

BF&M pension matters

Stock markets continued their strong rise in the third quarter, with most global markets gaining in excess of 15% over the quarter.



The worst appears to over

for the global economy given recent economic data. Financial markets have stabilized. There are also signs that corporate earnings are improving.

It was a banner quarter for most investors. The momentum that started in March continued through September. Stock prices rallied despite the quality of the company or its earnings.

In fact, so call riskier assets excelled; smaller company stocks and high yielding bonds that were less than investment grade. However, large cap companies and quality corporate bonds also rose.

You will note that the more growth orientated strategies reported the highest returns and significantly out-performed their benchmark indexes. Whereas, the investment strategies that stressed a more disciplined value approach tended to lag behind.

This type of rotation between growth and value is to be

expected. That is why we include both styles in your profiles, along with a blend of larger and smaller companies, as well as those in the U.S. and internationally.

The Aggressive Profiles posted double-digit returns, retracing much of the losses experienced over the last year. While the more Conservative Risk Profiles generated returns significantly higher than money markets.

What a difference the year made. It is unlikely that these levels of return will continue from this point forward. In fact, stock prices in the developed markets are likely experience intermittent downdrafts.

Going forward the market is likely to focus on companies that run solid businesses with stocks that are reasonably priced. Currently, the lower quality stocks are priced similar to the better ones. This means that careful stock selection will be necessary to identify opportunities for the next stage in the economic recovery.

Economic Outlook

At this juncture, it is unclear whether there will be a sustained recovery or a short term bounce before a decline in equities. A continued recovery feels real. But the black days of late 2008 and early 2009 are too recent for most investors trust in the markets.

For the next stage, it will likely be an economics-driven financial environment. Closely watching all the data releases will be essential to gauging the durability of the recovery.

The large run-up in government debt is not favorable for the price of government bonds or for the value of the Dollar. Short-term deposits offer little return. Stocks are the only asset class that can offer the potential for positive returns over the short term.

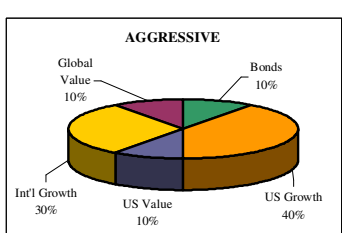
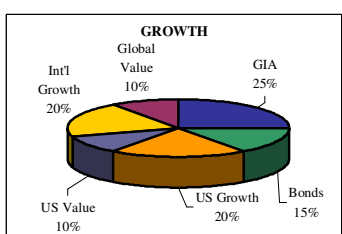
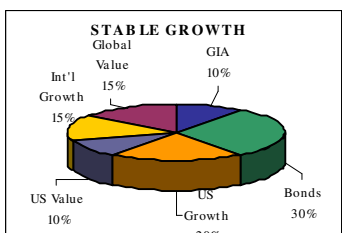
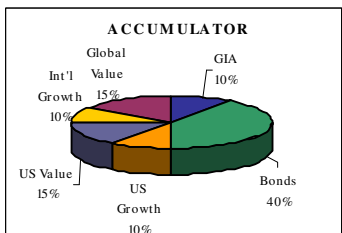
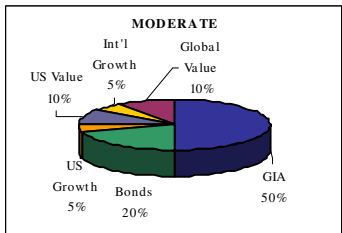
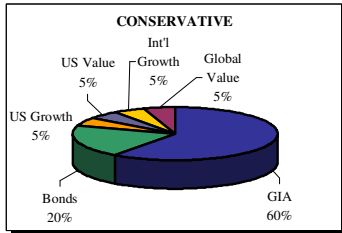
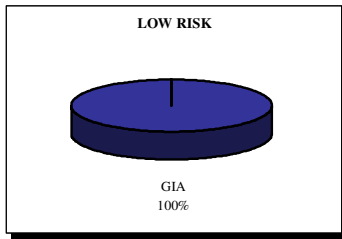
Over the coming quarters, any corrections should be viewed as an opportunity to add to stock allocations. More importantly, make sure you are in the right risk profile for your financial horizon and goals.

Golden Accumulator Retirement Plan



Summary Performance - as of September 30th 2009

SEG PLAN



PERFORMANCE BY PROFILE

		Annualized returns for			
		5 Yrs	3 Yrs	1 Yrs	3 Mos
Guaranteed Interest	Annualized	3.25%	3.60%	3.19%	0.62%
	<i>Benchmark</i>	3.25%	3.60%	3.19%	0.62%
Conservative Risk	Annualized	3.64%	2.29%	2.86%	4.88%
	<i>Benchmark</i>	3.85%	2.50%	2.72%	4.39%
Moderate Risk	Annualized	3.70%	1.71%	2.18%	6.49%
	<i>Benchmark</i>	3.74%	1.71%	1.84%	6.03%
Accumulator	Annualized	3.54%	-0.02%	1.00%	10.77%
	<i>Benchmark</i>	3.53%	-0.06%	0.79%	9.82%
Stable Growth	Annualized	4.53%	0.60%	2.04%	12.38%
	<i>Benchmark</i>	4.02%	-0.08%	0.32%	10.82%
Growth Risk	Annualized	5.03%	1.04%	2.26%	11.64%
	<i>Benchmark</i>	4.23%	0.13%	-0.07%	10.31%
Aggressive Risk	Annualized	5.96%	0.14%	1.42%	16.71%
	<i>Benchmark</i>	4.36%	-1.72%	-3.08%	14.47%

PAST & CURRENT FUNDS

PERFORMANCE BY FUND

		Annualized returns for			
		5 Yrs	3 Yrs	1 Yrs	3 Mos
Guaranteed Interest	Account	3.25%	3.60%	3.19%	0.62%
	<i>NTB GIA Index</i>	3.25%	3.60%	3.19%	0.62%
PIMCO Total Return/MFS Strategic Inc	Fund	0.93%	0.13%	2.56%	4.86%
	<i>Barclays US Agg. Total Return Index</i>	3.60%	3.99%	7.08%	3.74%
Pioneer Basic Value/FT Mutual Beacon	Fund	-1.53%	-10.13%	-15.14%	12.49%
	<i>S&P Value Index Index</i>	-2.39%	-10.77%	-14.56%	17.14%
Templeton Global/Vontobel Glb	Fund	3.98%	-2.86%	2.76%	21.23%
	<i>EAFE/MS World Indexes Index</i>	1.83%	-5.90%	1.14%	17.28%
MFS Res Int'l/Putnam Intl	Fund	6.26%	-4.08%	0.45%	19.78%
	<i>EAFE Index Index</i>	1.83%	-5.90%	1.14%	17.28%
TFM US Opportunities/MS US Sml Cap	Fund	7.08%	1.00%	4.67%	17.30%
	<i>Russell 3000/ 2000 Grwth Index Index</i>	2.18%	-3.02%	-3.75%	13.67%

GIA Current Crediting Rate is 2.50%

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 involves 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. North Atlantic 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 value can be spread out over a larger range of values.

For more assistance on your pension plan contact BF&M client service at 295-5566 x 2001, or call North Atlantic Asset Management Limited at 296-8288.