

# Heritage Long/Short Equity (USD/CHF) - Class I

Swiss fund of funds with special risks - Monthly Update - April 2012

## INVESTMENT OBJECTIVES

The Heritage Long Short Equity Fund strives to deliver consistent **capital appreciation** over a market cycle and to generate superior, risk-adjusted performance over the long term.

The Heritage Long Short Equity Fund exposes investors to the **global equity markets**, while offering strong downside protection in difficult market conditions.

The Fund seeks to achieve a compound **return of Libor +500 bps** per annum coupled with a target volatility **below 10%**.

## OUR COMPETITIVE EDGE

**Half-century\*** of combined experience in hedge fund selection

**20 years** of audited track record

Since inception, Heritage Long Short Equity **outperformed the MSCI World Index** by nearly 100%

Proven **resilience to markets downturns** (HLSE max. drawdown of -14.20% vs. -55.30% for the MSCI World Index)

**Swiss registered** and **FINMA regulated** fund of hedge funds

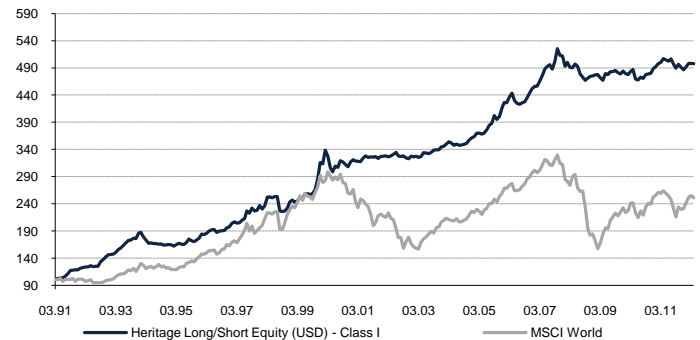
\* Partnership with Crossbow Partners since July 2010

## STATISTICAL MEASURES (USD SEGMENT - Class I)

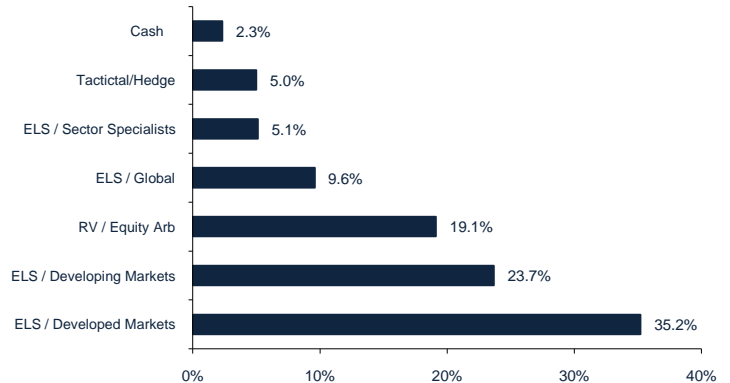
Last 12 months Rolling Return	-1.80%
Total Return Since Inception	397.80%
Compound Annual Return	7.90%
Annualized Standard Deviation	7.52%
Annualized Sharpe Ratio (3.568%)	0.58
Average Positive Return	1.71%
Average Negative Return	-1.31%
% of Months with Positive Return	65%
% of Months with Negative Return	35%
Correlation with MSCI World	0.48

	NAV	MTD	YTD
USD	426.50	-0.14%	2.33%
CHF	101.20	-0.20%	2.02%

## Performance Chart



## Allocation By Style



## Major Holdings

- Amiya GEO Fund (Equity Long Short/Developing Markets)
- Black Diamond Relative Value (Relative Value/Equity Arbitrage)
- Oceanic (Equity Long Short/Sector Specialists)
- PFM Diversified (Equity Long Short/Global)
- KCM Plus (Equity Long Short/Developed Markets)

