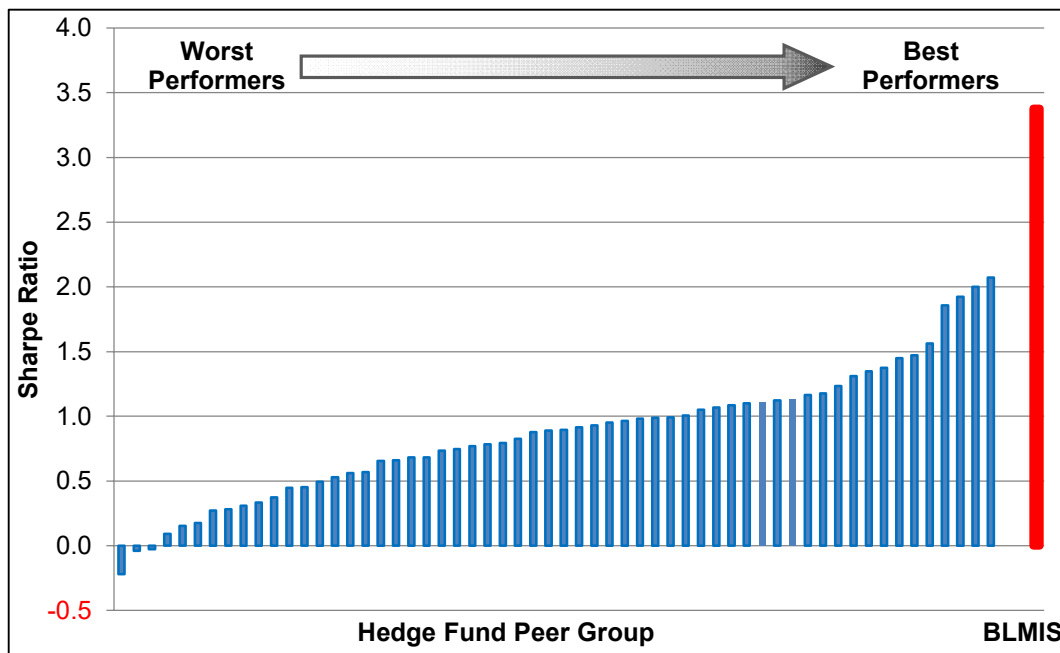


## **Appendix VI: Hedge Fund Peer Group Schedules**

**Schedule 10: 10-Year Sharpe Ratio (Jan 1991 – Dec 2000)**

**BLMIS's Sharpe Ratio far exceeds the Sharpe Ratios of any other Hedge Fund Peer Group for the period 1991-2000**

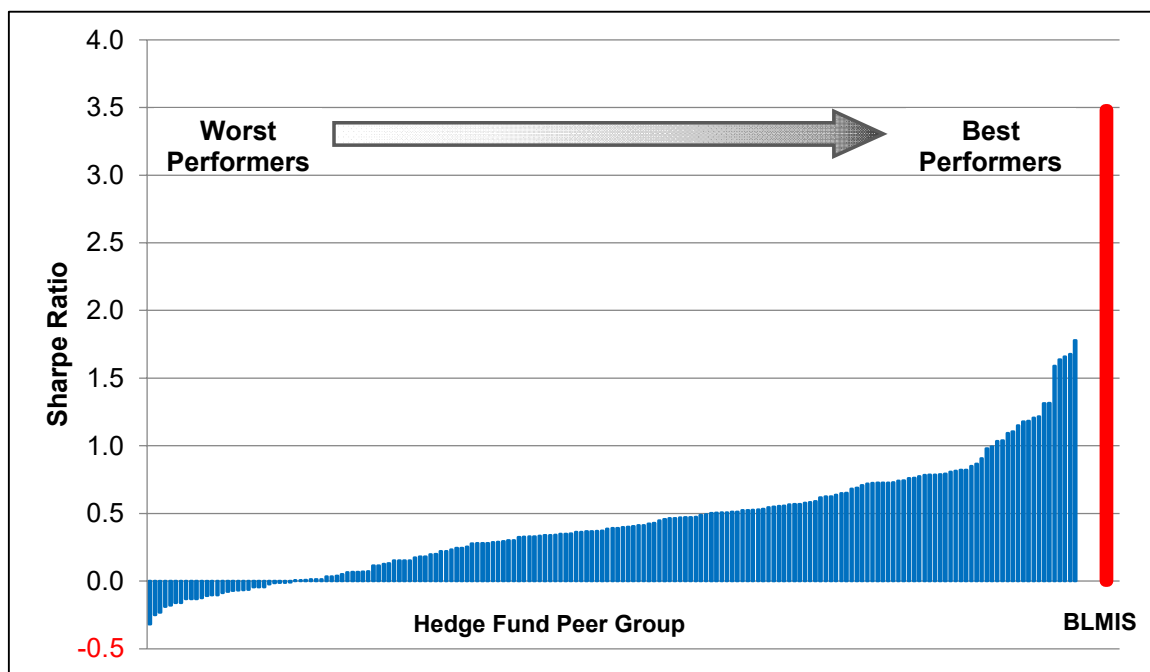


**Hedge Fund Peer Group v. BLMIS 10-Year Sharpe Ratio**  
**(January 1991 – December 2000)**

- This chart shows the Sharpe Ratio for January 1991 through December 2000 for BLMIS and every fund in the Hedge Fund Peer Group sorted from lowest to highest.
- The Sharpe Ratio measures the amount of return per unit of risk. It is calculated as the mean return less a risk-free return, divided by the standard deviation of the returns. A *higher* Sharpe Ratio indicates that the investment is generating *more* return for *less* risk. Sharpe Ratio is a common statistic used to compare performance between two or more funds.
- The Hedge Fund Peer Group was selected from BarclayHedge database, a leading database used by investment professionals for purposes of analyzing hedge fund performance. I used hedge funds classified by BarclayHedge as: (i) equity market neutral; (ii) equity long/short; and (iii) equity long-bias.
- 1991-2000 is the first 10-year period in the dataset with at least 30 funds. The peer group for this period includes 58 funds.
- BLMIS returns reflect (i) returns from the October 1999 Estenne Study through January 1999 and (ii) Square One BLMIS Account returns thereafter. As discussed in Section VI, the Square One BLMIS Account started in February 1999; I have supplemented these returns with BLMIS returns shown in the October 1999 Estenne Study, which dates back to January 1991.

