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Dear Fellow Summit Investors and Friends,

Summit finished 2008 in great form, and 2009 is treating us very well so far.

### **2008 Audit Update**

The Summit Consumer Receivables Fund, L.P.'s 2008 audit confirmed our annual return for the year at just over 14%. One additional but important fact I failed to mention when we distributed the audited statements to investors is that not only was Blackman Kallick's (BK) audit opinion unqualified (meaning that their opinion is that SCRF's statements are in compliance with generally accepted accounting principles), but they also decided that an "emphasis paragraph" was not necessary. Let me explain. Most audit firms (including BK) are currently inserting an "emphasis paragraph" in the opinion of the majority of their financial services clients' audited statements. The "emphasis paragraph" typically reads something like this: "due to recent economic events, it is possible that Management's estimates may be incorrect." After an extensive review of SCRF's management estimates vs. actual cashflows during 2008, BK agreed that such a paragraph would not be required in Summit's case. This is important for two main reasons. First of all, it is a testament to the fact that Summit's pricing, underwriting and default rate prediction has been better than most of our competitors', especially through this economic downturn. Secondly, it will be valuable to the Fund moving forward in seeking lines of credit and other relationships where our financial results and consistency is important.

My hat goes off to Summit's Team for this 2008 performance "trifecta":

1. A strong positive return for 2008 of 14.05%
2. Not a single down month for the year
3. An unqualified audit opinion, and performance estimates which proved to be accurate enough to avoid the ever-common "emphasis paragraph."

## Portfolio Performance Update

The Fund's delinquency overall continues to look good (see the chart below).

### Delinquency and Write-Offs from December through March

| DECEMBER TOTAL FUND |      |             |                  |                  |        |           |       |         |       |         |       |          |             |             |            |            |           |           |
|---------------------|------|-------------|------------------|------------------|--------|-----------|-------|---------|-------|---------|-------|----------|-------------|-------------|------------|------------|-----------|-----------|
| CLIENT              | PORT | TOTAL PBAL  | ORIGINAL BALANCE | 0-30             |        | 31-60     |       | 61-90   |       | 90+     |       | Tot DQ % | COLLECTIONS |             | WRITE OFFS |            | Tot W/O % |           |
|                     |      |             |                  | PBAL             | %      | PBAL      | %     | PBAL    | %     | PBAL    | %     |          | PBAL        | %           | PBAL       | %          |           |           |
| TOTAL               |      | 67,871,952  | 115,682,673      | 64,801,760       | 95.48% | 1,724,379 | 2.54% | 789,074 | 1.16% | 556,740 | 0.82% | 4.52%    | 1,544,864   | 1.34%       | 416,190    | 0.36%      | 1.70%     |           |
| JANUARY TOTAL FUND  |      |             |                  |                  |        |           |       |         |       |         |       |          |             |             |            |            |           |           |
| CLIENT              | PORT | MONTH PURCH | TOTAL PBAL       | ORIGINAL BALANCE | 0-30   |           | 31-60 |         | 61-90 |         | 90+   |          | Tot DQ %    | COLLECTIONS |            | WRITE OFFS |           | Tot W/O % |
|                     |      |             |                  |                  | PBAL   | %         | PBAL  | %       | PBAL  | %       | PBAL  | %        |             | PBAL        | %          | PBAL       | %         |           |
| TOTAL               |      | 65,950,363  | 115,973,448      | 62,656,170       | 95.01% | 1,656,291 | 2.51% | 952,031 | 1.44% | 685,871 | 1.04% | 4.99%    | 1,747,480   | 1.51%       | 547,483    | 0.47%      | 1.98%     |           |
| FEBRUARY TOTAL FUND |      |             |                  |                  |        |           |       |         |       |         |       |          |             |             |            |            |           |           |
| CLIENT              | PORT | MONTH PURCH | TOTAL PBAL       | ORIGINAL BALANCE | 0-30   |           | 31-60 |         | 61-90 |         | 90+   |          | Tot DQ %    | COLLECTIONS |            | WRITE OFFS |           | Tot W/O % |
|                     |      |             |                  |                  | PBAL   | %         | PBAL  | %       | PBAL  | %       | PBAL  | %        |             | PBAL        | %          | PBAL       | %         |           |
| TOTAL               |      | 63,769,773  | 116,285,251      | 60,823,329       | 95.38% | 1,359,971 | 2.13% | 754,171 | 1.18% | 832,301 | 1.31% | 4.62%    | 1,957,395   | 1.68%       | 708,464    | 0.61%      | 2.29%     |           |
| MARCH TOTAL FUND    |      |             |                  |                  |        |           |       |         |       |         |       |          |             |             |            |            |           |           |
| CLIENT              | PORT | MONTH PURCH | TOTAL PBAL       | ORIGINAL BALANCE | 0-30   |           | 31-60 |         | 61-90 |         | 90+   |          | Tot DQ %    | COLLECTIONS |            | WRITE OFFS |           | Tot W/O % |
|                     |      |             |                  |                  | PBAL   | %         | PBAL  | %       | PBAL  | %       | PBAL  | %        |             | PBAL        | %          | PBAL       | %         |           |
| TOTAL               |      | 61,217,873  | 116,619,184      | 58,805,622       | 96.06% | 1,175,616 | 1.92% | 623,299 | 1.02% | 613,337 | 1.00% | 3.94%    | 2,359,856   | 2.02%       | 949,147    | 0.81%      | 2.84%     |           |

