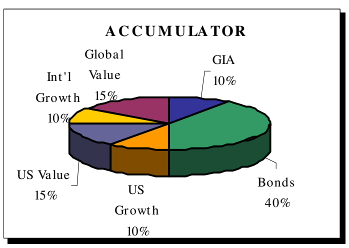

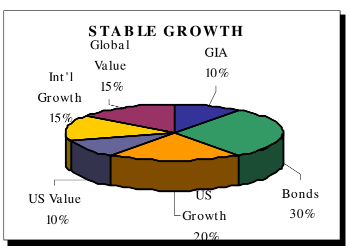

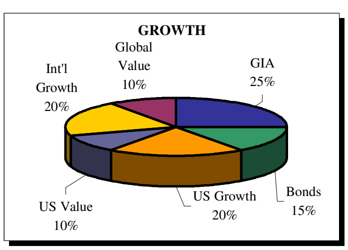

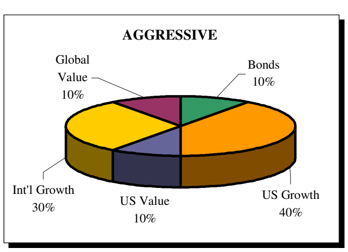

Golden Accumulator Retirement Plan

Summary Performance - as of June 30th 2011

MULTIPLE MANAGER PLAN

PERFORMANCE BY PROFILE		Annualized returns for 10 Yrs	5 Yrs	3 Yrs	1 Yr	For the Period of 6 Mos
Guaranteed Interest	Annualized	2.93%	3.06%	2.36%	1.37%	0.55%
	Benchmark	2.93%	3.06%	2.36%	1.37%	0.55%
Conservative Risk	Annualized	3.55%	3.20%	2.64%	7.99%	2.19%
	Benchmark	4.40%	3.96%	3.16%	7.09%	1.66%
Moderate Risk	Annualized	3.62%	3.07%	2.45%	10.64%	2.81%
	Benchmark	4.54%	3.94%	3.21%	9.67%	2.01%
Accumulator	Annualized	3.94%	2.82%	2.14%	17.63%	4.47%
	Benchmark	5.76%	4.56%	3.58%	15.68%	3.13%
Stable Growth	Annualized	4.28%	3.47%	2.34%	21.47%	4.87%
	Benchmark	5.47%	4.20%	3.13%	18.45%	3.20%
Growth Risk	Annualized	4.27%	3.63%	2.38%	20.92%	4.38%
	Benchmark	4.83%	3.58%	2.62%	18.00%	2.85%
Aggressive Risk	Annualized	4.58%	3.95%	1.97%	31.95%	5.91%
	Benchmark	4.50%	2.87%	1.65%	26.87%	3.78%

PAST & CURRENT FUNDS

PERFORMANCE BY ASSET CLASS *		Annualized returns for 10 Yrs	5 Yrs	3 Yrs	1 Yr	For the Period of 6 Mos
Guaranteed Interest	Account	2.93%	3.06%	2.36%	1.37%	0.55%
GIA	Index	2.93%	3.06%	2.36%	1.37%	0.55%
Global Bond Fund - PIMCO Total Return	Fund	3.43%	2.27%	2.83%	5.11%	2.90%
Barclays US Aggregate Bond	Index	7.44%	6.68%	5.05%	3.94%	2.74%
U.S. Value Fund - Pioneer Basic Value	Fund	1.95%	-1.60%	-0.85%	24.10%	4.21%
MSCI US Large Cap Value - Price	Index	2.37%	0.58%	1.96%	27.59%	4.98%
Global Value Fund - Templeton Global	Fund	3.62%	2.79%	-1.40%	33.16%	9.24%
MSCI EAFE Value - Price	Index	4.07%	2.45%	-0.20%	28.14%	3.07%
Global Growth Fund - MFS Res Int'l	Fund	4.11%	2.12%	-1.42%	34.95%	6.57%
MSCI EAFE Growth - Price	Index	5.20%	0.95%	-3.57%	28.48%	2.92%
U.S. Growth Fund - Franklin U.S. Opportunities	Fund	5.30%	6.64%	5.01%	38.55%	5.72%
MSCI US Large Cap Growth - Price	Index	2.42%	3.06%	3.07%	31.60%	4.52%

GIA Current Crediting Rate is 1.10%

* Both fund and index performance represents the combined historical returns for that asset class and not the historical returns for the current fund or index being used in that asset class

Past performance is no guarantee of future returns. The value of the shares of the mutual funds held within each portfolio may go up as well as down and any income received may vary. Investments involve risk, disclosed in the fund prospectus, available upon request. Currency fluctuations based on the stocks and bonds owned within a fund also affects returns. Individual performance may vary based on the actual amount and timing of contributions. BF&M Investment Services is licensed to conduct investment business by the BMA under the Investment Business Act of 2003.

New Benchmarks

On January 1st, 2011 BF&M changed their underlying benchmarks for the mutual funds in your platform. In order to be more consistent in calculating returns going forward we will use industry wide benchmarks for each asset class

These benchmarks will remain the same regardless of any future change in the underlying mutual fund.

Previous indices will be used for past performance and future periods will use the new indices.