

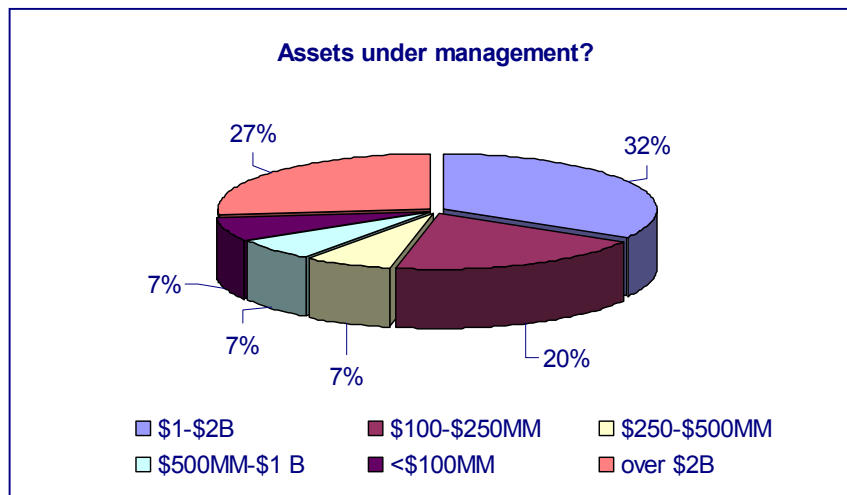


The US members of the IRC met on June 6, 2002 in New York City to discuss hedge fund risk transparency. The meeting was sponsored by Bear Stearns, Sungard and the IAFE. An updated list of IRC committee members can be found on the IAFE website (www.iafe.org). Only those participants attending in person rather than by conference call were able to “vote” in the interactive process. We queried each group about their attitudes towards hedge fund transparency and 50% of hedge fund, 28% of funds of funds and 10% of "other" felt that position level disclosure would have a significant or material impact on a hedge fund's performance.

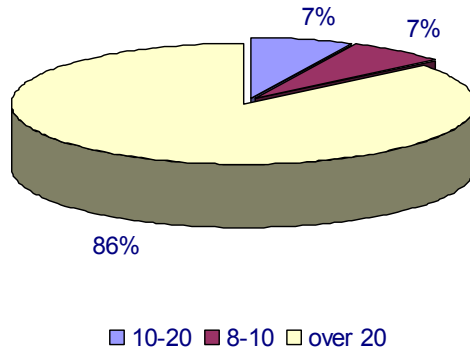
	Hedge Fund	FoF	Other
Significant Impact	37	14	5
Material Impact	13	14	5
Minimal Impact	25	14	22
Depends on Strategies	25	44	54
Not at All	--	14	14

FUND OF FUNDS

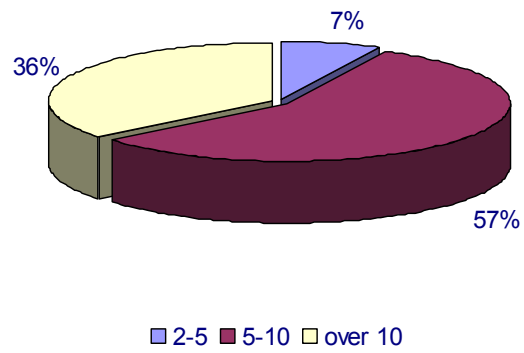
A wider representation of fund of funds participated:



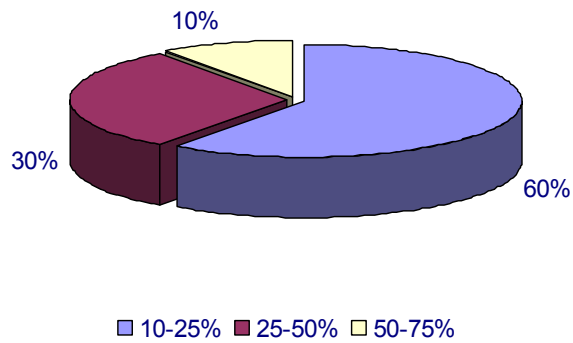
How many managers do you currently invest in?