**Schedule 11: 10-Year Sharpe Ratio (Jan 1999 – Nov 2008)**

**BLMIS's Sharpe Ratio far exceeds the Sharpe Ratios of any other Hedge Fund Peer Group for the period 1999-2008**

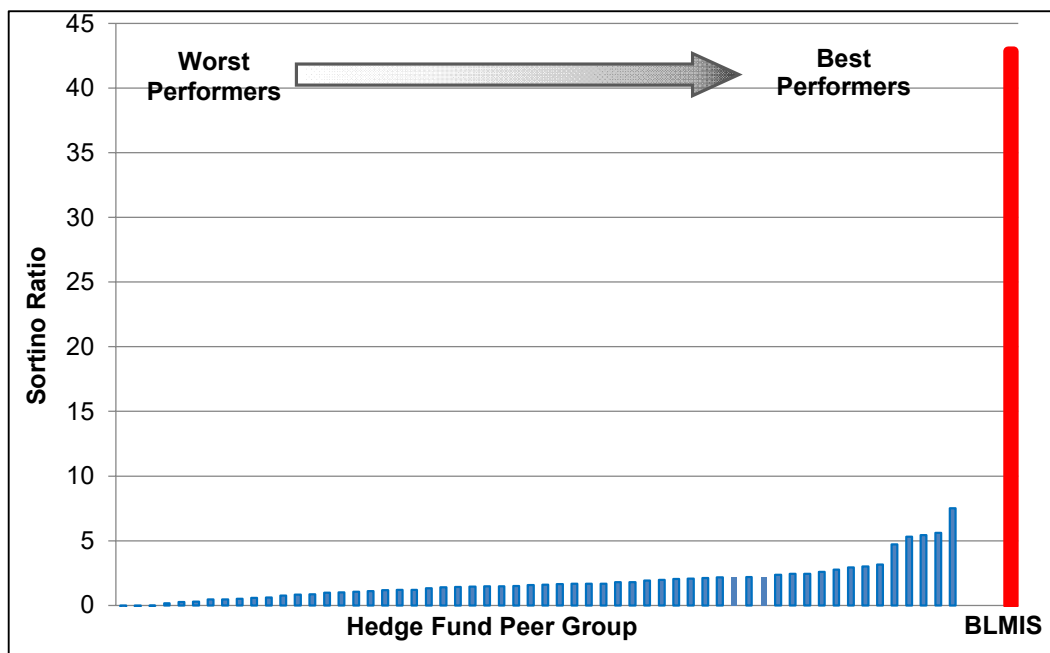


**Hedge Fund Peer Group v. BLMIS 10-Year Sharpe Ratio**  
**(January 1999 – November 2008)**

- This chart shows the Sharpe Ratio for January 1999 through December 2008 for BLMIS and every fund in the Hedge Fund Peer Group sorted from lowest to highest.
- The Sharpe Ratio measures the amount of return per unit of risk. It is calculated as the mean return less a risk-free return, divided by the standard deviation of the returns. A *higher* Sharpe Ratio indicates that the investment is generating *more* return for *less* risk. Sharpe Ratio is a common statistic used to compare performance between two or more funds.
- The Hedge Fund Peer Group was selected from BarclayHedge database, a leading database used by investment professionals for purposes of analyzing hedge fund performance. I used hedge funds classified by BarclayHedge as: (i) equity market neutral; (ii) equity long/short; and (iii) equity long-bias.
- The 1999-2008 Hedge Fund Peer Group includes 179 funds.
- BLMIS returns reflect (i) returns from the October 1999 Estenne Study through January 1999 and (ii) Square One BLMIS Account returns thereafter. As discussed in Section VI, the Square One BLMIS Account started in February 1999; I have supplemented these returns with BLMIS returns shown in the October 1999 Estenne Study, which dates back to January 1991.

**Schedule 12: 10-Year Sortino Ratio (Jan 1991 – Dec 2000)**

**BLMIS's Sortino Ratio exceeds the Sortino Ratios of any other fund in the Hedge Fund Peer Group for the period 1991-2000**

