

**Investment Review**

The Hereford/DSM Large Cap Fund depreciated (2.4)% for the month of April compared to a 0.0% return for the Russell 1000 Growth Index and a 0.7% appreciation for the S&P 500 including dividends. At the end of April, the Fund was invested primarily in the consumer discretionary, technology and health care sectors, with smaller weights in the financials, industrials, materials and consumer staples sectors.

During the month the Fund trailed its benchmark by approximately 240 bps. This was primarily the result of the underperformance of our stock selections in the technology sector. Our overweight in consumer discretionary and underweights in consumer staples and energy also contributed. Our selections in health care benefitted performance. In April, the best performing positions in the portfolio were Celgene, Alexion Pharmaceuticals, Yum! Brands, Intuitive Surgical and Comcast. The worst performers for the month were Tencent Holdings, Discovery Communications, Wynn Resorts, Cognizant Tech Solutions and Visa. Similar to last month, the best performing sectors in the Russell 1000 Growth index during April included energy, consumer staples, industrials and utilities, which generally represent the types of businesses in which we do not invest. The worst performing sectors in April were consumer discretionary, technology and healthcare. Although we trimmed some of these positions this year, we continue to hold biotech, consumer discretionary and internet services shares and believe their business fundamentals and valuations remain attractive. We remain focused on research, earnings, valuation and new investment ideas. The valuation of the portfolio, at 19.5x next-four-quarter earnings through March 2015 based on our calculations, continues to be attractive in the current slow-growth economic environment and relative to the market. We continue to project a mid-to-high "teens" earnings growth rate through 2017. Additionally, the portfolio remains characterized by strong balance sheets, attractive returns on capital and significant free cash flow.

In April we sold the Fund's position in Intuitive Surgical following a continued slowdown in procedure growth and less attractive valuation. We also trimmed several positions including Ecolab, Omnicom, Precision Castparts and Yum! Brands. We used the proceeds from these sales to initiate positions in Abbott Laboratories and Comcast. Abbott Laboratories, a leading diversified healthcare supplier with strong positions in nutritionals, med-tech, diagnostics and generic pharmaceuticals, has the biggest exposure among healthcare multinationals to fast-growing emerging markets. Abbott's largely sticky businesses (physician and consumer preference items) are not particularly sensitive to the macroeconomic environment, and management is highly focused on shareholder returns with substantial dividend and buyback programs in place. Comcast is the largest US pay-TV company providing nearly 22M subscribers with video, high speed data and voice services. The company also owns NBC Universal, which includes the NBC TV Network, Telemundo, MSNBC, USA, Sci Fi, Bravo, E!, CNBC and several other cable networks, as well as Universal theme parks and Universal Films. At the close of Comcast's pending acquisition of Time Warner Cable, the combined company will have 33M video subscribers (33% market share) and 32M high speed data subscribers (~35% of all broadband subscribers in the US), creating a leading national, regional and local advertising platform, which we believe will enhance the advertising growth opportunity. Furthermore, we are positive on the long term trends underlying the cable business, driven in large part by continued growth in high speed data, and strong growth opportunities in the commercial business, with growth trends running in the 25-30% range for the industry, underpinned by Comcast's history of strong execution.

Our recent assessment of steady, slow, global economic growth in the 3% plus range, combined with low inflation and moderate interest rates remains our most likely case. Corporate profits are at all-time highs and valuations are quite reasonable. It is this set of characteristics that caused the S&P 500 to provide a total return in excess of 50% over 2012 and 2013, while the MSCI provided a total return in excess of 40% over the same two year period. In our view, that same economic outlook, as well as reasonable valuations, will be supportive of equity markets over the next few years.

