



Objective

To offer a convenient vehicle for investing in an international portfolio of equity mutual funds, which are anticipated to provide the best opportunities for capital growth.

Investment Policy

To invest in a diverse range of top performing offshore equity mutual funds as well as a number of indexed products in order to control overall costs.

Investment Process

A quantitative analysis of fund performance is undertaken relative to peer groups to ensure the consistency of performance. This is followed with a qualitative analysis to understand the manager's philosophy.

Fund Review

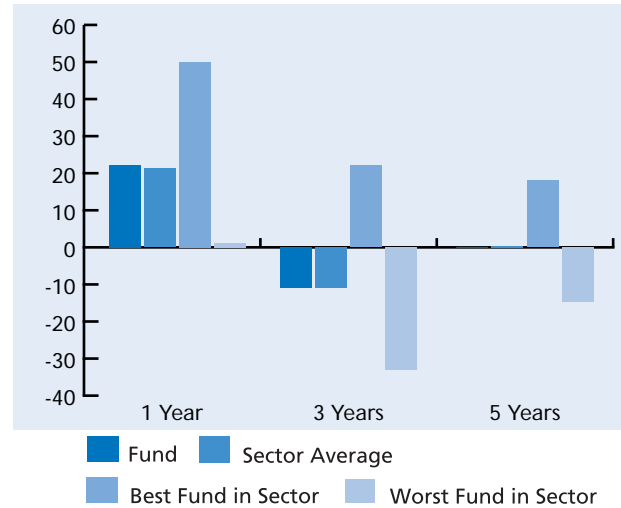
The net asset value (NAV) per share of the Fund increased from \$6.69 to \$7.09 over the quarter, an increase of 5.98% against a benchmark return of 4.7%. The major indices (S&P500 2.7%, Bloomberg 500 2.6% and the Nikkei225 12.9%) also posted good returns for the quarter.

The world economy has continued to gain momentum over the last three months. The outlook for US corporate profits is improving, which has been helped by a combination of higher revenues, better cost controls and a weaker dollar. Europe is also showing some signs of stabilization although the pace of economic expansion is lagging the US. Aggressive fiscal and monetary policies in the US and Europe continue to suggest that much of the market's recent optimism seems warranted. However, valuations (especially in the US) remain a concern for investors and will likely limit any meaningful advance in major equity markets in the year ahead.

During the quarter, we significantly increased our exposure to emerging markets. Ishares MSCI EM Index and JPMorgan Fleming EM Fund were added to the Fund to take advantage of emerging market stock valuations that are extremely attractive by historical standards and relative to developed markets. Emerging markets are a high-beta play on a global economic recovery and should benefit from buoyant global liquidity conditions. Although the argument can be made that emerging markets can sustain outperformance versus developed markets, we still view them primarily as a cyclical investment opportunity at this point in the cycle.

We continue to work hard to provide our investors with strong returns and are currently very excited about the potential addition of new managers we have uncovered and met with over the last three months.

Comparative Performance



Average Annual Compound Returns

1 Year	3 Years	5 Years	7 Years	10 Years
22.24%	-11.04%	n/a	n/a	n/a

Asset Breakdown

Global

ACM Global Growth Trends
Orbis Global Equity Fund

North America

SPDR - S&P 500
SPDR - Midcap 400
Dresdner RCM North American
Fidelity FDS American Growth
MFS - US Emerging Growth Fund
Ishares Russell 2000 Value

UK/European

Fidelity European Growth Fund
Vanguard - European Stock Index

Emerging Markets

Fleming FF Emerging Markets
Ishares MSCI Emerging Markets

Japan

Fleming FF Japanese
Orbis Japan Equity

Bermuda

Butterfield Bermuda Fund

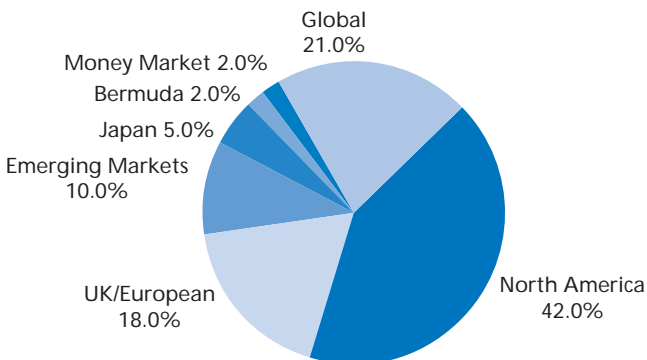
Liquid Asset

Butterfield Money Market

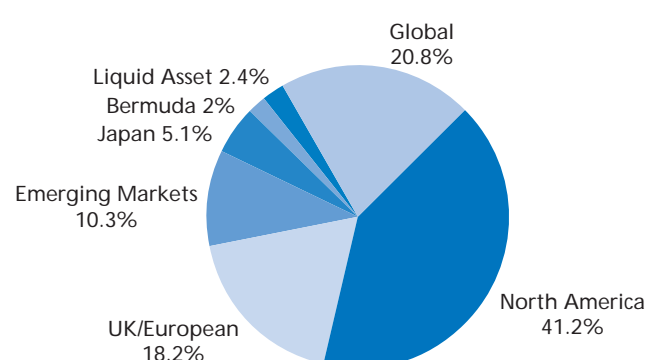
Benchmark Composition

60% MSCI USA
40% MSCI ex USA

Asset Breakdown Target



Asset Breakdown Actual



General Information

Currency: USD
Units Available: Accumulation
Size of Fund (millions): USD 54

Fiscal Year End: June 30th
Min. Investment: USD 10,000
Valuation: Thursday

Dealings: Friday
Management Fees: 0.875%
NAV per share (30.09.03): USD 7.09

Front End Fee: None