

**November 2007 Investment Review**

The Large Cap Composite declined 4.2% for the month of November compared to a 3.7% decline in the Russell 1000 Growth and a 4.2% decline in the S&P 500. The equity market has been negatively impacted by fears of significant loan losses at large financial organizations because many banks and other financial institutions own substantial amounts of collateralized mortgage debt obligations (CDOs). It is important to note that the companies in your portfolio, with the exception of State Street Bank to a limited extent, have no direct exposure to this problem. We also have substantial health care holdings, that are defensive in a weak economy. Importantly, we do not own, and have not owned for a significant time, many companies whose business prospects are tied to the US consumer. The portfolio holdings continue to generate over twenty percent revenue and earnings growth. The weighted portfolio is presently valued at 22.3x 2008 earnings. We continue to believe that your portfolio remains very attractively valued in the current investment environment.

Key information

NAV A Shares (30/11/07): \$99.98

Total Fund Size: \$11.9 Million

Strategy Assets: \$949m^(a)

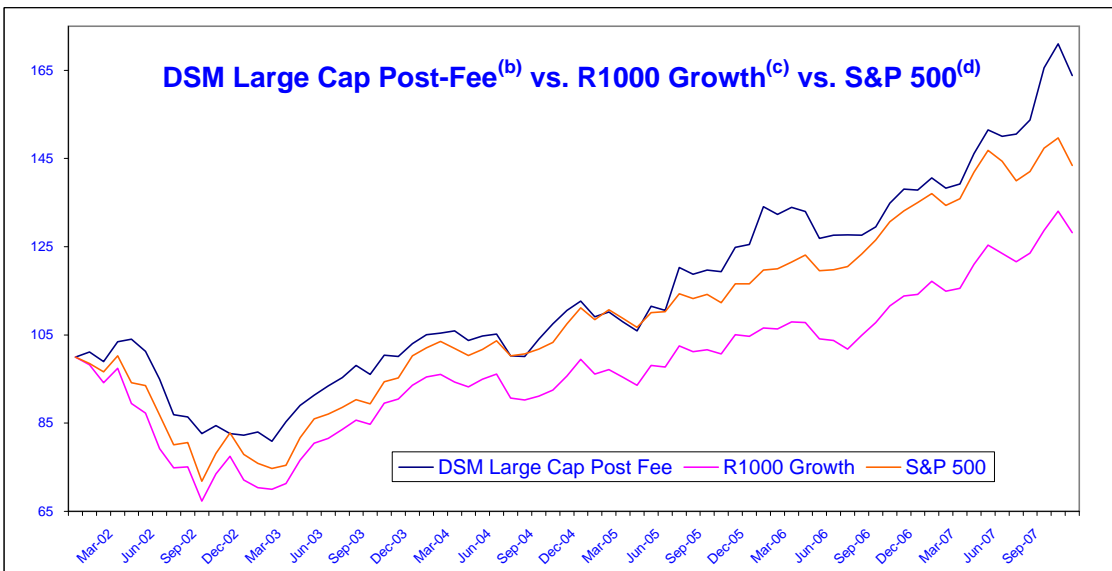
Fund Launch Date: 29-Nov-07

Monthly Performance (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	YTD
DSM Large Cap Returns ^(b)	2.0	(1.6)	0.7	5.0	3.7	(0.9)	0.3	2.1	7.7	3.3	(4.2)	18.9
Russell 1000 Growth Total Return ^(c)	2.6	(1.9)	0.5	4.7	3.6	(1.5)	(1.6)	1.6	4.2	3.4	(3.7)	12.2
S&P 500 ^(c)	1.5	(2.0)	1.1	4.4	3.5	(1.7)	(3.1)	1.5	3.7	1.6	(4.2)	6.2

Period Performance (%)

	YTD	1 yr	2 yr	3 yr	4 yr	5 yr	Since Inception 01/01/02	
							Cumulative	Annualised
DSM Large Cap Returns ^(b)	18.9	18.7	14.5	14.0	13.1	14.7	63.8	8.7
Russell 1000 Growth Total Return ^(c)	12.2	12.6	10.5	10.2	9.1	10.6	28.2	4.3
S&P 500 ^(c)	6.2	7.7	10.9	10.1	10.8	11.6	43.4	6.3

**Top Ten Holdings**

	% NAV
Celgene	8.9%
Schlumberger	7.1%
Google	6.8%
Apple Computer	5.0%
Walgreen	4.8%
Allergan	4.4%
Boeing	4.2%
Cisco	4.1%
Weatherford	4.0%
Monsanto	3.9%

Sectoral Breakdown

	% of Assets
Health Care	31.1%
Information Technology	23.4%
Financials	13.6%
Energy	13.3%
Services	6.4%
Industrials	5.5%
Materials	2.9%



Investment Objective

The investment objective of the sub fund is to provide capital appreciation principally through investments in US-based growing corporations with market capitalizations generally above 2 billion dollars. These companies are chosen for their growth prospects, attractive returns, solid business fundamentals and intelligent management. Companies invested in will often have higher revenue and earnings growth rates and less "sell-side" research coverage than comparable larger capitalization corporations. 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	DSM US LCG	DSM LC	R1000 Growth
Bloomberg	DSMUSLA LX	Volatility	n/a	10.88	12.61
ISIN	LU032760422	Sharpe Ratio	n/a	0.46	0.05
Reuters	(pending)	Information Ratio	n/a	0.42	
Sedol	B28TLX2	Tracking Error	n/a	8.59	
Valoren	3504726	Beta	n/a	0.64	
WKN	A0M58T	Alpha	n/a	4.84	

Fund Details

Dealing day	Daily
Dividends	None - income accumulated within the fund
Investment Manager	DSM Capital Partners LLC, 320 East Main Street, Mount Kisco, NY 10549, USA
Promoter	VP 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	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	1.25%
Share Class B	0.25% + 20% performance fee on outperformance vs US T-Bill with HWM
Share Class C	1% + 20% performance fee on outperformance vs US T-Bill with HWM
Share Class D	1.75%

Minimum Investment

Share Class A&B	\$100,000 initial / \$10,000 subsequent
Share Class C&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) Historical gross performance of DSM Large Cap Composite returns (the Reference Strategy) minus 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 dsmcapital.com.

(c) Total return including dividends.

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An investment should be made only on the basis of the prospectus, the annual and any subsequent semi-annual-reports of HEREFORD FUNDS (the "Fund"), a société d'investissement à capital variable, established in Luxembourg and registered under Part I of Luxembourg law of 20 December, approved by the Commission de Surveillance du Secteur Financier (CSSF). These can be obtained from [the Fund, 26, avenue de la Liberté, L-1930 Luxembourg or from VPB Finance S.A., 26, avenue de la Liberté, L-1930 Luxembourg and any distributor or intermediary appointed by the Fund].

No warranty is given, in whole or in part, regarding performance of the Fund. There is no guarantee that its investment objectives will be achieved. Potential investors shall be aware that the value of investments can fall as well as rise and that they may not get back the full amount invested. Past performance is no guide to future performance.

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Full details of the investment policy and objectives are stated in the prospectus.