Defined Return Fund PLC
Growth Series 2 Class

July 2010

Fund strategy

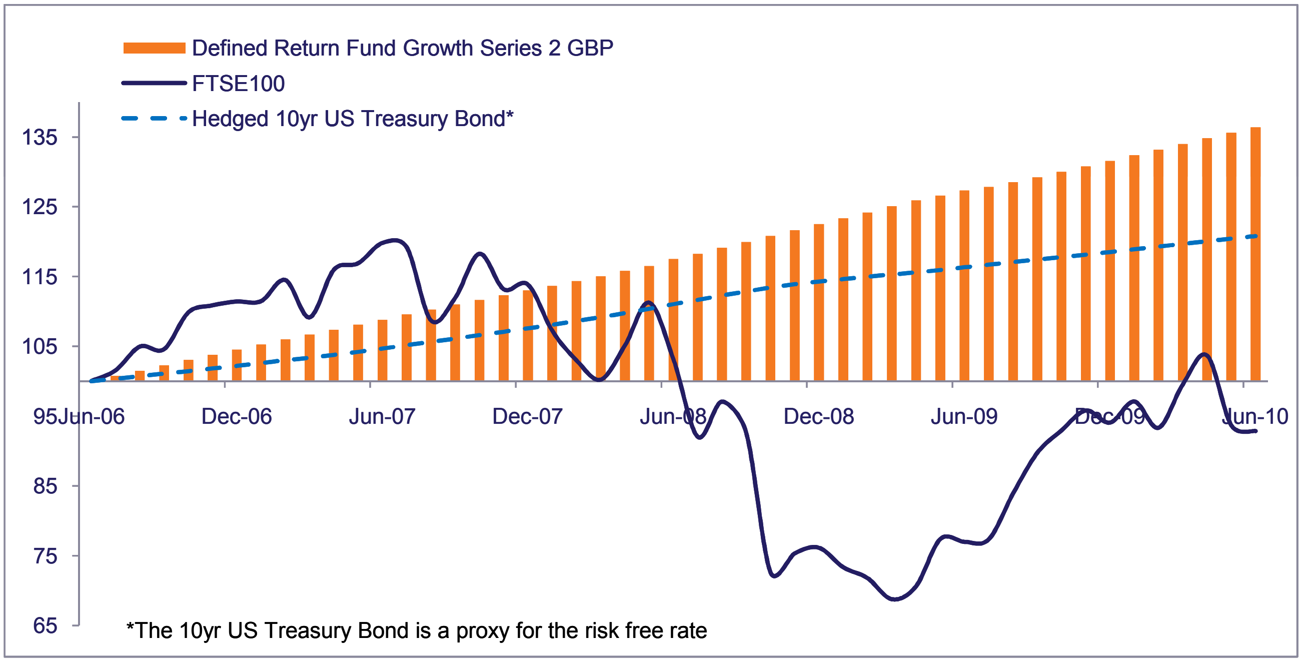
DRF Growth Series 2, which is now in its 4th year, is a longevity fund that invests in physical life settlements. The fund aims to deliver uncorrelated net returns of between 7% and 8% p.a. with minimal volatility. Using an actuarial valuation methodology, the fund is actively managed with the principal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

Current fund performance

Share class	Value Date	Current price	% change 1 month	% change 6 months	% change 12 months	Annualised return since launch	Positive 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

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Fund fact sheet

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Key facts

Fund launch date	June 2002	**Currencies**	EUR, GBP, USD
Class launch date	June 2006	**Minimum investment**	$50,000 or currency equivalent
Domicile	Cayman Islands	**Redemption notice**	3 months
Year-end	February 15th	**Sales charge**	A sales charge will be applied and amortised over 5 years
Dealing date	Monthly on 16th	**Management fee**	0%
Auditors	BDO International Limited	**Performance fee**	30% on performances above 6.5% yield
Penalty free redemption schedule	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.	**Redemption fees**	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

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

Fund codes

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

Contact

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ILMA Institutional Life Markets Association

Centurion Fund Managers is an allied member of the Institutional Life Markets Association