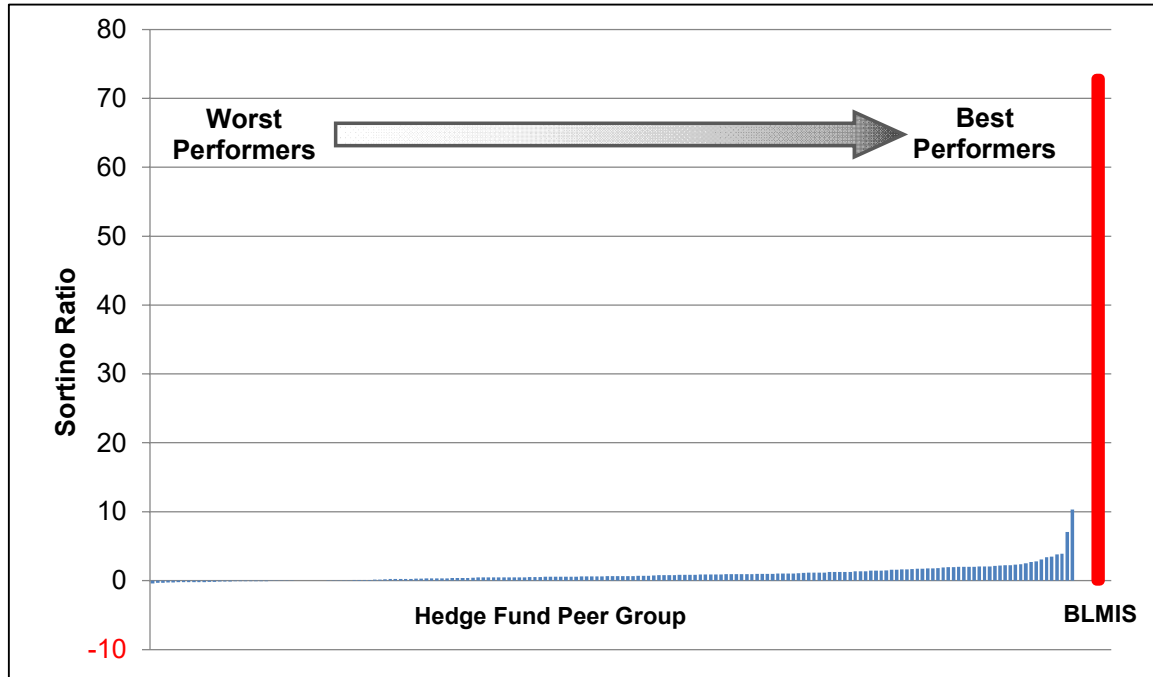


**Hedge Fund Peer Group v. BLMIS 10-Year Sortino Ratio**  
**(January 1991–December 2000)**

- This chart shows the Sortino Ratio for January 1991 through December 2000 for BLMIS and every fund in the Hedge Fund Peer Group sorted from lowest to highest.
- The Sortino Ratio measures the amount of return per unit of downside risk. It is calculated as the mean return less a risk-free return, divided by the standard deviation of the returns (where each return greater than 0 is set to 0). A *higher* Sortino Ratio indicates that the investment is generating *more* return for *less* risk. Sortino Ratio is a common statistic used to compare performance between two or more funds.
- The Hedge Fund Peer Group was selected from BarclayHedge Hedge Fund database, a leading database used by investment professionals for purposes of analyzing hedge fund performance. I used hedge funds classified by BarclayHedge as: (i) equity market neutral; (ii) equity long/short; and (iii) equity long-bias.
- 1991-2000 is the first 10-year period in the dataset with at least 30 funds. The peer group for this period includes 58 funds.
- BLMIS returns reflect (i) returns from the October 1999 Estenne Study through January 1999 and (ii) Square One BLMIS Account returns thereafter. As discussed in Section VI, the Square One BLMIS Account started in February 1999; I have supplemented these returns with BLMIS returns shown in the October 1999 Estenne Study, which dates back to January 1991.

**Schedule 13: 10-Year Sortino Ratio (Jan 1999 – Nov 2008)**

**BLMIS's Sortino Ratio exceeds the Sortino Ratios of any other fund in the Hedge Fund Peer Group for the period 1999-2008**

