

ALPHA STRATEGIES
FOR INSTITUTIONAL INVESTORS



HEDGE

FUND RESEARCH & ADVISORY



PARIS NEW YORK

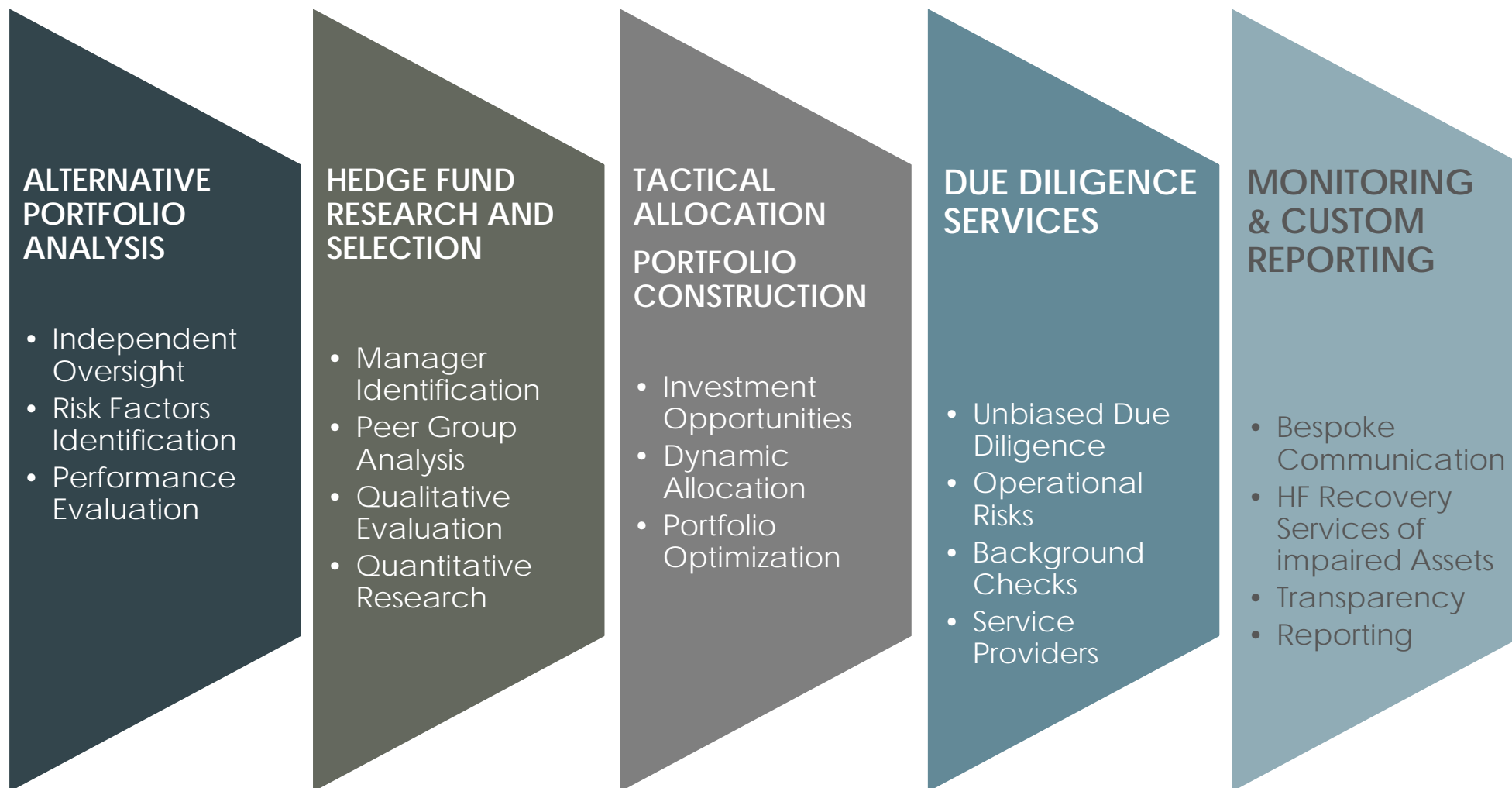
January 2010

Confidential Presentation
Approved only for one-on-one presentation to Qualified Investors

