

**Scorecard through February 2010**

Please refer to index key on Page 2

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**Hedge Fund Index Facts**

Index	Feb 10	YTD	2009	2008
S&P 500 TR	3.10%	-0.61%	26.46%	-37.00%
<b>HFRX HEDGE FUND INDICIES</b>				
Global Index	0.26%	0.24%	13.40%	-23.25%
Equal Weighted Index	0.44%	0.58%	11.44%	-21.90%
Convertible Arb.	-0.50%	-0.20%	42.46%	-58.37%
Distressed	0.68%	2.09%	-5.60%	-30.69%
Equity Hedge	0.04%	-0.79%	13.14%	-25.45%
Equity Market Neutral	1.55%	1.05%	-5.56%	-1.16%
Event Driven	-0.12%	0.53%	16.59%	-22.11%
Macro	1.41%	-0.46%	-8.78%	5.61%
Merger Arb.	0.70%	1.00%	8.14%	3.69%
Relative Value Arb.	-0.22%	1.40%	38.47%	-37.60%

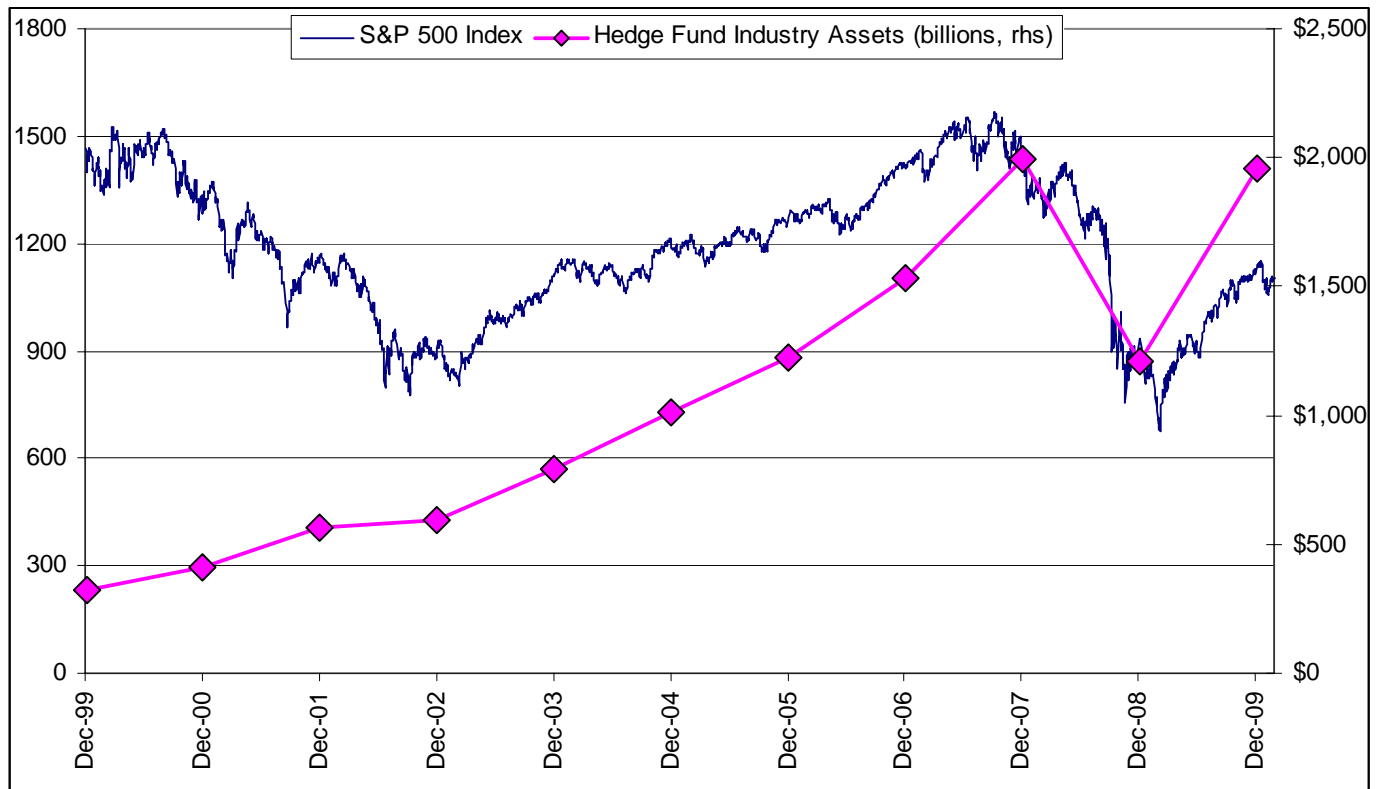
- All but one HFRXGL constituent strategy index outperformed the S&P 500 YTD through Feb 2010
- HFRX Equity Hedge demonstrated a Beta of 0.30 and R-Squared of 0.68 YTD through Feb 2010
- HFRXGL continues to demonstrate low volatility at 3.01% annualized vs. S&P 500 at 23.61%

Source: Bloomberg

Source: Bloomberg, Beta, R-Squared, and Volatility (250d) based on daily data.