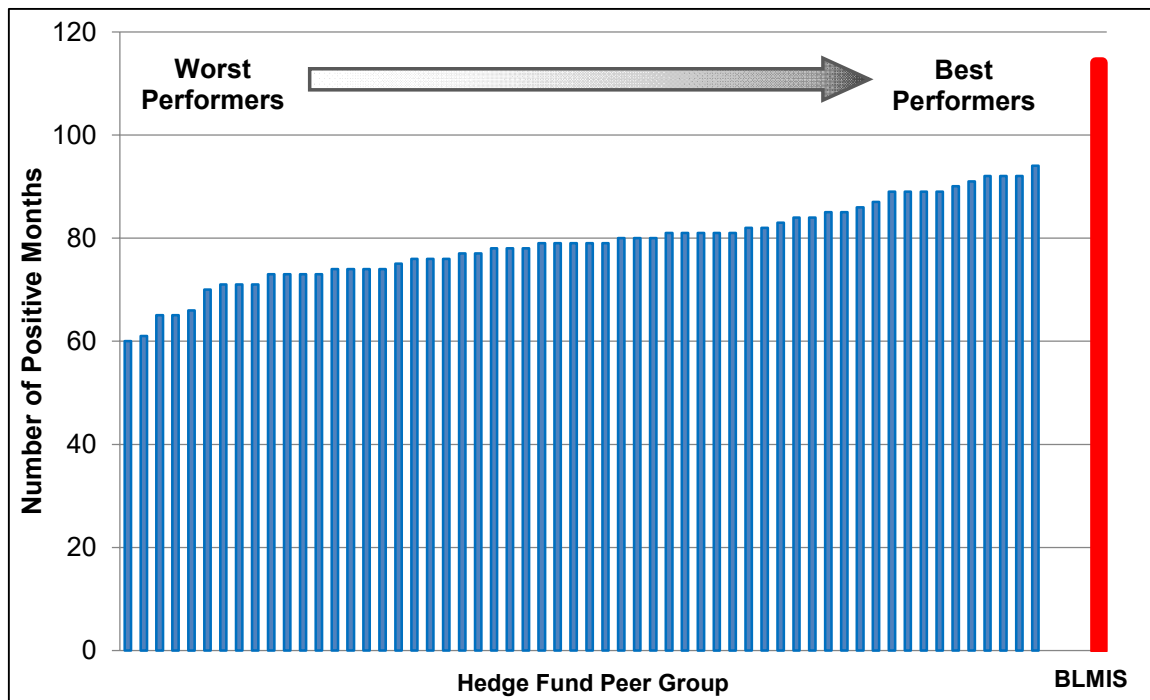


**Hedge Fund Peer Group v. BLMIS 10-Year Sortino Ratio**  
**(January 1999–November 2008)**

- This chart shows the Sortino Ratio for January 1999 through December 2008 for BLMIS and every fund in the Hedge Fund Peer Group sorted from lowest to highest.
- The Sortino Ratio measures the amount of return per unit of downside risk. It is calculated as the mean return less a risk-free return, divided by the standard deviation of the returns (where each return greater than 0 is set to 0). A *higher* Sortino Ratio indicates that the investment is generating *more* return for *less* risk. Sortino Ratio is a common statistic used to compare performance between two or more funds.
- The Hedge Fund Peer Group was selected from BarclayHedge Hedge Fund database, a leading database used by investment professionals for purposes of analyzing hedge fund performance. I used hedge funds classified by BarclayHedge as: (i) equity market neutral; (ii) equity long/short; and (iii) equity long-bias.
- The 1999-2008 Hedge Fund Peer Group includes 179 funds.
- BLMIS returns reflect (i) returns from the October 1999 Estenne Study through January 1999 and (ii) Square One BLMIS Account returns thereafter. As discussed in Section VI, the Square One BLMIS Account started in February 1999; I have supplemented these returns with BLMIS returns shown in the October 1999 Estenne Study, which dates back to January 1991.

**Schedule 14: Number of Months with Positive Returns (Jan 1991 – Dec 2000)**

**BLMIS had more months with positive returns than any other Hedge Fund Peer Group for the period 1991-2000**

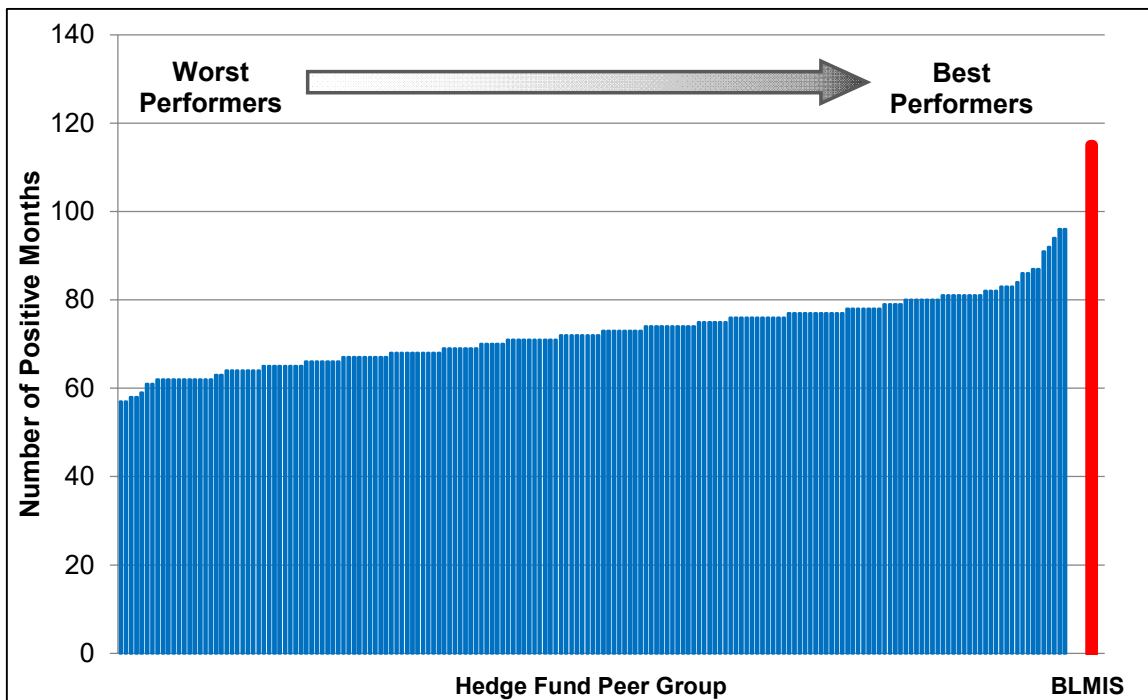


**Hedge Fund Peer Group v. BLMIS Number of Months with Positive Returns (January 1991 – December 2000)**

- This chart shows the number of months with positive returns for January 1991 through December 2000 for BLMIS and every fund in the Hedge Fund Peer Group sorted from lowest to highest.
- The Hedge Fund Peer Group was selected from BarclayHedge Hedge Fund database, a leading database used by investment professionals for purposes of analyzing hedge fund performance. I used hedge funds classified by BarclayHedge as: (i) equity market neutral; (ii) equity long/short; and (iii) equity long-bias.
- 1991-2000 is the first 10-year period in the dataset with at least 30 funds. The peer group for this period includes 58 funds.
- BLMIS returns reflect (i) returns from the October 1999 Estenne Study through January 1999 and (ii) Square One BLMIS Account returns thereafter. As discussed in Section VI, the Square One BLMIS Account started in February 1999; I have supplemented these returns with BLMIS returns shown in the October 1999 Estenne Study, which dates back to January 1991.