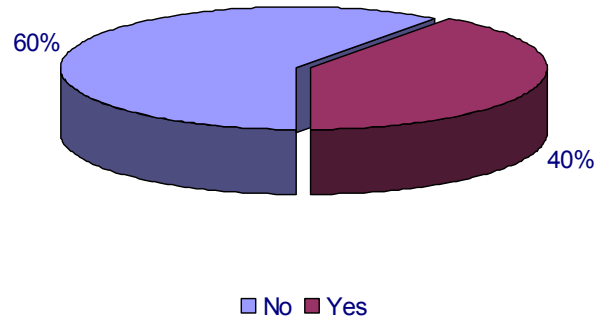
How many strategies do you currently employ?



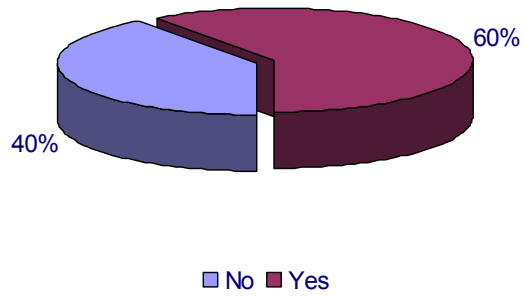
What percentage of your hedge fund managers provide position level transparency?



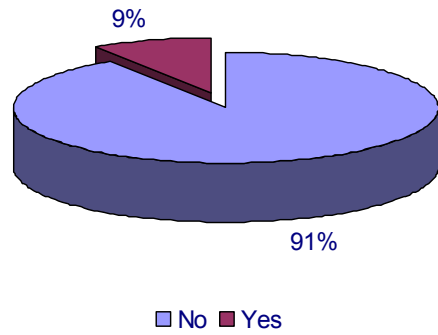
Are you satisfied with the transparency you receive?



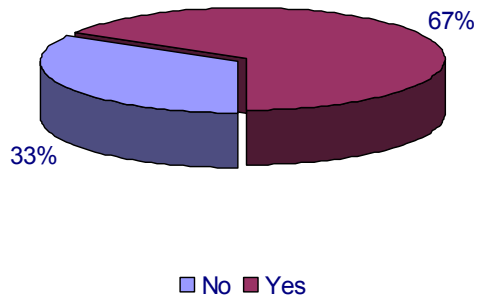
Do you have a risk management system that can digest position level details?



Do you provide position level transparency to your investors?

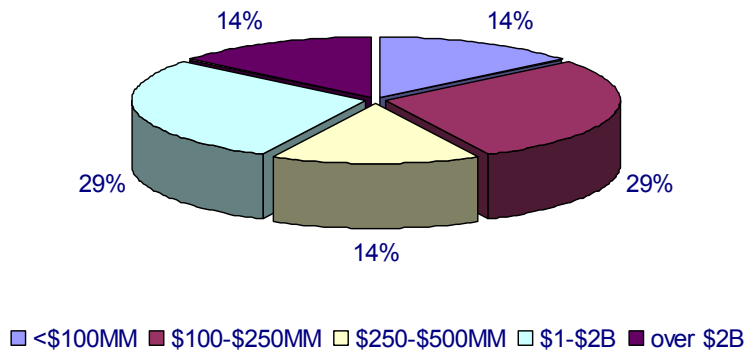


Do you provide a consolidated risk profile on your aggregate portfolio to your investors?

