



MUTUAL FUNDS

Hedge Fund Strategies in a Mutual Fund sm

Alpha Hedged Strategies Fund (ALPHX) - Historical Performance

Standardized Performance as of
September 30, 2008 (%)

	<u>YTD</u>	<u>1 Yr</u>	<u>3 Yr*</u>	<u>5 Yr*</u>	<u>10 Yr*</u>	<u>Since Incept**</u>
ALPHX	-15.95	-16.18	-0.26	4.18	N/A	3.23

Monthly Performance (%)

	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>YTD</u>
2002	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-0.90	-1.31	0.10	N/A
2003	2.04	0.00	0.60	-0.20	-0.40	-0.40	-1.41	-0.41	1.02	2.23	0.10	0.04	3.21
2004	0.99	0.10	1.47	-0.87	1.07	5.01	-1.56	2.52	0.82	0.72	5.37	0.59	17.23
2005	-0.25	0.25	-0.17	-1.44	1.72	0.59	1.51	-0.83	1.67	-0.98	0.75	0.01	2.80
2006	4.29	0.40	1.81	1.70	-1.06	-0.31	-0.77	0.62	-0.77	1.09	0.69	1.38	9.32
2007	1.55	0.61	1.37	1.20	2.00	0.22	-1.02	-0.07	2.42	2.08	-2.18	-0.13	8.25
2008	-4.59	0.55	-1.49	1.83	1.56	-1.62	-2.50	-2.01	-8.52	-12.35	N/A	N/A	-26.34

Total Annual Fund Operating Expenses	6.10%
Net Fund Operating Expenses	3.99%***

Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted. Most recent month-end performance is available by calling 1.877.LOW.BETA. *Average Annualized Return. **Average annual return since ALPHX Fund inception on 9/23/02. *** Excluding dividends on short positions and interest on borrowing, other Fund Operating Expenses are contractually capped indefinitely at 3.99%.

The logo for AIP Mutual Funds, featuring the letters "AIP" in a bold, dark green font. A light grey swoosh curves around the letters from the top left to the bottom right.

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The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The prospectus contains this and other important information about the investment company, and it may be obtained by calling 1-877-LOW-BETA (569-2382), or visiting www.aipfunds.com. Read it carefully before investing.

Certain hedging techniques and leverage employed in the management of the Fund may accelerate the velocity of possible losses. Short selling involves the risk of potentially unlimited increase in the market value of the security sold short, which could result in potentially unlimited loss for the Fund. Derivatives involve investment exposure that may exceed the original cost and a small investment in derivatives could have a large potential impact on the performance of the Fund. Options held in the Fund may be illiquid and the fund manager may have difficulty closing out a position. The Fund may also invest in:

- smaller capitalized companies - subject to more abrupt or erratic market movements than larger, more established companies;
- foreign securities, which involve currency risk, different accounting standards and are subject to political instability;
- securities limited to resale to qualified institutional investors, which can affect their degree of liquidity;
- shares of other investment companies that invest in securities and styles similar to the Fund, resulting in a generally higher investment cost than from investing directly in the underlying shares of these funds.

The Fund intends to utilize these individual securities and hedging techniques in matched combinations that are designed to neutralize or offset the individual risks of employing these techniques separately. Some of these matched strategies include merger arbitrage, long/short equity, convertible bond arbitrage and fixed-income arbitrage. There is no assurance that these strategies will protect against losses. The Fund is non-diversified and therefore may invest in the securities of fewer issuers than diversified funds at any one time; as a result, the gains and losses of a single security may have a greater impact on the Fund's share price.

Because the Fund is a fund-of-funds, your cost of investing in the Fund will generally be higher than the cost of investing directly in the shares of the mutual funds in which it invests. By investing in the Fund, you will indirectly bear your share of any fees and expenses charged by the underlying funds, in addition to indirectly bearing the principal risks of the funds. Please refer to the prospectus for more information about the Fund, including risks, fees and expenses.

Mutual fund investing involves risk; loss of principal is possible. Please consult an investment professional for advice regarding your particular circumstances. An investment in the Fund may not be suitable for all investors.