



THE CAYMAN NATIONAL MORTGAGE FUND FACT SHEET

Annualized Yield 5.45% as of 30 April 2006

The Cayman National Mortgage Fund “passes through” all interest income to both local and foreign investors alike without any obligation to withhold taxes, or incurring income tax liability in the Cayman Islands*

The Cayman National Mortgage Fund is designed to invest in a wide variety of Cayman Islands based mortgages. The Fund offers investors the opportunity to participate in the higher interest rates currently applicable to long-term mortgages with a smaller capital commitment. Mortgage rates in the Cayman Islands have averaged between 3.50 to 5.50 % higher than the three-month bank term deposit rate over the last five years. Although there can be no guarantee as to returns, it is anticipated that if interest rate spreads continue to behave as they have historically, the Fund’s return after expenses, should approximate 2.00 to 3.00 % above the three-month term deposit rate. The Cayman National organization provides a professional management team looking after the Fund with an expertise which most private investors may not be able to duplicate on their own. The Fund is designed to offer Maximum Current Income. It is suitable for both local and foreign accounts seeking an exposure to the mortgage market or looking for higher yields than available through bank deposits but which are exempt from any withholding or income taxes.

Other Important Benefits

100% No Load

All of your money goes to work immediately. There are no initial fees or redemption fees.

Automatic Reinvestment

Distribution of the Fund’s income will be re-invested automatically without charge on a monthly basis.

Limited Liquidity

Shares of the Mortgage Fund may be redeemed on a monthly basis with two weeks advance notice. The cash management of the Fund will in normal situations allow for monthly redemptions but due to the nature of the assets held in the Fund, there is no guarantee that an investor’s shares can be immediately redeemed.

*** Taxes**

Investors should consult their personal financial advisors for specific tax advice regarding taxes that might be applicable to the acquisition, holding and disposition of shares of a fund and to distributions in respect thereof under the law of the countries of their citizenship, residence or domicile.

How to Invest in the Fund

To obtain a prospectus and application, please send an email to INFO@CNIFS.com
Or Call Cayman National Securities Ltd. at 345.949.7722