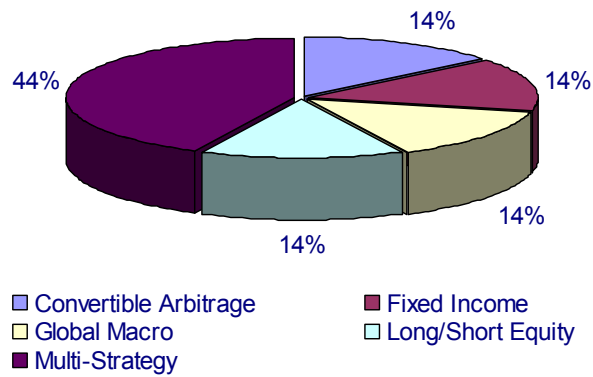


HEDGE FUNDS

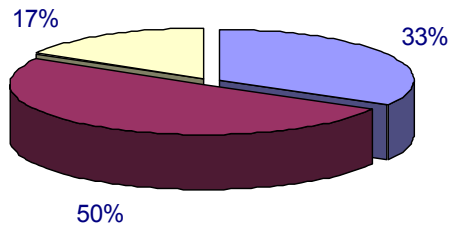
Capital under management?



Which of the following "styles" best categorizes your fund?

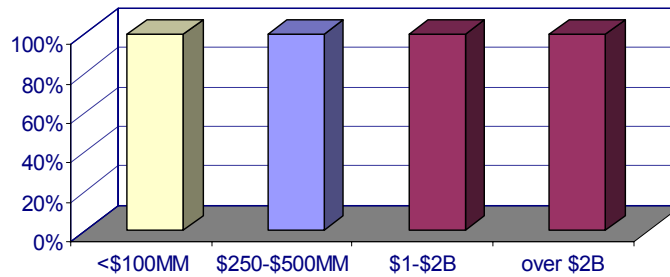


What is your attitude towards giving transparency to your investors?



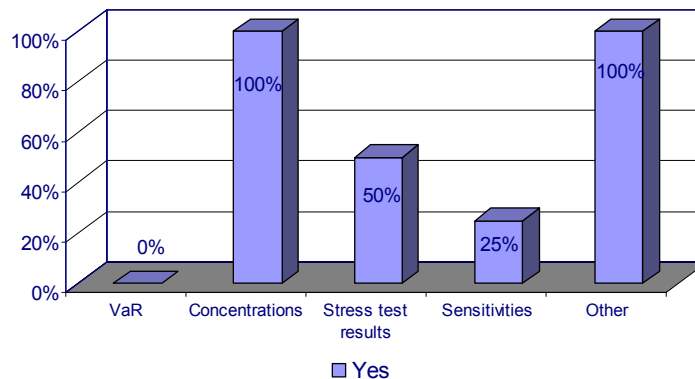
- Currently provide position level detail to investors
- Do not currently provide position level detail to anyone, but will provide risk profile
- Do not currently provide position level detail, but are willing to provide it

What is your attitude toward giving transparency to your investors?



- Do not currently provide position level detail, but are willing to provide it
- Do not currently provide position level detail to anyone, but will provide risk profile
- Currently provide position level detail to investors

