



# Defined Return Fund PLC Growth Series 2 Class

July 2010

## Fund strategy

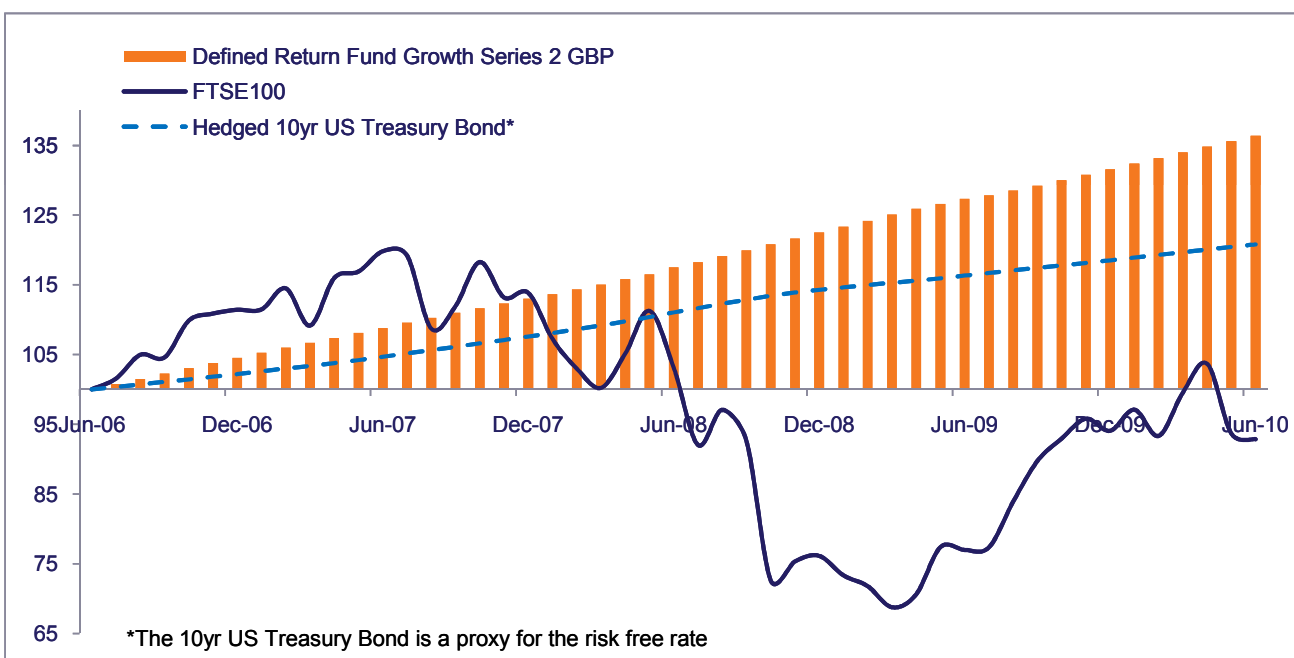
DRF Growth Series 2, which is now in its 4th year, is a longevity fund that invests in physical life settlements. The fund aims to deliver uncorrelated net returns of between 7% and 8% p.a. with minimal volatility. Using an actuarial valuation methodology, the fund is actively managed with the principal objective being to deliver consistent and equitable returns to all its investors.

## Current fund performance

Share class	Value Date	Current price	% change			Annualised return since launch	Positive months
			1 month	6 months	12 months		
Growth Series 2 EUR	15-Jun-10	193.3681	0.57%	3.47%	6.83%	7.72%	48/48
Growth Series 2 GBP	15-Jun-10	194.6397	0.59%	3.67%	7.12%	8.06%	48/48
Growth Series 2 USD	15-Jun-10	193.7877	0.67%	4.07%	7.86%	7.75%	48/48

\* Growth Series 1 Class launched 15/06/2002 and merged with Growth Series 2 Class 15/06/2006

## Fund performance since launch versus market index



## Fund performance analysis

	EUR	GBP	USD
Average annual return	7.72%	8.01%	7.59%
Average monthly return	0.62%	0.65%	0.62%
Monthly standard deviation	0.07%	0.08%	0.06%
Annualised standard deviation	0.24%	0.27%	0.22%
Sharpe ratio*	25.07	20.79	25.06

\*The Sharpe ratio is calculated by subtracting the risk-free rate (the 10-year U.S. Treasury bond yield) from the rate of return for a portfolio & dividing the result by the standard deviation of the portfolio returns.



## Fund asset information

Fund size	\$196.1m
Total face value	\$392m
Number of lives insured	183
Number of insurance carriers	43
Average face value	\$2.3m
Weighted average LE (life expectancy)	76 months

## Key facts

<b>Fund launch date</b>	June 2002	<b>Currencies</b>	EUR, GBP, USD
<b>Class launch date</b>	June 2006	<b>Minimum investment</b>	\$50,000 or currency equivalent
<b>Domicile</b>	Cayman Islands	<b>Redemption notice</b>	3 months
<b>Year-end</b>	February 15th	<b>Sales charge</b>	A sales charge will be applied and amortised over 5 years
<b>Dealing date</b>	Monthly on 16th	<b>Management fee</b>	0%
<b>Auditors</b>	BDO International Limited	<b>Performance fee</b>	30% on performances above 6.5% yield
<b>Penalty free redemption schedule</b>	Investors may elect at the outset to receive an annual penalty free redemption of 7%, based on the prevailing NAV and distributed twice a year.	<b>Redemption fees</b>	Month 0-12: 8%; Month 13-24: 6.4%; Month 25-36: 4.8%; Month 37-48: 3.2%; Month 49-60: 1.6%; Month 61+ 0%

## Our team

<b>Fund manager</b>	 Centurion Fund Managers Limited (Cayman Islands) (authorised by the Cayman Islands Monetary Authority) David Rawson-Mackenzie	<b>Fund investment advisor</b>	 Centurion Portfolio Managers Limited (UK) (regulated by the Financial Services Authority) Pollyanna Wan
<b>Fund administrator</b>	Centurion Administration Services Limited (Mauritius) (Authorised by the Financial Services Commission)	<b>US policy custodians</b>	Wells Fargo; Mills Potoczak & Company
<b>US policy servicing agents</b>	Wells Fargo; Mills Potoczak & Company	<b>Custodian bank</b>	Fairbairn Private Bank (IOM) Ltd
<b>Actuarial consultants</b>	Melinsky, Pellegrinelli & Associates; Boger & Associates; Milliman	<b>Fund directors</b>	Paul Backhouse; Nick Ferris; David Rawson-Mackenzie

## Fund codes

	ISIN	SEDOL	Bloomberg
<b>EUR</b>	KYG270093597	B152D97	DRFGSEE:KY
<b>GBP</b>	KYG270093423	B152D86	DRFGSES:KY
<b>USD</b>	KYG270093670	B152D89	DRFGSEU:KY

## Contact

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