

The year ends with a remarkable recovery, as stocks post one of the largest yearly increases in history.



Global markets came back from the brink of disaster

in 2009, thanks to unprecedented rescue efforts by governments around the world. After stumbling over 30% by mid-March most global markets finished the year with double digit gains.

Investors were armed with cash that was put aside during the turmoil. They moved out of money markets into corporate bonds, high yield bonds and equities. The best performing markets in 2009 were the emerging markets which gained over 40%.

In the U.S., the Dow Jones Industrial Average and the S&P 500 finished the year up 19% and 24% respectively. Continued stimulus from the U.S. supported not only stocks but bonds too. Investors gained confidence that the worst was over. Record fund flows moved into corporate bonds, lifting prices and depressing interest rates.

In Europe, various country stock indices posted large returns as well. Stocks from previously

troubled banks were the main drivers of returns in the region.

In the final few months of the year investors focused on the financial health of several countries including Greece, Spain and the U.K. The concern was those economies may fold under the weight of heavy debt loads and increasing budget deficits.

Bond markets were mixed. US government bonds values declined by a record amount. Corporate bonds gained as investors sought a better interest rate. High yield and emerging market bond returns soared.

The dollar weakened against most currencies last year, as investors looked abroad. This helped earnings of large international companies.

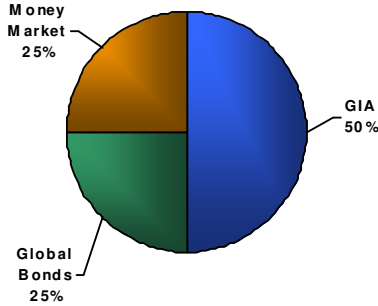
After last year's trauma politicians, regulators and finance executives vowed to reform the system to guard against another disaster. There has been little change so far. Investors returned to risky assets as risk avoidance was shed in exchange for returns.

Going into the new decade, the global economy is showing some signs of momentum, with most economists predicting a slow recovery.

Our view is that the easy money has been made, from ramping up risk again in 2009. Now investors are better off investing in solid companies with earnings and good dividend payments. These are more likely to do well even if the global economic recovery loses steam. The main focus should be on capital preservation and income rather than chasing uncertain returns in risky markets.

The range of likely outcomes for investments next year is more varied than usual. Equities could rise or have modest set-backs. Bonds could be impacted by inflation changes. So, there is a need to maintain a defensive posture to protect against downside risks.

We are pleased to announce that North Atlantic Asset Management Ltd will be renamed BF&M Investment Services Ltd to better reflect our ties with BF&M. Call us at 296-8288 or e-mail: investments@bfm.bm



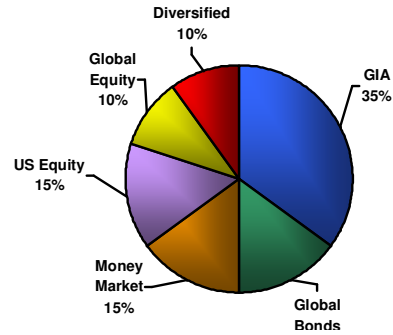
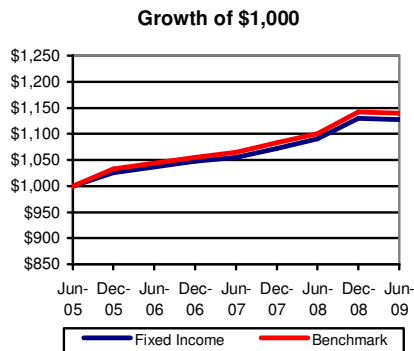
FIXED INCOME

For the six month period ending December 31st, 2009 the Fixed Income risk profile rose 1.62%, while its benchmark index rose 0.79%.

The shift in the strategy of the Global Bond to include more corporate bonds and increase non-U.S. issuers had a positive affect in the second half of the year. The Global Bond account makes up 25% of this risk profile and the fund beat its benchmark index by over three points. The fund benefited from the corporate bonds returns.

