

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, process and style.

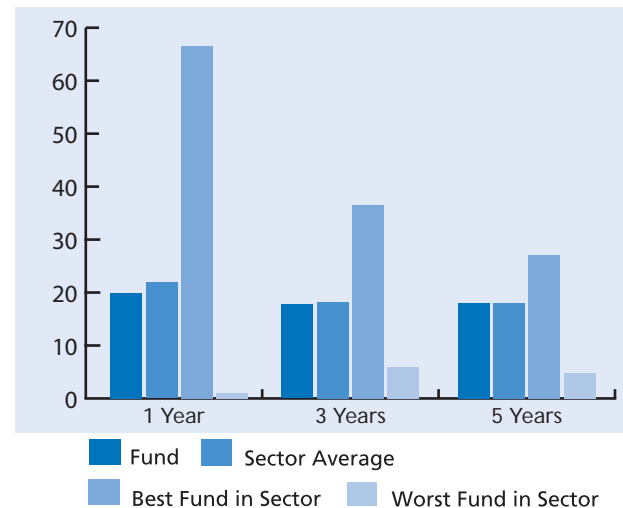
Fund Review

The net asset value (NAV) per share of the Fund increased from \$13.07 to \$13.32 over the quarter, an increase of 1.91% against a benchmark return of 2.36%. In the second quarter the major indices were mixed with local currency returns of: S&P 500: 2.03%, Bloomberg European 500: -3.49% and the Nikkei 225: -7.07%.

The third quarter turned out to be a volatile one with the global equity market dropping over 10% from its July high to the mid-August low before recovering about 11%. In early July, the markets performed well as expectations of reaccelerating economic growth helped push cyclical stocks higher. However, the liquidity crisis in the credit markets caused fear amongst investors that the economy would be dragged into recession. As perceived risks increased, investors exited any traditionally risky positions such as emerging markets as well as shares of companies linked to the economic cycle. However, as sentiment improved, the markets calmed and rallied strongly after the Federal Reserve cut rates by 50 basis points. Investors perceive that the Fed will behave proactively to help the US economy avoid recession and look at strong global economic growth as a reason to be optimistic.

During the quarter we took advantage of the volatility of the markets to add to our positions in emerging markets and energy related companies. We were rewarded for this with quick gains on our additions of over 20%. Additionally, we added a new European fund - Martin Currie Pan European Opportunities Fund. We expect this fund to be a little more volatile than our other European funds as it focuses on small to mid-cap stocks.

Comparative Performance



Average Annual Compound Returns

1 Year	3 Years	5 Years	7 Years	10 Years
19.89%	17.74%	18.09%	4.08%	n/a

Asset Breakdown

Global

Orbis Global Equity Fund

North America

Ishares S&P 500 Barra Value Fund
Iunits S&P/TSX 60 Capped Index Fund
PowerShares Value Line Timeliness
Select Portfolio
Davis Value Fund
Fidelity American Growth Fund
JPMorgan Funds - US Dynamic Growth
Legg Mason Value Fund
Merrill Lynch - US Flexible Equity Fund
UBAM - Neuberger Berman
US Equity Value
Oil Service HOLDRS Trust

UK/European

Fidelity European Growth Fund
JPMorgan Funds - Europe
Strategic Value Fund
Vanguard - European Stock Index Fund

Emerging Markets

Martin Currie - Pan European
Opportunities Fund
Ishares MSCI Emerging Markets Index Fund
JPMorgan Funds - Emerging Markets
Equity Fund

Asia

JPMorgan Funds - Japan Equity Fund
Orbis Japan Equity Fund
Ishares MSCI Pacific ex-Japan
Ishares MSCI Japan
Martin Currie Asia Pacific Fund

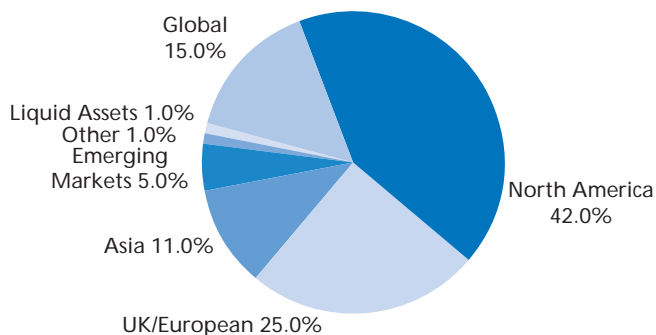
Bermuda

Butterfield Bermuda Fund

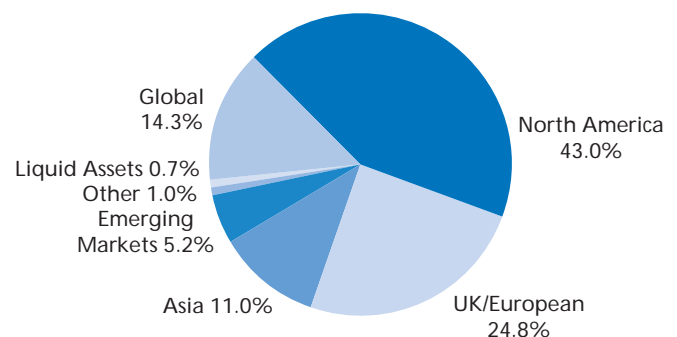
Liquid Assets

Butterfield Money Market Fund

Asset Breakdown Target



Asset Breakdown Actual



General Information

Currency: USD
Units Available: Accumulation
Size of Fund (millions): USD 203

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

Dealings: Friday
Total Expense Ratio: 1.04%
NAV per share (28.09.2007): USD 13.32

Front End Fee: None
Identifier: BUTSLEQ BH