



- 1) Is the rest of the money valued properly? What is the condition of the rest of the portfolio?
 - We believe that our portfolio is valued properly. We believe this because, other than Palm Beach and Lancelot, all funds are producing monthly Net Asset Values (NAVs). These NAVs are subject to their valuation procedures and audit review. That being said, for the more illiquid holdings within certain managers, valuation is still somewhat subjective and sensitive to market conditions. Our due diligence process includes high level assessments of the underlying managers' valuation procedures but does not validate month-end market to market. Any valuation changes that impact NAV would be addressed within the month the underlying funds reports it and would be accounted for in your monthly statements.
- 2) What is the Sept estimate excluding the fraudulent funds?
 - Roughly -3.5%
- 3) State total of assets exposed to the trade including leverage. Present AUM vs % of leverage
 - The fund has roughly \$82 mm in assets, \$59 mm in equity and \$23 mm in leverage (financing from KBC bank). As described in the past, the investments are in 25 different funds, all of which are being redeemed.
- 4) How much of the fund's assets are in the Petters fraud?
 - Roughly 30% of equity (in other words, including leverage).
- 5) When will money be returned to investors?
 - It is very difficult to determine when investor capital will be returned due to some investment managers holding positions that are illiquid. Much depends on the underlying economy and how quickly the credit markets unlock. Our best estimate, given this uncertainty, is that the credit facility will be paid off in the first quarter and that the fund will start to repay capital mid-year 2009. See notes below.
- 6) What legal action are we taking?
 - The fund is exploring all options including joining other investor suits now forming.
- 7) What were the exact DD steps taken during the L and PB process? What did you miss in that process, and why?
 - We have an extensive and detailed due diligence process that we follow for all of our investments. Most if not all of the questions that have been asked by investors since the issues arose are questions we asked during the due diligence process. Unfortunately it appears that we, along with the underlying funds and a significant number of very sophisticated fund of funds were victims of a very deep and extensive fraud.

- 8) What were the assumptions that your firm (and others) were making about the structure of these transactions that gave you the confidence a higher level of due diligence on your part was not necessary. For example, how did you forensically reconcile WHY Lancelot and Palm Beach were able to make 12-14% net to their investors after fees? How would a legitimate trade have produced those kinds of returns in a low interest rate environment? What were your assumptions?
- Without going into excessive detail, the short-term nature of the underlying financing transaction, the confidential nature of the arrangement, and the flexibility and speed with which the transactions could be arranged all supported the rate charged in the transaction in our (and many investor's) view.
- 9) How will monthly NAV be calculated?
- PB and Lancelot have suspended their NAVs temporarily and we will be marking it at the 8-31 NAV until we have enough information to accurately determine new NAV
- 10) What is your "current" perception in terms of whether there may be net assets in the Petters empire that could be available to partners?
- We believe there are material assets to go after. The exact extent and availability of those assets are unknown at this time.
- 11) Why weren't all the Petters funds redeemed earlier?
- Since the beginning of the year, more than half of the Lancelot and Palm Beach exposures have been redeemed as part of the liquidation plan. That plan included an orderly and efficient liquation of all holdings based on a number of factors including early redemption fees, locks that existed on holdings, repayment of the leverage facility, and optimizing the returns for investors as best as we could determine
- 12) Were there any other major institutional investors caught up in the Petters deal or was it just you?
- Yes there were a number of very large and sophisticated investors and fund of funds that were caught up in the Petters situation. Our fund's positions represent a small portion of the investors.
- 13) How can you assure us of your best efforts going forward until as much of our money as possible is returned to us as soon as possible?
- We are working diligently to get as much money back for investors as quickly as possible. We intend to remain aggressive advocates for our investors throughout the liquidation process.

Sincerely,

Neal Greenberg
Agile Group LLC

Notes:

The information above should be read in conjunction with the following:

All figures are estimated and unaudited. Net results reflect the net realized and unrealized returns to a limited partner after deduction of all operational expenses (including brokerage commissions), management fees, etc. Actual returns will vary from one limited partner to the next in accordance with the terms of the fund's limited partnership agreement. Past performance is not indicative of future results and investors risk loss of their entire investment

The information provided above is based upon our current knowledge of the underlying invested funds' ability to meet the redemptions the Fund that have been placed. In the current environment, there are a number of variables (including underlying fund liquidity, paying down the leverage facility first, and the prevailing marketing conditions) which may affect the liquidity of both the underlying funds, and the Fund, and all the above information is subject to change without notice.

The estimates above is based on a specific schedule of liquidation of the underlying assets, which is subject to change at any given time, based on a number of variables (underlying fund liquidity, paying down the leverage facility first, new due diligence gathered on underlying funds).

A reasonable amount of cash is required to be maintained in the Fund's accounts to pay for leverage and other costs (the cash amount to be maintained is expected to be a minor percentage of the Fund's assets unless exceptional circumstances require otherwise).

The timeline for the return of capital to LPs is only an estimate. Where conditions reasonably permit, the Fund will seek to return capital to Investors more expediently than as set forth above – although, equally, it cannot be guaranteed that capital will be returned sooner than, or in accordance with, the estimated timeline.