

Explanatory Memorandum

Dated as of February 1, 2007

HAUSSMANN HOLDINGS N.V.
(Established in Curaçao, Netherlands Antilles)
("the Fund")

The managing directors of the Fund whose names appear on page 1 are the persons responsible for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Statements made in this Explanatory Memorandum are based on the law and practice currently in force in the Netherlands Antilles and are subject to changes thereto without prior notification to shareholders.

The distribution of this Explanatory Memorandum and the offering of shares in the Fund may be restricted in certain jurisdictions. It is the responsibility of any persons in possession of the Explanatory Memorandum and any persons wishing to apply for Shares pursuant to this Explanatory Memorandum to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdictions. Prospective applicants for Shares should inform themselves as to the legal requirements of so applying and any applicable exchange control regulations and taxes in the countries of their respective citizenship, residence or domicile.

The offer of Shares will be effected by continuous offer and private placement. Accordingly, no steps have been taken or will be taken that would permit the issue of a prospectus, notice, circular or other invitation offering the securities hereby being placed to the public for subscription or purchase. This Explanatory Memorandum may not be distributed and the Shares are not being offered and will not be allocated to any person in the United Kingdom other than those persons deemed to be sufficiently expert to understand the risks involved pursuant to articles 19 and 49 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001 (SI 2001/1335). The Shares in the Fund to which it relates have not been registered under the United States Securities Act of 1933 and, except as hereinafter described, may not be directly or indirectly offered or sold in the United States or to or for the benefit of a United States person or United States citizen. The Fund is not registered under the U.S. Investment Company Act of 1940, as amended. This Explanatory Memorandum is not required to be, and has not been, filed with the Commodity Futures Trading Commission (the "CFTC") under the U.S. Commodity Exchange Act and the CFTC does not pass upon the merits of participating in the Fund or upon the adequacy or accuracy of this Explanatory Memorandum. Consequently, the CFTC has not reviewed or approved this Explanatory Memorandum or any other explanatory memorandum for the Fund. Notwithstanding these restrictions, the Board of Directors may arrange for the private offer and sale of Shares to United States persons who are sophisticated investors upon terms and in circumstances designed to preclude a distribution that would require registration of the Shares under the aforementioned legislation. The Shares may not be offered, sold or distributed, directly or indirectly, in Canada or to or for the benefit of any resident of Canada, other than in compliance with applicable securities laws. This Explanatory Memorandum will not be distributed or delivered in Canada other than in compliance with applicable securities laws. The Shares have not been and will not be registered under the Securities and Exchange Law of Japan, as amended (the "SEL"). The Shares may not be offered, sold or distributed, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or entity organised under the laws of Japan) or to others for reoffer or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements under the SEL and otherwise in compliance with such law and any other applicable laws, regulations and ministerial guidelines of Japan.

No investment decision regarding the Shares of the Fund should be made on the basis of this Explanatory Memorandum unless it is accompanied by the Fund's most recent audited annual financial report and any subsequent unaudited interim reports.

Capitalised terms used in this document including this introduction are as defined below under the headings "Definitions" and "Directory".
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DIRECTORY

Registered Address

Haussmann Holdings N.V.
c/o Citco Fund Services (Curaçao) N.V.
P.O. Box 4774
Kaya Flamboyen 9
Willemstad
Curaçao
Netherlands Antilles

Secretary

Julian Elliott

The address of the Directors and the Secretary is the registered office of the Fund.

Repurchase Company

H.H. Repurchase & Trading Company N.V.
c/o Citco Fund Services (Curaçao) N.V.
Kaya Flamboyen 9
Willemstad
Curaçao
Netherlands Antilles

Auditors

PricewaterhouseCoopers
P.O. Box 82
Royal Trust Tower
Toronto-Dominion Centre
Toronto, Ontario, M5K 1G8
Canada

Custodians

BSI Ifabank S.A. (France)
Citco Banking Corporation N.V. (Netherlands Antilles)
UBS A.G. (Luxembourg)

Irish Stock Exchange Sponsoring Broker

J&E Davy
49 Dawson Street
Dublin 2
Ireland

Honorary President

Louis-Amédée de Moustier

Directors

Beat Notz (Chairman)	Alberto Foglia
Pierre Mirabaud	Bernard Lozé
Manuel de Toledo	Gregoire Bordier
Christian Ferry	Eric Pfaff
Michael Solomon	Steven Georgala

Investment Manager

HH Management Limited
Midocean Chambers
P.O. Box 805
Road Town
Tortola
British Virgin Islands

Administrator

Citco Fund Services (Curaçao) N.V.
Kaya Flamboyen 9
P.O. Box 4774
Willemstad
Curaçao
Netherlands Antilles
Fax: (5999) 732 2225
Email: haussmannh@citco.com

International Legal Consultants

Maitland
44-48 Dover Street
London W1S 4NX
United Kingdom

Maitland
35 rue la Boétie
75008 Paris
France

Netherlands Antilles Legal Counsel

VanEps KunnemanVanDoorne
Julianplein 22
Curaçao
Netherlands Antilles

KEY INFORMATION

The following is a summary of the investment objectives of the Fund and the principal terms and conditions of the offering of Class A, Class B and Class C Participating Shares. This summary is qualified in its entirety by reference to the more detailed information appearing elsewhere in this Explanatory Memorandum or in other documents referred to herein.

The Fund: Haussmann Holdings N.V., a limited liability company organised under the laws of the Netherlands Antilles.

Investment Strategies: The Fund seeks to produce capital appreciation over time with lower risk than traditional investments by investing its assets with various portfolio managers who generally utilise alternative investment strategies.

Participating Shares Offered: The Fund has three Classes of non-voting Participating Shares: Class A Shares, Class B Shares and Class C Shares. The Class A and Class B Shares are denominated in Dollars and the Class C Shares are denominated in Euros. The Class A, Class B and Class C Shares have the same rights. The Class B Shares are listed on the Irish Stock Exchange and as such, are subject to a higher minimum subscription amount.

Participating Shares have limited voting rights. Upon a winding-up, the holders of Participating Shares of each Class shall have a preferred claim in respect of the assets of the Company attributable to the Participating Shares of that Class and there shall be divided between them the surplus remaining after the payment to the holders of Management Shares of their entitlement to the contribution made by the holders on subscription.

Management Shares In order to facilitate the efficient management of the Fund, Management Shares have unlimited voting rights but a limited right to participate in the profits of the Fund. Management Shares are issued only to the Investment Manager, are not available for subscription. Upon a winding-up, Management Shares are entitled only to an amount equal to the initial contribution made upon subscription for those Management Shares. All 1,000 Management Shares have been issued to the Investment Manager for a total contribution of \$1,000.

Issue and Redemption of Shares: Class A, B and Class C Shares will normally be available for subscription as of the last business day of each month at the Offering Price. The Offering Price will be the Net Asset Value per Share for the relevant Class as at the close of business on the Dealing Day.

Shares are redeemable on the Dealing Day or on such other date as may be determined by the Board. Shares will be redeemed at a price equal to the Net Asset Value per Share on the Dealing Day less any brokerage commission charged by the Repurchase Company as described below in “Offerings, Repurchases, Redemptions and Net Asset Value Calculation”.

Special Considerations:

Investment in the Fund involves various types of risks, certain of which are described in “Risk Factors” herein. Investors should carefully consider such risks prior to making an investment.

Dividend Policy:

The generation of dividends is not a primary objective of the Fund. Nevertheless, the fund will pay dividends in appropriate cases and for each of the years 1993 through 2005, the Fund has paid dividends per Share of \$2.00 for the Class A and Class B Shares, and for 2005, the Fund paid dividends per Share of €2.00 per Share for the Class C Shares.

	<u>Class A Shares</u>	<u>Class B Shares</u>	<u>Class C Shares</u>
Minimum Initial Subscription:	\$50,000	\$100,000	The counter value in Euro of \$50,000
Dealing Fees:			
(a) Sales Commission	Up to 1.5%	Up to 1.5%	Up to 1.5%
(b) Contingent Deferred Sales Charge	None	None	None
(c) Distribution Fee	None	None	None

Redemption Fee:

The Fund’s Articles authorise the Repurchase Company to charge a commission of up to 1.5% of the Net Asset Value of any Shares being redeemed. However, the Fund and the Repurchase Company have agreed that, until further notice, the fees charged by the Repurchase Company on redemptions will not exceed 0.5% of the Net Asset Value of any Shares being redeemed.

Fees:

The combined fees for investment management and financial advisory services will be paid to the Investment Manager quarterly in arrears. The combined fees are 1.90% (190 basis points) per annum of the average of the Net Asset Values for the relevant quarter.

Other Expenses:

The Fund also pays all other operational and organisational expenses as more fully described herein including amounts associated with administration, legal, accounting, brokerage and fiscal agent services for the Fund.

Fiscal Year:

The fiscal year of the Fund ends on December 31.

DEFINITIONS

In this Explanatory Memorandum, references to persons and entities are as defined in the Directory and, unless the contrary intention appears, the following words and expressions have the following meanings:

“Administration Agreement”	The administration agreement between the Fund and the Administrator dated March 15, 2004.
“Articles”	The Articles of Incorporation of the Fund.
“Board”	The Board of Directors of the Fund.
“business day”	A day normally treated as such in the Netherlands Antilles.
“Class”	A class of Shares.
“Dealing Day”	The last business day of each month.
“Directors”	The managing directors of the Fund.
“Dollar” or “\$”	The currency of the United States of America.
“Euro” or “€”	The currency of the European Union.
“Exchange Price”	The Net Asset Value per Share for the relevant Class.
“Exchange Rate”	the rate of exchange (whether official or otherwise) between any two currencies which the Board in its absolute discretion deems applicable, having regard, among other things, to any premium or discount which it considers may be relevant and to costs of exchange
“Investment Management Agreement”	The Investment Management Agreement between the Investment Manager and the Fund dated as of 23 December 2005.
“Manager Board”	The Board of Directors of the Investment Manager.
“Management Shares”	Class M Shares in the Fund.
“Net Asset Value”	The net value of the net assets of a Class of Participating Shares as determined in accordance with paragraph (e) on page 10.
“Net Asset Value per Share”	The Net Asset Value divided by the number of Participating Shares of a particular Class in issue at the relevant time.
“Non-Eligible Person”	(i) a citizen or resident of the United States of America, a corporation, trust or other entity organised under the laws of, or existing in, the United States of America or any state, commonwealth or possession thereof, a trust

or estate the income of which is subject to U.S. federal income tax regardless of source or a partnership, corporation, trust, estate or other entity that is not itself a U.S. Person but is controlled by a U.S. Person;

(ii) a person falling within the definition of the term "U.S. person" in Regulation S promulgated under the U.S. Securities Act of 1933, as amended; or (iii) a person who does not fall within the definition of the term "Non-United States person" in Regulation 4.7 promulgated under the U.S. Commodity Exchange Act, as amended.

"Participating Shares"

Class A, Class B and Class C Shares in the Fund;

"Offering Price"

The price at which a Participating Share is being offered being the Net Asset Value per Share of a Class B Share or a Class C Share on the Dealing Day, plus applicable fees and charges as described in paragraph (a) 6 on page 6.

"Repurchase Price"

The Net Asset Value per Share multiplied by the number of Shares of that Class being repurchased.

"Shares"

Shares in the capital of the Fund.

"Shareholder"

A registered holder of Shares.

THE FUND

HAUSSMANN HOLDINGS N.V., a limited liability company organised under the laws of the Netherlands Antilles in April 1969, is an investment company advised by a group of European financial institutions. The Bank van de Nederlandse Antillen, in line with its Policy Guidelines on Exemption Regulation for Investment Institutions, has granted Haussmann Holdings N.V. an exemption from the prohibition contained in article 3, paragraph 1 of the National Ordinance on the Supervision of Investment Institutions and Administrators (N.G. 2002, no. 137). Consequently, Haussmann Holdings N.V. is not subject to the supervision exercised by the Bank van de Nederlandse Antillen. Further information concerning this exemption may be obtained from Haussmann Holdings N.V. The registered and sole office of the Fund is Kaya Flamboyan 9, Willemstad, Curaçao, Netherlands Antilles. Effective as of January 1, 2003, investment institutions and administrators in the Netherlands Antilles are subject to supervision pursuant to the National Ordinance on the Supervision of Investment Institutions and Administrators

OBJECTIVES AND POLICY

The primary objective of the Fund is to achieve capital appreciation. Generation of current income through the receipt of interest or dividends is only a secondary objective of the Fund. There can be no assurance that the Fund will achieve its objectives. See "Risk Factors" below for a discussion of certain risks associated with an investment in the Fund.

