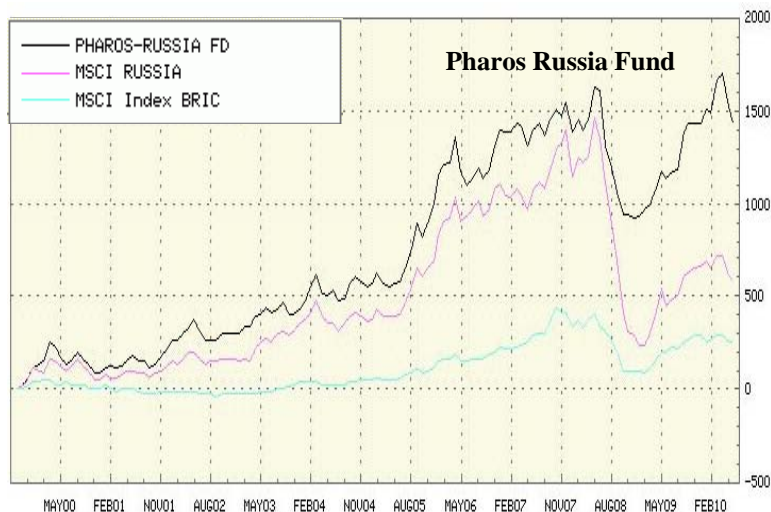


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 Pharos Financial Advisors Ltd.  
 Office 705, Indigo Tower, JLT, P.O. Box: 71645, Dubai, UAE Tel. + 971-4-369-0750 Fax + 971-4-438-9652

Pharos Russia Fund is an absolute return hedge fund focused on securities in Russia and the former Soviet Union. The Fund is the top performing Russia Fund over the past 13 years. The Fund has the possibility of using derivatives or going short, and is positioned with a long bias due to the manager’s positive outlook for the Russian market.

	YTD	1 Month	3 Month	2009	2008	2007	5Y Ann.	10Y Ann.
<b>Pharos Russia</b>	0.1%	-5.6%	-11.4%	50.1%	-37.7%	9.6%	17.7%	28.9%

**Pharos Russia vs. Indices over 10 years**



1438%

587%  
251%

10 Year Annualized Performance	Pharos	MSCI
Performance	28.9%	19.6%
Volatility	23.3%	53.0%

12 Month Statistics	Pharos	MSCI
Volatility	25.1%	52.0%
Best month	16.4%	30.4%
Worst month	-9.0%	-14.3%
Max drawdown	-17.8%	-27.0%

**Pharos Russia Fund Ltd. - Performance since inception**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2010	5.2%	-2.1%	11.0%	2.0%	-9.0%	-5.6%							0.1%
2009	0.7%	4.1%	2.6%	6.3%	8.8%	-3.3%	3.6%	0.02%	16.4%	3.0%	-0.1%	0.6%	50.1%
2008	-9.6%	3.9%	-2.9%	3.3%	11.0%	-0.8%	-12.4%	-7.8%	-12.9%	-12.9%	0.4%	-2.3%	-37.7%
2007	-1.2%	0.5%	3.3%	-1.7%	-6.6%	5.6%	2.9%	-3.9%	4.8%	4.6%	-2.7%	4.5%	9.6%
2006	14.1%	4.7%	0.2%	10.8%	-13.2%	-5.5%	2.8%	4.7%	-4.3%	3.9%	9.8%	7.1%	36.9%
2005	1.1%	10.2%	-8.6%	-3.4%	2.8%	1.6%	10.5%	13.5%	17.2%	-8.4%	8.8%	10.8%	66.4%
2004	10.2%	11.6%	10.0%	-12.5%	-3.0%	3.4%	-7.8%	3.0%	11.4%	6.3%	-3.2%	-2.8%	26.0%
2003	-2.2%	11.5%	-1.6%	11.3%	5.0%	7.1%	-5.0%	4.2%	4.5%	-10.4%	-0.8%	5.3%	32.1%
2002	14.1%	0.5%	11.0%	6.1%	11.5%	-14.2%	-9.7%	0.1%	-2.4%	9.1%	2.3%	0.0%	24.5%
2001	16.6%	1.3%	-0.9%	2.1%	10.0%	9.4%	-8.6%	1.6%	-16.4%	13.9%	15.6%	13.6%	66.7%
2000	12.6%	5.7%	38.2%	-6.6%	-18.0%	-11.0%	9.0%	19.0%	-17.7%	-2.8%	-21.1%	-1.5%	-9.7%
1999	-1.3%	3.3%	7.4%	0.9%	4.7%	27.3%	-12.0%	-11.0%	-31.3%	11.1%	37.0%	39.3%	68.1%
1998	-30.9%	13.4%	6.9%	-2.2%	-38.1%	-18.1%	-5.1%	-36.4%	-8.1%	-4.3%	12.8%	-0.8%	-75.3%
1997										-19.2%	-15.8%	12.7%	-23.2%