Darius Overview

- Darius Capital offers customized alternative investments solutions to Institutional Investors, including advisory, construction, risk analysis, monitoring of new or existing portfolios
- Darius Capital was founded in 2004, with offices in Paris and New York
- A dedicated expertise to all aspects of Hedge Fund investing
- A flexible and dedicated team of specialists at optimal cost to Investors
- With 11 professionals, the team brings significant expertise to the table, offering a combined 110 years of experience in Capital Markets and Investment Management
- Advanced tools and databases
- Confidentiality, independence, transparency and representation of our clients' interests
- A demonstrable track-record of customized hedge fund portfolios
- Darius Capital Partners is :
 - A SEC Registered Investment Adviser
 - A Registered Investment Adviser in France (CNCIF – approved by the AMF)

The Darius Services – a disciplined and comprehensive Process



The Darius Services – a unique Coverage of the Hedge Fund Industry



RISK ANALYSIS AND EVALUATION OF EXISTING PORTFOLIOS

MANAGER RESEARCH AND SELECTION

INVESTMENT AND OPERATIONAL DUE DILIGENCE

BESPOKE PORTFOLIO CONSTRUCTION

MANAGED ACCOUNT PLATFORMS ADVISORY

CUSTOM REPORTING AND MONITORING

HEDGE FUND RECOVERY SERVICES

The Darius Services – Portfolio Analysis & Construction

ALTERNATIVE
PORTFOLIO
ANALYSIS

TACTICAL
ALLOCATION

PORTFOLIO
CONSTRUCTION

- **INDEPENDENCE**

We bring an unbiased perspective on (funds of) hedge funds investments: we only build customized portfolios to ensure alignment with the investment objectives and liquidity constraints

- **TOP-DOWN INPUTS**

We are experienced capital markets professionals. Our top-down Portfolio modeling allows for themes and style tilts in light of the macro-outlook and our assessment of relative hedge fund opportunities

- **DYNAMIC APPROACH**

We are cognizant of investment cycles. In order to maintain risk-adjusted returns in line with the stated investment objectives, we favour liquid and transparent underlyings allowing for dynamic rebalancing

The Darius Services – Manager Selection



HEDGE FUND RESEARCH AND SELECTION

- **EFFICIENT SOURCING**

Our sourcing mechanism draws on our extensive network, our capital markets experience and on our in-depth understanding of the alternative strategies

- **STRATEGY AND PEOPLE**

Within each sub-strategy we select a set of best-in-class managers for possible inclusion in our bespoke Portfolios

- **EXPERIENCE**

Our qualitative research identifies a manager's edge, capacity and growth prospects, investment methodology, expertise and team quality, liquidity factors and valuation issues

- **TOOLS**

Our quantitative systems isolate factor sensitivities, alpha generation, peer group positioning, style drifts, extreme risks

The Darius Services – Due Diligence



DUE DILIGENCE SERVICES

- **RECOGNIZED EDGE**

Our selection process ensures that we are fully familiar and confident with a manager's investment style and infrastructure : operational and investment procedures are thoroughly evaluated

- **REACH AND CONFIDENTIALITY**

We scrutinize both funds of hedge funds and single managers. Our reports are often customized to the specific needs and requirements of our investors. They remain confidential and for our clients' proprietary use

- **DOCUMENTED PROCESS**

We conduct on-site visits, we look at the organizational structure, the pricing policies, the execution process, and we review regulatory compliance, offering documents and side letters

- **VERIFICATIONS**

Background checks are part of our standard routine. We verify credentials and references, professional licenses, litigations and regulatory sanctions. We reconcile assets and performances with prime brokers and administrators

Manager Selection & Due Diligence – Global References


Due Diligences cover Quantitative, Qualitative and Operational aspects and provide a standardised framework that facilitates fund comparison and investment decisions.

We conduct on-site visits, look at the organizational structure, pricing policies, execution process and review all regulatory, compliance and offering documents and side letters.