The Fund invests its assets in funds of recognised standing, or, through wholly-owned subsidiaries, in discretionary securities investment accounts managed primarily by independent investment managers acting pursuant to management contracts with such subsidiaries. The Fund makes such investments on the basis of the Investment Manager's assessment of the ability of the investment managers managing such funds or accounts. These investment managers invest principally in securities of companies incorporated or organised in developed countries, but are not subject to restrictions on the types of securities or geographic regions in which they may invest.

The various types of investment styles of the funds or discretionary securities investment accounts in which the Fund invests include, but are not limited to: U.S. long/short hedge, European hedge, Japan hedge, macro managers, U.S. emerging growth, global equity long, emerging markets and event driven styles.

INVESTMENT MANAGEMENT

Investment Manager

The Fund and the Investment Manager have entered into the Investment Management Agreement. The Investment Manager holds a license issued by the British Virgin Islands Financial Services Commission dated 5 December 2005 to act as investment manager to the Fund.

The Investment Manager is ultimately controlled by:

- the Notz Stucki group;
- the Mirabaud group;
- the Banca Del Ceresio group;
- the BSI group; and
- the Bordier group.

The Investment Manager is advised by:

- the Notz Stucki group;

- the Mirabaud group; and
- the Banca Del Ceresio group.

Under the terms of the Investment Management Agreement, the Investment Manager has discretion to make decisions in respect of the composition of the Fund's portfolio, subject to the control of and review by the Board. Either party may terminate the agreement at will upon 30 days' prior written notice to the other party thereto. The Investment Manager is paid a fixed annual fee calculated quarterly in arrears. The investment management fee paid to the Investment Manager is 1.90% (190 basis points) per annum of the average of the Net Asset Values for the relevant quarter. The investment management fee is payable within 30 days of the end of each calendar quarter. As a standard business practice, the Investment Manager, its affiliates and representatives may pay a portion of such fees to third parties (e.g., broker dealers, investment advisers, banks, etc.) that introduce shareholders to the Fund based upon the ownership positions in the Fund of such shareholders. Under certain circumstances, the Investment Manager and its affiliates may rebate a portion of the fees that they receive to third parties.

Pursuant to the terms of the Investment Management Agreement, the Investment Manager will not be liable for and is indemnified against any losses suffered by the Fund in connection with its provision of services to the Fund, except where such losses arise from a breach of the Investment Management Agreement, wilful misconduct, bad faith or gross negligence. Losses for which the Investment Manager is not liable may include losses resulting from ordinary errors, the cost of which the Board has the discretion to charge to the Fund.

In recommending funds and investment managers, the Investment Manager takes into consideration the investment policies of such funds and investment managers to ensure that the investment objectives and policies of the Fund are maintained. The Investment Manager also establishes certain guidelines to be followed by the investment managers of its discretionary investment accounts. The Fund has been, and intends to continue to be, diversified in its investments as it deems advisable and will be subject to the investment restrictions described below under the section herein entitled "Investment Restrictions". The Investment Manager may delegate to third party service providers administrative and day-to-day operational functions. All activities engaged in by any third party service providers on behalf of the Fund or the Investment Manager are subject to the control and review of the Investment Manager.

The Investment Manager negotiates with each investment manager of a discretionary investment account (managed for the benefit of the Fund) the fee to be paid by the Fund to such investment manager as remuneration for managing such account. The Fund also pays annual and performance fees relating to its investments in other investment funds. Such fees generally range from one percent (1.0%) to four percent (4.0%) of the average assets invested in these funds and accounts. Additional incentive fees of fifteen percent (15%) to twenty-five percent (25%) of profits also are generally payable to such other investment funds.

In general, the Fund does not engage in hedging or leveraging operations with respect to its own assets, except with respect to the Class C Shares. Many investment managers with whom the Fund invests do, however, utilise "hedging" and "leveraging" techniques. Hedging techniques may include the making of "short" sales, the borrowing of securities and borrowing on margin. While the use of hedging techniques may reduce the potential loss resulting from a general market decline, their application may tend to restrain maximum capital growth in times of a general market rise. The Fund may borrow on margin and may also utilise short-term borrowings to capitalise investments. In addition, the use of leveraging techniques (that may also include borrowing on margin) may increase the volatility of the Net Asset Value and increase the adverse impact to which the Fund's investment portfolio would be subject in the event that the Fund realises negative returns. Investment managers of funds and discretionary accounts in which the Fund invests may also purchase and sell puts, calls and other option instruments to supplement their hedging and leveraging activities. In addition, investment managers may also invest in various commodities futures contracts and may take positions in foreign currencies.

To the extent that the Fund's assets are not fully invested in other funds or in discretionary investment accounts, the Fund intends to invest such assets principally in bank deposits, Treasury bills or other comparable financial instruments.

While no investment of any type (whether it be government obligations, bank deposits, capital assets or market securities) is free from risk of loss, the Fund will continue to explore and examine new investment opportunities as they arise consistent with the objectives set forth herein. There is no assurance that these objectives will be achieved. See “Risk Factors”.

Investment Manager Discretion

While the Investment Manager will seek to provide a level of investment diversification among the investment managers and strategies that it considers to be appropriate, it has not adopted any specific diversification criteria other than the Investment Restrictions. Moreover, the Investment Manager has absolute discretion to vary Fund investments in such manner as it deems appropriate to achieve the Fund’s investment objectives, and may adopt additional investment procedures or criteria that may or may not be consistent with those described herein subject at all times to the investment restrictions of the Irish Stock Exchange.

The Investment Manager will review the performance of each Fund and each portfolio manager in order to assess whether to make changes in the allocation of the Funds assets among the various portfolio managers. In assessing the ongoing performance of the portfolio managers, the Investment Manager will review a variety of factors relating to the portfolio managers’ performance but generally will not review portfolio manager trade allocations, brokerage commissions or soft Dollar practices.

The Investment Manager has broad discretion in managing the Fund’s investments. The descriptions of the investment strategies contained herein should not be understood as limiting that discretion. The Fund may invest in any investments deemed appropriate by the Investment Manager, including investing in securities, commodities, currencies and financial instruments of all types, including but not limited to convertible securities, preferred securities, debt instruments, options, swaps, futures, forwards, warrants, commercial paper and money market instruments and any combination of the foregoing instruments. The Fund may also invest directly in the types of securities and financial instruments that are invested in by the investment funds and discretionary accounts in which the Fund invests, including making of short-term investments in cash or liquid securities or entering into other short-term transactions. As market conditions change, the types of investments the Fund invests in may vary significantly. The Investment Manager in its sole discretion may modify any portion of the above-described strategies at any time if it determines that such an approach might better achieve the investment objective of the Fund subject at all times to the investment restrictions of the Irish Stock Exchange.

INVESTMENT RESTRICTIONS

As a company with securities listed on the Irish Stock Exchange, the following investment restrictions will apply to the Fund:

- (1) The Fund may not invest more than 20% of its assets in the securities of any one issuer, including the issuer’s subsidiaries and affiliates, except for investments in underlying investment portfolios of any funds and discretionary accounts as described in paragraph (2), below.
- (2) Assets of the Fund may be invested in any one fund or in discretionary accounts managed primarily by any one investment manager acting pursuant to management contracts with the fund in excess of 20% and up to 40% provided that each such underlying fund or investment manager operates on the principle of risk spreading. The Investment Manager will monitor the underlying investment portfolios of any funds and discretionary accounts into which the Fund has invested in excess of 20% to ensure that, in aggregate, assets not exceeding 20% of the value of the Fund are invested in a single issuer. If the Investment Manager becomes aware of any breach of this limit, it will immediately take all necessary steps to bring the Fund back within this limit.
- (3) The Fund may not invest more than 20% in aggregate of the value of its assets in funds of funds (multi-manager funds).

- (4) The Fund may not make any investments that would result in the taking of legal or management control by the Fund of the issuer of any of its underlying investments.

The investment restrictions set forth above will be adhered to for as long as the Class B Shares of the Fund are listed on the Irish Stock Exchange.

The foregoing investment restrictions should not be construed as providing any protection against the risk of a decline in the Fund's value. No investment is free from risk of loss. The Fund will continue to examine new investment opportunities as they arise, consistent with its policies and objectives. There is, however, no assurance that such objectives will be achieved.

CAPITAL STRUCTURE

The Fund may issue the following Shares:

- three million (3,000,000) non-voting Class A Participating Shares with a par value of one Dollar (\$1.00) each (the "Class A Shares");
- one million (1,000,000) non-voting Class B Participating Shares with a par value of one Dollar (\$1.00) each (the "Class B Shares"); and
- one million (1,000,000) non-voting Class C Euro Participating Shares with a par value of one Euro cent (€0.01) each (the "Class C Shares"); and
- one thousand (1,000) voting Class M shares with a par value of one United States Dollar (US\$1.--) each (the "Management Shares").

Shares will be issued only in registered form. The Fund has 3 Classes of non-voting Participating Shares (being Class A Shares, Class B Shares and Class C Shares) and 1 Class of Management Shares (Class M Shares). The respective rights and privileges of each Class are set out in detail in the Articles and a summary is set out below.

Management Shares

The Management Shares are issued to the Investment Manager only. In order to facilitate the efficient management of the Fund, Management Shares have unlimited voting rights but limited rights to participate in the assets of the Company on a winding-up. On a winding-up of the Company, the holders of the Management Shares are entitled, in preference to the other shareholders, to participate in the assets of the Company but only to the extent of the amount contributed by the holder of the Management Shares to the capital of the Company. The holders of the Management Shares have contributed \$1,000 to the capital of the Company in consideration of the issue of 1,000 Management Shares of \$1 each. All available Management Shares have been subscribed for and Management Shares are not offered for subscription.

Participating Shares

The Participating Shares are issued to investors in the Fund. Participating Shares have limited rights to vote but unlimited rights to participate in the assets of the Company on a winding-up. Participating Shares are redeemable with reference to the Net Asset Value per Share in accordance with the provisions of this Explanatory Memorandum and the Articles. Three Classes of non-voting Participating Shares each are authorised and available for issue: Class A, Class B and Class C Shares.

The holders of Participating Shares are entitled to receive notice of, attend, and address general meetings of shareholders, but are not entitled to vote thereat. An amendment to the Articles that is prejudicial to the interests of holders of Participating Shares can only be implemented with the approval of a separate meeting of holders of shares of the affected Class. In the event of a proposed variation of rights prejudicial to the interests of the holders of any Class or Classes of Participating Shares, such proposal must be approved by a majority of the votes cast by each

such Class. On a winding-up of the Company, the assets of each Class will be realised after which the holders of the Management Shares will be entitled to repayment of the capital contributed by the holders of such Management Shares. Thereafter, the holders of Participating Shares will be entitled to participate in the remaining assets of the Company attributable to the Class of Participating Shares that they hold in the proportion their shares represent to the total number of Participating Shares in issue in the relevant Class. Participating Shares all have the same rights.

The Class B Shares have been listed on the Irish Stock Exchange in Dublin since December 22, 1995.

Transfer of Shares

The Shares of the Fund are transferable; however, the Fund reserves the right in its sole and absolute discretion to reject a transfer of Shares for any reason. Shares in the Fund are not transferable in circumstances where the transfer of such Shares would prevent the Fund from availing itself to the United States tax advantages referred to under the heading herein entitled "Tax Considerations" or would be affected adversely by such transfer under United States securities laws. Details regarding the circumstances in which sales, assignments, pledges, hypothecations or other transfers of Shares are restricted pursuant to such U.S. tax and/or securities laws are set forth under the headings herein entitled "Offerings, Repurchases, Redemption and Net Asset Value Calculation". The transfer of Shares may be effected either (a) by the serving upon the Fund of an instrument of transfer signed by or on behalf of the shareholder and transferee(s) or (b) through the written acknowledgement of the transfer by the Fund on the deed of transfer, which acknowledgement will be signed by a Director or by one or more other persons thereto designated by the Managing Board, whereupon an appropriate entry will be made in the shareholders register of the Fund. The transferee must complete a subscription agreement in a form that is acceptable to the Fund before such transfer will be deemed accepted by the Fund.