The Money Market account delivers returns above a normal deposit account at a banking institution. Although the return was minimal it is far better than the zero percent return achieved in a deposit account.

Finally the GIA was consistent as always providing a return of 1.24% for the period and is currently yielding 2.5%.

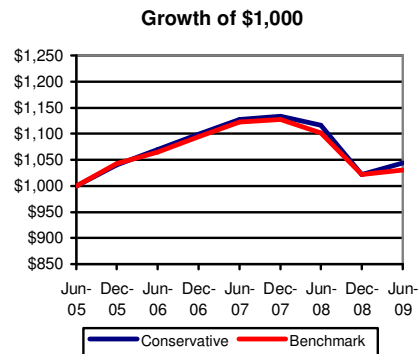


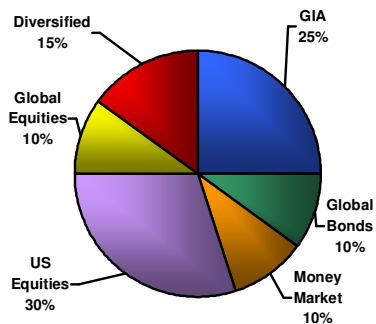
CONSERVATIVE

For the six month period ending December 31st, 2009 the Conservative risk profile rose 7.45%, while its benchmark index rose 7.45%.

This profile adds a small amount of equity exposure to help protect against inflation. The 30% allocation to equities proved to be a major driver of absolute performance this period with the American Equity account returning over 22% and the International Equity rising over 17%.

The remaining 70% of the allocation in this profile is in the Money Market, Global Bond and the GIA accounts. These continue to provide steady returns over time. The GIA provided a return of 1.24% for the period and currently yields 2.5%. The Money Market fund returned 0.14% which is higher than the zero return offered on most deposits. Finally, the Global Bond account posted solid returns of 3.87%.





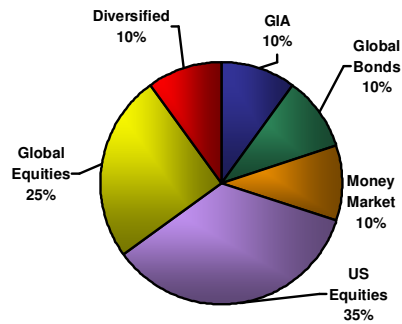
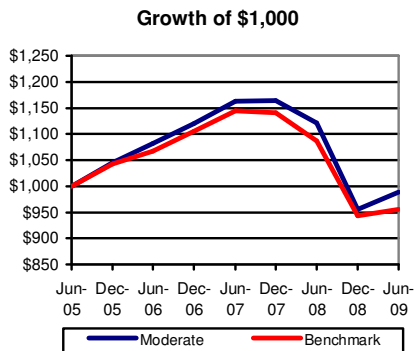
MODERATE

For the six month period ending December 31st, 2009 the Moderate risk profile rose 11.13%, while its benchmark index rose 11.33%.

This risk profile represents a balance between equities and fixed income securities. The GIA and the Money Market account provide the stability for the profile and performed reasonably well for the period given the low interest environment.

The equity investments produced large absolute returns with the American Equity account rising 22.2% as it benefited from the optimistic views on the U.S. economic recovery.

The International Equity account also posted strong returns of 17.3% for the period. The Investment Manager for the account was changed in November. The account lagged during the six months, however the new strategy should improve returns going forward.



AGGRESSIVE

For the six month period ending December 31st, 2009 the Aggressive risk profile rose 13.96%, while its benchmark index rose 14.95%.

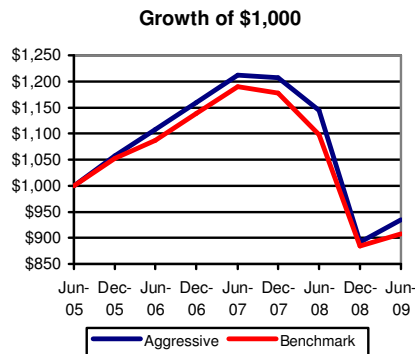
The portfolio is almost 70% in stocks with the remainder in bonds and money markets to provide stability over the long term.