**Hedge Fund Asset Recovery**

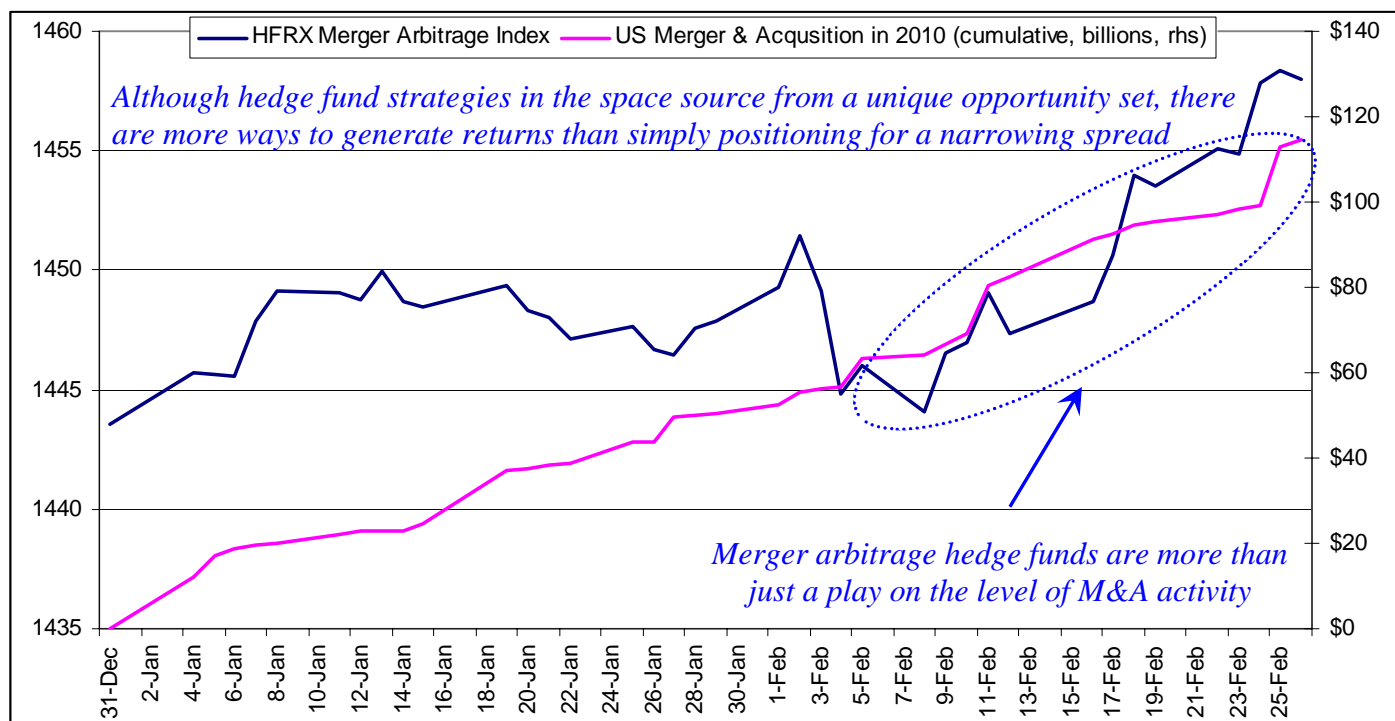
*Hennessee Group estimates that hedge fund assets have returned to a pre-crisis level of approximately \$2 trillion with record net inflows of \$448 billion*



Source: Hennessee Group LLC, Bloomberg, Pelagos Capital



**Merger Arbitrage Hedge Fund Strategies vs. Level of M&A Activity**



Source: Hedge Fund Research, MAATUS, Bloomberg, Pelagos Capital

MAATUS-M&A announced transactions, US, is the daily sum of mergers, acquisitions, divestitures, self-tenders and spinoffs announced involving either a US target or acquirer. All amounts not in US Dollars have been converted using the spot rate on announce date of the transaction. The values are based on a seven day week that begins on Saturday and ends on Friday. All daily values for Monday include activity from the previous weekend. These exclude terminated transactions.

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Index Key: Standard & Poor's 500 Index, HFRX Global Hedge Fund Index, HFRX Equal Weighted Strategies Index, HFRX Convertible Arbitrage Index, HFRX Distressed Index, HFRX Equity Hedge Index, HFRX Equity Market Neutral Index, HFRX Event Driven Index, HFRX Macro Index, HFRX Merger Arbitrage Index, HFRX Relative Value Arbitrage Index. Inclusion of indexes mentioned is for illustrative purposes only. Keep in mind that an individual can not invest directly in any index and that index performance does not include transaction costs or other fees, which will affect actual investment performance.