Changes to Capital

The Fund may from time to time increase its capital by such sum divided into Shares of such amounts pursuant to an amendment of the Articles on the basis of a resolution by the general meeting of the Fund. The Fund may also reduce its share capital pursuant to an amendment of the Articles on the basis of a resolution by the general meeting of the Fund.

OFFERINGS, REPURCHASES, REDEMPTIONS, EXCHANGES AND NET ASSET VALUE CALCULATION

All offerings of Class A and Class B Shares are settled in Dollars and all offerings of Class C Shares are settled in Euros, except as otherwise indicated below. All repurchases and redemptions of Class A Shares and Class B Shares are settled in Dollars and all repurchases and redemptions of Class C Shares are settled in Euros, except as otherwise indicated below.

The Fund has appointed the Repurchase Company as its dealing agent for the Share purchases and sales. The Repurchase Company does not formally make a market in the Shares and does not quote any purchase or sale price other than those announced by the Fund. In terms of the agreement between the Fund and the Repurchase Company, the Repurchase Company charges a one and one half (1.5%) commission on subscription for Shares which commission may be paid to institutions or persons responsible for such subscriptions or, if no institution or person is responsible for a subscription, may be retained by and for the benefit of the Repurchase Company. The Repurchase Company is entitled to waive all or part of such commission. In addition, the Repurchase Company may retain, from payments made in respect of redemptions of Shares effected through the Repurchase Company, a commission of 0.5% of the aggregate Net Asset Value of the Shares redeemed.

Purchases and sales may also be effected through selected financial intermediaries.

All re-allowances, finder's fees, distributions and other incentive payments received from sponsors of funds in which the Fund invests or from the investment managers of discretionary accounts, whether or not such incentive payments are made in connection with the Fund's initial investment in such funds or accounts, accrue to the Fund for the benefit of the shareholders.

(a) Offerings

1. Participating Shares are offered by way of private placement.

2. In order to restrict the ownership of Shares by persons whose background or reputation is unknown, the Board has determined that, from June 30, 1996, Shares may only be registered in the name of "Qualified Institutional Holders". A "Qualified Institutional Holder" is a financial institution that has been granted a license to conduct a banking or securities business in a jurisdiction recognised by the Board as having an adequate regulatory regime, such as a member state of the European Union that is subject to the EC Money Laundering Directive or a member country of the Financial Action Task Force. Persons that are not Qualified Institutional Holders may only have Shares registered in their names by special arrangement with the Fund or the Repurchase Company.

3. Participating Shares are not being offered, sold or delivered for sale in the United States of America or to U.S. Persons or to any partnership, corporation, trust, estate or other entity that is not itself a U.S. Person but is controlled by a U.S. Person. Shares are not freely transferable and the Fund reserves the right to prevent the ownership of its Shares by any U.S. Person. For purposes of this restriction, a "U.S. Person" is: (i) a citizen or resident of the United States of America; (ii) a corporation, trust or other entity organised under the laws of, or existing in, the United States of America or any state, commonwealth or possession thereof; (iii) a trust or estate the income of which is subject to U.S. federal income tax regardless of source; (iv) a person falling within the definition of the term "U.S. person" in Regulation S promulgated under the U.S. Securities Act of 1933, as amended; or (v) a person who does not fall within the definition of the term "Non-United States person" in Regulation 4.7 promulgated under the U.S. Commodity Exchange Act, as amended. The Fund requires every purchaser of Shares to represent to the Fund that such purchaser: (1) is not a U.S. Person and is not controlled by a U.S. Person; (2) will not permit a U.S. Person to exercise the voting rights represented by the Shares; (3) is not purchasing the Shares for resale to, for the benefit of, or for the account (directly or indirectly) of, a U.S. Person or with the view to their offer or sale within the U.S.; and (4) will not offer, sell, pledge, hypothecate or transfer, directly or indirectly, ownership of the Shares or an ownership interest therein to a U.S. Person.

4. By agreement between the Fund and the Repurchase Company, the Repurchase Company will, on behalf of the Fund:

- (a) require each purchaser of Participating Shares to represent to the Fund that such purchaser is not a Non-Eligible Person;
- (b) decline to issue any Participating Share and decline to register any transfer of any Share where it appears to it that such registry or transfer would or might result in beneficial ownership of such Share by a purchaser or transferee who is a Non-Eligible Person;
- (c) compel the sale, in a manner similar to the one indicated in the subheading herein entitled "Repurchases" under the heading "Offerings, Repurchases, Redemptions and Net Asset Value Calculation", to the Fund of Shares held by any purchaser or transferee of a purchaser where it appears to the Fund that any Non-Eligible Person, either alone or in conjunction with any person, is a beneficial owner of such Shares; and
- (d) require every purchaser to represent to the Fund that he will not transfer any Shares or any interest therein to a Non-Eligible Person.

5. The Board has adopted a policy of carefully controlling the growth of the Fund and may therefore in its sole discretion from time to time restrict or suspend the offering of new Shares in the Fund. Any such restriction or suspension would be without any effect on the repurchase provisions described below under subparagraph (b).

6. Participating Shares will be offered on the Dealing Day at the Offering Price. Any person desiring to become a Shareholder must execute and send to the Repurchase Company a subscription application in the form

attached hereto to the physical address of the Repurchase Company set out in the Directory or to the email address or fax number set out for the Administrator in the Directory. In the case of a subscription application by fax or email, the subscription shall only be effective when actually acknowledged by Administrator, and two original copies of the subscription form must follow by overnight courier. Neither the Fund, the Repurchase Company nor the Administrator shall be responsible for any mis-delivery or non-receipt of any facsimile or email if they have not acknowledged receipt of the facsimile, email or original document. Facsimiles or emails sent to the the Repurchase Company shall only be effective when actually acknowledged by the Administrator. In the event that no acknowledgement is received from the Administrator within seven (7) days of submission of the request, investors should contact the Administrator on telephone number (5999) 732 2222 to confirm receipt by the Repurchase Company of the request. The Repurchase Company shall, on behalf of the Fund, acknowledge all subscriptions by way of trade confirmation upon approval of a subscription by the Fund. Should a prospective investor not receive a trade confirmation, it is the prospective investor's responsibility to contact the Administrator to ascertain the status of its subscription, as it cannot assume its successful subscription until it receives a trade confirmation. If the subscription is not accepted, payment will be returned without deduction or interest. Shares are issued in registered form and no certificate will be sent to an investor unless specifically requested in writing. Generally, a Shareholder may only elect to receive a certificate representing its Shares if it demonstrates to the Fund that it is legally required to hold certificated shares or the Fund otherwise approves of such issuance. The minimum initial subscription amount for Class A Shares is \$50,000 pursuant to the terms of the exemption from the National Ordinance on the Supervision of Investment Institutions and Administrators of the Netherlands Antilles. In respect of Class B Shares, the minimum amount for which investors may subscribe is \$100,000, pursuant to Irish Stock Exchange listing requirements. In respect of Class C Shares, the minimum amount for which investors may subscribe is the Euro equivalent of \$50,000, pursuant to the terms of the exemption from the National Ordinance on the Supervision of Investment Institutions and Administrators of the Netherlands Antilles. A commission of one and one half (1.5%) of the Offering Price will generally be charged by the Repurchase Company to subscribers for Shares and may be paid to institutions or persons responsible for such subscriptions or, if no institution or person is responsible for such a subscription, will be retained by and for the benefit of the Repurchase Company.

7. The Repurchase Company is entitled to sell Shares held by it at any time to satisfy any subscription.

8. Generally, the Repurchase Company requires that it must receive original subscription applications at least 20 calendar days prior to the applicable Dealing Day. However, the Repurchase Company has suspended this requirement until further notice, such that the Repurchase Company must receive subscription applications on or prior to the applicable Dealing Day. If this requirement is reinstated, any application not received at least 20 calendar days prior to a Dealing Day will be considered with subscription applications for the succeeding Dealing Day, and the subscriber will be notified thereof. Any application received after the Dealing Day on which the investor originally intended to subscribe for Participating Shares will only be considered with subscription applications for the succeeding Dealing Day. The Repurchase Company will, with respect to applications received on or prior to such twentieth day, notify subscribers by fax of its acceptance or rejection of their offers to subscribe on or before ten calendar days prior to the applicable Dealing Day. The Repurchase Company will acknowledge receipt of subscription requests and further instruct as to wire transfer instructions within 10 days following the receipt by a subscriber of notice of acceptance from the Repurchase Company and subscribers will become Shareholders as of the day following such payment having been received. The Board retains the sole discretion, pursuant to the Fund's Articles, to modify the foregoing procedures from time to time. The Board may also modify the method of calculation of the Net Asset Value, in which case this Explanatory Memorandum will be supplemented or amended.

9. Persons interested in purchasing Participating Shares must inform themselves as to (a) the legal requirements within their own countries for the subscription for such Participating Shares, (b) any foreign exchange restrictions which they might encounter and (c) the income tax and other tax consequences, if any, which might be relevant to the subscription, purchase, holding, repurchase, sale or transfer of Shares.

10. The Repurchase Company is required, on behalf of the Fund, to comply with the Administrator's "Know Your Customer" policy, found within the subscription applications. In terms of this policy, the Administrator reserves the right to request such information as is necessary to verify the identity of an applicant. As detailed

further under the heading of “Anti-Money Laundering” below, to ensure compliance with statutory and other requirements relating to anti-money laundering regulations, the Administrator may require verification of identity from any person submitting a completed subscription application.

11. If within a reasonable period of time following a request for verification of identity, the Administrator has not received satisfactory evidence of identity, the Fund may, in its absolute discretion, refuse to allot the Shares applied for, in which event subscription monies will be returned without interest to the account from which such monies were originally debited. In addition, subscription monies may be rejected by the Fund if the remitting bank or financial institution is unknown to the Fund.

12. Each subscriber will be required to acknowledge in its subscription application that the Fund, the Administrator and/or the Investment Manager may disclose to each other, to any other service provider to the Fund or, upon request, to any regulatory body in any applicable jurisdiction, copies of the subscriber’s subscription application and any information concerning the subscriber provided by the subscriber to the Fund, the Administrator, the Repurchase Company and/or the Investment Manager and any such disclosure will not be treated as a breach of any restriction upon the disclosure of information imposed on such person by law or otherwise.

13. The Fund in its absolute discretion reserves the right to reject a subscription for any reason.

(b) Repurchases

1. Holders of Participating Shares will have the right, on such dates as may be determined from time to time by the Board in its sole discretion and notified to subscribers and shareholders of record, to sell their Participating Shares to the Repurchase Company, subject to the Repurchase Company’s right to suspend such repurchase rights in the event of a suspension by the Fund described in the fourth paragraph of this paragraph (b). The Board and the Repurchase Company have agreed that, until further notice, Shareholders have the right to sell their Participating Shares to the Repurchase Company on the Dealing Day. The Repurchase Company, on each Dealing Day, purchases Participating Shares tendered to it at least 20 calendar days prior to such Dealing Day (or such shorter period as the Repurchase Company may permit), at a price equal to the Net Asset Value per Participating Share on such Dealing Day. Such tenders must be made to the Repurchase Company in the form attached hereto, together with stock certificates properly endorsed for transfer, if applicable. The Repurchase Company will process repurchase requests that are initially received by facsimile or email, but reserves the right to withhold payment of proceeds until it has received the original repurchase request signed by an authorised signatory of the redeeming shareholder. None of the Fund, the Repurchase Company or the Administrator shall be responsible for any mis-delivery or non-receipt of any facsimile or email. Facsimiles or emails sent to the Repurchase Company shall only be effective when actually received by the Repurchase Company. The Administrator will acknowledge receipt of repurchase requests sent by fax or email within 7 days of receipt of such request. If a Shareholder does not receive such an acknowledgement, they are advised to contact the Administrator by telephone on the number set out in the Directory to confirm receipt of such repurchase request as repurchase requests shall only be effective when receipt is actually acknowledged by the Administrator. **Repurchase requests submitted by email must be accompanied by a duly authorised repurchase request as an attachment.** The Repurchase Company has agreed to purchase Participating Shares that are properly tendered in Dollars or Euros, as applicable, within 30 calendar days after the applicable Dealing Day provided that such repurchase shall be with effect from the Dealing Day. The Repurchase Company will generally acknowledge receipt of the tender within 10 days following the applicable Dealing Day. The Articles and the agreement between the Fund and the Repurchase Company authorise the Repurchase Company to charge a commission of up to one and one half (1.5%) of the Repurchase Price. By agreement between the Fund and the Repurchase Company, the commission that the Repurchase Company may charge has been reduced to a maximum of one-half percent (0.5%) of the Repurchase Price.

