

Golden Select Fund: Alternative Investment Class

Objective

To offer a convenient vehicle for investing in a diversified portfolio of alternative strategy investment managers, which are anticipated to provide the best opportunities for capital growth.

Investment Policy

To invest in a diversified range of top performing offshore alternative investment managers that target consistent and stable returns while controlling risk.

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, process and style.

Fund Review

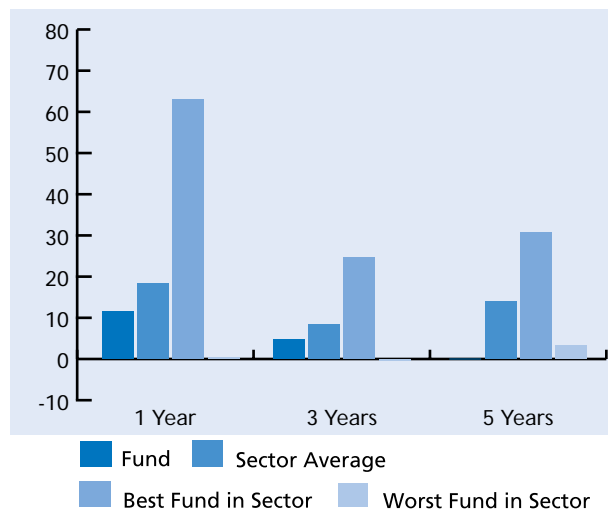
The net asset value (NAV) per share of the Fund increased from \$11.10 to \$11.60 over the quarter, an increase of 4.5%.

All strategies have made positive contributions this past quarter. The strongest returns came from the long/short equity managers, who represent the portfolio's largest exposure at 45.19%. In the U.S. these managers benefited from the optimistic environment fuelled by strong economic data and positive corporate earnings news. Amongst the U.S. managers, of particular note, was the performance of Trellus Offshore, this fund returned over 7.5% in the first quarter, with Technology and Healthcare sectors making significant contributions. In Europe, as corporate earnings news lived up to expectations, the markets became increasingly driven by fundamentals and the portfolio managers were able to capitalize on these positive trends. In Japan, there is also reason for optimism at the economic and corporate level. In fact, our long/short equity manager focused on the Japanese market (Boyer Allan Japan) has marginally increased its net exposure in recent months. Finally, the portfolio's long biased emerging manager (SR Global Fund) benefited from exposure to Korea.

In the relative value section of the portfolio, 2004 started in a positive fashion. For example, the distressed managers produced positive returns despite a somewhat unattractive environment with credit markets weakening.

Over the quarter, the cash flow into the fund has been used to increase allocations to existing managers. At the end of the quarter the portfolio had investments with 30 different managers (with no more than 5% with any particular manager) and allocations to 7 different broadly defined strategies. Over the next quarter, the investment management team does not envisage a significant change to the Fund's current distribution.

Comparative Performance



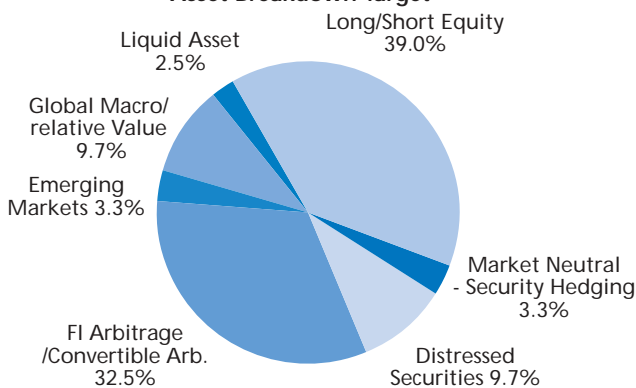
Average Annual Compound Returns

1 Year	3 Years	5 Years	7 Years	10 Years
11.54%	4.63%	n/a	n/a	n/a

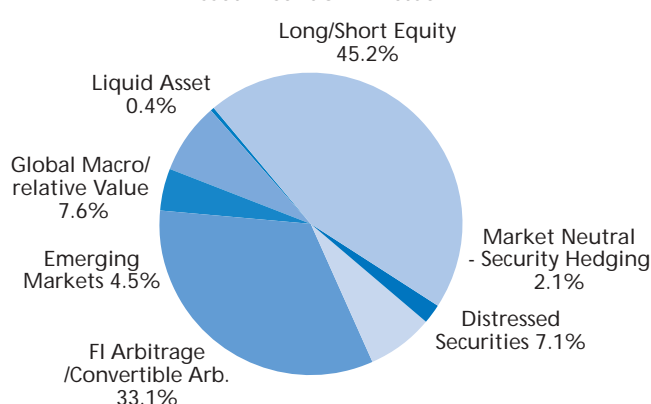
Asset Breakdown

- Long/Short Equity**
 - Alphagen Capella Fund
 - Amici Fund Int'l
 - Brahman Partners
 - Boyer Allan Japan
 - Crescendo European Fund
 - Egerton European Fund
 - Elm Ridge Value Partners
 - Intrepid Capital Fund
 - Karsch Capital Ltd.
 - Raptor Global Fund
 - SEG Partners
 - Trellus Offshore
- Market Neutral - Securities Hedging**
 - Orbis Optimal Fund
- Distressed Securities**
 - Davidson Kempner Int'l
 - Harbert Distressed Investments Offshore
 - King Street Capital Ltd.
- FI Arbitrage / Convertible Arb.**
 - Animi Offshore
 - Drake Absolute Return Fund
 - GLG Market Neutral Fund
 - Julius Bear Diversified FI
 - KBC Conv. Opportunities
 - London Diversified Fund
 - Plexus Fund
 - QVT Overseas Ltd.
 - Shepherd Investments Int.
 - Vega Relative Value Fund
- Emerging markets**
 - SR Global Fund
- Global Macro/Relative Value**
 - Brevan Howard Fund
 - CQS Capital Structure Arbitrage Fund
 - Moore Global FI Fund
- Liquid Asset**
 - Butterfield Money Market

Asset Breakdown Target



Asset Breakdown Actual



General Information

Currency: USD
 Units Available: Accumulation
 Size of Fund (millions): USD 29

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

Dealings: Friday
 Management Fees: 1.25%
 NAV per share (31.03.04): USD 11.60

Front End Fee: None