**Schedule 15: Number of Months with Positive Returns (Jan 1999 – Nov 2008)**

**BLMIS had more months with positive returns than any other Hedge Fund Peer Group for the period 1999-2009**

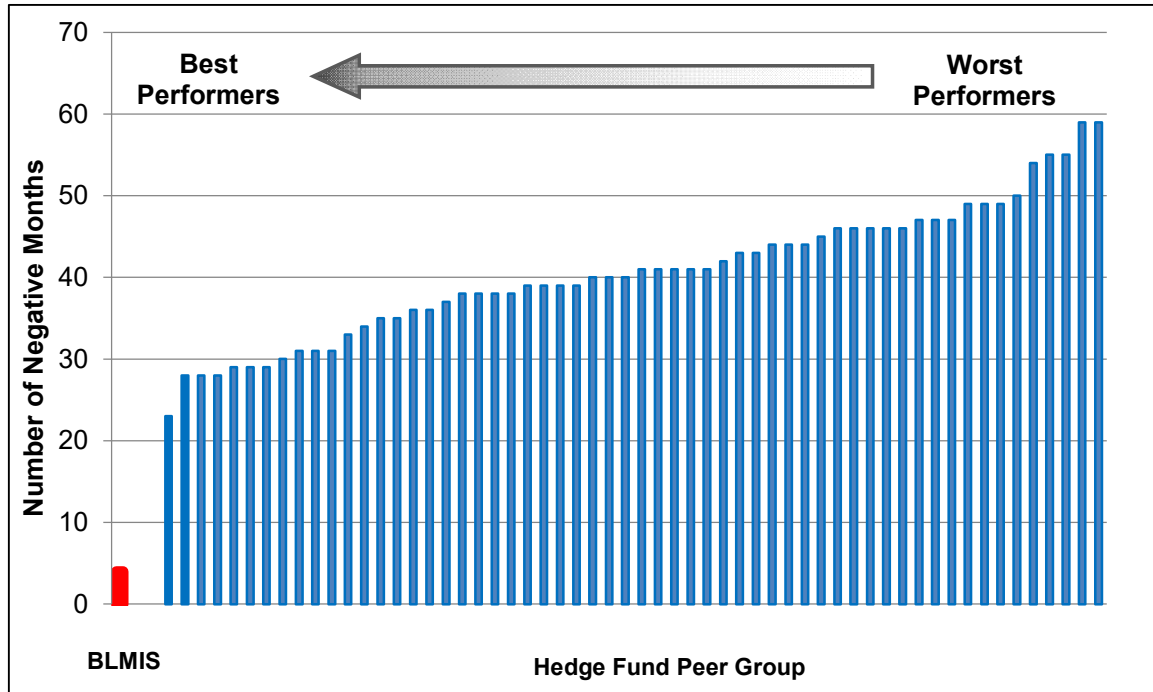


**Hedge Fund Peer Group v. BLMIS Number of Months with Positive Returns Over a 10-Year Period (January 1999 – November 2008, 119 months)**

- This chart shows the number of months with positive returns for January 1999 through December 2008 for BLMIS and every fund in the Hedge Fund Peer Group sorted from lowest to highest.
- The Hedge Fund Peer Group was selected from BarclayHedge Hedge Fund database, a leading database used by investment professionals for purposes of analyzing hedge fund performance. I used hedge funds classified by BarclayHedge as: (i) equity market neutral; (ii) equity long/short; and (iii) equity long-bias.
- The 1999-2008 Hedge Fund Peer Group includes 179 funds.
- BLMIS returns reflect (i) returns from the October 1999 Estenne Study through January 1999 and (ii) Square One BLMIS Account returns thereafter. As discussed in Section VI, the Square One BLMIS Account started in February 1999; I have supplemented these returns with BLMIS returns shown in the October 1999 Estenne Study, which dates back to January 1991.

**Schedule 16: Number of Months with Negative Returns (Jan 1991 – Dec 2000)**

**BLMIS had fewer months with negative returns than any other fund in the Hedge Fund Peer Group for the period 1991-2000**



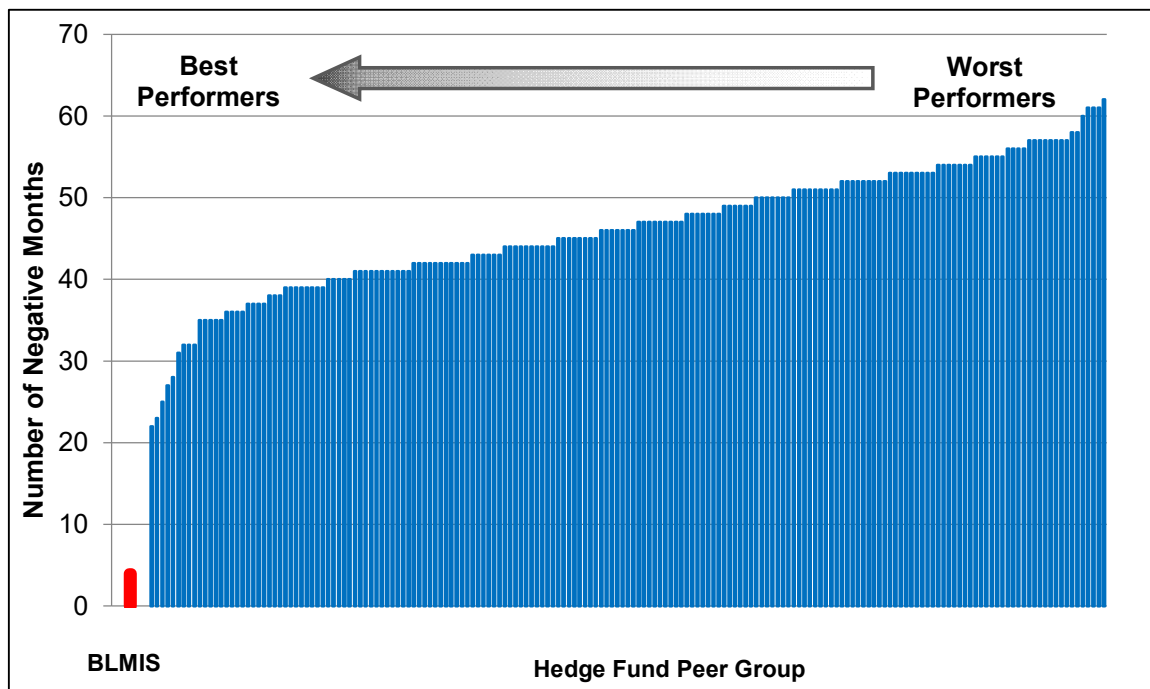
**Hedge Fund Peer Group v. BLMIS Number of Months with Negative Returns Over a 10-Year Period (January 1991 – December 2000)**

- This chart shows the number of months with negative returns for January 1991 through December 2000 for BLMIS and every fund in the Hedge Fund Peer Group sorted from lowest to highest.
- The Hedge Fund Peer Group was selected from BarclayHedge Hedge Fund database, a leading database used by investment professionals for purposes of analyzing hedge fund performance. I used hedge funds classified by BarclayHedge as: (i) equity market neutral; (ii) equity long/short; and (iii) equity long-bias.
- 1991-2000 is the first 10-year period in the dataset with at least 30 funds. The peer group for this period includes 58 funds.
- BLMIS returns reflect (i) returns from the October 1999 Estenne Study through January 1999 and (ii) Square One BLMIS Account returns thereafter. As discussed in Section VI, the Square One BLMIS Account started in February 1999; I have supplemented these returns with BLMIS returns shown in the October 1999 Estenne Study, which dates back to January 1991.