2. In the event that the Board determines, in its sole discretion, that Participating Shares or an interest therein have been issued, sold or transferred to a Non-Eligible Person or that the continued ownership of Participating Shares by Non-Eligible Persons will cause adverse consequences to the Fund as the result of the application of United States tax or securities laws to the Fund, the Fund will exercise its rights under its Articles or otherwise to compel such Shareholders to immediately sell such Shares to the Repurchase Company. To the extent that the Fund is able to compel such sales, the Repurchase Company is obligated to purchase such Participating Shares. Once the Fund has determined to compel the sale of Shares that it may deem advisable, the purchase thereof

will be made on a date determined by the Board in its sole discretion (but no later than the next Dealing Day) at the Repurchase Price calculated on such date.

3. The Repurchase Company has the right to resell any Participating Shares owned by it or, subject to the three paragraphs that follow, to have such Participating Shares redeemed by the Fund, although the Repurchase Company has agreed to use its best efforts to resell the Shares of the Fund owned by it rather than to present them for redemption. Such resales may be made at any time to persons offering to buy Participating Shares from the Repurchase Company or on any Dealing Day to persons offering to buy Participating Shares from the Fund, provided that such persons complete a subscription agreement in a form that is acceptable to the Fund.

4. The Fund may suspend the right of the Repurchase Company to require the Fund to redeem Participating Shares from the Repurchase Company under certain circumstances, in which case the Repurchase Company may suspend its obligations to purchase Participating Shares from Shareholders:

- (a) during any period when any stock exchange on which any of the Fund's investments for the time being are quoted is closed other than for ordinary holidays, or during periods in which dealings thereon are restricted or suspended;
- (b) during the existence of an event which, in the opinion of the Board, constitutes an emergency (e.g., a disruption in the financial markets) as a result of which disposal of investments by the Fund would not be reasonably practical and might seriously prejudice the shareholders of the Fund; or
- (c) during any breakdown in the means of communications normally employed in determining the price or value of any of the Fund's investments, or of the current prices on any such stock exchange, or when for any other reason the price or value of any investments owned by the Fund cannot reasonably be promptly and accurately ascertained.

5. The Repurchase Company does not have the right to suspend its obligation to purchase the Participating Shares of Non-Eligible Persons under the circumstances described in the second paragraph of this heading even if the Fund has suspended its obligation to redeem Participating Shares from the Repurchase Company under the circumstances described in the fourth paragraph of this heading.

(c) Repurchase of Shares tendered by the Repurchase Company

The Fund has agreed to repurchase Participating Shares from the Repurchase Company on the Dealing Day provided tender of the relevant Participating Shares is made by the Repurchase Company to the Fund at least 10 calendar days prior to the Dealing Day or upon such shorter notice as the Fund may permit. The price for the Participating Shares repurchased by the Fund is equal to the Repurchase Price on the applicable Dealing Day. The Fund may from time to time finance such redemptions by short-term borrowings. The Repurchase Company may be required to pay a one and one half (1.5%) commission to the Fund on such redemptions, although the Board has, until further notice, suspended such requirement. The Fund has agreed to pay for Participating Shares redeemed by the Repurchase Company within 20 days of the applicable Dealing Day in Dollars or Euros, as applicable; generally, however, the Fund pays for such Participating Shares approximately 10 days following the applicable Dealing Day. As stated above in the fourth paragraph under the section entitled "Repurchases", the Repurchase Company has the right under certain circumstances to suspend its obligations to purchase Participating Shares from Shareholders. Any such suspension will be notified to the Irish Stock Exchange without delay.

(d) Exchange of Shares

The holders of Participating Shares of Class A, Class B or Class C ("the Original Class") may exchange such Shares for Participating Shares in Class A, Class B or Class C ("the New Class") subject to the following conditions. The Fund will exchange Participating Shares in the Original Class for Participating Shares in the New Class on the Dealing Day provided that the Administrator has received a completed Application Form in respect of

such Participating Shares at least two business days prior to the Dealing Day (unless the Directors otherwise decide to accept late receipt of the Application Form) and that redemptions in the Original Class and subscriptions in the New Class have not been suspended.

Exchanges will be effected at the Repurchase Price of Participating Shares in the Original Class and at the Exchange Price of Participating Shares in the New Class on the Dealing Day. The Administrator will be entitled to execute any currency conversion at the Exchange Rate. Such currency conversion will be at the Shareholder's risk and the Shareholder will be responsible for the costs of any such conversion ("Conversion Costs"). The number of Participating Shares in the New Class issued to the Shareholder will be equal to the number of Original Class Participating Shares held by the Shareholder multiplied by the Repurchase Price less any Conversion Costs and divided by the Exchange Price for the New Class. No commission or charges other than the Conversion Costs will be levied in respect of an exchange of Participating Shares.

An application to exchange Participating Shares will be irrevocable without the prior written consent of the Board. Unless the Board, in its sole discretion agrees otherwise, any application to exchange Participating Shares received after the Dealing Day will be treated as having been received in the following month and the Original Participating Shares will be eligible for exchange on the next succeeding Dealing Day.

The Board reserves the right request information that it deems necessary to verify the identity of any Shareholder seeking to exchange Participating Shares or to ensure compliance with statutory and other requirements relating to anti-money laundering regulations or otherwise to ensure compliance with any of the provisions set out under a) above that apply to subscriptions. Partial exchanges of Participating Shares that would cause a Shareholder to hold an investment of less than \$50,000 in Class A, \$100,000 in Class B or the equivalent in Euros of \$50,000 in Class C will be declined. The Board reserves the right in its absolute discretion to reject an exchange of Participating Shares for any reason.

(e) Method of Determination of Net Asset Value

The Net Asset Values will be determined from time to time in the manner described in paragraph (1) below. For purposes of fixing the Repurchase Price and where applicable, the Offering Price for each Class of Participating Shares, in calculating the relevant Net Asset Value, an adjustment is made to more accurately reflect "bid" premiums attributable to certain underlying funds in which the Fund invests, as more fully described in paragraph (2) below. In addition, a "premium" may be added to the Net Asset Value in order to more accurately reflect market conditions from time to time, as more fully described in paragraph (3) below, although the Fund has for some time now suspended any such imposition. In the past, the Fund also has adjusted the Net Asset Value applied to reflect the "ask" premiums, if any, attributable to the shares of other funds in the Fund's portfolio. However, the Board has suspended this practice. The effect of this suspension is to simplify the calculation and presentation of the Net Asset Value applicable to each Class and eliminate the "spread" between such Net Asset Values and the respective bid and asked prices.

1. *Net Asset Value.* The Net Asset Value per Share applicable to each Class is determined as of close of business on the Dealing Day by dividing the net assets of the Fund allocable to each Class by the total number of Participating Shares of such Class outstanding at such time and applying the adjustment described in paragraph (2) below. The calculation of the Net Asset Value per Share is generally completed within five business days following the relevant Dealing Day.

The Fund expects to enter into forward currency contracts or other such transactions on a monthly basis with respect to the Class C Shares in an effort to hedge exchange rate fluctuations between the U.S. Dollar and the Euro. Gains, losses and expenses relating to such transactions will be allocated to the Class C Shares only.

The net assets of the Fund as of a particular date will be computed by subtracting from the total value of all securities and other assets of the Fund an amount equal to all accrued debts, liabilities and obligations of the Fund. The results of operations and net assets of the Fund are allocated monthly to each Class of Participating Share based on the proportional interest of each Class in the aggregate Dollar value of all outstanding Shares of the Fund as at the Dealing Day.

Assets of the Fund will be valued in accordance with article 7 of the Articles and the following policies and principles:

- (A) the value of the shares of “open-ended” funds in the portfolio of the Fund is based upon the latest net asset value per share of such funds’ shares, as quoted by the managers of such funds available on the Dealing Day;
- (B) the value of “closed-end” funds and the securities in the managed portfolios of the Fund traded on a national securities exchange is based on the last reported sales price on the Dealing Day (or, if there is no sale on such exchange on the Dealing Day, then at the mean between the closing bid and asked prices on such exchange on such Dealing Day);
- (C) any security which is listed or quoted on any securities exchange or similar electronic system and regularly traded thereon will be valued at its last traded price on the relevant Dealing Day or, if no trades occurred on such day, at the closing bid price if held long by the Fund and at the closing offer price if sold short by the Fund, as at the relevant Dealing Day, and as adjusted in such manner as the Board, in its sole discretion, think fit, having regard to the size of the holding, and where prices are available on more than one exchange or system for a particular security the price will be the last traded price or closing bid or offer price, as the case may be, on the exchange which constitutes the main market for such security or the one which the Board in its sole discretion determines provides the fairest criteria in ascribing a value to such security;
- (D) investments, other than securities, which are dealt in or traded through a clearing firm or an exchange or through a financial institution will be valued by reference to the most recent official settlement price quoted by that clearing house, exchange or financial institution. If there is no such price, then the average will be taken between the lowest offer price and the highest bid price at the close of business on any market on which such investments are or can be dealt in or traded, provided that where such investments are dealt in or traded on more than one market, the Board may determine at their discretion which market will prevail;
- (E) any security which is not listed or quoted on any securities exchange or similar electronic system or if, being so listed or quoted, is not regularly traded thereon or in respect of which no prices as described above are available, will be valued at its probable realisation value as determined by the Board in good faith having regard to its cost price, the price at which any recent transaction in the security may have been effected, the size of the holding having regard to the total amount of such security in issue, and such other factors as the Board in its sole discretion deem relevant in considering a positive or negative adjustment to the valuation;
- (F) non-Dollar denominated securities will be valued in their national currencies in a manner consistent with that of the above paragraphs as if the securities were Dollar denominated;
- (G) short-term securities having a maturity of 60 days or less will be valued at amortised cost, plus accrued interest provided such valuation closely approximates fair value determined on a yield basis;
- (H) options will be valued at market value or fair value if no market exists for such options;
- (I) investments, other than securities, which are not dealt in or traded through a clearing firm or an exchange or through a financial institution will be valued on the basis of the latest available valuation provided by the relevant counterparty;
- (J) deposits will be valued at their cost plus accrued interest; and

- (K) any value (whether of an investment or cash) otherwise than in Dollars will be converted into Dollars at the Exchange Rate.

The Board may, at its discretion, permit any other method of valuation to be used if it considers that such method of valuation better reflects value and is in accordance with good accounting practice.

The Board has delegated to the Administrator the determination of the Net Asset Value and the Net Asset Value per Share of each Class subject to the overall supervision and direction of the Board. In determining the Net Asset Value and the Net Asset Value per Share, the Administrator will follow the valuation policies and procedures adopted by the Fund as set out above. The Administrator will, and will be entitled to, rely on, and will not be responsible for the accuracy of, financial data furnished to it by the Fund's prime broker(s), market makers and/or independent third party pricing services. The Administrator may also use and rely on industry standard financial models in pricing any of the Fund's securities or other assets. If and to the extent that the Board or the Investment Manager are responsible for or otherwise involved in the pricing of any of the Fund's portfolio securities or other assets, the Administrator may accept, use and rely on such prices in determining the Net Asset Value and will not be liable to the Fund, any investor in the Fund, the Board, the Investment Manager or any other person in so doing.

2. *Adjustment.* The Net Asset Value of each Class is subject to an adjustment applied to more accurately reflect the "bid" premiums or discounts, if any, attributable to the shares of other funds (not including "closed-end" funds which are valued in the same manner as securities held in the managed portfolios of the Fund) in the investment portfolio of the Fund, to the extent that such premiums or discounts are quoted in publicly available sources (e.g., the *Financial Times*). The adjustment will be calculated so as to reflect the premiums or discounts, if any, that would be realised by the Fund on each Dealing Day upon the resale or redemption of shares of those funds traded at a premium or discount so as to maintain an identical asset allocation. Thus, by way of example, if on the Dealing Day in question, twenty-five percent (25%) of the Fund's net assets are invested in a fund which is currently trading with a publicly quoted "bid" premium of six percent (6%) above such fund's net asset value, the Net Asset Value will be adjusted upward by one and one-half percent (1.5%).