Daily performance updates at [www.pharosfund.com](http://www.pharosfund.com)

Disclaimer: Pharos Financial Advisors Ltd. is part of Pharos Financial Group and is regulated by the DFSA to provide asset management services to Professional Clients. This document is for informational purposes only and does not constitute an offer or solicitation to buy or sell any investments or to make any investment decision. Please refer to the private placement memorandum for more information.

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**Structure & Terms**

Structure	Open Ended Investment Fund
Domicile	Cayman Islands
Inception date	October 1997
Currency	US Dollar
Minimum Investment	USD 1,000,000
Return Measure	Absolute
Investment Advisor	Pharos Financial Advisors Ltd.
Prime Broker	Merrill Lynch Prime Brokerage
Custodian	Merrill Lynch Prime Brokerage
Fund Administrator	Custom House (Dublin)
Auditor	Deloitte & Touche
Legal	Dechert LLP (N.Y.) Walkers (Cayman Islands) Akin Gump (Moscow)
Banker	Northern Trust International Bank (New York)
Management Fee	2%
Performance Fee	20%
High-water Mark	Yes
Subscriptions	Monthly
Redemptions	Monthly
Investor Reports	Daily online update & monthly report to investors
Bloomberg	PHAROSR KY
ISIN	KYG7052G1091
CUSIP Number	G7052 109
VALOR	CH 1988691



**PETER M. HALLORAN, Co-Portfolio Manager**

Twenty-three years financial markets experience. Pioneered Russian capital markets since their inception, including acquisition of over 7.5% of voucher market, first placements of local debt to foreigners, \$3bn privatization bids, 1st IPO in Russia and overall bringing \$7.5bn of capital to the market. Founder of Pharos 1997. Ran CSFB brokerage taking #1 market share in Moscow 1995-1997 including trading, research, sales and \$300mm prop book. Adviser to Soros Fund Mgmt 1999-2000. Ran local investment bank Aton Capital 2000-2002. Earlier in New York with Morgan Grenfell, Salomon Brothers and CS First Boston. B.A. '84 Yale University.

**KEVIN DOUGHERTY, Co-Portfolio Manager**

Thirteen years financial markets experience, Russia resident since 1997. Previously Director of International Sales for Deutsche Bank / UFG and Head of International Sales at Uralsib Investment Bank. Helped to create a sales desk at Aton Capital, a top-rated local investment bank. Worked on IPO's for many Russian companies in the Consumer Goods and Telecoms, Media and Technology sectors. Earlier in New York with Chase Manhattan Corporation. B.A. '93 UCLA.

Pharos named Best Hedge Fund Manager at Hedge Funds World Middle East Awards 2010 in Dubai.

Pharos Funds have been ranked in the Top 15 Hedge Funds globally by Bloomberg and in the Top 10 by Eurohedge.

Pharos Russia Fund was ranked # 1 in the Equity Long/Short category for September 2009 of Barclay Hedge.

**Subscription Information**

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Daily performance updates at [www.pharosfund.com](http://www.pharosfund.com)

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