



FG FINANCIAL GROWTH FUND

Quarterly Report June 30, 2009

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 accept 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.

INVESTMENT RISK AND RETURN

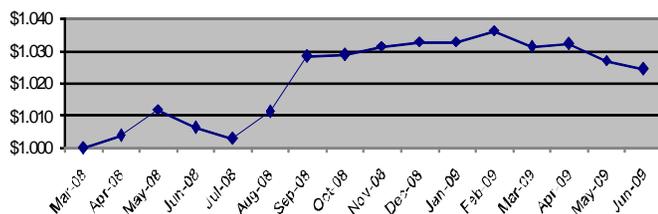
Equities are riskier investments, but historical evidence reveals that equity markets provide higher rates of return over the long-term. Our expected long-term rate of return on this portfolio is 8% - 12% per annum.

SECOND QUARTER 2009 REVIEW

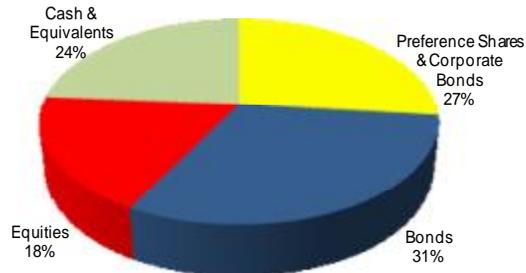
The Growth Fund ended the second quarter with a net asset value per share of \$1.0243, a return of -0.68% for the quarter. The Fund outperformed its benchmark, the BISX All Share Index, which reported returns of -3.63% over the quarter. Year-to-date, the Fund reported returns of -0.84%, again outperforming its benchmark, which reported returns of -7.77%. The Fund's average annualized return from inception (April 1st, 2008) was 1.94%, exceeding benchmark returns of -15.65%.

Continued market contractions resulted in our equity portfolio experiencing an overall net return of -13.96%. Year-to-date unrealized losses on equities of \$112 thousand was softened by dividend income of approximately \$14 thousand. As a result of protracted share value declines, we opted to channel available funds into term deposits, seeking aggressive rates to counter the negative effects of the equities market. Net assets available to shareholders remain relatively static as cash from subscriptions have been utilized to fund redemption requests.

Net Asset Value Performance



Fund Composition



Performance Analysis	QTR 2	QTR 1	Y-T-D	Inception
Fund	-0.68%	-0.16%	-0.84%	+1.94%
Benchmark	-3.63%	-4.30%	-7.77%	-15.65%
+/- Benchmark	+2.96%	+4.13%	+6.93%	+17.60%

Investment Manager:	Family Guardian Insurance Co. Ltd.
Analysis Period:	March 31, 2008 to June 30, 2009
Benchmark:	BISX All Share Index

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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 results.