



Investment Manager Report July 2010

BLUESPRING FUND

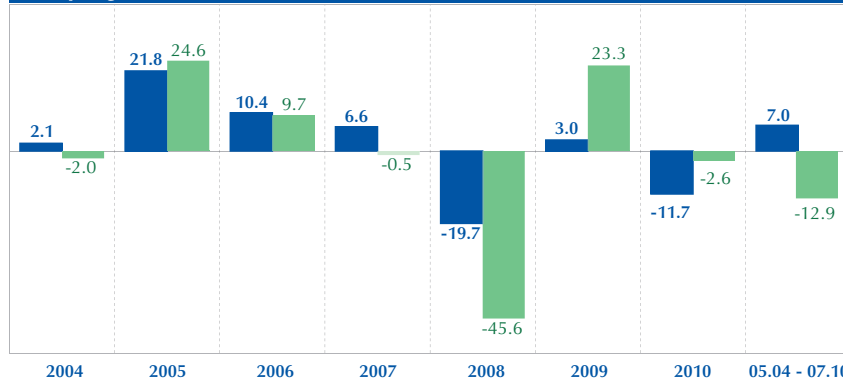
Fund manager

BrunnerInvest AG, which is supervised by the Swiss Financial Authority FINMA, was founded in 1991. Since 1995, it has managed its own funds of funds. Erwin Brunner leads the investment and research team consisting of several fund specialists.

Investment objective

Our target is to outperform long-only equity markets over a whole market cycle at a lower volatility. This is achieved by securing assets in bear markets while benefiting from bull markets.

BlueSpring Fund / MSCI World Index (in %)



Fund performance (net, in CHF)



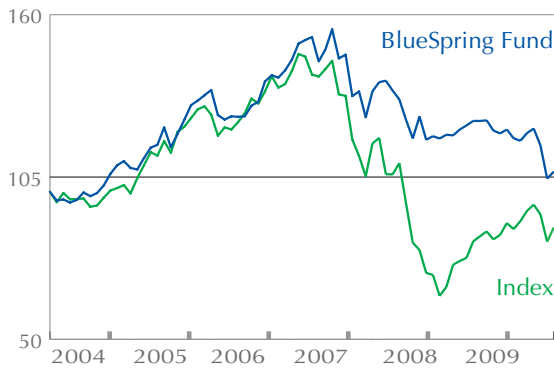
Best performing fund of emerging managers fund

BlueSpring Fund (Inception May 3rd, 2004) / MSCI World Index

	2004	2005	2006	2007	2008	2009	2010	2004-2010
BlueSpring Fund	2.1	21.8	10.4	6.6	-19.7	3.0	-11.7	7.0
MSCI World Index	-2.0	24.6	9.7	-0.5	-45.6	23.3	-2.6	-12.9

Swiss Registered Fund of Hedge Funds

hedge gate (Equity long/short)



Performance	Fund	Index
Month	2.4%	4.8%
Year to date	-11.7%	-2.6%
Since January 1999	7.0%	-12.9%

Risk	
Volatility, annualised	11.9%
Sharpe Ratio	-0.26
Sortino Ratio	0.12
Gross Exposure as of 07/31/2010 (est.)	97.9%
Net Exposure as of 07/31/2010 (est.)	31.8%
Number of underlying funds	8
Side pockets	none

Country exposures (approx.) in % of the portfolio

Europe	45%
Greater China (China, Hong Kong, Taiwan)	30%
Asia / Japan	4%
Global	4%
Cash and other assets	17%

Currency / Strategy exposures (approx.) in % of the portfolio

Funds with EUR share classes	65%
Funds with USD share classes	34%
Funds with CHF share classes	1%
Total long-short equity funds	79%
Total long-only equity funds & cash	21%

Fund information

Net asset value (excl. subscription fee):	CHF 181.82	Investment strategy:	long-short and long-only equity FoHF
Assets under management:	CHF 30'349'378	Dealing day:	monthly, last business day
Telekurs / ISIN:	1'822'039 / CH0018220399	Redemption:	monthly with 42 days prior notice
Subscription fee:	up to 3%	Domicile:	Zurich
Management fee:	2%	Min. investment:	CHF 15'000
Performance fee with high watermark / hurdle rate:	currently none	Auditor:	PricewaterhouseCoopers AG
Dividend:	none-distributor	Custodian:	Falcon Private Bank Ltd.
Tax considerations:	in general subject to taxation for Swiss investors	Administrator:	Falcon Fund Management (Schweiz) AG
Investors domiciled in the EU:	"out of scope" - no tax	Fund manager:	Erwin Brunner

Free of charge: Prospectus, application form, reports / info@brunnerinvest.ch

Disclaimer

The Barracuda Funds is an umbrella fund, which may comprise several segments. Each segment may engage in non-traditional investments, either directly or indirectly, involving risks that are not comparable to those of securities funds. The recently launched Blue Spring segment may also invest as a fund of funds in various open-ended or closed-ended investment funds, or other undertakings for collective investment, which may use non-traditional investment strategies and techniques (also known as hedge funds) and involve risks that are not comparable to those of securities funds. Most hedge funds are governed by legislation applicable in countries where the legal and regulatory regimes do not conform to the standards prevailing in Switzerland. Investors in this fund must be willing and able to absorb capital losses on their investments. The BlueSpring Fund will invest the majority of its assets in other collective investment schemes which in turn will invest their assets principally in equities and, in addition, in instruments exposed to commodities or precious metals markets. Investors are specifically advised to read the information on risks set out in the Prospectus (cf. 5.1.7). While the Fund Management Company will make every effort to minimize such risks through diversification and the strict selection of target funds, Blue Spring may invest up to 100% of its assets in target funds using long/short equity, equity hedge and relative value investment styles. Notwithstanding the careful selection criteria used, the possibility of a total loss of any investment made in a specific target fund cannot be ruled out. Past performance is no indicator as regards future performance. This presentation does not constitute an offer or invitation to sell, or any solicitation of any offer to subscribe for or purchase any securities.



Source of Success

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