

Fund Factsheet

Managed Income

As at 30 June 2010

Fund performance

Discrete performance

%	30 Jun 05 30 Jun 06	30 Jun 06 29 Jun 07	29 Jun 07 30 Jun 08	30 Jun 08 30 Jun 09	30 Jun 09 30 Jun 10
Income return	-	4.18	4.25	4.65	4.51
Capital return	-	3.71	-14.67	-16.70	12.79
Total return	-	8.02	-10.72	-12.17	17.42

Basis: % growth, bid to bid in sterling. Returns are shown net of annual management charges only, with net income reinvested. Returns are calculated using the single priced life fund.

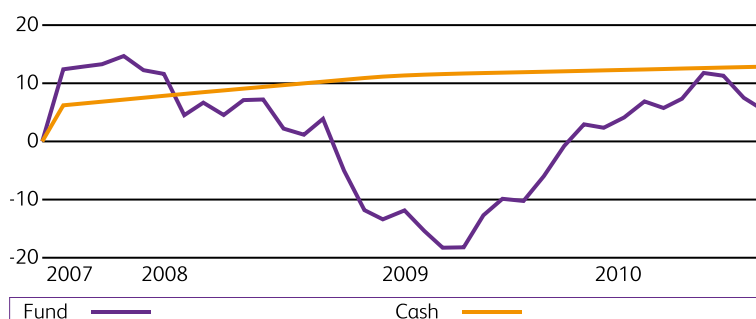
Source all returns: Lipper, a REUTERS company

Cumulative performance

%	1 Mth	3 Mths	YTD	1 Yr	3 Yrs	5Yrs
Income return	0.00	0.98	1.99	4.51	11.43	-
Capital return	-1.97	-6.66	-3.36	12.79	-19.82	-
Total return	-1.97	-5.72	-1.39	17.42	-7.92	-

Source all returns: Lipper, a REUTERS company

Cumulative investment performance – over 3 years



Basis: % growth, total return (net), bid to bid sterling. Returns are shown net of annual management charges. This figure does not reflect initial charges.

Cash is represented by the Moneyfacts Average 90 day 10K Index

Source all returns: Lipper, a REUTERS company

Important notes: Past performance is not a guide to future performance. The investment's value and the income from it will fall as well as rise and may be affected by market and currency movements. You may get back less than originally invested. Cash on deposit is more secure, generally more accessible and provides greater certainty of growth.

Fund managers commentary

There was a sharp fall in consumer confidence this month, which may be a reaction to the budget or a reflection of the recent bout of financial uncertainty.

There were two key items of interest last month: the sovereign credit crisis and the knock on impact to banks funding levels, and the increasing focus on the sharp fiscal constraint taking place in Europe. While levels showed little change, credit spreads drifted higher.

Contact details: For further information please contact Adviser Services on 0870 607 6771 or visit www.bankofscotland.co.uk/privateclients

Fund objective

The fund aims to provide an above average income as well as some capital growth over the longer term. The fund achieves exposure to the various asset classes through investment in direct assets and funds in the Halifax Financial Services range.

Investment approach

The fund manager will actively manage a mixture of assets that will aim to provide an above average income with the potential for providing some income and capital growth over the longer term. The equity assets within the fund will be managed with the aim of providing a mix of growing income and capital growth in line with the funds overall objective. The equity assets will tend to be in large UK companies whilst maintaining a reasonable presence in medium and small sized companies, although the fund is not restricted to choice of company either by size or industry.

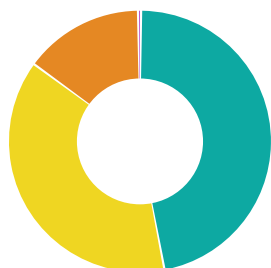
Fund facts

Fund management house	Scottish Widows Investment Partnership Ltd
Fund manager	Jeff King
Life fund size (£m)	1053.76
Number of holdings	-
Launch date	25/07/2005
Annual management charge (dependent upon product)	0.50% - 1.25%
ABI Sector	Distribution
Benchmark	Composite
Price / NAV (£)	4.37
Availability	Life

Managed Income

As at 30 June 2010

Fund sector breakdown



● UK Equities	47.1%
● UK Corporate Bonds	38.2%
● Property	14.6%
● Cash	0.1%

Geographic distribution

Data is not available for this fund

Top holdings

	%
HLL MIF CORPORATE BOND	38.2
HLL MIF UK EQUITY INCOME	33.2
HLL MIF UK EQUITY GROWTH	13.9
HL MIF DIRECT PROPERT FUND (HL802)	13.2
HLL MIF PROPERTY OPIC	1.5
HLL MIF INSIGHT LIQUIDITY	0.1
HLL MIF UK GILT SUNDRY	0.0
	100.1

Glossary

ABI Sector – The Association of British Insurers classification scheme for life and pension funds that share similar characteristics, e.g. Balanced Managed

Annual management charge – A charge taken from the fund sometimes referred to as yearly management charge. The charge is expressed as a percentage per annum but is normally taken daily from the fund

Asset allocation – The process of dividing investments among different kinds of asset classes such as stocks, bonds, property and cash

Benchmark – A measure against which the performance of a fund is compared. The benchmark could be an index for example the FTSE 100, or a sector average

Bid price – The price at which you can sell units of a fund

Bonds (Fixed Interest Securities) – A bond can be issued by either a company (corporate bond) or a government (gilt) and is a way of raising capital. Most bonds promise to pay a fixed rate of interest for a given period of time, at the end of which the holders are repaid the capital sum

Cumulative Performance – Represents total return over a given period

Discrete Performance – Represents individual yearly performance

Dividends – A portion of a company's profit paid to the shareholders

Equities – Commonly used term for shares in a company

IMA Sector – The Investment Management Association classification scheme for OEIC/ISA funds that share similar characteristics, e.g. Cautious Managed

Net Asset Value (NAV) – The value of an entity's assets less the value of its liabilities

OEIC (Open Ended Investment Company) – An OEIC is a pooled investment fund of variable size set up as a company. It owns investment assets, for example stocks and shares, gilts, bonds and other financial instruments. The size of an OEIC varies reflecting the market value of its underlying investments

Offer Price – The price at which you can buy units of a fund

Sector Average – The average performance of all the funds within a particular sector, for example the IMA Balanced Managed sector

Underweight/Overweight – Funds have a target allocation to a particular sector or asset type, for example a managed fund may have a target allocation to equities of 50%. If the fund holds 52% in equities it is said to be overweight equities. Similarly if the fund holds 48% in equities it is said to be underweight equities

Yield (Historical) – reflects distribution declared over the past twelve months as a percentage of the mid market unit price, as at the date shown.

Yield (Distribution) – reflects the amount that may be expected to be distributed over the next twelve months as a percentage of the mid-market price of the fund as at the date shown. It is based on the snapshot of the portfolio on that day.

E1900 (Compliance no. 16649)