



BERMUDA FUND

OBJECTIVE

To achieve long-term capital growth and income by investing in a diversified portfolio of Bermuda assets.

INVESTMENT POLICY

To invest in the equity securities of companies incorporated in Bermuda or having a substantial presence in Bermuda as well as the debt securities of those companies and of the Bermuda Government.

INVESTMENT PROCESS

The Fund will alter the mix of debt and equity holdings as changes in the economic prospects of companies and asset classes warrant.

FUND REVIEW

During November, the Fund returned -1.0%, compared to the BSE Index return of -0.2% and the BSE Insurance Index return of -1.5%. The MSCI World returned 0.37% for the period. All above returns are quoted as price only returns.

The Fund's reinsurance holdings performed poorly in November as estimated damages from Sandy continued to increase on an almost daily basis. It is not yet clear what the final cost of the storm will be, or how individual companies will be affected. However, current estimates from catastrophe modeling company Eqecat are \$50 billion in total economic losses, of which \$10 to \$20 billion are insured. After several quarters without any significant losses and good profitably, the reinsurance industry as a whole is very well capitalised and we do not expect any severe capital losses from Sandy. The initial sell-off in early November appears to have been an over-reaction, as the BSX Insurance Index recovered well in the second half of November.

November has seen very little local business or economic news flow as media outlets have been flooded by local election stories. The one exception to this is the re-ignition of the ongoing dispute between Stevedoring Services and the unionised dock workers. While this does not directly affect the Fund as it does not have a position in Stevedoring (owned by holding company Polaris Holdings) it is a strong indicator for the local business climate. Clearly, as container loads continue to drop, the indication is not a positive one. The Bermuda Fund will continue its overweight bias towards the foreign holdings versus the benchmark.

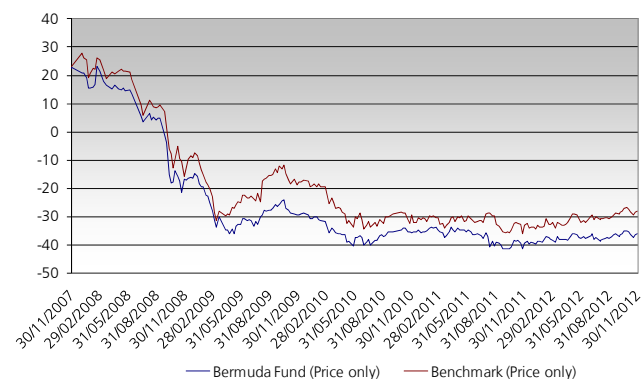
GENERAL INFORMATION

Currency: BMD	Fiscal Year End: 30 June
Valuation: Wednesday	Min. Investment: BMD 1,000
Dealings: Thursday	Total Expense Ratio: 1.28%
Front End Fee: None	Size of Fund (millions): BMD 12.0
Units Available: Accumulation	NAV per share (30.11.2012): BMD 16.97

Contact Information

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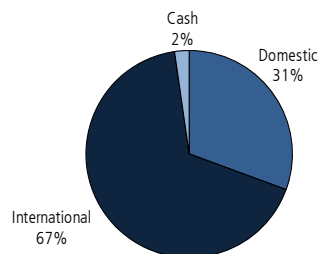
CHART MONTHLY



AVERAGE ANNUAL COMPOUND RETURNS (TOTAL RETURNS)

1 Year	3 Years	5 Years	7 Years	10 Years
8.73%	-0.04%	-9.37%	-4.64%	1.48%

ASSET ALLOCATION



TOP 10 EQUITY HOLDINGS

1.	ACE Ltd	13.9%
2.	Ascendant Group Ltd	11.0%
3.	The Bank of N.T. Butterfield & Son Ltd	9.3%
4.	Arch Capital Group Ltd	6.8%
5.	Everest Re	6.1%
6.	Aspen Insurance Holding	5.5%
7.	Renaissance Re Holdings Ltd	5.2%
8.	Validus Holdings LTD	5.1%
9.	Partner Re Ltd	4.2%
10.	Endurance Specialty Holdings	4.0%

BENCHMARK COMPOSITION

60% BSE Insurance Index, 40% BSX Index

Note: Due to the unavailability of total return figures for the BSX Insurance Index (60% of benchmark), relative returns of the Bermuda Fund and its benchmark components will be presented as price returns only unless specifically stated otherwise.