Darius Capital delivers a concise, comprehensive and objective report reviewing the fund's:

- Investment Strategy and Process
- Firm Business Plan
- Management Team
- Risk Management Practices
- Operational Set-Up
- Performance Analysis

Darius Capital is the sole external Hedge Fund consultant to Deutsche Bank's X-Markets Platform and BNP Paribas' FundQuest external Fund-of-Funds Platform.



Due Diligence
Trading Advisor Name

7. DUE DILIGENCE CHECKS

Onsite visit and contact with key personnel:				
Onsite visit within the last 12 months				
Met / Spoken with the Fund Manager(s)				
Met / Spoken with the Risk manager				
Met / Spoken with the Head of Operations/Finance				
Met / Spoken with the Compliance Officer				
Review of Fund Documentation:				
Offering memorandum / Prospectus				
Due Diligence Questionnaire				
Recent Newsletters				
Marketing material				
Check that there is adequate information in Fund Documentation on:				
Risk management processes and structure				
Strategy				
Staff turn-over				
CVs and Biographies (see below for third party checks)				
Fund, Company and fee structure				
Compliance functions				
Organisational charts				
Checked that all marketing materials are consistent with the Benchmark Fund offering documents				
Third Party Checks:				
Audited financial statements for Benchmark Fund				
Verified the NAVs by contacting the Administrator				
Verified the AUM by contacting the broker, custodian or administrator				
Contacted and/or reviewed the Benchmark Fund's other service providers including Auditors, Custodian and Prime Brokers				

	Regulators	Subscriptions Database	General Search	Industry Contacts

(See Notes on Due Diligence Checks on the last page)

Due Diligence dbx Fund Name

9

Risk Management

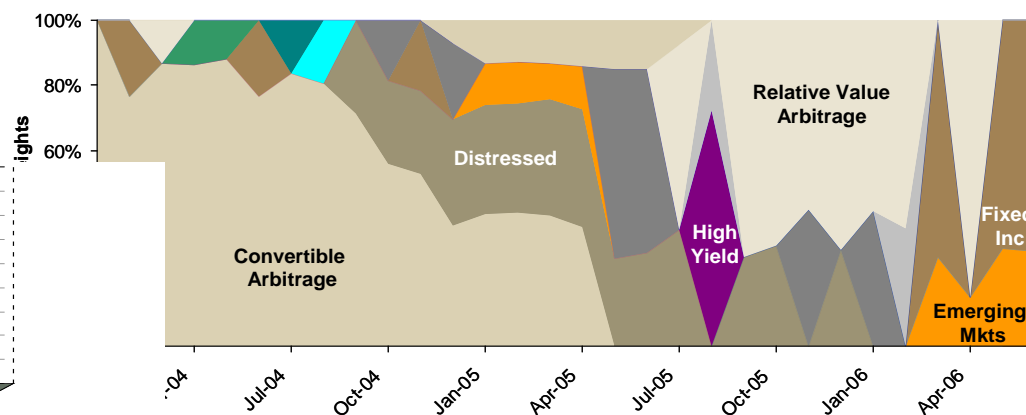
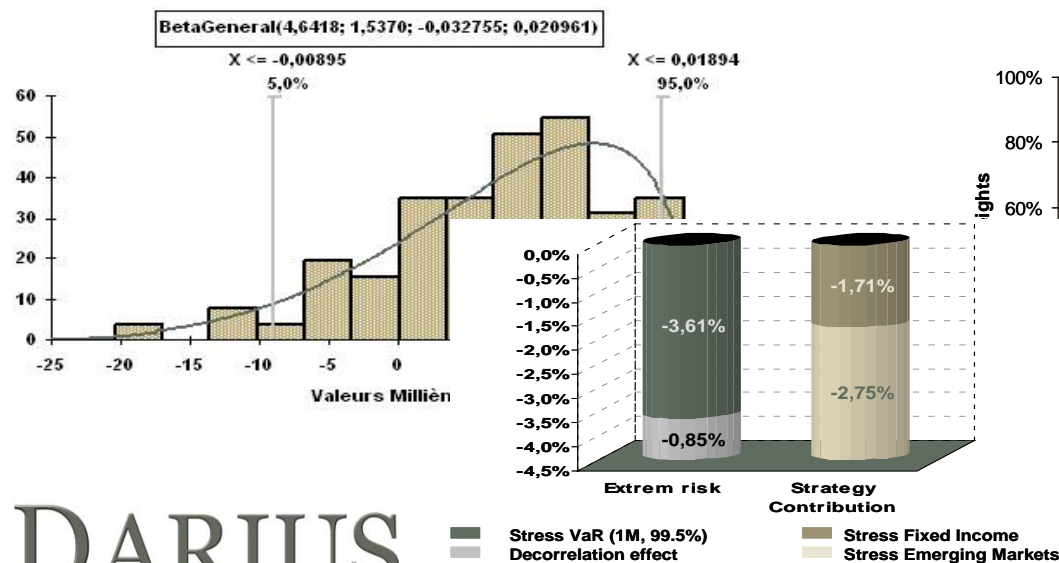
Our rigorous risk management process applies every step of the way