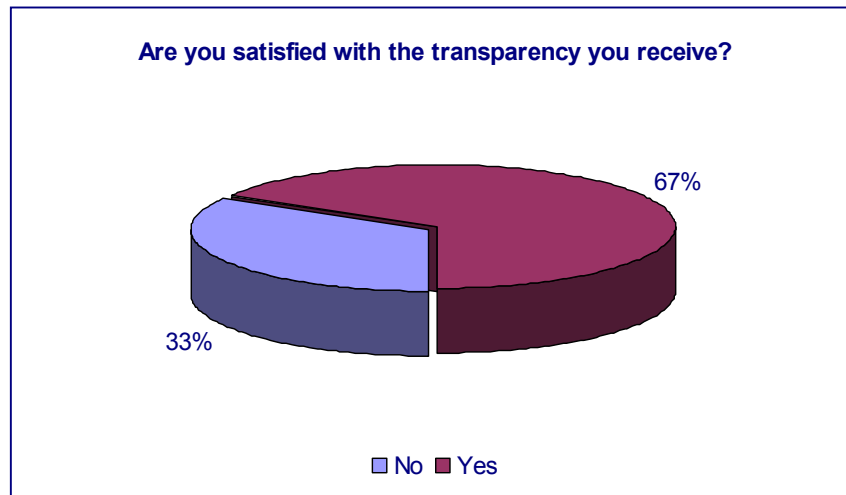
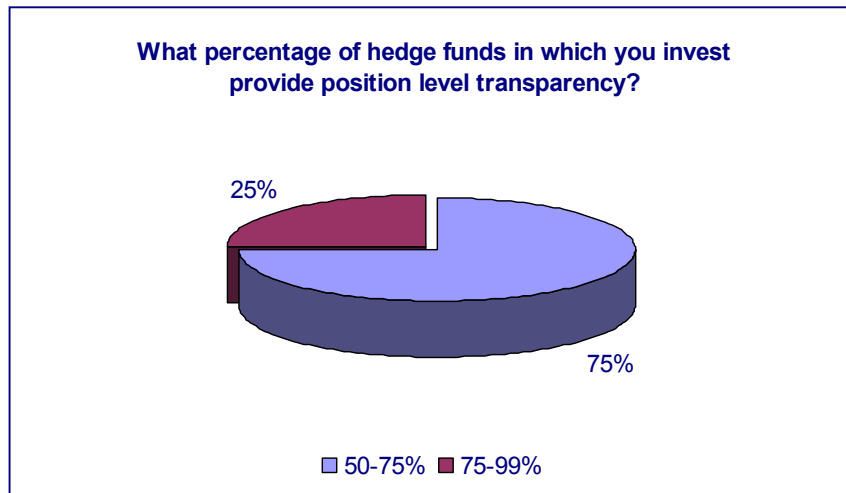
Do not provide position level detail but do provide:



- Yes

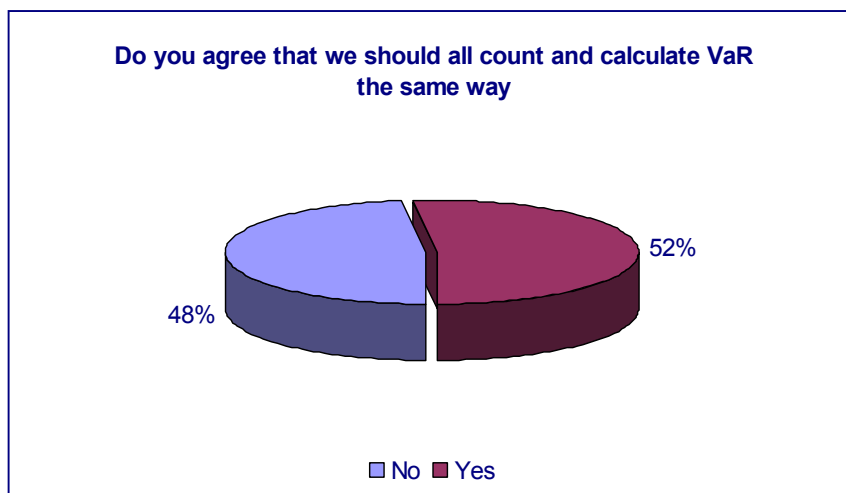
INSTITUTIONAL INVESTORS

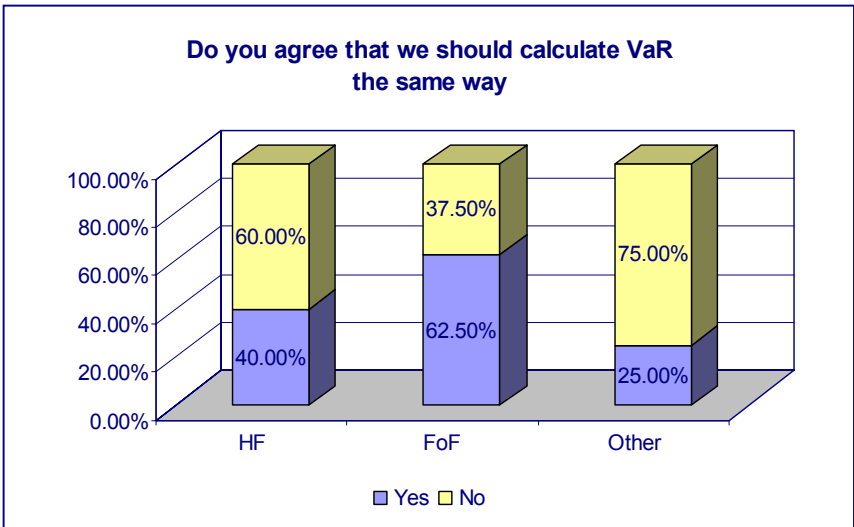
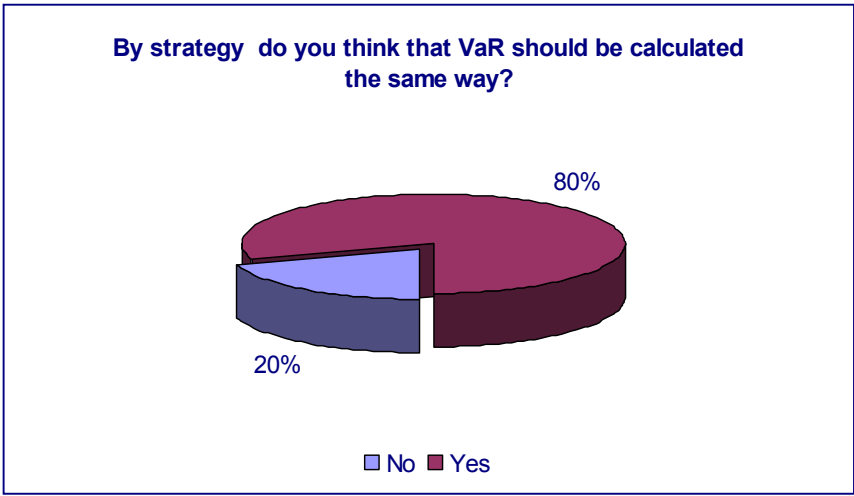
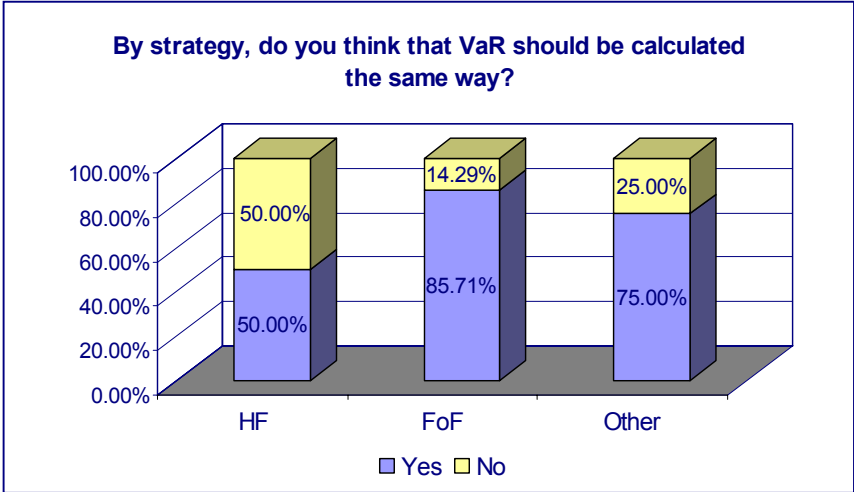
Given the constraints, the number of Institutional Investors actually participating was probably too small for meaningful results. However, a few findings may or not be noteworthy.



OVERALL

After getting input from each constituency, we revisited the decision of the committee to seek a consistent way to count and ratified that decision.





IRC Committee Chair

Leslie Rahl (Capital Market Risk Advisors)

IRC Steering Group Members

Maarten Nederlof (Deutsche Bank)

Tanya Styblo Beder (Caxton Associates)

Mark Anson (CalPERS)

Thijs Coenen, (ABP Investments)

Giovanni Beliossi (First Quadrant)

Leo Lueb (PGGM)

Bill McCauley (III Offshore Advisors)

Derek Doupe (Frank Russell Capital)

Bill Miller (Commonfund)

David K. A. Mordecai (Clinton Group)

Phillip DiDio (FRM)