**Schedule 17: Number of Months with Negative Returns (Jan 1999 – Nov 2008)**

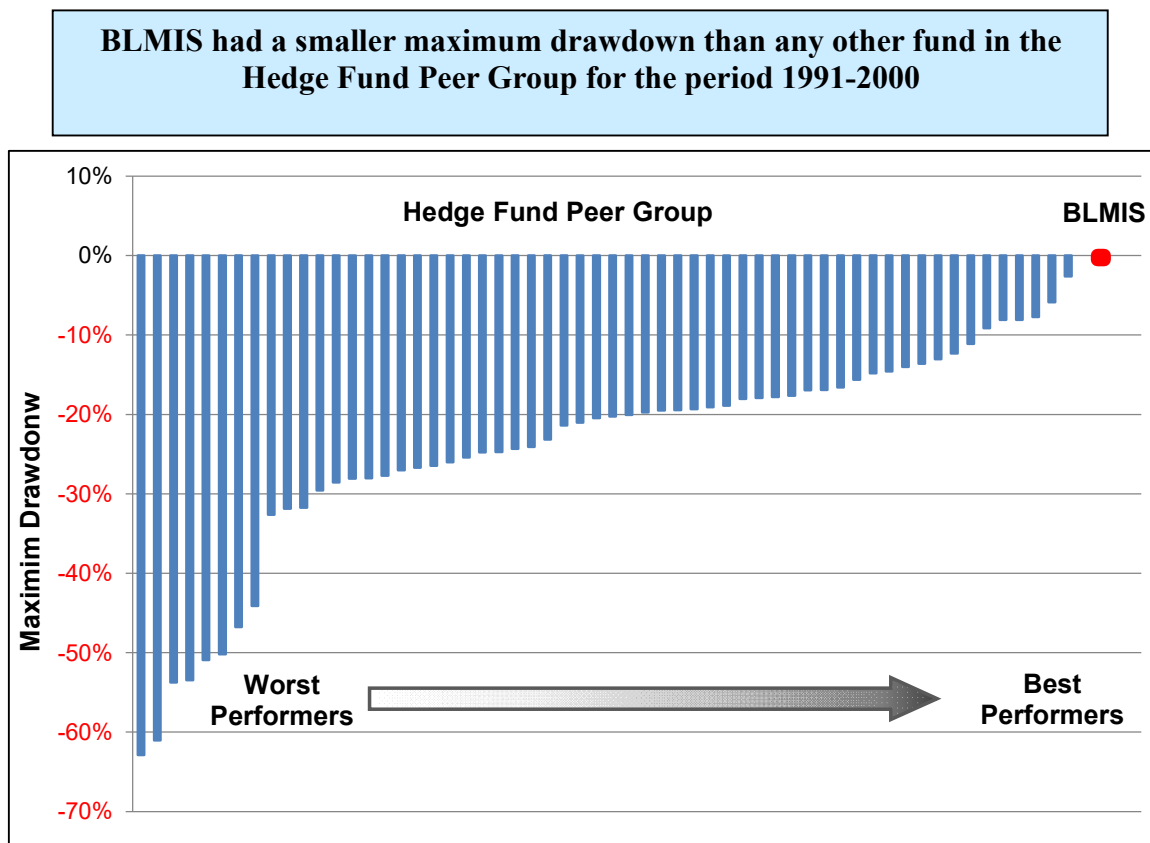
**BLMIS had fewer months with negative returns than any other fund in the Hedge Fund Peer Group for the period 1999-2008**



**Hedge Fund Peer Group v. BLMIS Number of Months with Positive Returns Over a 10-Year Period (January 1999 – November 2008, 119 months)**

- This chart shows the number of months with negative returns for January 1999 through December 2008 for BLMIS and every fund in the Hedge Fund Peer Group sorted from lowest to highest.
- The Hedge Fund Peer Group was selected from BarclayHedge Hedge Fund database, a leading database used by investment professionals for purposes of analyzing hedge fund performance. I used hedge funds classified by BarclayHedge as: (i) equity market neutral; (ii) equity long/short; and (iii) equity long-bias.
- The 1999-2008 Hedge Fund Peer Group includes 179 funds.
- BLMIS returns reflect (i) returns from the October 1999 Estenne Study through January 1999 and (ii) Square One BLMIS Account returns thereafter. As discussed in Section VI, the Square One BLMIS Account started in February 1999; I have supplemented these returns with BLMIS returns shown in the October 1999 Estenne Study, which dates back to January 1991.

