Theta Multistar Medium Volatility

Monthly Commentary ***September 2008***

The Theta Multistar Medium Volatility Fund lost 2.99% in September, bringing the YTD return to -12.74%. In reference the HFRI Fund of Funds Index lost 5.67% (-10.75% YTD), the MSCI World lost 11.24% (-23.71% YTD) and the JP Morgan Government Bond Index gained 3.80% (6.24% YTD). All figures are presented hedged into Euros.

We don't need to remind anyone how volatile markets in September were as the credit crisis brought equity markets on their knees and lending between banks came to a standstill. We hate losing money but we are relatively pleased with how our portfolio performed during the month of September as it significantly outperformed the world's equity markets as well as the hedge fund universe. The best performing fund was our high volume systematic trading fund which we added earlier this year to provide protection in months such as these. Our worst performing fund was a global macro fund which got hit on its emerging markets exposure.

In general, our managers see very interesting opportunities by now as a dramatic wave of forced selling pushed equity and credit markets lower during the month. However, on balance most managers remain cautious as they are of the opinion we have not yet seen the end of this and we could see selling pressure continue over the coming months as participants clean up their books. It is also worth remembering that as we write this on October 15, markets across the world are still down around 13% for the month despite the sharp rebound earlier this week. A clear sign that all is not well yet.

Our systematic, high volume trading fund thrived on the extraordinary volatility in the market during September and gained close to 15% for the month despite the fact that the manager reduced risk during the month to take account of the extreme volatility. The manager trades only in the most liquid instruments in developed markets and has designed his portfolio to take advantage of situations where recent price patterns influence people's behaviour and irrational selling (or buying) takes place. Clearly, there was enough of that during September.

Our second largest contributor was one of our global long/short equity funds which continues to benefit from his short positions in not only financials but also media, leisure, brewing companies or other segments which will get hit by a delevering consumer. Even after the recent sell-off, the manager continues to see more opportunities on the short side rather than try and find value ideas on the long side.

The major detractor for the month was one of our global macro managers who got hurt by the extreme sell-off and risk aversion in both the equity as well as the debt markets of various emerging markets. Although the fundamentals do not support such an increase in perceived risk, fundamentals were not driving the market but rather a combination of forced liquidation as well as sheer panic led to indiscriminate selling regardless of any fundamental value. This fund has aggressively reduced its exposure and continues to do so going forward.

Performance*	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2008	-1.77%	-1.30%	-3.74%	-0.60%	1.30%	1.59%	-3.56%	-2.31%	-2.99%				**-12.74%**
2007	0.85%	2.21%	1.30%	0.41%	1.94%	2.32%	2.90%	-2.99%	-0.51%	3.03%	-2.80%	0.15%	**8.93%**
2006	4.42%	0.72%	0.86%	2.03%	-2.14%	-0.66%	-0.28%	0.86%	-0.95%	0.94%	1.20%	2.33%	**9.58%**
2005	1.63%	3.24%	-0.88%	-1.72%	0.64%	0.90%	2.38%	1.71%	2.96%	-2.59%	1.28%	1.80%	**11.76%**
2004	1.45%	1.46%	-0.40%	-1.57%	-1.32%	0.19%	-0.46%	-0.32%	1.27%	1.11%	3.29%	2.01%	**6.80%**
2003	0.96%	0.18%	-0.63%	1.35%	2.11%	0.75%	0.69%	1.17%	1.05%	1.90%	0.56%	2.02%	**12.77%**
2002	1.98%	0.67%	1.17%	1.74%	1.02%	-0.12%	-1.57%	0.95%	0.03%	-0.83%	1.15%	1.33%	**7.71%**

Return table*	Theta Multistar Medium Volatility	HFRI Fund of Funds	MSCI World	JP Morgan Government Bonds
Net Asset Value as of October 2008	**€ 1,225.61**			
YTD	-12.74%	-10.75%	-23.71%	6.24%
2007	8.93%	9.07%	2.32%	-0.06%
2006	9.58%	8.08%	12.22%	-5.24%
2005	11.76%	6.12%	12.89%	7.71%
2004	6.80%	7.44%	9.62%	2.17%
2003	12.77%	12.86%	23.46%	-4.73%
Annualized Compounded Return	6.30%	4.98%	0.27%	0.99%
Sharpe Ratio	0.55	0.40	-0.14	-
% Positive Months	67.90%	70.37%	58.02%	48.15%
Correlation (Theta Multistar with ...)	1.00	0.81	0.40	-0.31
Beta (Theta Multistar with ...)	1.00	0.97	0.19	-0.36
Alpha (Theta Multistar over ...)		1.36%		

Risk table*	Theta Multistar Medium Volatility	HFRI Fund of Funds	MSCI World	JP Morgan Government Bonds
Annualized standard deviation (%)	5.85%	4.93%	13.05%	4.95%
Maximum Drawdown (%)	-15.54%	-11.74%	-28.97%	-8.47%
Average Gain Positive Months (%)	1.48%	1.14%	2.51%	1.31%
Average Loss Negative Months (%)	-1.51%	-1.31%	-3.32%	-1.04%

* From January 2003 to January 2004 peformance of medium volatility Theta client portfolios; thereafter Theta Multistar Medium Volatility Fund. All figures are net of all fees. All indices hedged to EUR. Past results are not necessarily a guide to future preformance. For this product, a "Financiële Bijsluiter" has been prepared, which is available upon request. Theta Multistar Fund is regulated by Autoriteit Financiële Markten.

