



Hereford Funds DGHM US All-Cap Value Fund November 2010

November 2010 Investment Review

The Hereford Funds DGHM US Allcap Value Fund returned -0.4% during the month of November compared to a -0.3% return for the Russell 3000 Value Index. Year to date, the Hereford/Dalton Greiner Allcap Value Fund has returned 10.4% compared to a 7.7% return for the Russell 3000 Value Index. The more or less in line performance versus the index during the month was the result of good stock selection in Healthcare and Staples. Healthcare's outperformance was driven by Express Scripts which issued positive guidance for 2011. Banks had the greatest negative impact at 48 basis points. Regions Financial was particular weak down 15%. The market is concerned that their credit statistics did not improve in the third quarter like most banks, but actually deteriorated. We have begun to exit this position. Market volatility continues to be high as we approach year end due to the well know issues dissected daily in the papers and on the television.

We added Devon Energy and Canadian National in the Energy sector this month and sold EOG Resources and EnCana. Both of the new buys are exploration and production companies with a heavy focus on oil development. The two energy companies they replaced have underperformed due to their exposure to natural gas. Pricing for natural gas has been very weak in North America. Cash averaged 2% for the month.

I would also like to remind investors that during periods of market volatility like we are currently experiencing, our disciplined structured process will particularly serve us well. Our process does not allow us to get caught up in the emotional swings as markets gyrate up and down.

Key Information

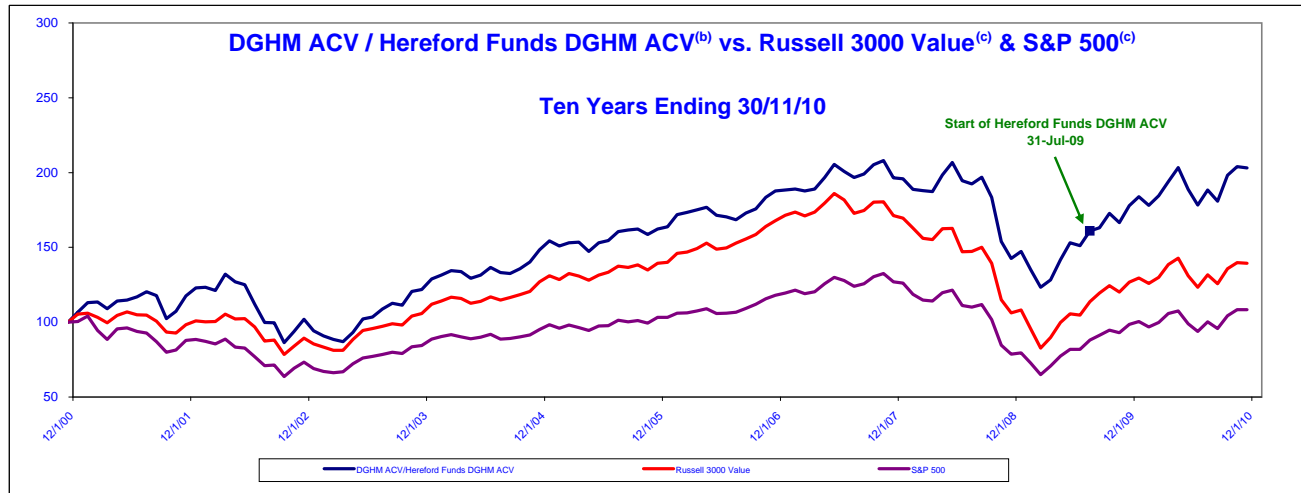
NAV A Shares (30/11/10): \$126.25
 Total Fund Size: \$52.0 mil
 Strategy Assets: \$478.8 mil
 Fund Launch Date: 31-Jul-09

Monthly Performance (%)

	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	YTD
Hereford Funds DGHM AllCap Value	3.5	-3.2	3.7	5.1	4.9	-7.2	-5.5	5.6	-3.9	9.5	2.9	-0.4	10.4
Russell 3000 Value Index ^(c)	2.2	-2.8	3.3	6.7	3.0	-8.2	-5.9	6.8	-4.5	8.0	3.1	-0.3	7.7
S&P 500 Index ^(c)	1.9	-3.6	3.1	6.0	1.6	-8.0	-5.2	7.0	-4.5	8.9	3.8	0.0	7.9

Period Performance (%)

	YTD	1 yr	2 yr	3yr	4 yr	5 yr	10 yr	Since Inception 01/01/83	
								Cumulative	Annualised
DGHM ACV / Hereford Funds DGHM ACV ^(b)	10.4	14.3	19.3	1.1	2.0	4.6	7.3	2068.5	11.7
Russell 3000 Value Index ^(c)	7.7	10.1	14.6	-6.6	-4.5	0.0	3.4	1910.9	11.3
S&P 500 Index ^(c)	7.9	9.9	17.4	-5.2	-2.1	1.0	0.8	1622.3	10.7