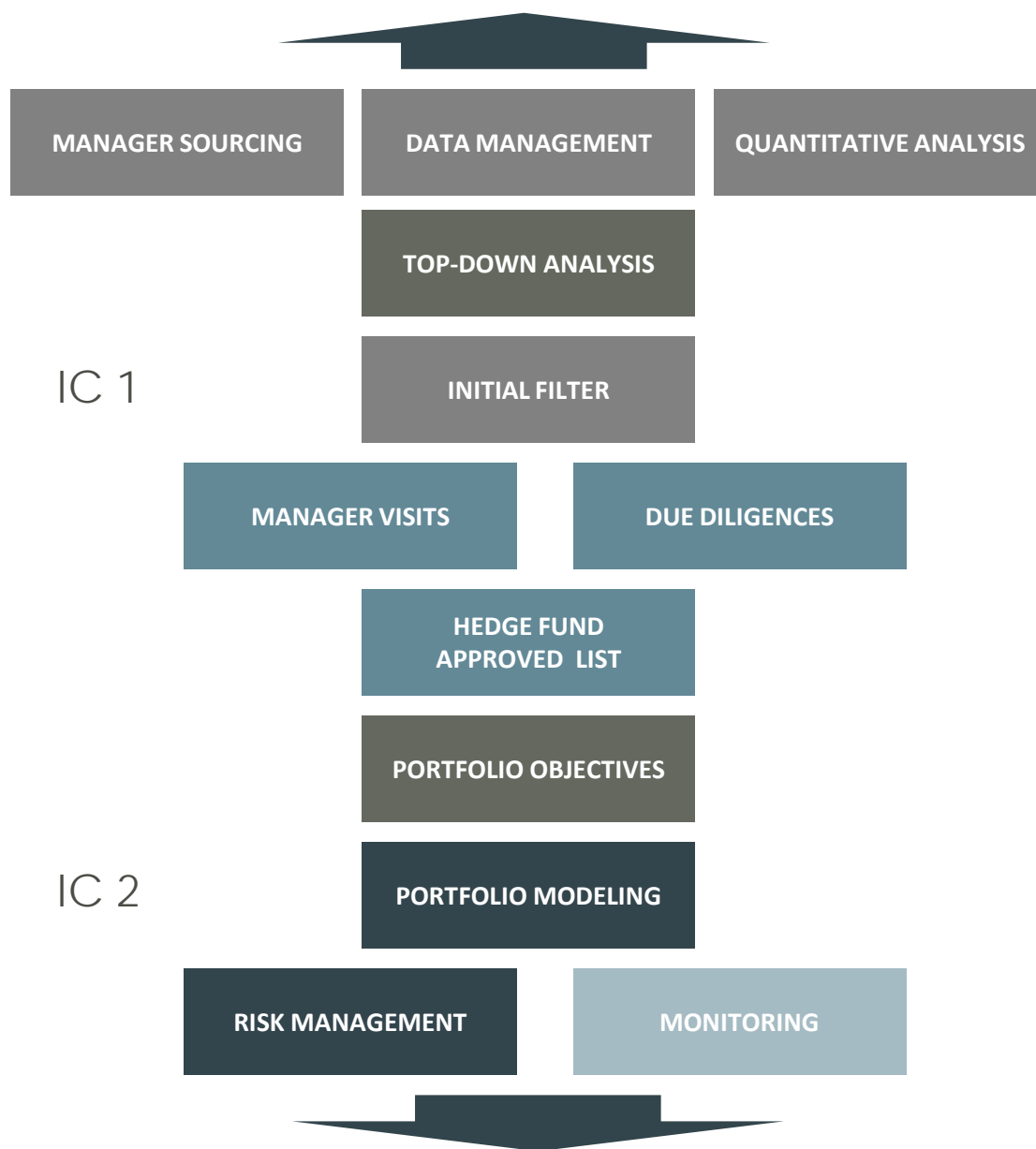
Correlations, Risk Factors, Efficient Frontiers, Diversification, Returns and Volatility Decomposition, Scenarios and Stress Tests, Performance Drivers