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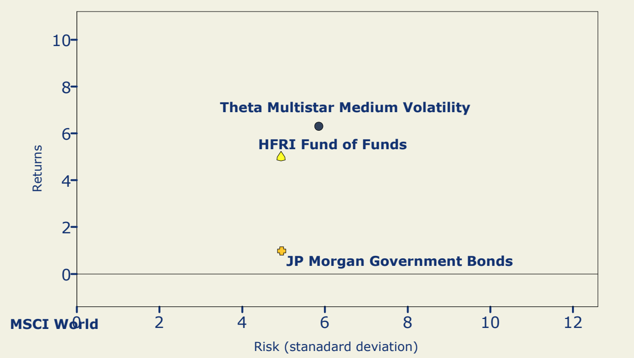
Portfolio Analysis — **September 2008**

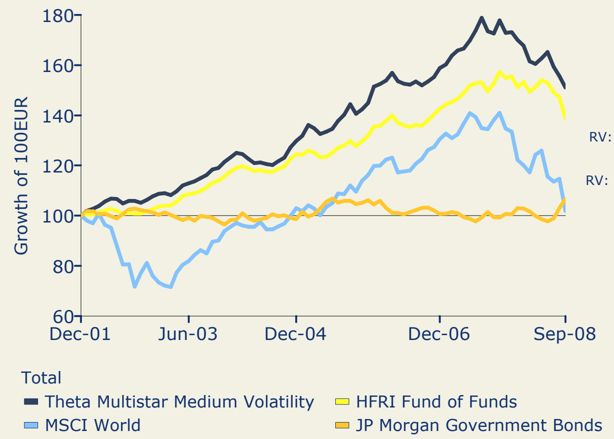
Risk/ reward profile: Jan 2002 to Sep 2008



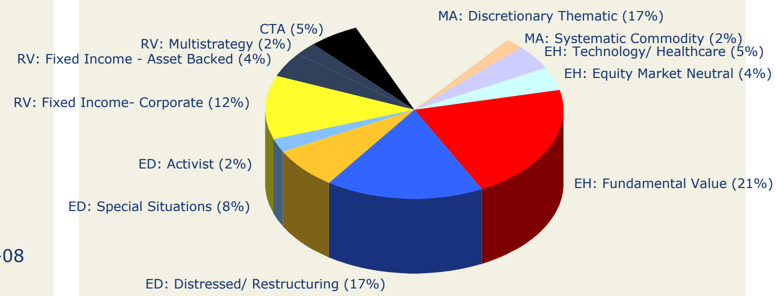
Information

Subscription	Monthly
Redemption	Monthly
Redemption Notice	40 days notice
Managment Fee	1.25%
Incentive Fee	10%
Hurdle Rate	Euribor (3m) + 2.0%
Lockup	No
High Water Mark	Yes
Custodian	KDTC Trust
Auditor	Ernst & Young
Reporting Frequency	Monthly
Currency	Euro
Inception	Jan-04
Bloomberg Ticker	THMDVOL NA

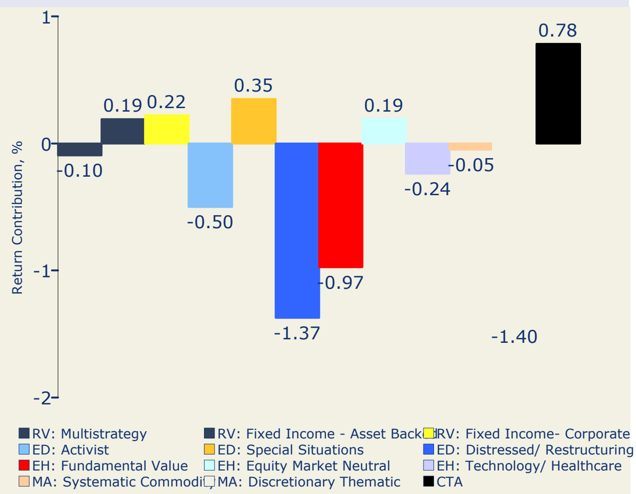
Cumulative return: Jan 2002 to Sep 2008



Strategy allocation Sep 2008



Attribution gross performance by strategy Sep 2008



Fund versus indices	Jan-02 - Sep-08
Capture Ratio when MSCI up	43.26%
Average return when MSCI up	1.13%
Capture Ratio When MSCI down	10.97%
Average Return when MSCI down	-0.34%
Capture Ratio when JPM Bond Index up	14.48%
Average Return when JPM Bond Index up	0.19%
Capture Ratio when JPM Bond Index down	-80.90%
Average Return when JPM Bond Index down	0.80%
Capture Ratio when HFRI Index up	113.92%
Average Return when HFRI Index up	1.29%
Capture Ratio when HFRI Index down	100.33%
Average Return when HFRI Index down	-1.32%

The Capture Ratio calculates the portion of market performance that was captured by the Fund under up and down markets. A positive upmarket capture and a negative downmarket capture indicate absolute returns versus the benchmark.