HERITAGE ALTERNATIVE FUND, a Swiss fund of funds with special risks („the Fund“), is an umbrella fund investing in underlying alternative funds, the risks of which are not comparable with those of traditional investment funds. The underlying funds are of a variety of types, open-ended or closed end, that may or may not be listed on recognised stock exchanges or other public regulated markets and that may be of any legal form. Investors should be aware of the increased risks associated with investing in these funds, particularly as to the possible partial or total loss of their investment. To mitigate the risk of loss, the Fund's investment manager undertakes strict and rigorous selection and monitoring of the underlying funds and their managers whilst diversifying their investment strategies. Besides the market and currency risks, investors' attention is drawn to the risks associated with investment management, liquidity of shares in the underlying funds, liquidity of the funds' investments, the impact of share redemptions, the pricing of fund shares, service providers, lack of transparency and legal risks. These risks are commented more fully in the prospectus. The purchase of shares is conditional upon the signature of a subscription agreement. Past performance is not necessarily a guide to future performance. Performance data does not take account of subscription fees or other transaction charges that may be payable by investors. The Fund is not available for sale in the US or to US persons and its sale is restricted in certain other jurisdictions including the UK.



# Heritage Long/Short Equity (USD/CHF) - Class I

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## Heritage Long/Short Equity (USD) - Class I - NET HISTORICAL PERFORMANCE (1)

	YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2012	2.33%	1.10%	1.33%	0.02%	-0.14%								
2011	-0.38%	0.80%	1.10%	0.46%	1.39%	-0.48%	-0.44%	0.88%	-2.05%	-1.36%	1.45%	-1.13%	-0.92%
2010	0.84%	-1.06%	-0.32%	1.21%	0.73%	-3.60%	-0.40%	1.11%	-0.43%	1.44%	0.24%	0.33%	1.70%
2009	1.86%	0.33%	0.07%	-1.20%	-0.96%	2.68%	-0.36%	1.01%	0.10%	0.44%	-0.84%	-0.45%	1.09%
2008	-7.07%	-3.66%	1.50%	-1.77%	-0.32%	1.50%	-0.86%	-2.83%	-1.27%	-1.25%	0.86%	0.66%	0.30%
2007	13.31%	0.98%	0.11%	2.03%	2.19%	2.55%	0.86%	0.74%	-1.63%	2.92%	4.67%	-2.40%	-0.25%
2006	8.43%	2.42%	-0.11%	2.50%	1.59%	-3.09%	-1.24%	-0.40%	0.70%	0.40%	1.66%	2.06%	1.79%
2005	15.39%	0.68%	1.76%	0.04%	-0.51%	0.48%	1.69%	2.10%	1.17%	3.53%	-1.75%	1.33%	4.02%
2004	4.81%	0.48%	1.14%	1.14%	-0.71%	-1.03%	0.57%	-0.64%	0.13%	0.39%	0.48%	1.77%	1.03%
2003	5.11%	-0.46%	0.47%	-0.83%	0.66%	2.12%	-0.25%	-0.23%	0.70%	1.17%	0.18%	0.10%	1.41%
2002	0.12%	0.03%	0.17%	-0.42%	0.45%	1.02%	0.92%	-1.87%	-0.44%	0.36%	-1.03%	-0.49%	1.45%
2001	3.27%	1.31%	-0.78%	-0.07%	-0.17%	1.99%	1.26%	-0.93%	0.39%	-0.15%	0.42%	-1.14%	1.15%
2000	0.25%	-0.86%	8.18%	-3.35%	-6.61%	-2.31%	3.58%	-0.85%	4.07%	-0.75%	-1.52%	-1.33%	2.85%
1999	29.94%	1.44%	-1.61%	1.06%	2.71%	-0.54%	3.28%	-0.17%	-0.53%	0.69%	2.78%	7.30%	10.74%
1998	2.80%	-2.72%	2.70%	6.70%	0.23%	-0.77%	1.11%	-0.04%	-10.50%	-0.52%	0.44%	2.76%	4.39%
1997	19.99%	3.29%	1.42%	-1.10%	0.44%	2.23%	1.54%	6.64%	-1.84%	4.02%	-2.26%	0.72%	3.62%
1996	11.70%	4.50%	-0.75%	1.35%	2.29%	1.12%	0.32%	-2.52%	1.09%	0.41%	0.20%	2.39%	0.86%
1995	6.94%	-0.21%	-1.52%	1.72%	1.45%	-0.90%	-0.55%	2.18%	3.73%	-1.55%	-0.99%	1.56%	1.96%
1994	-11.36%	0.69%	-4.35%	-3.37%	-3.29%	0.08%	-0.46%	0.05%	-0.78%	0.14%	-1.42%	0.64%	0.24%
1993	27.52%	0.35%	0.69%	2.41%	2.88%	2.00%	2.80%	3.07%	2.61%	0.43%	2.03%	-0.39%	5.82%
1992	23.51%	2.90%	0.90%	0.74%	0.23%	1.58%	-1.01%	0.43%	0.05%	6.45%	2.95%	3.41%	2.92%
1991	18.23%				2.88%	0.37%	0.61%	2.62%	4.68%	4.87%	0.83%	0.31%	-0.12%

