

## SELECT FUND: ALTERNATIVE CLASS

### OBJECTIVE

To offer a convenient vehicle for investing in a diversified portfolio of alternative 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 provide consistent 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 and professional hedge fund manager, act as the sub advisor to this class of Fund.

### FUND REVIEW

The net asset value (NAV) per share of the Fund rose from \$14.68 to \$14.72 over the month, an increase of .41%; against an early indicated benchmark return of 1.92%. Year to date the Fund increased 4.55% vs. a benchmark return of 5.23%

The current environment provided broadly constructive market conditions and gains were produced across all of our hedge fund strategies. Unsurprisingly, the largest gains this month were produced by those managers that had high conviction positions in equities and commodities. The best performers were thus amongst the Commodity specialist managers and, Long/Short Equity strategies.

The one strategy where gains were not universal was in Macro. Significant rises across the curves of most government bond markets, particularly so in the US, caused problems with those having a fixed income strategy. The managers with a trading orientation in the Fixed Income Relative Value strategy coped better with market conditions on curve steepening trades.

Trend Followers/ CTAs managers produced gains by capturing the trends in their respective asset classes. Elsewhere, gains were also produced in the Credit, Multi-Strategy and Event Driven strategies; as rising levels of M&A activity and constructive conditions in credit markets proved beneficial.

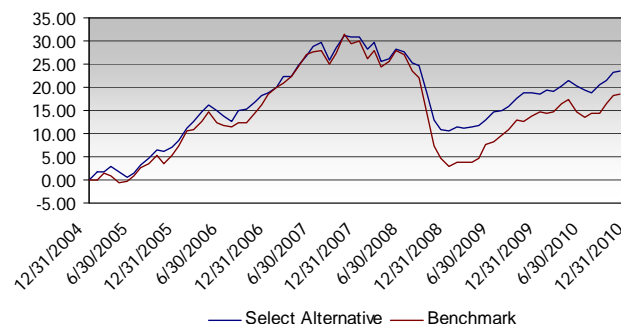
### GENERAL INFORMATION

Currency: USD	Fiscal Year End: 30 June
Valuation: Thursday	Min. Investment: USD 10,000
Dealings: Friday	Total Expense Ratio: 1.97%
Front End Fee: None	Size of Fund (millions): USD 79.87
Units Available: Accumulation	NAV per share (31.12.2010): USD 14.72
Identifier: BUTSLAI BH	

### Contact Information

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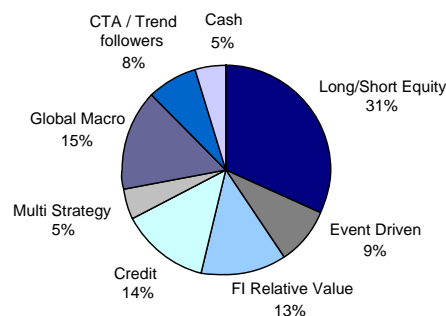
### CHART MONTHLY



### AVERAGE ANNUAL COMPOUND RETURNS

1 Year	3 Years	5 Years	7 Years	10 Years
4.55%	-1.81%	2.67%	4.11%	3.79%

### ASSET ALLOCATION



### TOP 10 EQUITY HOLDINGS

Name	% of Fund
1. IAM Trading	7.85
2. Lansdowne UK Equity	5.61
3. PFM Diversified	5.51
4. Diamondback Fund	5.35
5. Capula RV	5.15
6. Yorke	5.06
7. JCAM Global Fund	5.01
8. Arrowgrass	4.95
9. Prologue	4.95
10. COMAC	4.29

### BENCHMARK COMPOSITION

HFRI Fund of Funds Diversified Index