



FG FINANCIAL GROWTH FUND

QUARTERLY REPORT FOR THE PERIOD ENDED MARCH 31, 2012

INVESTMENT OBJECTIVE

FG Financial Growth Fund is an aggressive Fund whose objective is to provide a combination of capital appreciation and income over the long-term. This Fund is ideal for individual and institutional investors with long-term horizons and capital growth objectives who can withstand the volatility of the equities market.

INVESTMENT STRATEGY

FG Financial Growth Fund invests in a diversified selection of Bahamian equities (listed and non-listed), mortgages, and fixed income securities. The Growth Fund focuses primarily on liquid stocks in the Bahamian market with above average long-term growth potential or stocks, which are considered undervalued in the market relative to their long-term potential.

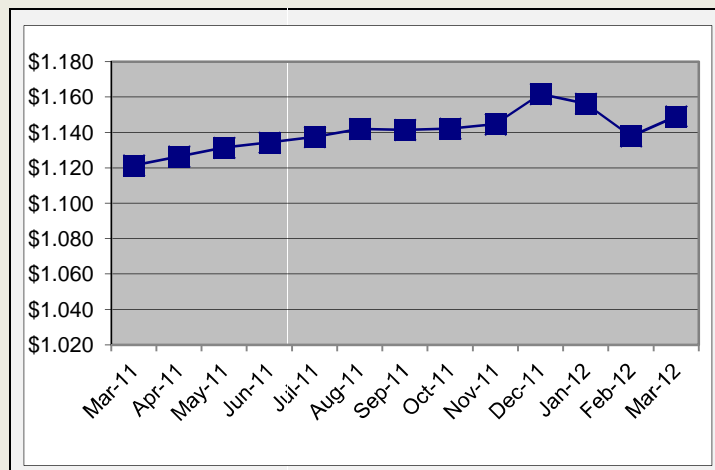
FIRST QUARTER REVIEW

The Growth Fund closed out the first quarter with a net asset value (NAV) per share of \$1.1491, yielding -1.08%, but beating out its benchmark, the BISX All Share Index by 303 basis points, which reported returns of -4.11% over the same period. The Fund's 12-month returns of 2.47% outperformed benchmark returns of -11.17% by 1,364 basis points. From inception, the Fund's average annualized yield approximates 3.73%, 1,206 basis points above the BISX All Share Index, which reflected average annualized returns of -8.33% over the same period.

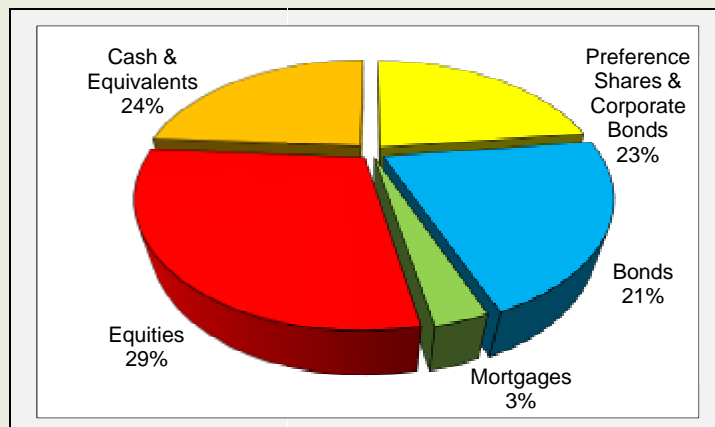
During the quarter, the share prices of several publicly traded companies on the local stock exchange experienced sharp declines resulting in substantial capital losses to market participants. This is attributable to investor uncertainty around the timing of full economic recovery, liquidity needs and new market entrants seeking to acquire shares at discounted prices. As a result, our equities portfolio yielded net returns of -6.19%.

During the quarter, we acquired an investment in the Arawak Port Development (APD) initial public offering and invested in additional term deposits. We remain aggressive in our attempts to seek and acquire undervalued equities to position the Fund to reap the benefits of long-term capital gains.

Net Asset Value Performance



Fund Composition



Top Three Equity Positions

STOCK HOLDINGS	DIVIDEND YIELD	QTR.1 RETURN	YTD RETURN
FAM	4.66%	-4.05%	-4.05%
CAB	4.27%	-8.71%	-8.71%
CBL	4.63%	-8.86%	-8.86%

INVESTMENT MANAGER	FAMILY GUARDIAN INSURANCE
Analysis Period:	Dec. 31, 2011 — Mar. 31, 2012
Benchmark:	BISX ALL SHARE INDEX

This document is prepared by FG Financial Limited, which is licensed by the Securities Commission of The Bahamas as a Fund Administrator. FG Financial Limited is the parent company of FG Financial Fund Limited SAC and a subsidiary of FamGuard Corporation Limited. This quarterly review is for informational purposes only. Please note that past performance and rates of return are not indicative of future records.

PERFORMANCE	QTR.1	YTD	12-MONTHS	INCEPTION (Annualized)
Fund	-1.08%	-1.08%	+2.47%	+3.73%
Benchmark	-4.11%	-4.11%	-11.17%	-8.33%
+/- Benchmark	+3.03%	+3.03%	+13.64%	+12.06%