Style Analysis, Peer Group Analysis, Value-at-Risk Analysis, Multi-Factor Alphas, Alpha-Beta Separation, Monte Carlo Simulations, Higher Moments

Early detection of Style Drifts, Exposure Monitoring, Dialogue with Managers, Attribution Analysis, Consistency with Peers, Periodic on-site Reviews



The Darius Research and Investment Process



Our Process is disciplined and thorough, combining quantitative and qualitative insights, top-down inputs and a rigorous bottom-up selection mechanism.

An important differentiating factor in our Process is the constant

CROSS-FEEDING OF INFORMATION

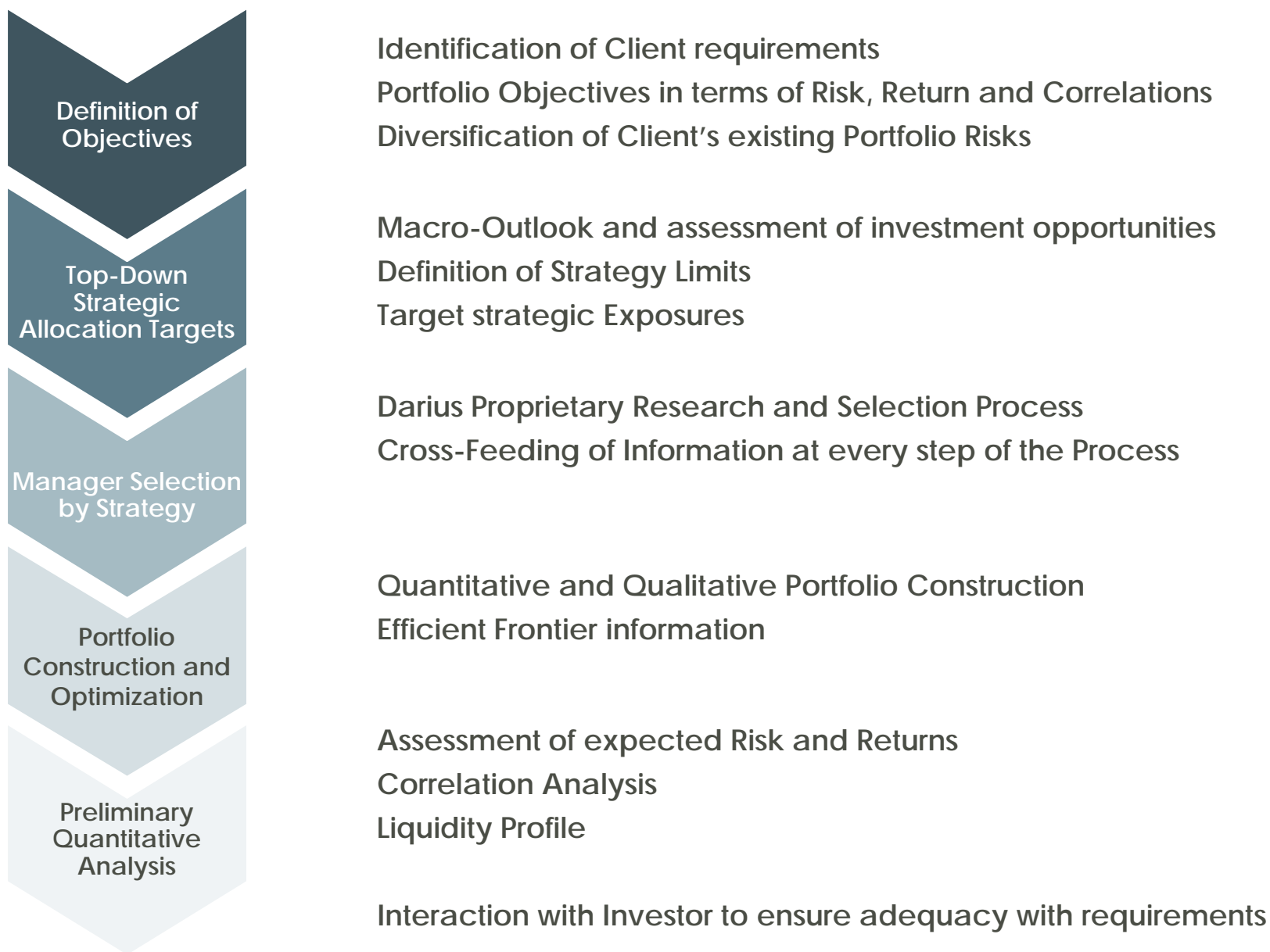
between the various steps: we are rigorous but at the same time flexible to allow constant evaluation of our decisions.

