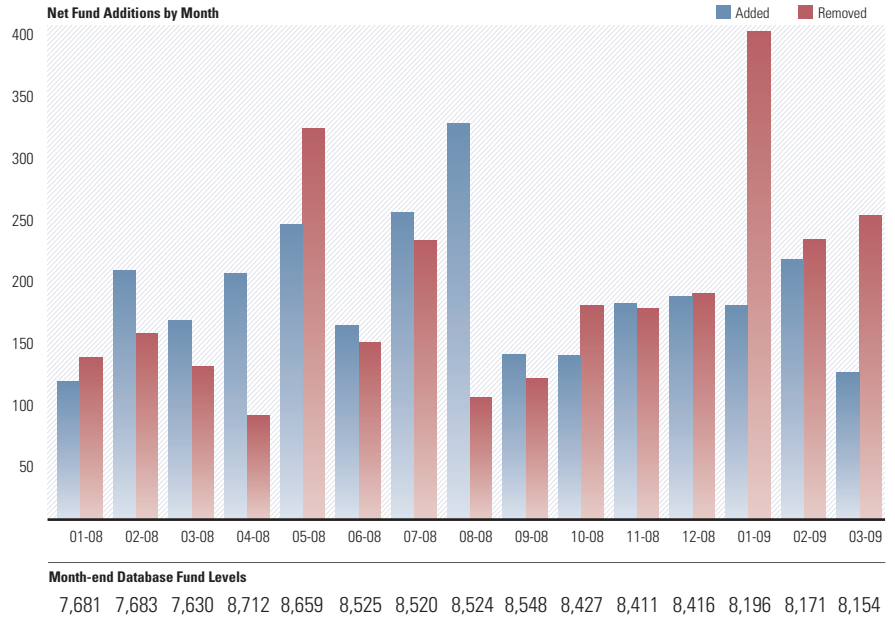


Morningstar Hedge Fund Database Overview as of 05-31-09

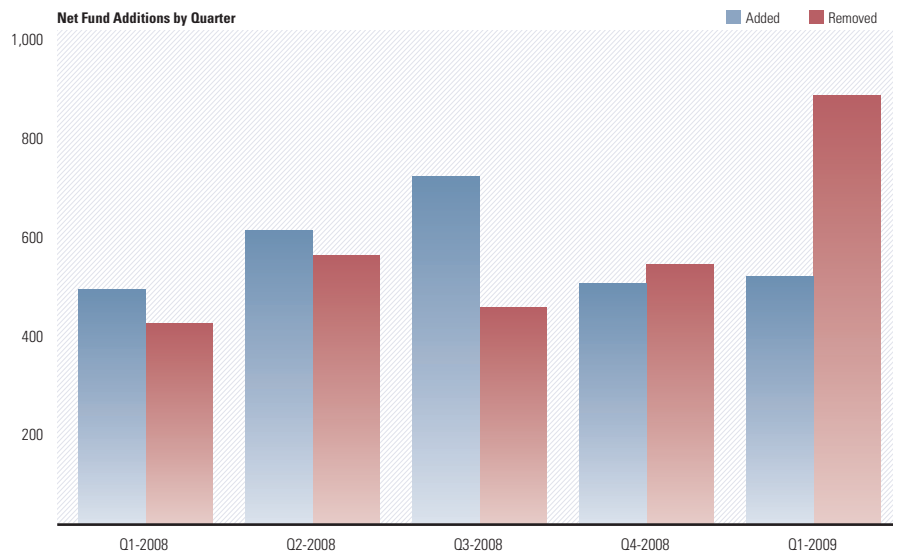
Net Fund Additions by Month

A record number of funds dropped out of Morningstar’s database in January 2009 (395). Funds drop out because they do not want to advertise their performance or because they have liquidated. The first quarter of 2009 saw a net 365 funds removed from the database, while the database lost a net 38 funds in the fourth quarter of 2008. Prior to that, the database experienced net additions, especially in the third quarter of 2008, when the database increased by 265 funds.



Quarterly Additions/Withdrawals

The total number of funds in Morningstar’s database has dropped 6.4% since April 2008, from 8,712 to 8,154. These figures include both single-manager hedge funds and hedge funds of funds. The big jump in number of funds between March and April 2008 reflects Morningstar’s acquisition of hedge funds tracked by Standard & Poor’s.

