



Scorecard through September 2010

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Please refer to index key on Page 2

Index	Sep 10	YTD	2009	2008
S&P 500 TR	8.92%	3.89%	26.46%	-37.00%
HFRX HEDGE FUND INDEXES				
Global Index	1.71%	1.90%	13.40%	-23.25%
Equal Weighted Index	1.56%	2.41%	11.44%	-21.90%
Convertible Arb.	0.91%	6.09%	42.46%	-58.37%
Distressed	2.53%	4.50%	-5.60%	-30.69%
Equity Hedge	3.48%	1.81%	13.14%	-25.45%
Equity Market Neutral	1.78%	-0.06%	-5.56%	-1.16%
Event Driven	2.30%	2.02%	16.59%	-22.11%
Macro	-1.38%	-2.89%	-8.78%	5.61%
Merger Arb.	1.71%	2.92%	8.14%	3.69%
Relative Value Arb.	1.16%	4.77%	38.47%	-37.60%

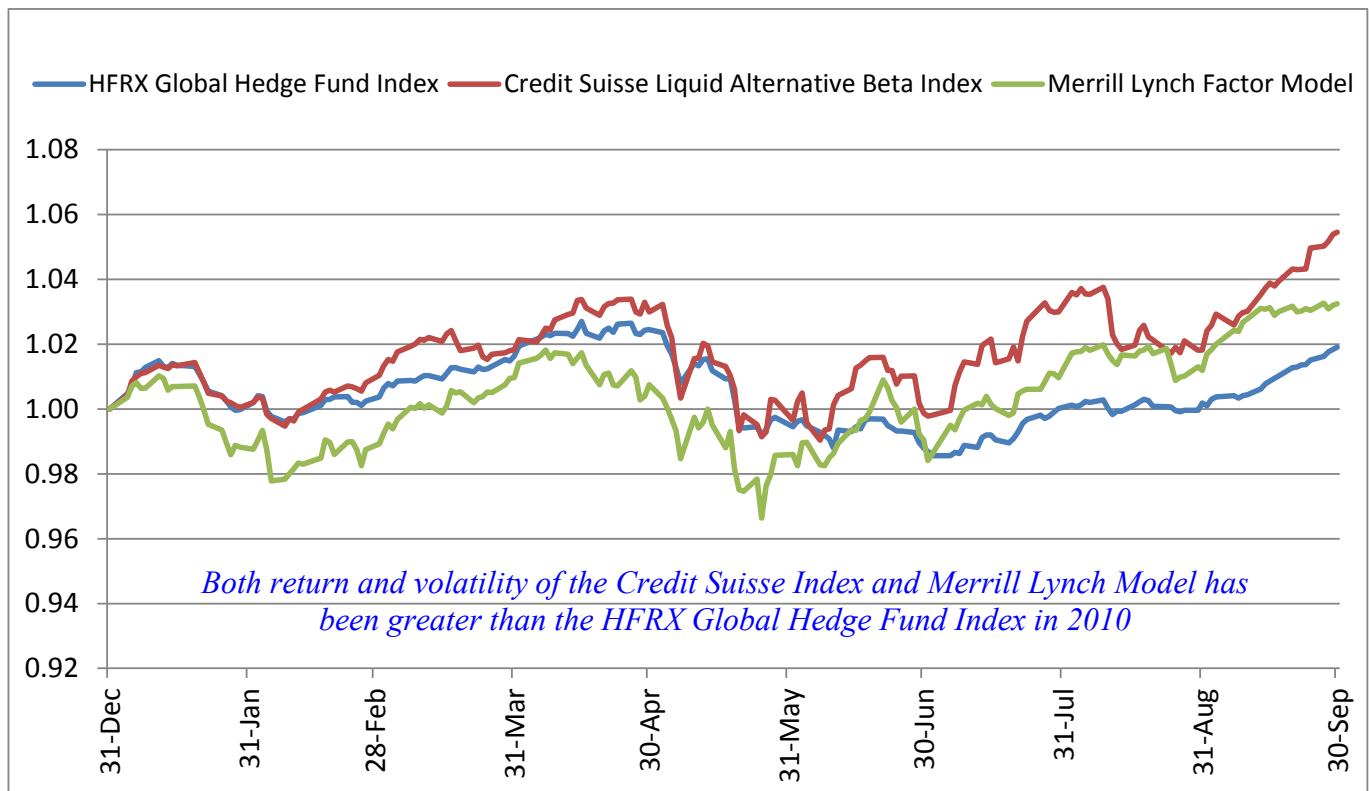
Source: Bloomberg

Commentary

- September 2010 delivered strong equity market returns and delivered the S&P 500 into positive territory for the year
- The HFRX Global Hedge Fund Index historical volatility in 2010 stood at 3.1% at the end of September vs. S&P 500 volatility at 20.1%
- Equity Hedge and Distressed hedge fund indexes led HFRX constituents in September whereas Macro continued to stray