Our bi-monthly Investment Committees (IC) will ensure that our Process is exhaustive :

IC1 – Manager Review and Selection

IC2 – Portfolio Construction and Monitoring

The Portfolio Building Process – Client-specific Approach



The Darius Team & Systems

Tools and Expertise

Reza Ghodsi, President & Managing Partner

15 years experiences in Investment Banking, 10 years at Lehman Brothers in Paris. Reza has worked extensively on portfolio diversification opportunities and strategic allocation for institutional investors (Structured credits, CDOs, Alternative Funds of Funds and Private Equity). Masters degree in Finance from Panthéon-Sorbonne University

Mathieu Klein, CEO & Managing Partner

23 years experience in Investment Banking at Lehman Brothers (Paris, Tokyo), CCF, CSFB Securities, JP Morgan. Head of Govt & Credit Trading. Founder of Trade Europa, a quantitative decision-support software company. Masters degree in Business Management, Solvay Business School, Brussels

Benoît Migeot, COO, Partner

23 years experiences in Financial Markets with Lehman Brothers, Drexel Burnham, REFCO. Board member of Lehman Banque, Paris. Head of Listed Derivatives and Forex. Masters degree in Management, ESC Lille

Christophe Lalo, Sales and Marketing, Managing Director

22 years experiences in Financial Markets and alternative investments. Held various senior positions with Drexel, PaineWebber, Smith Barney, Lehman Brothers and Deutsche Bank. Prior to joining in December 2009, Christophe was a managing director with SGAM Alternative investments in Hong Kong. Graduated from French business school, ISG, Paris.