**Schedule 18: Maximum Drawdown (Jan 1991 – Dec 2000)**

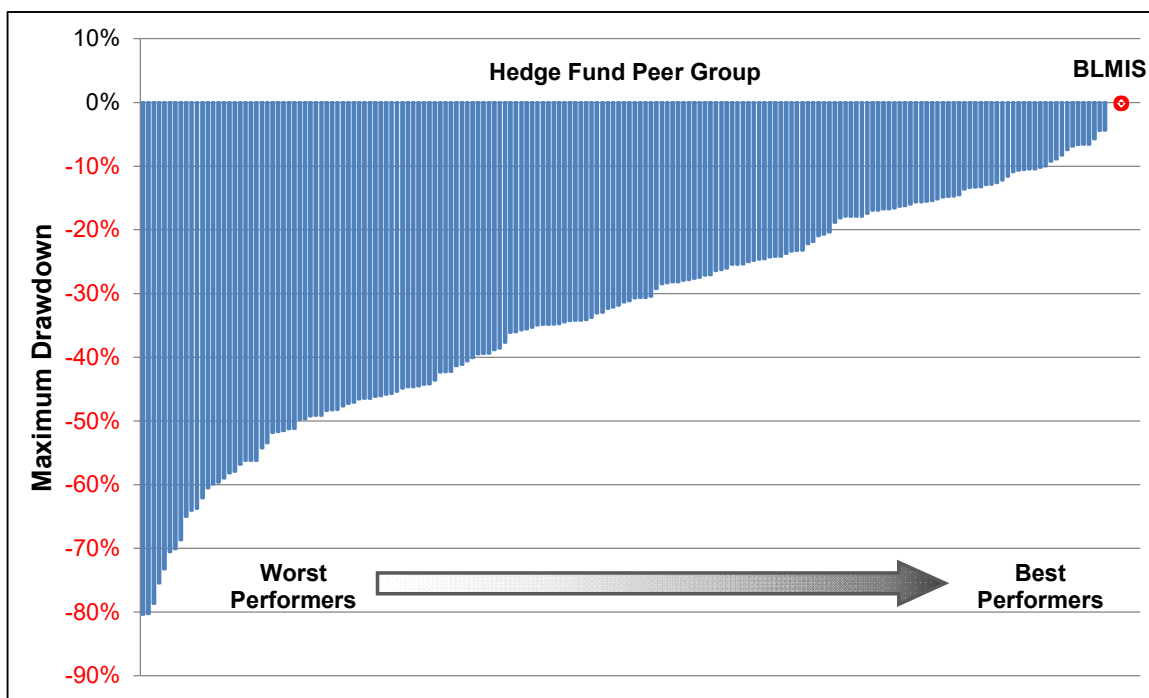


**Hedge Fund Peer Group v. BLMIS Maximum Drawdown Over a 10 Year Period (January 1991 – December 2000)**

- This chart shows the maximum drawdown for January 1991 through December 2000 for BLMIS and every fund in the Hedge Fund Peer Group sorted from lowest to highest.
- When calculated on a monthly basis, a drawdown occurs when a portfolio experiences a loss in the current month that brings the portfolio below its previous high. The maximum drawdown is the largest drop between peak to trough in the period.
- The Hedge Fund Peer Group was selected from BarclayHedge Hedge Fund database, a leading database used by investment professionals for purposes of analyzing hedge fund performance. I used hedge funds classified by BarclayHedge as: (i) equity market neutral; (ii) equity long/short; and (iii) equity long-bias.
- 1991-2000 is the first 10-year period in the dataset with at least 30 funds. The peer group for this period includes 58 funds.
- BLMIS returns reflect (i) returns from the October 1999 Estenne Study through January 1999 and (ii) Square One BLMIS Account returns thereafter. As discussed in Section VI, the Square One BLMIS Account started in February 1999; I have supplemented these returns with BLMIS returns shown in the October 1999 Estenne Study, which dates back to January 1991.