**Key Information**

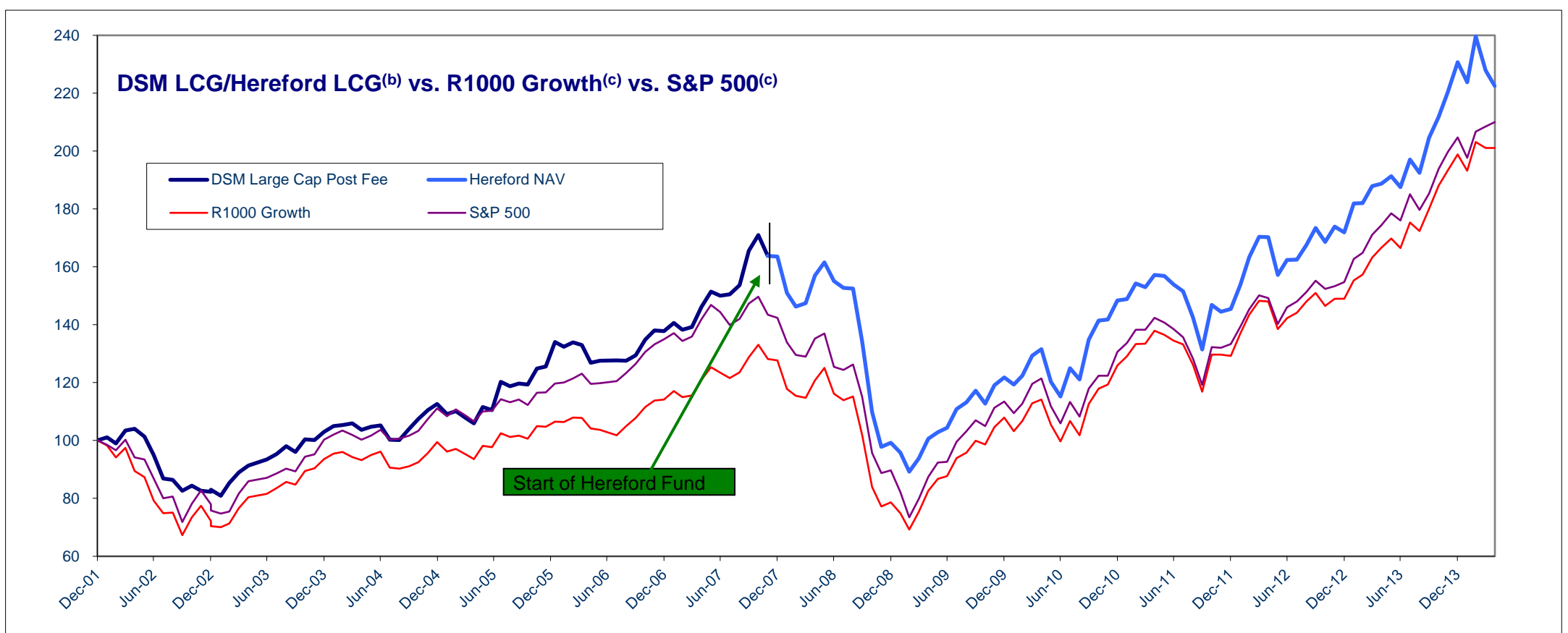
NAV A Shares (30/04/14)	US\$ 135.77
Total Fund Size	US\$ 148.5 mil
Strategy Assets	US\$ 3,999.8 mil <sup>(a)</sup>
Fund Launch Date	29-Nov-07

**Monthly Performance (%)**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Hereford Funds NAV	(3.0)	7.1	(4.9)	(2.4)									(3.6)
Russell 1000 Growth <sup>(c)</sup>	(2.9)	5.2	(1.0)	0.0									1.1
S&P 500 <sup>(c)</sup>	(3.5)	4.6	0.8	0.7									2.6