The profile performed reasonably well posting close to 15% returns. The mood in the equity markets turned optimistic in the second half of the year pushing share prices higher which benefited the profile.

With such a large allocation to equities, the profile benefited from the extraordinary recovery in both global and U.S. stock markets.

The American Equity account rose 22.2% along with the International Equity account which rose 17.3%.

The Global Bond account benefited from its new mandate to invest more globally and a higher percentage in corporate bonds. The fund saw a 3.87% rise over the period.



Golden Accumulator Retirement Plan

Summary Performance - as of December 31st, 2009

Separately Managed Accounts (SMA)

PERFORMANCE BY PROFILE		Annualized returns for			For the
		5 YEARS	3 YEARS	1 YEAR	Period of 6 Mos
<u>Guaranteed</u>	Profile Returns	3.29%	3.45%	2.62%	1.24%
	NTB GIA	3.29%	3.45%	2.62%	1.24%
<u>Fixed Income</u>	Profile Returns	3.77%	4.06%	1.39%	1.62%
	Weighted Index	3.61%	3.83%	0.62%	0.79%
<u>Conservative</u>	Profile Returns	2.66%	0.93%	10.08%	7.45%
	Weighted Index	3.16%	1.06%	9.35%	7.45%
<u>Moderate</u>	Profile Returns	2.18%	-0.43%	15.30%	11.13%
	Weighted Index	2.69%	-0.55%	14.01%	11.33%
<u>Aggressive</u>	Profile Returns	1.72%	-2.68%	19.72%	13.96%
	Weighted Index	2.64%	-2.18%	18.99%	14.95%

PERFORMANCE BY FUND		Annualized returns for			For the
		5 YEARS	3 YEARS	1 YEAR	Period of 6 Mos
<u>Money Market</u>	Fund	3.20%	2.72%	0.41%	0.14%
	ML 91 Day T-Bill Index	3.02%	2.40%	0.21%	0.11%
<u>Global Bonds</u>	Fund	5.30%	6.62%	-0.09%	3.87%
	85% Citi. G7 Govt, 15% ML Corp.* Index	4.83%	6.02%	-2.96%	0.59%
<u>Diversified</u>	Fund	3.18%	-1.05%	17.22%	13.62%
	Weighted Index	3.72%	-0.09%	16.28%	13.06%
<u>American Equity</u>	Fund	1.81%	-3.31%	30.91%	22.17%
	S&P 500 Ttl Rtrn Index	0.42%	-5.63%	26.46%	22.59%
<u>International Equity</u>	Fund	-0.36%	-10.79%	27.56%	17.25%
	EAFE Ttl Ret Lrg Cap Index	4.02%	-5.57%	32.46%	22.18%

GIA Current Crediting Rate is 2.50%

**The index was changed from the Citi. World Govt Bond Index in the 4th Qtr 2009*

Past performance is no guarantee of future returns. The value of the securities held within each fund may go up as well as down and any income received may vary. Investments involve risk, disclosed in the Statement of Investment Policies and Procedures, available upon request. Currency fluctuations within fund also affect returns. Individual performance may vary based on the actual amount and timing of contributions. North Atlantic is licensed to conduct investment business by the BMA under the Investment Business Act of 2003.

Regain your Footing for Retirement

There has been a strong spring-back for most funds and risk profiles during the first half of this year. This has covered a lot of lost ground. It may take a few more years to restore all of the declines over the last year. Estimate your retirement balance using the BF&M Online Financial Calculators as a guide. They are listed on the menu bar at www.bfm.bm. The Retirement Income Planner option will estimate a possible monthly income, based on your existing balance, annual contributions, age, and estimated rates of return. This will give you an idea whether you could benefit from additional voluntary contributions.

For more assistance contact BF&M client service at 295-5566 x 2001, or call North Atlantic Asset Management Limited at 296-8288. E-mail investments@bfm.bm to receive our monthly investment newsletter.