



St. James Moderate Portfolio

Governing Principles

Aggressive risk approach that may appeal to investors wanting long-term capital appreciation with modest income.

We will treat your investment with St. James as if it were our own.

We will remain significant investors with you in St. James Investment Advisors portfolios.

Our independence as a firm allows us to focus on the interests of our clients in our decision making process.

Absolute Return: Seeks to provide total return through a combination of aggressive long-term capital appreciation and modest income.

Risk Minimization: We aim to protect capital first and create long-term solid returns second. We cannot eliminate risk, but we conduct ourselves by hoping for the best, while preparing for the worst.

We think “benchmark risk” is part of investment life. Our firm’s goal is to earn good absolute investment returns over long periods of time without exposing our clients’ capital to undue risk. We do not think about any particular index when we make investment decisions.

We are patient, long-term investors.

We will discourage short-term speculators and market timers.

We will communicate with our investment partners as candidly as possible.

Objective

The St. James Moderate Portfolio seeks to provide total return through a combination of Moderate growth and income. This is a “flexible” portfolio, meaning that investments are allocated among equities, bonds, absolute return investments, alternative investments and cash, depending on our view of each asset class. The St. James Moderate portfolio seeks to outperform the Morningstar Moderate Portfolio Index over the complete market cycle.

Philosophy

Absolute Return: We are absolute return investors and each investment must meet our strict fundamental research and macroeconomic criteria, not just offer opportunity relative to other alternatives.

Diversification: Maintaining a diverse portfolio, by asset class and within each asset class, can increase return and reduce risk through the reduction of portfolio volatility. The integration of alternative investments into a traditional stock and bond portfolio can reduce downside risk and lower volatility.

Independent Decision Making: We do not follow the crowd. We are independent in our decision making and we are often viewed as contrarian in our strategy and execution.

Primary Portfolio

ETFs, Mutual Funds, Equity Securities, CEFs, Select fixed income securities, Alternative Investment mutual funds and other instruments.

St. James Investment Advisors

We are professional portfolio managers Committed to Value Investing. St. James is an independent, fee-only, United States Securities and Exchange Commission registered investment advisory firm, providing customized portfolio management services to individuals and their financial advisors.

Partnership Investing

We invest alongside you as partners in our process. As managers we have significant amounts of our own capital invested in this strategy.