



pension matters

The global economy shows signs of faltering despite the efforts of governments across the world.



Market Review

In less than three months professional investors' moods have changed from betting on an end of year rebound, to worries that the world's developed economies are headed into a double dip recession.

As noted in previous newsletters, the fate of global financial markets is increasingly moving away from economic news to political news. The decisions of U.S., and in particular, European politicians caused markets to move violently to and fro. We expected to see some volatility but the swiftness and severity has caught everyone by surprise.

The U.S. benchmark S&P 500 was down 14% for the quarter, its worst since the 22% decline at the height of the financial crisis in the fourth quarter of 2008. The damage was much worse in Europe with French and German indexes both losing more than 25% of their value. Asian stocks also suffered large losses with Hong Kong down about 21%. Even gold, which is normally a safe haven in times of turmoil,

suffered declines as investors sold their holdings to raise cash. Amid the turmoil, the primary destination for nervous investors was cash and government bonds. Despite yields which were below long term inflation levels investors chose the certain return of money rather than the benefits of earning any gains on that capital. Global bond markets were up 1.45% in the quarter.

Investment Implications

Some may point to the fact that studies show the third quarter is typically the worst period of the year, with the fourth quarter typically the strongest. However, we have always believed that investor psychology plays an important role in market returns. It is a combination of peoples' loss of faith in the financial system and actual structural economic problems putting us on the brink of a possible decline in the markets similar to 2008-2009.

We have stated before that how markets perform in the future will depend heavily on the success of the European rescue package.

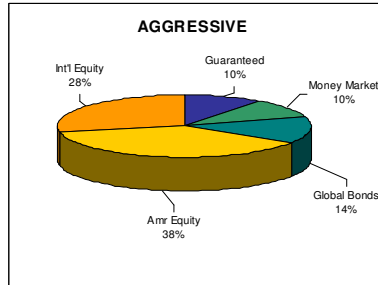
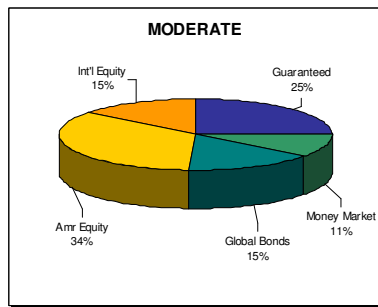
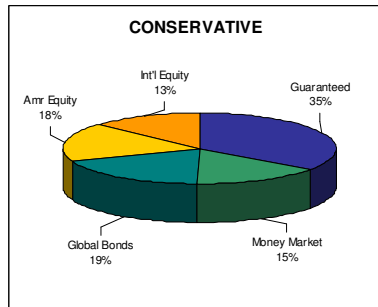
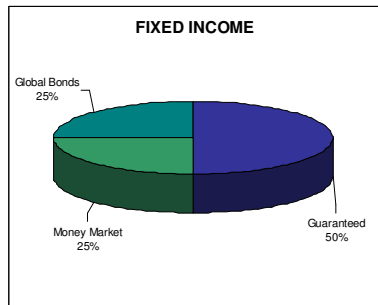
Given that the instruments politicians have at their disposal are now less effective than prior interventions, we have become fairly pessimistic with respect to asset returns over the next two years.

Due to our pessimistic outlook we would strongly encourage investors who are close to retirement and those uncomfortable with current market conditions, to make an appointment with us to discuss the best course of action to preserve capital and limit possible future losses while continuing to meet your retirement goals.

For those with longer to go until retirement, you have time to accumulate wealth and recover. You should view any further sell offs as a buying opportunity and stay true to your suggested allocation.

We would rather be conservative in our estimates than see retirement goals hurt.

CURRENT GIA CREDITING RATE 1.00%



Golden Accumulator Retirement Plan Summary Performance - as of September 30th, 2011 Separately Managed Accounts (SMA)



PERFORMANCE BY PROFILE

		10 Yrs	Annualized returns for			For the Period of
			5 Yrs	3 Yrs	1 Yr	3 Mos
Guaranteed	Profile Returns	2.84%	2.88%	2.13%	1.13%	0.27%
	GIA	2.84%	2.88%	2.13%	1.13%	0.27%
Fixed Income	Profile Returns	3.52%	3.83%	3.34%	2.22%	1.73%
	Weighted Index	3.32%	3.55%	3.11%	1.90%	0.94%
Conservative	Profile Returns	3.83%	2.03%	2.33%	-0.29%	-4.42%
	Weighted Index	4.00%	2.46%	2.92%	0.81%	-4.27%
Moderate	Profile Returns	3.80%	0.98%	-1.50%	-1.62%	-7.79%
	Weighted Index	4.04%	1.66%	2.73%	0.55%	-7.02%
Aggressive	Profile Returns	3.70%	-0.58%	0.32%	-3.60%	-11.29%
	Weighted Index	4.31%	0.64%	2.22%	-0.90%	-10.12%

PERFORMANCE BY FUND

		10 Yrs	Annualized returns for			For the Period of
			5 Yrs	3 Yrs	1 Yr	3 Mos
Money Market <i>ML 91 Day T-Bill</i>	Fund	2.08%	1.97%	0.44%	0.18%	0.03%
	Index	2.02%	1.74%	0.22%	0.14%	0.02%
Global Bonds <i>85% Citi, G7 Govt, 15% ML Corp.</i>	Fund	6.22%	7.49%	8.56%	6.37%	6.34%
	Index	5.50%	6.64%	6.47%	5.19%	3.18%
Diversified	Fund	4.39%	0.84%	2.16%	-2.11%	-9.08%
	Index	4.58%	1.79%	2.86%	-0.28%	-8.82%
American Equity <i>S&P 500 Trl Rtrn Index</i>	Fund	2.88%	-2.07%	-1.83%	-5.08%	-16.68%
	Index	2.82%	-1.18%	1.23%	1.14%	-13.87%
International Equity <i>MSCI EAFE Net</i>	Fund	2.26%	-7.10%	-5.05%	-11.66%	-20.95%
	Index	5.03%	-3.46%	-1.13%	-9.36%	-19.01%

GIA Current Crediting Rate is 1.00%

Past performance is no guarantee of future returns. The value of the securities held within each fund may go up as well as down and any income received may vary. Investments involves risk, disclosed in the Statement of Investment Policies and Procedures, available upon request. Currency fluctuations within a fund also affect 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.

Want to Know More About Your Investments?

Fact Sheets for these investments have been posted at www.bfm.bm. Here are a few definitions of some of the terms used on our fund fact sheets. They are statistics used to measure the risk and reward profile of the funds.

Alpha – The value that a portfolio manager adds to or subtracts from a fund's return over its benchmark. A positive alpha means the fund has out performed its benchmark while a negative alpha means it has underperformed.

Sharpe – This ratio tells us whether a portfolio's returns are due to smart investment decisions or a result of excess risk. It can be used to compare funds with different investment strategies. The greater the Sharpe ratio the better the fund's risk adjusted performance.

Standard Deviation – This measures a fund's volatility or the risk about the size of changes in a fund's value. A higher standard deviation means a fund's price can fluctuate over a larger range of values.

For assistance on your pension plan contact BF&M Investment Services at 296-8288. Data for this report supplied by Wall Street Journal, Bloomberg Professional, and the New York Times