The Fund's delinquency is now at its lowest level since before we started reporting it in our Newsletters last October. 96.06% of the portfolio is current to 30 days, with only 1.00% of the Fund's paper greater than 90 days past due. Net write-offs since inception were 2.84% of balances purchased on a "Static Pool" basis, which tracks well with our projections and expectations. Note that the total write-off number for a given static pool of loans can only go up over time, and even accounts in third-party collections which are making payments (i.e., "recoveries") stay in this number.

We experienced a bit of a delinquency "bubble" at the end of 2008, with a peak of 4.99% delinquent at the end of January. This was in part due to the typical seasonal effect in which delinquency rises during the Christmas season as gifts get prioritized over some bills, and then falls again as tax refunds come in. Additional information on SCRF's 4Q2008 portfolio performance can be found on our Website in the "SCRF, L.P. 2008 4Q Meeting Presentation." It can be found by going to <http://www.saifunds.com/investors.html>, username saifunds, PW investor. The Meeting Presentation can be found in the upper right corner of the page.

With a 2008 return of 14.05%, SCRF's total return since inception stood at 34.06%, or 17.34% annualized. This contrasted sharply with our benchmarks—see the table below.

|                                      | SCRF,<br>L.P. | S&P<br>500 | Nasdaq<br>100 | Merrill<br>Lynch<br>High-<br>Yield<br>Master<br>II index | CSFB<br>Hedge<br>Fund<br>Index |
|--------------------------------------|---------------|------------|---------------|--|--------------------------------|
| 2008 Return                          | 14.05%        | -38.46%    | -41.93%       | -26.39%  | -19.07%                        |
| Total Return                         | 39.20%        | -43.65%    | -29.70%       | -22.83%  | -10.00%                        |
| Annualized Return Since<br>Inception | 17.21%        | -24.07%    | -15.56%       | -11.70%  | -4.93%                         |

### January, February and March 2009 Fund Performance

Our January, February and March returns net of all fees and costs were 1.27%, 1.29%, and 1.23% (16.40%, 16.58% and 15.77% compounded and annualized). With 25 months of positive returns now under our belt, this brings SCRF's total return net of all fees and costs since inception through March to 39.20%. Our annualized return since inception was 17.21%.

Our annualized Sharpe ratio continues its string of strong marks at 7.76, at a monthly standard deviation of 0.41%. SCRF's performance vs. our benchmarks we compare ourselves with for January, February and March can be seen in the table below.

| Period                                   | SCRF Fund     | S&P 500        | Nasdaq 100     | Merrill Lynch High-Yield Master II index | CSFB/Tremont Hedge Fund Index |
|--|---------------|----------------|----------------|--|-------------------------------|
| Jan-09                                   | 1.27%         | -8.13%         | -2.29%         | 5.31%                                    | 1.09%                         |
| Feb-09                                   | 1.29%         | -10.56%        | -5.26%         | -3.47%                                   | -0.88%                        |
| Mar-09                                   | 1.23%         | 7.29%          | 10.13%         | 3.30%                                    | 0.65%                         |
| <b>Total Return *</b>                    | <b>39.20%</b> | <b>-43.65%</b> | <b>-29.70%</b> | <b>-22.83%</b>                           | <b>-10.00%</b>                |
| <b>Annualized Return Since Inception</b> | <b>17.21%</b> | <b>-24.07%</b> | <b>-15.56%</b> | <b>-11.70%</b>                           | <b>-4.93%</b>                 |

The Fund's leverage ratio remained steady with a slight drop from 2.33 in December to 2.28 to 1 as of March 31<sup>st</sup>. Our cash on hand was \$4.7M.

### Investor Opportunity

Our performance in this economy has continued to place **SCRF in the top 2% of all US hedge funds based on the Hedgefund.net multi-factor rankings**. Now more than ever, SCRF has the opportunity to take advantage of "fire sales" and excellent pricing of high-credit-quality, performing consumer receivables with reduced competition from other buyers. We are accepting new investor contributions, and to the extent that we continue to bring in new capital, we can take advantage of the unprecedented buying opportunities still facing us. The yields on the paper we have the opportunity to buy now are the highest we have seen to date, improving both investor returns and our ability to withstand increased defaults in the future.

As always, please let us know if you have any questions. To access past months' Newsletters, quarterly meeting presentations and audio recordings and our 2007 and 2008 audited statements, go to [www.SAIfunds.com](http://www.SAIfunds.com), then click "Investor Site" to access the password-protected Investor page. The User Name is saifunds, and the PW is investor.

As always, thank you for your interest in Summit,



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