3. *Premium.* In addition, the Board may, in its sole discretion add a premium to the Net Asset Value for purposes of fixing the Offering Price in order to more accurately reflect the true value of the Fund in light of current market conditions pursuant to which several funds and investment accounts in the Fund's investment portfolio are now closed to, or are imposing restrictions on, further investment. Such premium is designed to reflect the effect of dilution that new shareholdings will have on existing shareholders' interests in the shares of other funds or other investment accounts with which the Fund invests that are currently closed or are restricting subscriptions. The Board remains free to adjust upward or downward the amount of the premium, if any, so as to reflect more accurately than current market conditions. The Board has determined not to exercise its authority to introduce a premium until further notice to Shareholders.

DIVIDEND POLICY

Since the Fund's primary objective is capital appreciation, the Fund has not placed an emphasis on the payment of dividends. However, the Fund paid dividends of U.S.\$4.00 per Class A Share and Class B Share and €3.60 per Class C Share in respect of earnings for 2005. The Fund may pay further dividends in the future. In the event that the Fund pays dividends, any distribution will be declared out of income from underlying investments and the net realised and unrealised capital gains and losses.

Investors may elect to receive distributions of dividends in cash or have them automatically reinvested in additional Shares of the Fund.

The Fund will not declare or pay dividends on the Management Shares.

RISK FACTORS

Investors should consider carefully all of the information set forth in this Explanatory Memorandum and should in particular consider the following items before making an investment in the Fund:

Investment Risks

An investment in the Fund is speculative and involves a high degree of risk and should only be made with that portion of an investor's portfolio that such investor is willing to risk. The value of Shares may go down and investors may not get back the amount originally invested by such investors. Accordingly, an investment in the Fund should only be made by persons who are able to bear the risk of loss of the entire amount of the capital invested.

There can be no assurance that the past performance information of investments, which constitutes a substantial component of the basis on which the Investment Manager selects the funds or managed accounts in which the Fund invests, will be in any respect indicative or predictive of how such investments will perform (either in terms of profitability or correlation) in the future.

There can be no assurance that the investment objectives of the Fund will be achieved. An investment in the Fund does not constitute a complete investment programme.

The Fund's performance may be affected by legal, regulatory and tax requirements in the countries in which the Fund invests.

Unregulated Jurisdictions

The Fund invests in private investment funds and managed accounts. Some of these investments may be constituted and domiciled in unregulated jurisdictions where there is no regulatory oversight of their activities and limited or no investor protection laws. The Fund may trade on exchanges and markets that are less regulated than those in the United States or the United Kingdom. For example, certain exchanges may not provide the same assurances of the integrity (financial and otherwise) of a market place and its participants, as do United States and United Kingdom exchanges. Further, trading on certain exchanges may be conducted in a manner such that all participants are not afforded an equal opportunity to execute certain trades and may also be subject to a variety of political influences and the possibility of direct government intervention. The Fund also would be indirectly subject to the risk of fluctuations in the exchange rate between the local currency and the Dollar and to the possibility of the imposition of exchange controls by foreign regulators.

Multi-Manager Strategy

In order to diversify among trading strategies and markets, the Fund has selected a number of other funds or discretionary managed accounts, each of which invests independently of the others so selected. Although this diversification is intended to offset losses while maintaining the possibility of capitalising on profitable price movements, there can be no assurance that this strategy will result in overall profits generated by some investments exceeding losses achieved by others.

In addition, some funds or managed accounts may compete with each other from time to time for the same positions in the markets. Conversely, the Fund could hold at one time opposite positions in the same security in different funds or managed accounts. Each such position could cause the Fund transactional expenses but might not generate any recognised investment gain or loss. There is no assurance that selection of multiple funds or managed accounts will be more successful than selection of a single fund or managed account. The Fund may reallocate its assets among the funds or managed accounts at any time. Any such reallocation could adversely affect the performance of the Fund or of any one fund or managed account.

Limited Liquidity

The Board does not anticipate that an active secondary market will develop in the Shares of the Fund. The listing of the Class B Shares on the Irish Stock Exchange will not necessarily provide liquidity to investors subscribing for such Shares. Accordingly, shareholders may only be able to redeem their investments through the repurchase of their Shares by the Repurchase Company, which itself may rely on the redemption of such Shares by the Fund. See "Offerings, Repurchases and Redemptions".

Limited Liquidity of Investments in Private Investment Vehicles

Investments in private investment vehicles generally are illiquid due to: (i) restrictions or delays that may be imposed on subscriptions for, or withdrawals or redemptions with respect to interests or shares in such private investment vehicles; (ii) expenses resulting from withdrawals or redemptions from such private investment vehicles; (iii) the potential inability to dispose of such interests or shares to third parties in a timely manner or at all without the consent of the relevant portfolio manager; and (iv) the potential for mandatory withdrawals or redemptions. Such interests or shares generally are expected not to be saleable. Redemptions by shareholders may need to be suspended or delayed if the Fund is unable to dispose of its interests or shares in such private investment vehicles in a timely manner.

Anti-Money Laundering

If the Fund, its Administrator or any governmental agency believes that the Fund has accepted subscriptions for Shares by, or is otherwise holding assets of, any person or entity that is acting, directly or indirectly, in violation of any anti-money laundering laws, rules, regulations, treaties or other restrictions, or on behalf of any suspected terrorist or terrorist organisation, the Fund or such governmental agency may freeze (or be required by the Fund or such governmental agency, to freeze) the assets of such person or entity invested in the Fund or suspend their redemption rights. The Fund may also be required to remit or transfer those assets to a governmental agency.

Currency

The Class A Shares and Class B Shares are denominated in Dollars and the Class C Shares are denominated in Euros. Redemptions are normally effected in the currency in which the Shares are denominated. The majority of the Fund's net assets are invested in securities and the income generated thereby is received in Dollars. However, a portion of the Fund's net assets is invested in securities that generate income in other currencies. The Fund calculates its net assets in Dollars and, with respect to the Class C Shares, converts that portion of the Fund's Net Asset Value represented by the Class C Shares into Euros. The strengthening of the Dollar against other currencies subsequent to the initial investment in each security may have an adverse impact on the net assets of the Fund expressed in Dollars. The Fund may attempt to hedge against such risks when deemed appropriate. In addition, with respect to the Class C Shares, the Fund expects to engage in hedging activities aimed at minimising the effect of exchange rate fluctuations between the Dollar and the Euro on the Net Asset Value of the Class C Shares. The cost of such hedging activities will be borne by the holders of the Class C Shares alone. Any other hedge transactions will represent a cost to the Fund overall. Predicting the relative value of currencies is very difficult, and there can be no assurance that any attempt to protect any Class of the Fund against adverse currency movements will be successful. In addition, hedging currency exposure may limit the potential gains that might result from favourable movements in exchange rates. Funds or managed accounts in which the Fund invests may trade currencies other than the Dollar, in which case fluctuations of such currencies against the Dollar may involve substantial losses to the Fund. Prospective investors should take into account the potential risk of loss arising from changes in value between the Dollar and other currencies.

Although any contracts used to hedge the currency fluctuations between the Dollar and other currencies will be allocated to the specific Class to which the benefit or loss of such currency hedging is related. Assets of the Fund may be pledged in order to secure the Fund's obligations pursuant to such foreign exchange facilities without regard to which Class will benefit or suffer due to such currency hedge contracts.

If the Fund's assets that are pledged to foreign exchange counterparties to secure the Fund's currency hedge transactions decline in value, foreign exchange counterparties increase their collateral requirements, or the Fund's currency hedge positions lose value, the Fund could be required either to deposit additional funds with the foreign exchange counterparties or suffer mandatory liquidation of its pledged assets. In the event of a mandatory liquidation, the Fund might incur losses as a result of the liquidation of its positions at depressed prices. Such losses would affect all investors without regard to which Class will benefit or suffer due to such currency hedge contracts.

Trading Forward Contracts

The Fund and the private investment funds and managed accounts in which the Fund invests may trade over-the-counter forward contracts in certain commodities or assets with banks and dealers. A forward contract is a contractual obligation to purchase or sell a specified quantity of a commodity or asset at or before a specified date in the future at a specified price. Over-the-counter forward contract markets, including foreign currency markets, offer less protection against defaults in trading than is available when trading occurs on an exchange. Over-the-counter forward contracts are not guaranteed by an exchange or clearing house, and therefore the non-settlement or default on a contract by a counterparty would deprive the Fund of unrealised profits or force it to cover its commitments to purchase and resell, if any, at the current market price.

Additional risks of the over-the-counter forward markets include: (a) the forward markets are generally not regulated by any governmental or regulatory authorities; (b) there are generally no limitations on forward transactions, although the counterparties with which the Fund may deal may limit the size or duration of positions available as a consequence of credit considerations; (c) participants in the forward markets are not required to make continuous markets in forward contracts; and (d) the forward markets are “principals’ markets” in which performance with respect to a forward contract is the responsibility only of the counterparty with which the trader has entered into a contract (or its guarantor, if any), and not of any exchange or clearing house. As a result, the Fund will be subject to the risk of inability or refusal to perform with respect to such contracts on the part of the counterparties with which the Fund trades.

Options and Futures

The investment managers of the private investment funds and managed accounts in which the Fund invests may engage in options and futures transactions as part of their investment strategy. While often utilised to hedge investments, these are highly specialised transactions that entail greater than ordinary investment risks. These instruments are highly volatile and expose investors to a high risk of loss. The low initial margin deposits normally required to establish a futures position permit a high degree of leverage. As a result, a relatively small movement in the price of a futures contract may result in a profit or loss that is high in proportion to the amount of funds actually placed as initial margin and may result in unquantifiable further loss exceeding any margin deposited.

Fixed Income Investments

The Fund may invest in private investment funds or managed accounts that invest in fixed income securities, and therefore will be exposed to the risk of default by the issuers of such securities. Such defaults may result in delays in payment, or non-payment, of interest or principal when due. Furthermore, the price of fixed income securities may also fluctuate with changes in prevailing interest rates and/or in the creditworthiness of the issuer, which fluctuations may result in a loss of capital by the Fund.

Emerging Markets

The Fund may invest in private investment funds or managed accounts that invest in emerging market securities. Investments in emerging market securities are inherently more volatile than investments in more mature markets as a result of lower degrees of liquidity, lower market capitalisations, or taxation, foreign exchange control, nationalisation, or political risks. In addition, environmental factors, such as political instability, the possible imposition of exchange controls or other restrictions on investments have a greater impact on security pricing in emerging markets than in mature markets.

Sovereign Debt

The Fund may invest in private investment funds or managed accounts that invest in emerging market sovereign debt. Certain emerging market countries and governments are major debtors of commercial banks and other governments. Trading in sovereign debt obligations issued or guaranteed by emerging market governments or their agencies and instrumentalities involves a high degree of risk. The governmental entity that controls the repayment of sovereign debt may be unwilling or unable to repay the principal of and/or interest on such obligations

when due. This may depend on, among other factors, cash flow, total indebtedness, relations with the International Monetary Fund and political constraints. Holders of sovereign debt have often been requested to participate in the rescheduling of such debt and to extend further loans. Bankruptcy laws that permit the collection of defaulted obligations are generally not applicable to sovereign debtors.

Zero-Sum Trading

Futures trading is a zero-sum, risk transfer activity in which, by definition, for every gain there is an equal and offsetting loss rather than a mutual participation over time in economic growth. There can be no assurance that any investment manager will trade successfully in the risk transfer markets in which the investment managers concentrate investments on behalf of the private investment funds or discretionary securities investment accounts in which the Fund invests.

Illiquid Markets

Many futures exchanges (including virtually all U.S. markets) impose daily price fluctuation limits on the maximum permissible price change that may occur during any single day's trading. These daily fluctuation limits restrict liquidity. Once the price has moved to the limit, it is very difficult and expensive to close out a position. Consequently, an investment manager can be locked into a large position against which the market is moving, and may be unable to liquidate the position or control losses on the investment for several days. Similarly, trading options may become illiquid if trading in the underlying interest becomes illiquid.

Additionally, speculative position limits could have a significant impact on the investments of the Fund. These limits, required for most U.S. and many foreign futures contracts, are intended to prevent attempts by traders to manipulate prices or "corner" the market. The effect of such limits could make it impossible for a particular investment manager to acquire positions that it otherwise would have taken for a fund or managed account in which the Fund holds an interest.