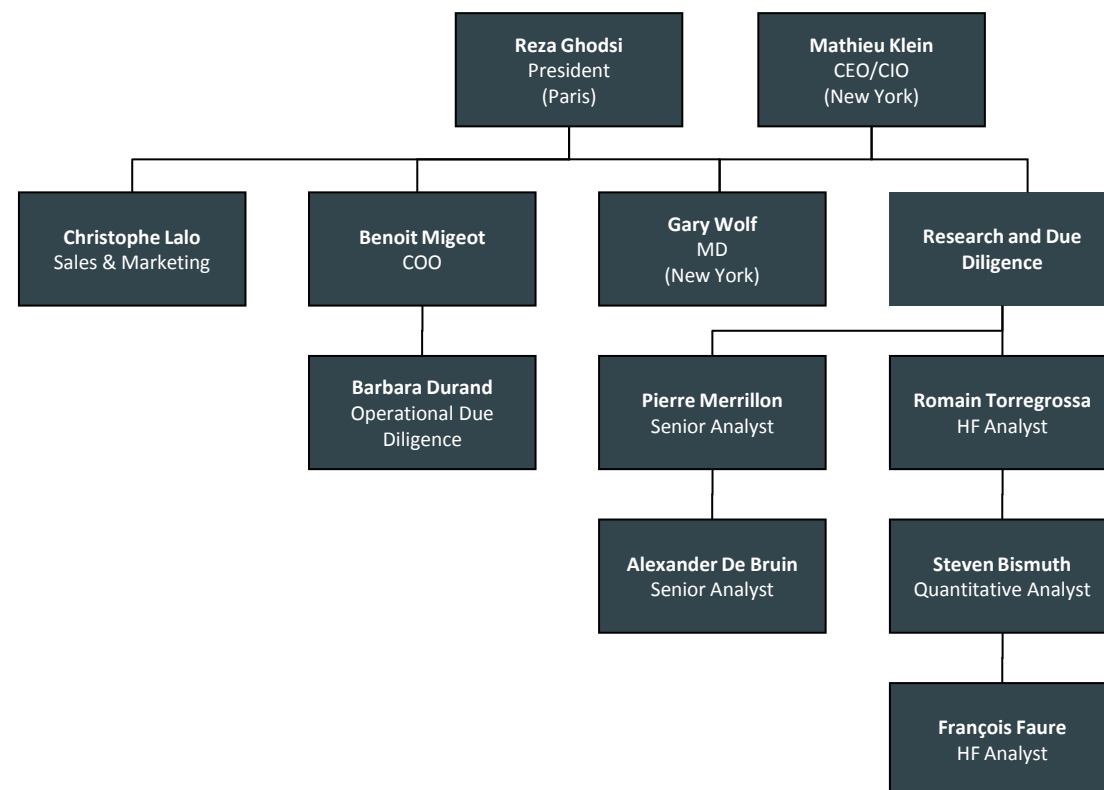
Pierre Mérillon, Senior Analyst

11 years experience in Financial Markets, joined Darius in 2005 Merrill Lynch, Deutsche Bank. Structured Products specialist, Fixed Income and Credit Derivatives. Master's degree in Statistic and Economy - ENSAE

Alexander De Bruin, Senior Analyst

12 years experience in trading convertible, capital structure, merger, event driven and distressed strategies, including Partner and head trader at Radcliffe Capital Management and Binary Trader. M.B.A. and B.A., Bentley College

With a CIO and five analysts between New York and Paris, we are heavily geared towards research and due diligence.



Advanced Systems & Tools

Packhedge TM

PerTrac Analytical Platform

ProTrak Advantage TM

HFOptimizer

Bloomberg Professional [®]

@Risk [®]

Darius Representative Institutional Client List and Services

- Bespoke Portfolio Construction
- Portfolio Risk Analysis and Monitoring
- Fund of Hedge Fund Platform Advisory
- Managed Account Platform Advisory
- Hedge Fund Recovery Services

GDF SUEZ

Posteitaliane



ASSET MANAGEMENT BY
LYXOR



A Passion to Perform.

Deutsche Bank



Contact Information

DARIUS CAPITAL PARTNERS

NEW YORK

666 Fifth Avenue, 15th Fl.
New York, NY 10103
Gary L. Wolf
(212) 993 6201
gwolf@dariuscapital.com

PARIS

24 avenue Hoche
75008 Paris, France
Reza Ghodsi
+331 42 56 80 80
rghodsi@dariuscapital.com

Disclaimer

This presentation is for informational and illustration purposes only and should not be interpreted as a solicitation or an offer to buy or sell securities. Such sales or offers may be made only through private placement memoranda of which the present document is not a part. This presentation is furnished on a confidential basis only for the use of the intended recipient, and only for discussion purposes, may be amended and/or supplemented without notice and may not be relied upon for the purposes of entering into any transaction. Any investment in products or securities mentioned in this document are speculative and involve a risk of loss of principal and are appropriate only for certain experienced and sophisticated investors. Any information relating to past performance of any of the products mentioned should not be construed as an indication of future results. Certain information provided herein is obtained from sources, including publicly and privately available information, that Darius Capital Partners considers to be accurate; however Darius Capital Partners makes no representation as to, and accepts no responsibility or liability whatsoever for, the accuracy, completeness or fairness of the information included in this document. Information is as of the date(s) indicated and is subject to change.

This material and its contents are proprietary information of Darius Capital Partners and may not be reproduced or otherwise disseminated in whole or in part without prior written consent.