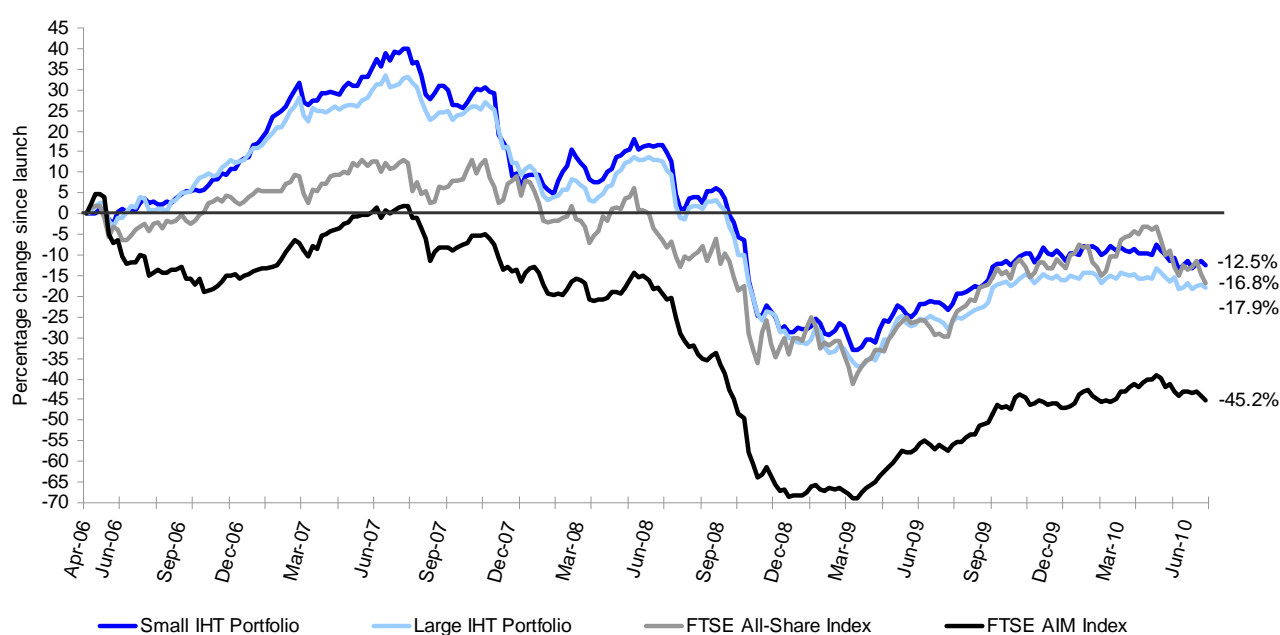


Model Portfolio Performance (as at 30th June 2010)

The Collins Stewart Inheritance Tax (IHT) Portfolio Service, designed to reduce or eliminate Inheritance Tax by investing on the Alternative Investment Market (AIM), was launched on 12th April 2006.

To demonstrate the performance of the service two model portfolios were established. The smaller portfolio consists of 15 stocks and the larger portfolio consists of 27 stocks. These represent an average client's portfolio depending on the sum invested.



Source: CS Europe Ltd & Datastream as at 30th June 2010

Performance Commentary

Against a background of turbulent equity markets the Collins Stewart IHT Portfolios have delivered a resilient performance. With fears re-emerging that a global double dip recession may occur, the FTSE All Share Index has declined 12.6% and AIM has declined 5.8% over the quarter ended June 2010. This compares to the small and large portfolio's decline of 2.6% and 3.3% respectively over the same period. Underlying trading performance of many of the companies remains strong with positive updates from companies such as Hamworthy, Nichols, Majestic Wine and Young & Co. reaffirming our belief that the portfolios offer significant value over the long term.

The June budget confirmed the nil rate IHT band will remain at £325,000 until tax year 2014-2015 at which point the chancellor expects to collect £3.1 billion a year in inheritance tax.

We are pleased to report that through our sound investment process the performance of the small and large IHT portfolios remain significantly ahead of the AIM Index since launch and have broadly performed in line with the FTSE All Share Index.

Further Information

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Inheritance Tax Portfolio Service Illustration

Savings Potential

	Collins Stewart IHT Portfolio Service	FTSE All Share	Cash
Value of assets on 12 April 2006	£100,000	£100,000	£100,000
Value of assets on 30 June 2010	£87,500	£83,200	£100,000
Less IHT @ 40%	N/A	£(33,280)	£(40,000)
Net value of assets	£87,500	£49,920	£60,000

Notes: The above calculations exclude income and management charges and are based on the small IHT portfolio. The annual management charge for the Collins Stewart Inheritance Tax Service is 1.5% and the yield is 3.5%. The FTSE All Share currently yields 3.4% and the base rate is 0.5%.

Example of Possible Savings

An individual invested £100,000 in the Collins Stewart IHT Service at launch on 12 April 2006 and died on 30 June 2010 when the portfolio was worth £87,500. Assuming that the £325,000 nil rate IHT band is utilised against other assets, such as the family home, the estate will have benefited over other forms of investment such as the FTSE All Share or cash as the AIM shares are exempt from Inheritance Tax. In this example the Collins Stewart IHT Service would have increased the amount that can be passed to the beneficiaries by 75.3% compared to an investment in the FTSE All Share and by 45.8% if the individual remained in cash.

Risk Warning

The Collins Stewart Inheritance Tax Portfolio Service should be regarded as a higher risk, long-term investment and is only suitable for clients with financial security independent of any investment made. The value of shares purchased and any income derived from them may go down as well as up and investors may not get back the full amount invested. Past performance is not necessarily a guide to future performance. AIM shares tend to be relatively illiquid and therefore may be difficult to deal in. It may also be difficult to obtain reliable information as to the value and the risks, which the shares may be exposed. Collins Stewart Europe Limited and/or connected persons may, from time to time, have positions in, make a market in and/or effect transactions in investments or related investments traded on AIM. Collins Stewart Europe Limited and/or connected persons may also provide investment services to the issuers of such investments. Collins Stewart Europe Limited is not a tax advisor and professional advice should be obtained before any investment is made. Collins Stewart Europe Limited cannot guarantee that all investments made will qualify for relief from Inheritance Tax or indeed if they do initially qualify that they will continue to do so. The current Inheritance Tax rules may change in the future. Clients should discuss their financial arrangements with their own tax advisor before applying as the value of any tax relief available is subject to individual circumstances.