While the imposition of market constraints may reduce or effectively eliminate the liquidity of a particular market, they do not limit ultimate losses, and may in fact substantially increase losses because they may result in an inability to liquidate unfavourable positions.

Leverage

From time to time, the Fund, in the sole discretion of the Investment Manager, may use leverage by borrowing on margin and/or utilising short-term borrowings from banks, broker-dealers or other financial institutions or entities in order to capitalise investments as part of its investment program. Claims of lenders to the Fund take priority over shareholder claims. In addition, investment managers of investment funds or managed accounts in which the Fund invests may engage in leveraging transactions which could indirectly affect the net assets of the Fund.

The cumulative effect of the use of leverage by the Fund and/or the investment funds and/or managed accounts in which the Fund invests in a market that moves adversely to the Funds' positions and the positions of those investment funds and managed accounts in which the Fund invests would result in a loss to the Fund that would be greater than if leverage were not employed by the Fund and/or such other investee funds and/or managed accounts. See the section herein entitled "Objectives and Policy". In addition, the costs of leverage will affect the operating results of the Fund.

While the Fund attempts to negotiate favourable terms for its financing arrangements, its ability to do so may be limited. The Fund could be subject to changes in the value that a lender ascribes to its investments that are pledged by the Fund to secure its borrowings, the amount of collateral required to support such borrowings, the interest rate needed to finance such borrowings and such lender's willingness to continue to provide credit. In the event that the Fund has no alternative credit facility that could be used to finance its investments, it could be forced to liquidate a portion of its investments to meet its financing obligations. The forced liquidation of all or a portion of its investments at distressed prices could result in significant losses to the Fund.

The Fund's use of borrowings results in other risks to the Fund. For example, if the Fund's investments that are pledged to lenders to secure the Fund's borrowings decline in value or lenders from whom the Fund has borrowed increase their collateral requirements (*i.e.*, reduce the percentage of a position that can be financed), the Fund could be subject to lender demands, pursuant to which the Fund would be required either to deposit additional funds with the lender or suffer mandatory liquidation of its pledged assets. In the event of a precipitous drop in the value of the Fund's assets, the Fund might incur losses as a result of mandatory liquidation of its positions at depressed prices.

Custody

The Fund has adopted a multi-manager strategy whereby it invests its assets in other funds or discretionary managed accounts with independent investment managers. The Fund has no involvement in the custodial arrangements for those assets invested in by such investment funds, but assets placed with investment managers through discretionary accounts may remain in the custody of the Fund's Custodians.

Short-Selling

Investment managers of the private investment funds and managed accounts in which the Fund invests will engage in selling securities short. Short-selling exposes the seller to unlimited risk with respect to that security due to the lack of an upper limit on the price to which a security can rise.

Failure

The Fund and the funds and managed accounts in which it invests are subject to the creditworthiness of clearing houses and counterparties, as well as the risks of clearing house failure, broker or dealer failure, or default, delay or the inability or refusal of counterparties to perform that could result in a loss of all or a portion of the investments with or through the relevant clearing house, broker, dealer, or counterparty.

Substantial Fees and Expenses

The Fund may have to make substantial trading profits in order to avoid depletion or exhaustion of its assets from expenses. In addition, incentive fees payable to the investment managers may be based on realised and unrealised gains and losses as of the end of the applicable period. As a result, incentive fees could be paid on unrealised gains that may never be realised. The Fund may be obligated to pay incentive fees based on the performance of individual investment managers even if the Fund as a whole generated no net trading profits or lost money during a particular period.

CONFLICTS OF INTEREST

The Investment Manager, the Directors, the Secretary, the members of and advisers to the Manager Board and the Executive Committee, the Custodians and the Administrator, and each of their respective officers, principals, employees or affiliates, will from time to time act for, or be otherwise involved in, other funds established by parties other than the Fund which have similar investment objectives to those of the Fund. It is, therefore, possible that any of such persons or entities may, in the course of business, have potential conflicts of interests with the Fund and any other fund. Each such persons or entities, at all times, will have regard in such event to its obligations to the Fund and the other fund and will ensure that such conflicts are resolved fairly, in accordance with the Articles and in the interests of the Fund. In addition, any of the foregoing persons or entities may deal, as principal or agent, with the Fund, provided that such dealings are carried out as if effected on normal commercial terms negotiated on an arm's length basis.

Financial intermediaries that introduce shareholders to the Fund may receive a fee from representatives and affiliates of the Investment Manager equal to a portion of the fees such party receives from the Fund. The amount of fees paid to a financial intermediary with respect to a shareholder's investment in the Fund may vary based on the size of such investment. The potential to receive compensation that is tied to the amount of assets invested and held

by a shareholder in the Fund could cause the interests of the financial intermediary to conflict with those of the shareholder.

The Board will ensure that any conflict of interest is resolved fairly and in the best interests of the Fund.

TAX CONSIDERATIONS

United States. The following is a brief general summary of certain U.S. federal income tax consequences relevant to potential investors in the Fund. All such investors should consult their own tax advisors regarding U.S. federal, state, local or any other tax consequences to them of the investment in the Fund.

For purposes of the discussion below, the term “Non-U.S. Person” means a beneficial owner of an investment in the Fund that is not: (i) a citizen or individual resident of the United States, (ii) a corporation or partnership created or organised in or under the laws of the United States or any political subdivision thereof, or (iii) a trust or an estate the income of which is subject to U.S. federal income taxation regardless of its source.

Generally, a non-U.S. corporation that is engaged in the conduct of a U.S. trade or business (“U.S. Business”) is subject to federal income tax and branch profits tax with respect to its income that is “effectively connected” with the U.S. Business. However, pursuant to a certain “safe harbour”, as a general matter, trading in stocks and securities by a taxpayer for its own account (whether by the taxpayer, its employees, or its agents) will not be considered to be the conduct of a U.S. Business, provided that the taxpayer is not a “dealer” in such stocks or securities. The Fund expects that its activities, as well as those of the funds or discretionary securities investment accounts in which the Fund may invest (the “Portfolio Funds”), should qualify for the safe harbour, and, consequently, that the income earned by the Fund and the Portfolio Funds from their trading activities should not be subject to U.S. federal income tax or branch profits tax.

A non-U.S. corporation is also subject to a 30% U.S. federal withholding tax (“federal withholding tax”) imposed on certain types of U.S. source income not effectively connected with a U.S. Business (e.g., certain interest or dividend payments). The Fund and the Portfolio Funds may receive U.S.-source dividends and other payments that will be subject to federal withholding tax. However, interest from certain debt instruments received by the Fund and the Portfolio Funds will be exempt from federal withholding tax (e.g., certain instruments bearing “portfolio interest”, original issue discount on obligations with a maturity of 183 days or less, or interest on certain bank deposits).

In addition, the Fund and the Portfolio Funds will be subject to U.S. federal income tax on the gain realised, if any, on the disposition of any interest in U.S. real property or any interest (other than solely as a creditor) in a “United States real property holding corporation” (“USRPHC”). However, the Fund does not intend to invest (and does not expect the Portfolio Funds to invest) in U.S. real property or USRPHCs.

The Fund expects to be treated, for U.S. federal income tax purposes, as a passive foreign investment company. Accordingly, neither the accumulated earnings tax nor the personal holding company tax should apply to the Fund.

A shareholder of the Fund that is a Non-U.S. Person should not be subject to federal income tax with respect to gains derived from the sale or exchange (including a redemption) of, or any dividends received in respect of, such person’s investment in the Fund, provided that such person does not have certain present or former connections with the United States (e.g., holding the investment in the Fund in connection with the conduct of a U.S. Business, or, in the case of gains, an individual shareholder, being present in the United States for 183 days or more during the taxable year of sale or exchange), which connections will not exist solely by reason of investing in the Fund.

Notwithstanding anything to the contrary in this Explanatory Memorandum, each prospective investor in the Fund (and each employee, representative, or other agent thereof) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the transactions contemplated hereunder and all

materials of any kind (including any opinions or other tax analyses) that are provided to a prospective investor relating to such tax treatment and tax structure.

Netherlands Antilles. Gains realised by the Fund on the sale of securities will not be subject to any taxes imposed by the Netherlands Antilles. Dividend and interest income (other than dividend income from the Netherlands and the Netherlands Antilles), net of expenses and withholding taxes, will be subject to a Netherlands Antilles tax of 2.4% on the first 100,000 Netherlands Antilles Florins (approximately \$56,000) of such income and 3.0% on amounts in excess thereof. The Fund has received a tax ruling in the Netherlands Antilles that results in a maximum Netherlands Antilles tax liability of U.S.\$10,000 and a minimum tax liability of U.S.\$1,000 per annum. The current tax ruling expires on December 31, 2008 and an application to extend this ruling has been submitted by the Fund. There will be no Netherlands Antilles estate or inheritance taxes payable with respect to Shares owned by the shareholders of the Fund (except for shareholders domiciled or resident in the Netherlands Antilles).

On December 19, 2001, the New Fiscal Regime, which had already been approved by the Parliament of the Netherlands Antilles in December 1999, became law retroactively as from January 1, 2001. Distinction between offshore and onshore companies has, pursuant to the NFR, disappeared and all companies are subject to a profit tax rate of 34.5%.

The Fund may, however, continue under the applicable grandfathering rules to be treated as an offshore company and be taxed at the profit tax rates of 2.4%-3%, up to the fiscal year ending December 31, 2019.

Prospective investors should consult their own professional advisers on the possible consequences of buying, holding or selling Shares under the laws of the jurisdiction to which they are subject.

European Union Savings Directive. The Council of the European Union has adopted a directive regarding the taxation of savings income in the form of interest payments (Council Directive 2003/48/EC of June 3, 2003) (the "Directive"). The Fund benefits from the "home country rule" exemption and as such is considered out of scope of the Directive. The Directive should therefore not affect any distribution or redemption from the Fund.

ANTI-MONEY LAUNDERING REGULATIONS

As part of the Fund's responsibility for the prevention of money laundering, the Fund and the Administrator or its respective subsidiaries, affiliates, directors, officers, shareholders, employees, agents, and permitted delegates will require a detailed verification of the applicant's identity and the source of the payment from any person delivering a completed subscription application to the Fund.

In the Netherlands Antilles, pursuant to the National Ordinance Penalization of Money Laundering (1993), money laundering is a criminal offence. The Administrator therefore may request verification of identity from all prospective investors to the extent required under the National Ordinance Identification when Rendering Financial Services in the Netherlands Antilles and/or in accordance with its internal "Know Your Customer" identification policy as outlined under Subscription Procedures. The Netherlands Antilles anti-money laundering regulations are hereinafter referred to as the "Regulations".

Depending on the circumstances of each subscription, it may not be necessary to obtain full documentary evidence of identity where:

- (a) the prospective investor makes the payment for his investment from an account held in the prospective investor's name at a recognised financial institution;
- (b) the prospective investor is regulated by a recognised regulatory authority and is based or incorporated in, or formed under the law of, a recognised jurisdiction; or

- (c) an intermediary acting on behalf of the prospective investor makes the subscription and such intermediary is regulated by a recognised regulatory authority and is based or incorporated in, or formed under the law of, a recognised jurisdiction.

These exceptions will only apply if the financial institution or intermediary referred to above is within a country recognised as having sufficient anti-money laundering regulations. These exceptions may not apply due to the requirements of jurisdictions other than the Netherlands Antilles. Recently adopted U.S. legislation and proposed implementing regulation may also require additional information at the time of subscription or subsequently as the regulations become final.

The Repurchase Company will receive subscriptions for Shares and the Administrator will receive all other documentation supporting subscriptions. The Administrator will notify applicants if additional proof of identity is required. By way of example, an individual may be required to produce a copy of a passport or identification card duly certified as a true copy by a notary public, law firm or bank, together with evidence of their address such as a utility bill or bank statement. In the case of corporate applicants this may require production of a copy of the certificate of incorporation (and any change of name), certificate of incorporation and by-laws (or equivalent) duly certified as a true copy by a notary public law firm or bank and the names, occupations, dates of birth and residential and business addresses of all directors or other governing members or representatives of entity investors in line with the foregoing individual identification requirements.