Top Ten Holdings

	% NAV
AT&T INC COM	3.15
JPMORGAN CHASE & CO COM	2.87
PIEDMONT NAT GAS INC COM	2.87
FRANKLIN RES INC COM	2.78
PROTECTIVE LIFE CORP COM	2.77
CLEARWATER PAPER CORP COM	2.76
EXPRESS SCRIPTS INC COM	2.73
VECTREN CORP COM	2.73
WHITING PETE CORP NEW COM	2.67
ACE LTD SHS	2.60

Sectoral Breakdown

	% of assets
Industrial Cyclical	24.90
Financial	18.80
Non Cyclical	14.50
Utilities	8.70
Consumer Cyclical	7.50
Technology	4.20
Cash	21.40
	100.00



Investment Objective

The investment objective of the ACV sub fund is to provide capital appreciation over a multi-year investment horizon by investing primarily in a diversified portfolio of publicly traded equity securities of US based companies, which the Investment Manager believes to be undervalued. The companies will generally have a market capitalizations of more than USD 750 million.

The sub fund may, on an ancillary basis, invest in US-based companies with higher or lower capitalizations as well as in non US-based companies. The Compartment may invest in American Depository Receipts and American Depository Shares.

The indicative benchmarks are the Russell 3000 Value and the S&P 500 Indices.

Fund Codes		Risk Profile ^(d)	Since Inception (01/01/83) - 30/09/10	Reference Strategy	R3000 Value	S&P 500
Bloomberg	HERACVALX*	Volatility		16.85	16.06	16.56
ISIN	LU0435791347	Sharpe Ratio		0.51	0.41	0.35
Reuters	N/A	Information Ratio		(listed below benchmark)	0.29	0.32
Sedol	B5MDN13	Tracking Error		(listed below benchmark)	7.17	8.60
Valoren	10269479	Beta		(listed below benchmark)	0.95	0.88
WKN	AORPYP	Alpha		(listed below benchmark)	2.61	3.94
	*Share Class A					

Fund Details

Dealing day	Daily
Dividends	None: income accumulated within the fund
Investment Manager	Dalton, Greiner, Hartman, Maher & Co., LLC, 565 Fifth Avenue, Ste. 2101, NY, NY 10017, USA
Promoter	VPB Bank (Luxembourg) S.A., 26 Avenue de la Liberté, L-1930 Luxembourg
Authorized Corporate Director	VPB Finance S.A., 26 Avenue de la Liberté, L-1930 Luxembourg
Custodian	VPB Bank (Luxembourg) S.A., 26 Avenue de la Liberté, L-1930 Luxembourg
Legal Advisers	Elvinger, Hoss & Prussen, 2 Place Winston Churchill, L-1340 Luxembourg
Auditor	Deloitte, 560 Rue de Neudorf, L-2220 Luxembourg

Annual Management Charge

Share Class A ^(e)	1.25%
Share Class D ^(f)	1.75%

Minimum Investment

Share Class A	\$100,000 initial; \$10,000 subsequent
Share Class D	\$10,000 initial; \$1,000 subsequent

Order Transmission / Information

Original Applications To:

VPB Finance S.A.
 attn. Fund Operations / TA-HFF
 P.O. Box 923
 L-2019 Luxembourg
 or, for transmissions via courier service,
 26, avenue de la Liberté, L-1930 Luxembourg

Subsequent Applications Only Via Facsimile:

VPB Finance S.A.
 attn. Fund Operations / TA-HFF
 Fax : (+352) 404 770 283
 Tel: (+352) 404 770 260
 e-mail: luxfunds.info@vpbank.com

(a) This refers to the total assets invested in the reference strategy managed by the Investment Manager.

(b) Data and graph depict DGHM composite through July 2009 and Hereford Funds DGHM US All-Cap Value Class A thereafter. Historical net performance of DGHM All-Cap Value Composite returns (the Reference Strategy) includes modelled fee and expense typical of Hereford Funds DGHM US All-Cap Value Fund Class A (1.25% fee + 0.25% expense). Fund follows same strategy. Performance presentation incomplete without accompanying footnotes as shown at www.dghm.com.

(c) Total return including dividends.

(d) Source: PSN database – All numbers are presented gross of fees and expenses.

(e) Share Class A is German tax registered from 27/5/10 and has applied for UK Reporting Fund Status for the year to September 2011.

(f) Share Class D is German tax registered from 1/10/10.

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