

Fund Information

Jurisdiction: The Netherlands, semi-open ended FGR
Inception date: November 2nd, 2006
Subscriptions: Monthly
Redemptions: Monthly
Notice period: 30 days
Min. investment: EUR 250'000 Feeder - ISIN NL0000687044
 Master - ISIN NL0000687036
Administrator: Fastnet Netherlands
Custody Bank: Kas Bank N.V., The Netherlands
Auditor: Ernst & Young
Manager: Deminor Investment Management BV
Fees: 1.50% mgt fee & 20% performance fee above Euribor 3 months + 200 bp & high watermark
Web site: www.dagfund.com

Investment Philosophy

The Deminor Active Governance Fund (DAGF) aims to generate long term positive returns by investing in undervalued listed companies with clear value improvement potential, to be unlocked via active shareholder engagement or other external factors.

The DAGF invests in European companies that represent sound business fundamentals, yet are valued at a substantial discount towards their peers.

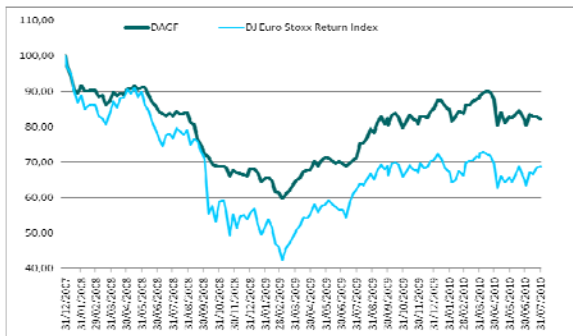
Furthermore, the discount must be attributable to clearly identifiable factors including governance which can be improved through active engagement or external catalysts.

Deminor Active Governance Fund – fund performances in EUR since inception on November 2, 2006

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2006											0.0%	+1.9%	+1.9%
2007	+1.5%	-0.5%	+1.9%	+1.0%	+2.2%	+2.0%	-1.0%	-2.9 %	-3.3%	+1.2%	-6.8 %	+0.6%	-4.5%
2008	-9.5%	-0.4 %	-2.8%	+2.3%	+1.5%	-5.4%	-2.4%	-0.04%	-12.8%	-6.1%	-1.7%	+0.6%	-32.0%
2009	-3.9%	-6.0%	+3.5%	+6.9%	+5.1%	-2.2%	+2.2%	+10.5%	+4.3%	-3.1%	+1.3%	+5.2%	+25.0%
2010	-0.2%	-1.4%	+5.1%	-0.0%	-5.8%	-1.3%	+0.1%						-3.3%

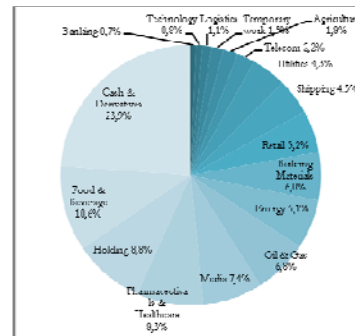
Performance to Date - as of July 31, 2010

DAGF vs DJ Euro Stoxx Return Index, rebased at 100 on 31/12/07

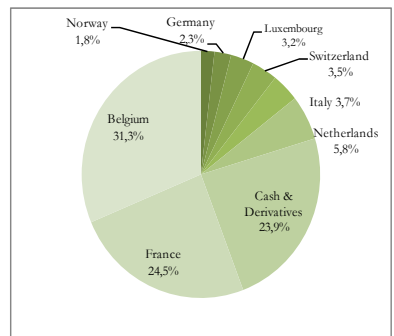


Current DAGF Allocation - as of July 31, 2010

Allocation by sector



Allocation by country



Monthly Report

July 2010 has been a good month for the equity market in its second half. The stress test of the European banks was quite well accepted by the market. On the front of the Q2 results publication, companies in general release results of good quality and confirmed their guidance for the rest of the year. These elements contributed to a good performance of the equity markets for July. The DJ Eurostoxx Return Index finished the month with a positive performance of +6.3%. The Fund was quite decelerated during July where we saw a strong rebound of the financial sector in which the Fund is not invested. While we believe that many risks remain, we will progressively and cautiously take more exposure to the market through investments in companies with strong fundamentals and a good resilience of cash flow. The NAV of the Fund amounted to 80.06 € as of July 31, 2010 in progression of 0.01% over the month.

On the side of the best performers, we find companies like YARA International (+23.8%) which is active in the fertilizer and profited from the fire in Russia, or GDF Suez (+8.5%) which published good results and announced an agreement to buy International Power, or Canal+ (+6.4%) where we have already observed a shareholding reorganization at the level of its mother company Canal + France with the buyback of TF1 and M6 by Vivendi.

On the side of the worst performers, we find companies like Roche Holding (-9.1%) where we still see a lot of potential based on a good molecule pipeline, Delhaize (-5.1%) which released a profit warning on their activities in the US, where the Fund took a long exposition in July 2009 and has already realized a good return on its investment, or Theolia Convertible Bond (-5.1%) where we have seen a lot of volume on the stock and the convertible bond after the completion of the financial restructuring which has positively contributed the performance of the stock and the bond over August to date.

To receive the prospectus and subscription documents or for more information about the Fund, please send us an e-mail at dagf@deminor.com or call us at +31- 20 30 12 340. **Deminor Active Governance Fund** - Strawinskylaan 3051 - 1077 ZX Amsterdam – The Netherlands

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