(1) Heritage Long/Short Equity (USD) was launched on Nov 23rd, 2011. Performance since that date is a proforma of the class A shares adjusted for the lower all-in fees of 1.25% p.a. (instead of 2% for the class A shares) until June 30th, 2011 and 1.20% p.a. since then.

## Heritage Long/Short Equity (CHF) - Class I - NET HISTORICAL PERFORMANCE (2)

	YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2012	2.02%	1.01%	1.20%	0.00%	-0.20%								
2011	-0.67%	0.79%	1.09%	0.45%	1.38%	-0.49%	-0.45%	0.87%	-2.06%	-1.38%	1.30%	-1.09%	-1.00%
2010	0.67%	-1.07%	-0.33%	1.19%	0.72%	-3.62%	-0.43%	1.09%	-0.44%	1.43%	0.23%	0.32%	1.69%
2009	1.71%	0.32%	0.06%	-1.22%	-0.98%	2.67%	-0.37%	1.00%	0.09%	0.43%	-0.85%	-0.46%	1.08%
2008	-7.52%	-3.79%	1.45%	-1.79%	-0.34%	1.49%	-0.86%	-2.84%	-1.29%	-1.29%	0.77%	0.62%	0.25%
2007	10.22%	0.69%	-0.13%	1.78%	1.94%	2.30%	0.64%	0.51%	-1.86%	2.71%	4.45%	-2.60%	-0.44%
2006	4.63%	2.12%	-0.38%	2.19%	1.31%	-3.43%	-1.55%	-0.73%	0.38%	0.12%	1.36%	1.78%	1.53%

(2) Heritage Long/Short Equity (CHF) was launched on Sep 23rd, 2011. Performance since that date is in CHF and is net of management fees and other expenses. Performance data prior to Sep 23rd, 2011 reflects the actual performance of Heritage Long/Short Equity (USD) translated into CHF.

## Administrative Information

<b>LEGAL FORM</b>	Swiss fund of alternative funds with special risks	<b>SUBSCRIPTION</b>	Monthly, on last day of the month, with five business days prior notice
<b>SUB-FUNDS</b>	Heritage Long/Short Equity (USD) Heritage Long/Short Equity (CHF) Heritage Long/Short Equity (EUR)	<b>REDEMPTION</b>	Monthly, on last day of the month, with notice no later than the 15th of the month for the following month-end
<b>NAV PUBLICATION</b>	No later than 10 business days after month-end.	<b>ADMINISTRATOR</b>	Gérifonds SA
<b>VALUATION</b>	Monthly, on last day of the month	<b>FUND NAME</b>	Heritage Alternative Fund
<b>MINIMUM INVESTMENT</b>	500 000 USD	<b>CUSTODIAN</b>	Banque Cantonale Vaudoise
<b>SUBSCRIPTION FEE</b>	Up to 5%	<b>SUB-CUSTODIAN</b>	Banque Heritage
<b>ALL-IN FEE</b>	1.20% p.a.	<b>AUDITOR</b>	PricewaterhouseCoopers SA
<b>TOTAL ASSETS</b>	USD 15.4 mio	<b>BLOOMBERG</b>	HERLSEQ SW
<b>MANAGER</b>	Banque Heritage 61 route de Chêne - PO BOX 6600 CH-1211 Geneva 6	<b>ISIN / TELEKURS :</b>	USD : CH0117503471 / 11750347 CHF : CH0117502572 / 11750257 EUR : CH0117503406 / 11750340
<b>CONTACT</b>	advisory@heritage.ch + 41 58 220 07 74		

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