Butterfield

March 2010

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 diverse 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. IAM, a professional hedge fund manager, act as the sub-advisor to this class of the Fund.

Fund Review
The NAV per share of the Fund increased from 14.08 to 14.28 over the Quarter; an increase of 1.42%. The Benchmark return was X for the period.

Mixed economic news throughout the quarter have caused doubts as to the sustainability of the Global recovery. Market movements Globally were more volatile than the previous quarters; however easing at European Union's announcement of support for the budget plan (however, we are skeptical as to its success). Within the Long/Short Equity strategy, the managers with a focus on the US and Global sectors tended to have the best performance. Trading-orientated managers within the Fixed Income Relative Value and the Macro strategies with a focus on fixed income markets generally produced favourable gains. These were largely sourced from steepening, directional and curve trades and global growth divergence positions. Trend Followers/CTA's picked up performance after disappointing investors for much of the quarter; with trends in fixed income and currency providing a favourable trading environment.

There has been some activity within the portfolio, as we have issued redemption instructions to some of our constituent funds that have had disappointing performance relative to their peers. Karsh, SEG Partners, O'Connor, Egerton and Alpha Gen were the affected managers. We have suitable replacements ready when the proceeds are returned to the fund.

Average Annual Compound Returns

1 Year	*3 Years*	*5 Years*	*7 Years*	*10 Years*
7.85%	-0.62%	3.45%	4.63%	n/a

Top 10 Holdings

		Fund (%)
1.	IAM Trading	10.1%
2.	OZ Overseas	5.1%
3.	Lansdowne UK Equity	4.5%
4.	Exane Funds-Templiers	4.3%
5.	JCAM Global Fund	4.3%
6.	PFM	4.3%
7.	COMAC Global Marco	4.1%
8.	Diamondback Offshore	4.0%
9.	Brevan Howard Fund	4.0%
10.	Capula RV Fund	3.8%

Benchmark Composition
100% HFRI Fund of Funds Diversified Index

Asset Breakdown

Long/Short Equity
Alphagen Capella Fund
Alydar Capital
Egerton European Fund
Karsch Capital Ltd
Lansdowne UK Equity Fund
SCP Ocean
SEG Partners
Exane Templiers
DB Equilibria
Real Return Asia

Event Driven
Amber Fund
York European

Convertible Arbitrage
Plexus Fund

FI Relative Value
JCAM Global Fund
Capula Relative Value
Green T G2 Fund

Capital Structure Arbitrage
Prologue Feeder Fund
Claren Road Credit Fund

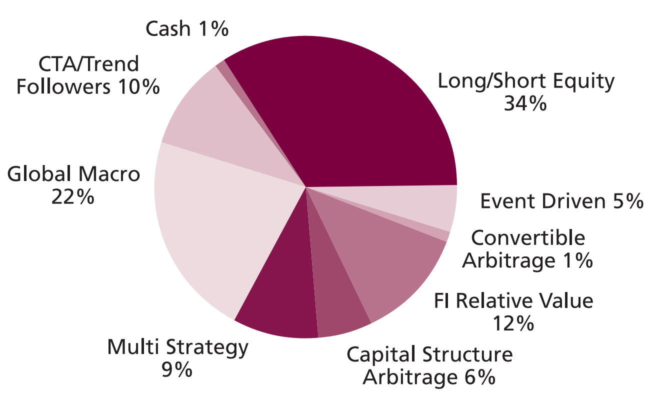
Multi Strategy
OZ Overseas Fund
MKM Multi-Strategy
Diamondback Offshore

Global Macro
Alphadyne Global Rates
Brevan Howard Fund
Drake Global Opportunities Fund
WCG Master
COMAC Global
Clive Capital
Woodbine
O'Connor Currency Rates

CTA / Trend followers
IAM Trading Fund

Liquid Assets
Butterfield Money Market Fund

Strategy Allocation



General Information

Currency: USD
Units Available: Accumulation
Size of Fund (millions): USD 95.4

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

Dealings: Friday
Total Expense Ratio: 2.47%
NAV per share (31.03.2010): USD 14.28

Front End Fee: None
Identifier: BUTSLAI BH