The details given in the preceding paragraph are by way of example only. The Fund and the Administrator or its respective subsidiaries, affiliates, directors, officers, shareholders, employees, agents, and permitted delegates reserve the right to request such documentation, as any of them deems necessary to verify the identity of the applicant and to verify the source of the relevant investment money. Applicants who are existing investors and believe they have supplied documentation verifying their identity to the Fund or an affiliate in the past may contact the Administrator to determine whether any additional information is necessary. Failure to provide necessary evidence may result in applications being rejected or in delays in redemptions or in the dispatch of documents and the issuance of Shares.

Pending the provision of satisfactory evidence as to identity, the evidence of title in respect of Shares may be retained at the absolute discretion of the Administrator. If within a reasonable period of time following a request for verification of identity, the Administrator has not received evidence satisfactory to it as aforesaid, it may, in its absolute discretion, refuse to allot the Shares applied for in which event application moneys will be returned without interest to the account from which such moneys were originally debited. If the Administrator has a suspicion that a payment to the Fund (by way of subscription or otherwise) contains the proceeds of criminal conduct, it may be required under applicable anti-money laundering laws and regulations to report its suspicions to one or more enforcement or regulatory agencies, including various U.S. governmental agencies.

The Fund and the Administrator and its respective subsidiaries, affiliates, directors, officers, shareholders, employees, agents, and permitted delegates will be held harmless and will be fully indemnified by a potential subscriber against any loss arising as a result of a failure to process a subscription or redemption request if such information as has been requested by any of them has not been satisfactorily provided by the applicant.

CUSTODIANS

The Fund's portfolio and other assets (such as cash), except as detailed below, are held by BSI Ifabanque S.A. in France, Citco Banking Corporation N.V., Union Bank of Switzerland in Luxembourg and, to the extent deemed desirable by the Fund, by other institutions of recognised standing who are international, reputable and creditworthy financial institutions. Custody fees are paid at normal commercial rates by the Fund for such services. Each Custodian, appointed or to be appointed, will obtain, safe-keep and maintain custody in a client account for the sole benefit of the Fund those assets for which it will be deemed to be responsible by the Board. These assets will be held in a segregated account in order to ensure adequate protection in the event of bankruptcy or insolvency of the Custodian. The Custodians is not responsible for the custody of the assets invested in other funds although assets placed with investment managers through discretionary investment accounts may remain in the custody of the Fund's Custodians. Such funds will undertake such procedures as they deem to be necessary to ensure the safekeeping of those assets.

The fees for custody for the most recent financial year were approximately 0.04 basis points on the first U.S.\$500 million, 0.035 basis points on the next U.S.\$500 million and 0.030 basis points for any amounts over and above U.S.\$1 billion. Pursuant to the terms of the relevant agreements, the custodians will not be liable for any losses suffered by the Fund in connection with their provision of services to the Fund and the Fund may from time to time indemnify its Custodians and may also enter into other remunerated transactions therewith. Such losses may include losses resulting from ordinary errors, the cost of which the Board has the discretion to charge to the Fund. However, none of the custodians is protected against any liability to the Fund or its shareholders or indemnified in connection with losses by reason of their bad faith, gross negligence or wilful misfeasance in the provision of services.

REPURCHASE COMPANY

The Fund and the Repurchase Company are parties to a contract pursuant to which investors in the Fund may sell their Shares to the Repurchase Company (as more fully described in “Offerings, Repurchases, Redemptions and Net Asset Value Calculation”) at their Net Asset Value (as adjusted by any then applicable repurchase adjustment, as described in “Offerings, Repurchases, Redemptions and Net Asset Value Calculation”) and the Repurchase Company will try to resell such Shares to persons offering to purchase Shares from the Repurchase Company on dates to be determined from time to time by the Board. Such contract expires on January 5, 2008 and may be extended for additional periods of one year thereafter. Either party may terminate the contract at will upon 90 days’ prior written notice to the other party thereto. The mechanics governing repurchases of Shares are described more fully above in “Offerings, Repurchases, Redemptions and Net Asset Value Calculation”.

The Fund has appointed the Repurchase Company as its dealing agent for the Share purchases and sales. Purchases and sales may also be effected through selected financial intermediaries. The Repurchase Company does not formally make a market in the Shares and does not quote any purchase or sale price other than those announced by the Fund.

ADMINISTRATOR

Under the Administration Agreement, the Administrator has been appointed as administrator to the Fund and the Repurchase Company. The Administrator performs certain financial, accounting, corporate, administrative, registrar and transfer agency and other services on behalf of the Fund and the Repurchase Company. Pursuant to the Administration Agreement, the Administrator is responsible, under the ultimate supervision of the Board, for matters pertaining to the administration of the Fund, namely: (i) calculating the Net Asset Value; (ii) maintaining financial books and records so far as may be necessary for the proper conduct of the affairs of the Fund; (iii) providing registrar and transfer agency services; and (iv) performing other services necessary in connection with the administration of the Fund.

The Fund has appointed the Administrator to act as registrar and transfer agent for the Fund. The services provided by the Administrator, in the context of acting as registrar, include the maintenance of a copy of the Share Register representing the Fund’s records relating to Share ownership and the redemption of Shares; receipt of requests for redemption; and other services as agreed on by the parties. The Administrator maintains the principal Share Register of the Fund in its office in Curaçao.

For the purpose of calculating the Net Asset Value and the Net Asset Value per Share, the Administrator will rely on, and will not be responsible for the accuracy of, financial data furnished to it by the Investment Manager and/or independent third party pricing services. The Administrator will not be responsible or liable for the accuracy of information furnished by other persons in performing its services for the Fund. The Administrator in no way acts as guarantor or offeror of the Fund’s Shares or any underlying investment, nor is it responsible for the actions of the Fund’s Prime Brokers, any other brokers or the Investment Manager.

The fees payable to the Administrator are based on its standard schedule of fees charged by the Administrator for similar services. These fees are detailed in the Administration Agreement. The Administrator also is entitled to reimbursement of actual out-of-pocket expenses incurred on behalf of the Fund. The Administrator may utilize the services of its affiliates in connection with the services provided by the Administrator to the Fund, and currently utilizes Citco (Canada) Inc. as sub-administrator to the Fund (the “Sub-Administrator”) to

provide certain accounting and other administrative services to the Fund. All fees and expenses of the Sub-Administrator will be paid by the Administrator out of its fee. The Sub-Administrator's principal business office is located at 2 Bloor Street East, Suite 2700, Toronto, Ontario, Canada, M4W 1A8.

The Administration Agreement will be for an indefinite term; provided that the Administration Agreement is subject to termination by the Administrator or by the Fund upon 60 days' prior written notice, or immediately in certain other circumstances as specified therein.

Under the Administration Agreement, the Fund has agreed to indemnify and hold harmless the Administrator, its subsidiaries, affiliates, directors and other officers, shareholders, servants, employees, agents and permitted delegates under the Administration Agreement (together "Indemnified Parties") against any liability, actions, proceedings, claims, demands, costs or expenses in connection therewith which may be incurred by the Administrator or any other Indemnified Parties or which may be made against the Administrator or any other Indemnified Parties in respect of the same sustained or suffered by any third party, except that no Indemnified Party will be indemnified against any liability to which it would be subject by reason of its gross negligence, bad faith, fraud or dishonesty. In the absence of a material breach of the Administration Agreement by the Administrator due to the gross negligence, bad faith, fraud or dishonesty in the performance of its duties thereunder, neither the Administrator nor any other Indemnified Party will be liable to the Fund, the Investment Manager or any shareholder of the Fund or any other person on account of anything done, omitted to be done or suffered by the Administrator or any other Indemnified Party in good faith pursuant to the Administration Agreement in the performance of the services to be performed by the Administrator thereunder.

The Administrator is not responsible for any trading decisions of the Fund (all of which will be made by the Investment Manager).

THE ADMINISTRATOR WILL NOT PROVIDE ANY INVESTMENT ADVISORY OR MANAGEMENT SERVICE TO THE FUND AND THEREFORE WILL NOT BE IN ANY WAY RESPONSIBLE FOR THE FUND'S PERFORMANCE. THE ADMINISTRATOR WILL NOT BE RESPONSIBLE FOR MONITORING ANY INVESTMENT RESTRICTIONS OR COMPLIANCE WITH THE INVESTMENT RESTRICTIONS AND THEREFORE WILL NOT BE LIABLE FOR ANY BREACH THEREOF.

FEES AND MISCELLANEOUS EXPENSES

The Fund pays all of its administrative expenses and costs, which include the costs of printing, mailing and publication of obligatory reports, notices and statements, the costs of marketing materials, the costs and expenses associated with meetings of the Board, auditors' fees for an annual audit, legal fees and costs incurred with respect to subsequent offerings.

These expenses and costs are in addition to the fees payable by the Fund to the Investment Manager, the managers of its discretionary investment accounts and other investments, and for custodianship and administration.

FISCAL YEAR, FINANCIAL STATEMENTS AND REPORTS TO SHAREHOLDERS

The fiscal year of the Fund terminates on December 31 of each year. An annual meeting of shareholders is held, and in connection therewith the financial statements of the Fund are included in an annual audited report submitted to the shareholders of the Fund. Unaudited interim reports of the Net Asset Value per Share of the Fund will be made available to each shareholder within four months of the end of the relevant period. A copy of the Articles also is available on request to the Fund. These requests should be sent to Haussmann Holdings N.V., c/o Citco Fund Services (Curaçao) N.V., Kaya Flamboyan 9, P.O. Box 4774, Curaçao, Netherlands Antilles.

PUBLICATION OF NET ASSET VALUE

The Net Asset Value per Share of each Class will be calculated by the Administrator twice each month and will be published in the *International Herald Tribune* and the *Financial Times*. The Net Asset Value per Share of the Class B Shares also will be notified to the Irish Stock Exchange without any undue delay. Any suspension of the

calculation of the Net Asset Value per Share of the Class B Shares will be notified immediately to the Irish Stock Exchange.

HAUSSMANN HOLDINGS N.V. ("the Fund")

SUBSCRIPTION APPLICATION FORM

Subject to the Explanatory Memorandum dated February 1, 2007 and the Articles of Incorporation of the Fund.

1. Details of Applicant

Name/Company/Organisation

Address (If the Fund accepts the offer contained herein, you will be advised of their acceptance at the address set forth below and unless notified to the contrary, the name and address set forth below will be entered in the Fund's share register as the registered shareholder of the Shares.)

Zip code and city	Country	Attention
Telephone	Fax incl. country code	E-mail
Remittance Bank Name:	Remittance Bank Address:	Remittance Bank Account Number & Name:

I/we confirm that any payments made by the Fund will be remitted to the bank account listed above in the currency of the relevant Class. I/we understand and acknowledge that no part of the repurchase proceeds will be paid to the tendering shareholders until the Repurchase Company has received the original Repurchase Letter signed by me/us our my/our authorised signatory.

2. Amount to be Invested on the next Dealing Day

I/we hereby irrevocably apply for:	Amount:	
Class A Shares in Haussmann Holdings N.V.	\$	Minimum \$50,000
Class B Shares in Haussmann Holdings N.V.	\$	Minimum \$100,000
Class C Shares in Haussmann Holdings N.V.	€	Minimum Euro equivalent of \$50,000

I/we acknowledge that in the case of a new subscription, Shares will be allocated at the Offering Price for Shares (as defined in the Explanatory Memorandum) in the relevant Class. In the case of an exchange of Shares, Shares will be allocated at the Exchange Price (as defined in the Explanatory Memorandum) for the relevant Class. Payment must be effected wire transfer to be made by me/us upon receipt of the Fund's acceptance of this offer.

3. Share Exchanges

I/we hereby irrevocably apply to exchange my/our Shares as set out below:

Shares Exchanged:		New Shares Applied For:		
Number (Insert number)	Value (Insert Value)	Class A Shares (Tick Appropriate)	Class B Shares (Tick Appropriate)	Class C Shares (Tick Appropriate)
Class A		 	£	£
	\$			
Class B		£	 	£
	\$			
Class C		£	£	
	€			

The resulting number of Shares allocated on exchange will be determined in accordance with the provisions of the Explanatory Memorandum.

4. Reinvestment Election

I/we hereby elect (check the applicable statements):

to have dividends reinvested in more Shares of the same Class (or fractions thereof).

to receive dividends in cash.

5. Broker

This offer to subscribe resulted from the efforts of: _____.

I/we represent and warrant that no third party solicited this offer.