**Schedule 19: Maximum Drawdown (Jan 1999 - Nov 2008)**

**BLMIS had a smaller maximum drawdown than any other fund in the Hedge Fund Peer Group for the period 1999-2008**

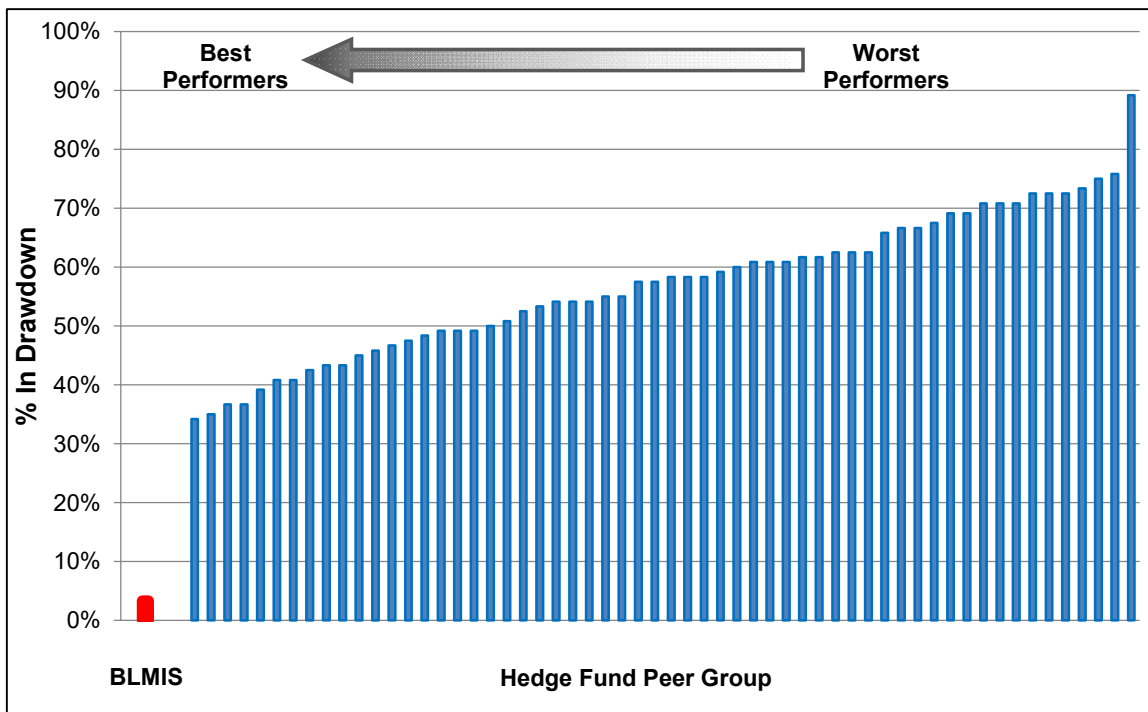


**Hedge Fund Peer Group v. BLMIS Maximum Drawdown Over  
a 10 Year Period (January 1999 – November 2008)**

- This chart shows the maximum drawdown for January 1999 through December 2008 for BLMIS and every fund in the Hedge Fund Peer Group sorted from lowest to highest.
- When calculated on a monthly basis, a drawdown occurs when a portfolio experiences a loss in the current month that brings the portfolio below its previous high. The maximum drawdown is the largest drop between peak to trough in the period.
- The Hedge Fund Peer Group was selected from BarclayHedge Hedge Fund database, a leading database used by investment professionals for purposes of analyzing hedge fund performance. I used hedge funds classified by BarclayHedge as: (i) equity market neutral; (ii) equity long/short; and (iii) equity long-bias.
- The 1999-2008 Hedge Fund Peer Group includes 179 funds.
- BLMIS returns reflect (i) returns from the October 1999 Estenne Study through January 1999 and (ii) Square One BLMIS Account returns thereafter. As discussed in Section VI, the Square One BLMIS Account started in February 1999; I have supplemented these returns with BLMIS returns shown in the October 1999 Estenne Study, which dates back to January 1991.

**Schedule 20: Percent of Months in Drawdown (Jan 1991 – Dec 2000)**

**BLMIS had fewer months in drawdown than any other fund in the Hedge Fund Peer Group for the period 1991-2000**

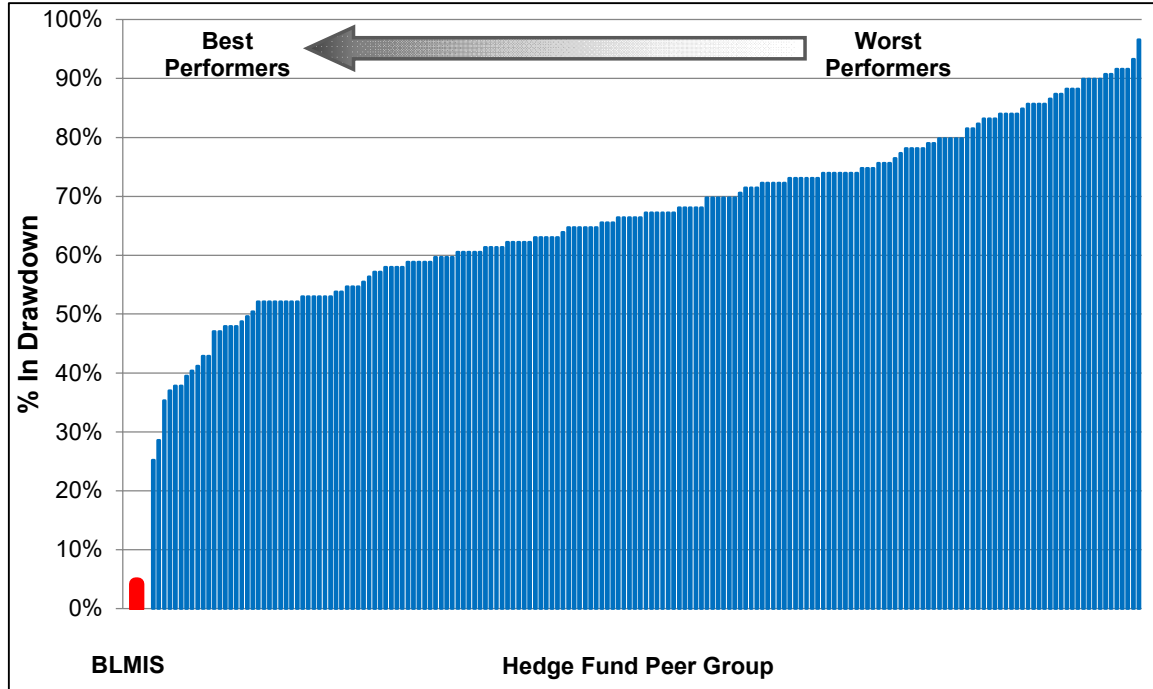


**Hedge Fund Peer Group v. BLMIS Percent of Months in Drawdown Over a 10-Year Period (January 1991 – December 2000)**

- This chart shows the percent of months in drawdown for January 1991 through December 2000 for BLMIS and every fund in the Hedge Fund Peer Group sorted from lowest to highest.
- When calculated on a monthly basis, a drawdown occurs when a portfolio experiences a loss in the current month that brings the portfolio below its previous high.
- The Hedge Fund Peer Group was selected from BarclayHedge Hedge Fund database, a leading database used by investment professionals for purposes of analyzing hedge fund performance. I used hedge funds classified by BarclayHedge as: (i) equity market neutral; (ii) equity long/short; and (iii) equity long-bias.
- 1991-2000 is the first 10-year period in the dataset with at least 30 funds. The peer group for this period includes 58 funds.
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**Schedule 21: Percent of Months in Drawdown (Jan 1999 – Nov 2008)**

**BLMIS had fewer months in drawdown than any other fund in the Hedge Fund Peer Group for the period 1999-2008**



**Hedge Fund Peer Group v. BLMIS Percent of Months in Drawdown Over a 10-Year Period (January 1999 – November 2008)**

- This chart shows the percent of months in drawdown for January 1991 through December 2000 for BLMIS and every fund in the Hedge Fund Peer Group sorted from lowest to highest.
- When calculated on a monthly basis, a drawdown occurs when a portfolio experiences a loss in the current month that brings the portfolio below its previous high.
- The Hedge Fund Peer Group was selected from BarclayHedge Hedge Fund database, a leading database used by investment professionals for purposes of analyzing hedge fund performance. I used hedge funds classified by BarclayHedge as: (i) equity market neutral; (ii) equity long/short; and (iii) equity long-bias.
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