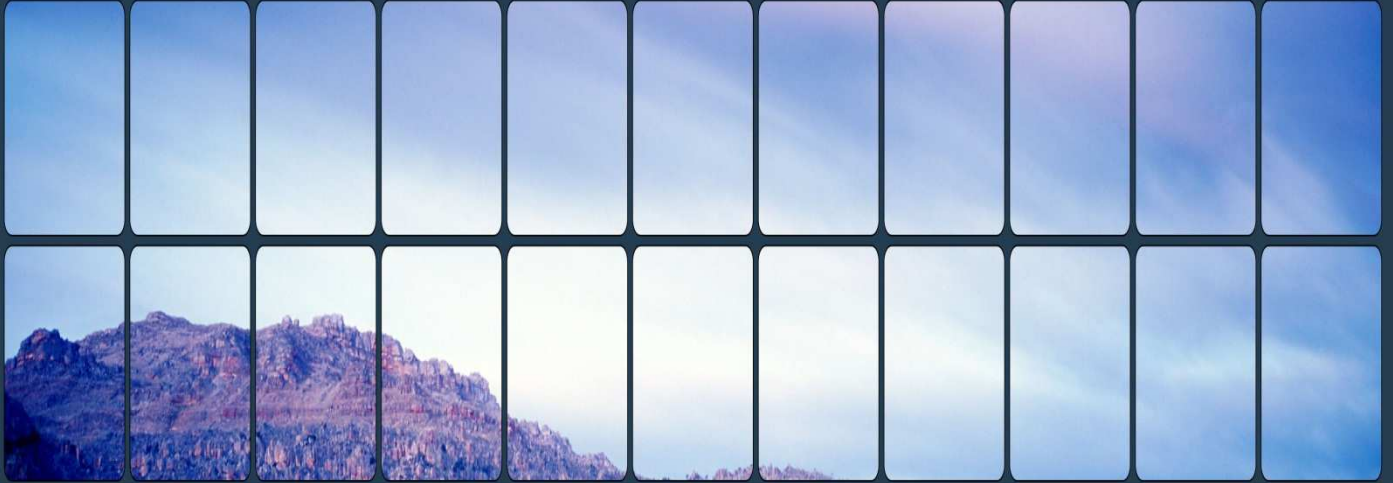


The Sentinel Fund



To watch over and guard

Sentinel OEIC

Fund Manager Quarterly Questionnaire

Period 31st December 2011

30th September 2011 to the 31st December 2011

FUND DETAILS

Fund: Sentinel Defensive Fund

Managing Group: Premier Asset Management

Manager: Paul Smith

PERSONNEL

1. Please detail any significant changes to the personnel involved in the management of the fund and the analysis of underlying stocks/funds. In particular, please detail the length and type of experience/qualification for any new team members.

None

2. Please give an approximation of total funds under management by the team managing the portfolio.

£ 240 m

INVESTMENT POLICY

3. Has there been any change to your investment research systems or your style of management?

No

4. What changes have you made to the Asset Allocation of the Fund?

Minor changes. Small increase in zeros and synthetic zeros.

5. What is the rationale for these changes and what impact do you expect this to have on performance?

Well covered zeros have a steady accrual which continues to help the fund achieve steady capital growth. We reduced our holdings in alternatives marginally to help reduce the downside responsiveness of the fund should the financial markets remain volatile.

6. What has been your portfolio turnover level and is this higher or lower than you would normally expect?

Normal

7. Are you confident that you have negotiated the best possible terms and have all discounts and rebates against initial charges and AMCs on underlying funds been negotiated by you and notified to Premier so that they can ensure these are received by the fund? Are you actively aiming to reduce the TER of the fund?

Yes

8. Please list any funds that where the underlying TER of the fund NET of any rebate is greater than 1.5%. (If yes please complete the additional TER slide in the IC quarterly presentation)

None (not relevant to covered zeros)

9. Please supply 1 or 2 examples of good investments decisions you have made at stock level which have contributed to your performance.

We participated in the Issue of the new Acorn Income Fund 2017 zero (see Mike Hammond's note dated 5th December) and were able to sell a small slither for an immediate 1.5% profit.

10. Please also provide an example of a poor investment and how you have dealt with this to minimise the loss to the fund.

Maintaining our Gilt Hedge over the past quarter has cost the fund some of its potential returns. The hedge is held as a strategic position to protect the fund from sharply increasing risk free rates. The hedge acts to shorten the duration of the fund, decreasing interest rate risk and adding capital protection. For this reason we will maintain the hedge as a risk control.

11. How have you managed the cash content in the portfolio with a view to maximising the return to the fund?

Any large cash weighting is managed as per Paul's management of the Premier UK Money Market Fund to enhance returns. Cash is considered an investment for this fund, limiting downside risk.

12. Are you happy with your stock selection across each sector?

Yes

13. If, not what changes are you looking to make over the next quarter and why?

n/a

14. Are there any particular factors which you feel have affected the performance or volatility of the fund?

Bank spreads continue to widen which has restrained the capital growth of structured products. Volatility remains high by historic standards (although much tighter than recent spikes) which provides attractive investment opportunities. Numerous corporate actions on zeros have helped relieve any concerns over the liquidity of short-dated holdings.