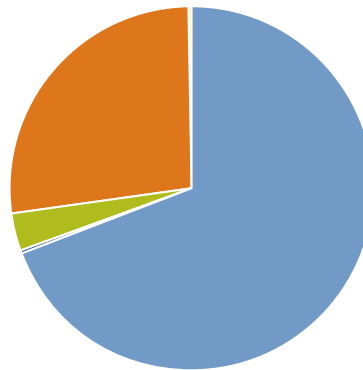


Morningstar Hedge Fund Database Overview as of 05-31-09

Hedge Funds by Region

Most hedge funds advisors in Morningstar’s database are located in North America or the Caribbean, because many U.S. hedge funds follow a master-feeder structure whereby an offshore feeder is set up for U.S. tax-exempt institutions to retain their tax status. In Europe, many hedge funds are located in Luxembourg, which provides tax-haven status similar to Caribbean jurisdictions. In Asia, the majority of hedge funds in the database are located in China.

Morningstar Hedge Fund Database by Region



Region	# Funds	%
North America/Caribbean	5,621	69.24
Africa	18	0.22
Asia/Australia	282	3.47
Europe	2,185	26.92
South America	12	0.15
Total	8,118	100.00

Hedge Funds by Location

The Cayman Islands houses a large number of hedge funds, more than in the United States. The Cayman Islands Monetary Authority actually requires registration of hedge funds, as long as there are more than 15 investors, and the mandatory filing of certain statistics, such as assets under management, investment strategy, and holdings by asset class.

North America & Surrounding	5,621	Europe	2,185
Cayman Islands	2,231	Luxembourg	712
British Virgin Islands	728	France	256
Canada	189	Switzerland	176
Netherlands Antilles	55	Sweden	89
Belize	1	Spain	45
United States	1,816	Liechtenstein	36
Bermuda	512	Finland	23
Bahamas	82	Germany	21
St. Vincent & the Grenadines	6	Denmark	11
Barbados	1	Cyprus	6
Africa	18	Norway	4
Mauritius	12	Andorra	2
South Africa	2	Ireland	270
Swaziland	3	Guernsey	210
Botswana	1	Italy	110
Asia & Australia	282	Jersey	88
China	200	Netherlands	44
Hong Kong	5	Isle of Man	28
Malaysia	2	United Kingdom	23
Marshall Islands	1	Austria	14
Australia	67	Malta	9
Singapore	4	Belgium	4
Bahrain	2	Portugal	2
Samoa	1	Gibraltar	2
		South America	12
		Brazil	12

Morningstar Hedge Fund Database Overview as of 05-31-09

Service Providers

Morgan Stanley, Goldman Sachs, and now J.P. Morgan (which took over Bear Stearns) are used by 36% of Morningstar's database for prime brokerage services. The big four accounting firms are used by 58% of the database. The market for legal counsel and administrator appears to be more competitive.

Type	Rank	Service Provider	% of Database
Prime Broker	1	Morgan Stanley & Co. International Ltd	17.66
	2	Goldman Sachs	11.52
	3	Bear Stearns Prime Brokerage	6.72
	4	UBS Financial Services Inc	5.74
	5	Banc of America Securities LLC	5.66
	6	Deutsche Bank AG	2.70
	7	Merrill Lynch	2.42
	8	GUOSEN SECURITIES CO., LTD.	1.97
	10	Man Financial	1.39
	Auditor	1	PricewaterhouseCoopers
2		Ernst & Young LLP	14.33
3		KPMG	14.13
4		Deloitte	11.59
5		Rothstein, Kass & Company, P.C.	4.75
7		Grant Thornton LLP	2.72
8		PricewaterhouseCoopers SA	1.46
Administrator		1	Citco Fund Services Ltd
	2	China Resources SZITIC Trust Co., Ltd	1.88
	3	BNY Fund Management	1.86
	4	Northern Trust International	1.51
	5	Bank of Bermuda	1.42
	7	Bisys Hedge Fund Services	1.34
	8	Fortis Fund Services	1.27
	9	SEI Investments	1.22
	10	Pnc Global Investing Services	1.15
	Legal Counsel	1	Seward & Kissel LLP
2		Walkers	6.00
3		Schulte Roth & Zabel LLP	4.45
4		Simmons & Simmons	4.07
5		Maples and Calder	3.96
6		Sidley Austin LLP	3.31
7		Conyers Dill & Pearman	2.80
8		Dechert LLP.	2.28
9		Elvinger, Hoss & Prussen	2.20
10		Akin Gump Strauss Hauer & Feld LLP	2.12

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