Source: Bloomberg, volatility based on daily returns

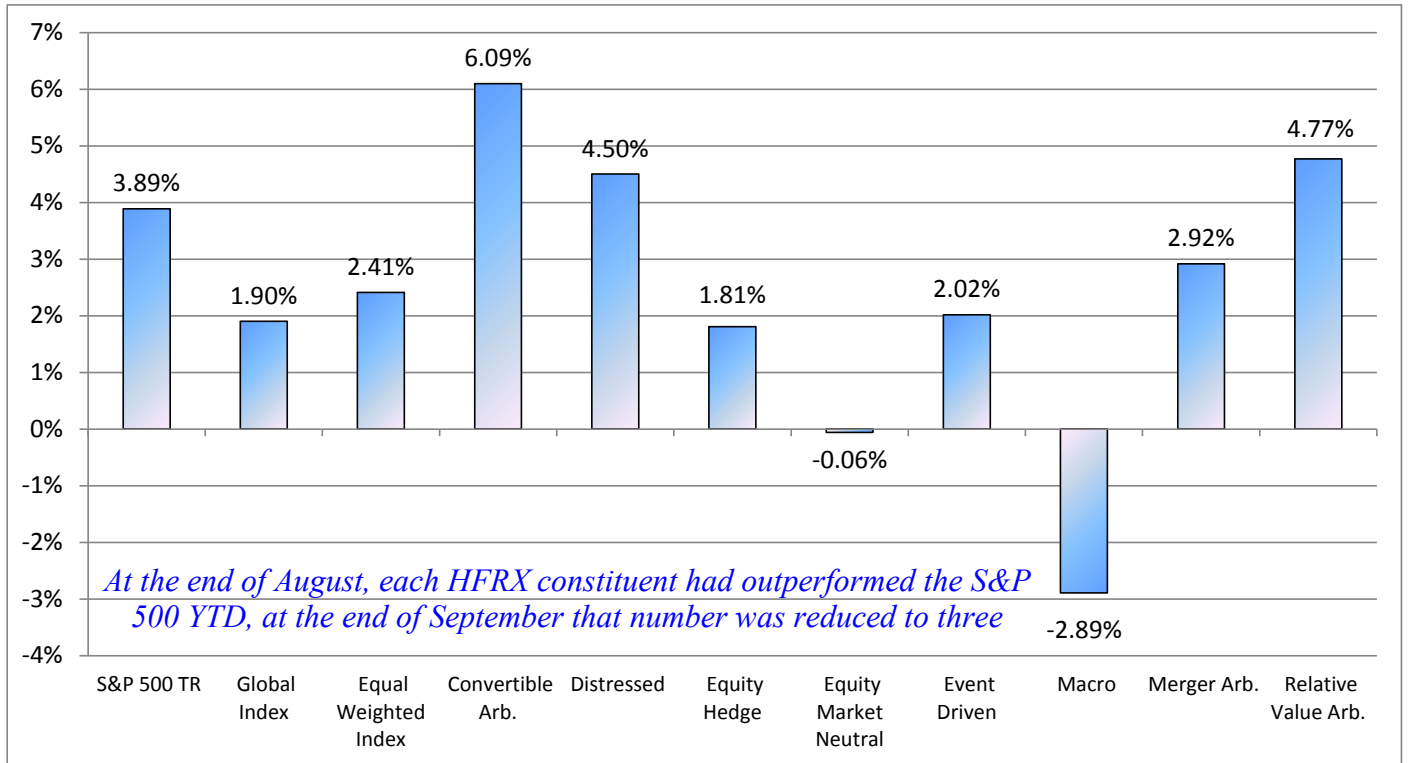
Examining Alternative Beta Year to Date (through September 2010, performance benchmarked to 1.00 on 12/31/09)



Source: Pelagos Capital, Bloomberg, volatility calculations are based on daily data and annualized. The Credit Suisse Liquid Alternative Beta Index reflects the return of a dynamic basket of liquid, investable market factors selected and weighted in accordance with an algorithm that aims to approximate the aggregate returns of the diversified universe of hedge fund managers as represented by the Credit Suisse/Tremont Hedge Fund Index. The index is valued daily and is constructed using objective and transparent rules-based methodology. The Merrill Lynch Factor Model is designed to provide a high correlation to "hedge fund beta," the portion of hedge fund returns which can be explained by exposure to certain market measures, ad not individual manager skill.



**S&P 500 and HFRX Hedge Fund Indexes Year to Date Performance
(through September 2010)**



Source: Bloomberg, Pelagos Capital

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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.