**Period Performance (%)**

	YTD	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	Since Inception 01/01/02	
DSM LCG/Hereford LCG Returns <sup>(b)</sup>	(3.6)	34.1	18.2	(2.0)	21.9	22.8	(39.3)	18.7	9.8	11.4	9.4	25.2	(17.7)	Cumulative	Annualised
Russell 1000 Growth <sup>(c)</sup>	1.1	33.5	15.3	2.6	16.7	37.2	(38.4)	11.8	9.1	5.3	6.3	29.7	(27.9)	101.1	5.8
S&P 500 <sup>(c)</sup>	2.6	32.4	16.0	2.1	15.1	26.5	(37.0)	5.5	15.8	4.9	10.9	28.7	(22.1)	110.0	6.2





### Top Ten Holdings

Alexion Pharmaceuticals	Monsanto
BlackRock	Starbucks
Celgene	The Priceline Group
Cognizant Tech Solutions	Time Warner
Dollar General	Yum! Brands

### Sectoral Breakdown

	% of Assets
Consumer Discretionary	37.1%
Information Technology	21.2%
Health Care	18.8%
Financials	6.6%
Industrials	6.5%
Materials	5.8%
Consumer Staples	3.6%

### Investment Objective

The investment objective of the LCG sub fund is to provide capital appreciation principally through investments in US-based growing corporations with market capitalizations generally above US\$ 5 billion. These companies are chosen for their growth prospects, attractive returns, solid business fundamentals and intelligent management. The sub fund may, on an ancillary basis, invest in US-based companies with lower market capitalizations as well as in non-US based companies. The Compartment may invest in American Depository Receipts and American Depository Shares. The reference benchmark for this strategy is the Russell 1000 Growth Index.

Fund Codes (Share Class A)		Since Inception Risk Profile	Hereford DSM US LCG	DSM LCG Composite	R1000 Growth
Bloomberg	DSMUSLA LX	Volatility	n/a	15.0	15.4
ISIN	LU0327604228	Sharpe Ratio	n/a	0.3	0.3
Reuters	LP65102015	Information Ratio	n/a	0.1	
Sedol	B28TLX2	Tracking Error	n/a	6.9	
	3504726	Beta	n/a	0.9	
WKN	A0M58T	Alpha	n/a	1.4	

### Fund Details

Dealing Day	Daily
Dividends	None - income accumulated within the fund
Investment Manager	DSM Capital Partners LLC, 116 Radio Circle Drive, Suite 200, Mount Kisco, NY 10549, USA
Promoter	VP Bank (Luxembourg) S.A., 26 Avenue de la Liberté, L-1930 Luxembourg
Management Company	VPB Finance S.A., 26 Avenue de la Liberté, L-1930 Luxembourg
Custodian	VP 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 & U <sup>(e)</sup>	1.25%
Share Class D <sup>(f)</sup>	1.75%

### Minimum Investment

Share Class A & U <sup>(e)</sup>	\$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 DSM Composite through November 2007 and Hereford Funds DSM US Large Cap Growth Fund Class A thereafter. Historical gross performance of DSM Large Cap Composite returns (the Reference Strategy) is net of modeled fee and expense typical of Hereford Funds DSM US Large Cap Growth Fund Class A (1.25% fee + 0.25% expense). Fund follows same strategy. Performance presentation incomplete without accompanying footnotes as shown at [www.dsmcapital.com](http://www.dsmcapital.com).
- (c) Total return including dividends.
- (d) The fund is registered with the BaFin for public distribution in Germany from 17/10/12, registered with the AFM for public distribution in the Netherlands and registered with the AMF for public distribution in France.
- (e) Share Class U has been granted Reporting Status by HMRC as of October 1, 2010.
- (f) Share Class D is German tax registered from October 1, 2010.

France - Centralizing Correspondent as defined by French Regulation:

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Germany – Paying Agent as defined by German Regulation:

Marcard, Stein & Co – Ballindamm 36, 20095 Hamburg  
Phone: +49/40.32.099.556, Fax: +49/40.32.099.206

Switzerland - Representative and Paying Agent as defined by Swiss Regulation:

Société Générale, Zurich Branch, Talacker, 50, P.O. Box 1928, CH-8021 Zurich  
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