

Application For Exemption From Investment Restrictions For Hedge Funds

(Issued: 8/03)

In certain circumstances, 840 CMR 19.02 requires that this form be completed by the general partner/investment manager and submitted to the retirement board. The board must then file the completed form with PERAC. Upon receiving acknowledgement from PERAC that this and other required filings have been submitted, the board may retain the investment manager and invest in the fund. It is suggested that all prospective managers submit this form to the retirement board as part of the RFP process.

<input type="text"/>	<input type="text"/>		
Name of Retirement Board	Name of Investment Management Firm		
<input type="text"/>	<input type="text"/>		
Name of Specific Hedge Fund	Street Address		
<input type="text"/>	<input type="text"/>		
<input type="text"/>	<input type="text"/>		
City	State	Zip	Date

For answers requiring additional space, please provide separate attachments.

1. What year was the firm established? _____

Is it independently owned? If not, please describe.

2. Give biographies of the firm's principals. Attached

3. Give an organizational chart for the firm, including administration, analysts, marketing, client service, etc. Attached

4. Total assets under management:

Hedge Funds	_____
Other (describe)	_____
Total	_____



5. List each hedge fund currently under management.

Name	Year Established	Current Market Value
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

6. Breakdown of hedge fund clientele:

	Number of Accounts	Current Market Value
High net worth individuals	_____	_____
Foundations	_____	_____
Endowment Funds	_____	_____
Corporate pension funds	_____	_____
Public pension funds	_____	_____
Other	_____	_____

7. What is the basic investment strategy and performance objective for the current fund?

8. Briefly describe the investment process, including what types of securities and financial instruments are used.

9. Under what financial market scenarios and economic conditions would the fund be expected to perform best? Worst?

10. Please describe what internal risk controls are in place that are intended to minimize the chance of unexpected or unusually large losses.

11. What is the fund's policy and current practice regarding the use of leverage?

12. For the current fund, give the annual composite performance - gross of fees - for all years of existence, along with the ending portfolio market value for each year.

Year _____	Performance _____	Ending Portfolio Market Value _____
_____	_____	_____
_____	_____	_____
_____	_____	_____

13. Give a measure of the volatility of returns.

14. Over the life of the fund, what has been the largest monthly gain or loss?

15. What percentage of total months has had positive returns?

16. Are returns audited? Y N

If yes, by whom?

17. Has the firm or any of its principals, either at the current firm or at a previous firm, been the subject of any litigation or regulatory enforcement action over the past five years? Y N

If yes, give outcome or current status.

18. Precisely state the fee structure of the fund, including all fees associated with the investment.

Name of Individual (Print or Type)

Signature

Title

Date