6. Subscription Procedure

Acceptance by the Fund of this Subscription Application is contingent on completion of the information set forth in the "Know Your Customer Procedures and Documentation" on pages A-3 through A-8. Please send this form by fax to the Repurchase Company on fax number +599-9-732-2225 with two original copies to follow by overnight courier to: H.H. Repurchase and Trading Company N.V., c/o Kaya Flamboyan 9, P.O. Box 4774, Curaçao, Netherlands Antilles.

7. Important information about the terms of Subscription

To induce the Repurchase Company and/or the Fund to accept this subscription and recognising its reliance thereon, I/we expressly agree, represent and warrant that:

1. The issuance, ownership and transfer of and other rights and obligations pertaining to the Shares are and will be governed by the constitutive documents of the Fund and the Explanatory Memorandum, as from time to time amended, copies of which are on file at the registered office of the Fund.
2. This Subscription Form, the Explanatory Memorandum and the Articles are available in English only. The subscriber hereby confirms that he/she has read and fully understands the terms set out in the aforementioned documents.
3. Neither I/us nor any party for whose account or direct or indirect benefit this offer is made is a Non-Eligible Person as defined in the Explanatory Memorandum.
4. Neither I/us, nor the person(s) or party, if any, for whose account or direct or indirect benefit this offer is made, will (i) hold the Shares for the beneficial ownership of, or for the account of, a U.S. Person or permit a Non-Eligible Person to exercise any voting rights represented by Shares in the Fund or (ii) offer, sell, deliver, pledge, hypothecate or transfer directly or indirectly any Shares or interest in the Fund in the United States or to Non-Eligible Persons, or offer such Shares or interest for resale, reoffering, delivery or transfer in the United States or to Non-Eligible Persons except in a transaction involving the tender of such Shares for purchase by the Repurchase Company.
5. Before I/we, or the person(s) or party, if any, for whose account or direct or indirect benefit the aforesaid offer is made, will become a Non-Eligible Person as set forth in paragraph (a) above, I/we will tender the Shares for purchase by the Repurchase Company.
6. Any holding or transfer of any Shares in violation of the Articles, or paragraphs 1, 2 or 3 above is void.
7. I/we have been furnished, prior to the date hereof, with a copy of the Explanatory Memorandum and have read and understood the contents thereof have such knowledge and experience in financial, business and investment matters as to be capable of evaluating the merits and risks of an investment in the Fund. I/we am/are aware of the risks inherent in investing in the Shares and the method by which the assets of the Fund are held and invested and can bear the risk of the loss of my/our entire investment in the Fund.
8. The Shares have not been registered under the U.S. Securities Act of 1933 as amended, nor under the securities act of any U.S. state and may not be sold or delivered after sale, directly or indirectly, to U.S. Persons as defined in the Explanatory Memorandum. I/we am/are aware of the restrictions on the transfer of Shares to U.S. Persons, and the provisions for the compulsory redemption by the Fund of Shares from U.S. Persons.
9. This subscription will become a binding agreement upon my/our receipt of acceptance thereof by the Repurchase Company or by on behalf of the Fund.
10. I/we am/are executing the Subscription Form and delivering it to the Repurchase Company in order to induce the Fund and the Repurchase Company to sell and deliver Shares to me/us. I/we recognise that the Fund, the Repurchase Company and their service providers have relied and will rely upon the representations made herein. I/we agree to indemnify and hold harmless the Repurchase Company, the Fund, the Board, the Administrator and the Investment Manager, and each of their respective subsidiaries, directors and other officers, shareholders, employees, agents and affiliates, against any loss, liability, cost or expense (including attorneys' fees, taxes and penalties) which may result, directly or indirectly, from any misrepresentation or breach of any warranty, condition, covenant or agreement set forth herein or in any other document delivered by the Subscriber to the Repurchase Company or the Fund.
11. Amounts invested in the Fund (i) are not property constituting, or derived from, proceeds obtained from a criminal offence in any jurisdiction; (ii) do not constitute assets used to provide material support or resources for terrorist activities described in Title 18 of the United States Code, Section 2339A or used in preparation for, or in carrying out, the concealment or an escape from the commission of any such activities; (iii) are not otherwise derived from activities that may contravene U.S. federal or state or international regulations relating to money laundering, support of terrorism or dealing with countries or persons on prohibited lists maintained by the U.S. Office of Foreign Assets Control, the U.S. Securities and Exchange Commission or other U.S. governmental authority.
12. Any person for which I/we is/are acting as agent, its beneficial owner or controlling person is not a foreign shell bank, or acting directly or indirectly on behalf of a "foreign shell bank", as defined in the U.S. Patriot Act of 2001 and the regulations promulgated thereunder.
13. In the case of an individual: I/we am/are not a foreign public official, including a head of state or of government; a senior politician; a senior governmental, judicial or military official; or a senior member of a political party ("Foreign Public Official") nor an immediate family member or close associate of a Foreign Public Official;
14. In all other cases: (A) we are not a publicly-traded entity, our beneficial owner is not a Foreign Public Official or an immediate family member or close associate of a Foreign Public Official; (B) if the undersigned is a publicly traded entity, our control person is not a Foreign Public Official or an immediate family member or close associate of a Foreign Public Official; and (C) we are not acting as a nominee or agent intending to hold Shares on behalf of a Foreign Public Official or an immediate family member or close associate of a Foreign Public Official.
15. I/we have obtained independent advice from my/our own financial advisor, tax advisor, legal counsel or accountant regarding the various consequences arising from an investment in the Shares and have based my/our investment decision upon such advice.
16. I/we agree to notify the Fund promptly of any changes in the information provided by it in terms of this subscription documentation that may occur prior to or following an investment in the Fund.
17. I/we agree to indemnify and hold harmless the Repurchase Company, the Fund, the Investment Manager, the Administrator and each other person, if any, who controls or is controlled by any thereof, within the meaning of Section 15 of the Securities Act, against any and all loss, liability, claim, damage and expense whatsoever (including, but not limited to, any and all expenses whatsoever reasonably incurred in investigating, preparing or defending against any litigation commenced or threatened or any claim whatsoever) arising out of or based upon (a) any false representation or warranty or breach or failure by me/us to comply with any covenant or agreement made by me/us herein, or in any other document furnished by me/us to any of the foregoing in connection with this transaction or (b) any action for securities law violations instituted by me/us which is finally resolved by judgment against the undersigned.
18. The Fund, the Repurchase Company, the Administrator or its affiliates, and/or the Investment Manager may disclose to each other, to any other service provider to the Fund or, upon legally binding request, to any regulatory body in any applicable jurisdiction to which any of the Fund, the Repurchase Company, the Administrator and/or the Investment Manager is subject, copies of this subscription application/documents and any information concerning me/us provided to the Fund, the Administrator and/or the Investment Manager or to any of their affiliates including details of my/our Shares, historical and pending transactions in Shares and values thereof, and any such disclosure will not be treated as a breach of any restriction upon the disclosure of information imposed on such person by law or otherwise.
19. I/we hereby authorise and instruct the Administrator, the Repurchase Company and the Fund to accept and execute any written instructions given by me/us or on my/our behalf in respect of my/our Shares in the Fund including instructions delivered in electronic form such as by facsimile or email. If instructions are delivered in electronic form, I/we undertake to send the original instructions to the relevant party and agree to indemnify and keep each such party indemnified against any loss of any nature whatsoever arising to any of them as a result of any of them acting upon such instructions believed in good faith to be genuine or as a result of mis-delivery or non-receipt of any such instructions. I/we acknowledge that Instructions sent in electronic form shall only be effective when actually acknowledged by the Fund, the Repurchase Company or the Administrator (as applicable) and that, in the event that no acknowledgement is received from the relevant party within 7 days of submission of the instruction, the onus is upon me/us to contact the relevant party to confirm receipt of the instruction.
20. I/we have not relied on the information contained in the Tax Considerations section of the Explanatory Memorandum as the basis of my/our investment decision.
21. I/we hereby designate(s) and appoint(s) any of the employees of the Repurchase Company with full power of substitution, as his/her/its/their true and lawful Proxy and Attorney-in-Fact for the purpose of signing a deed of issue or a deed of transfer in respect of the Shares herein subscribed for.
22. I/we hereby acknowledge and agree that the Repurchase Company and the Fund (or the Administrator as their delegate) may deliver and make reports, statements and other communications available in electronic form, such as E-mail or by posting on a web site.

Place and date

Signature

KNOW YOUR CUSTOMER PROCEDURES AND DOCUMENTATION

In light of changes to the global financial environment, particularly concerning the prevention of laundering monies derived from criminal activities or connected to terrorist financing, we are required to obtain relevant due diligence information in relation to clients with whom we have an on-going business relationship. In addition, as you may be aware, all members of the Financial Action Task Force have been asked to do their utmost to detect and prevent the misuse of the world financial system.

ADDRESS VERIFICATION:

In order to comply with Anti-Money Laundering Legislation, we must verify the address supplied by the investor (“Investor”) in the Subscription Form. To prevent unnecessary delays, we kindly request you to enclose documents that will confirm your address, with your Subscription Form.

For **legal entities**, we require verification of the registered address. This could be by means of (depending on the jurisdiction): certificate of good standing which includes the address; excerpt from the Chamber of Commerce; receipt of payment of license or registration fee (not more than 6 weeks old); or any other document issued by an independent third party that contains both name and registered office address of the legal entity.

SIGNATURE VERIFICATION - EVIDENCE OF AUTHORITY:

In order to verify the signature(s) on the Subscription Form, as well as the authority for all future requests relating to the investment, please provide a list of authorised signatories, or for individual investors, a certified copy of your passport/driver’s license/national identity card.

WIRE INFORMATION:

(not required in the case of an exchange of Shares)

(a) In the space provided below, please provide details of **where the monies were transferred from** to the Fund in relation to your subscription for Shares.

Name, address and account number of bank account from which the subscription funds will be wired.¹

Bank Name

City and Country

Account Name

Account Number (For accounts with banks located in Europe, you are requested to provide a SWIFT Code and IBAN. Failure to do so may result in delays in processing payments to you)

Investor's Name

Please note that in cases where the Account Name is not the same as the Investor Name above, documentary information must be provided detailing the reason for, and background to, such a "third party" payment request. **Please note that supporting documentation on the relationship between the third party and the Investor should be provided within three business days of receipt of the funds.** Should this not be to the satisfaction of the Administrator, the funds will be returned to the remitting party.

Additionally, as part of our compliance with Anti-Money Laundering Legislation, we may require detailed verification of the Investor's identity and the source of the payment of the subscription amount. If your bank is unable to wire the funds as per the specifications mentioned, we will request your bank to confirm to us in writing that the funds were wired from a bank account held with them in the name of the Investor. We reserve the right to request such information as is necessary to verify the identity of any Investor.

(b) If subscription monies were transferred/wired to the Fund from a country that is not on the "Approved Jurisdictions List" (see below) please provide documentation to the Fund Administrator as listed under 4.

(all copies should be in English and duly certified as per the below requirements).

Approved Jurisdictions:

- Australia
- Austria
- Belgium
- Canada
- Denmark
- Finland
- France
- Germany
- Greece
- Hong Kong
- Iceland
- Ireland
- Italy
- Japan
- Luxembourg
- Netherlands
- New Zealand
- Norway
- Portugal
- Singapore
- Spain
- Sweden
- Switzerland
- Turkey
- United Kingdom
- United States of America

¹ **IMPORTANT NOTICE:** Due to international banking laws, your bank **MUST** send a SWIFT MT103 message and complete field 50 ("Ordering Customer") and field 52D ("Ordering Institution") on subscription wires. **Your transaction may be delayed or rejected if this information is not provided.**

KNOW YOUR CUSTOMER DOCUMENTATION:

(not required in the case of an exchange of Shares)

Wherever reference is made to certified copies, please note that certification of passports/driver's licenses/national identity cards, address verification documents and any other copy documents to be provided, should be certified by a suitable person. Suitable persons include:

- Police Officers;
- Chartered & Certified Public Accountants;
- Notaries Public/Practicing Attorneys/Solicitors/Lawyers/Commissioners for Oaths;
- Embassy/Consular staff;
- Officers of Financial Institutions in Approved Jurisdictions²; or
- A Citco officer or employee who has signing authority for the relevant Citco Company.

The certifier should sign the copy (printing his/her name underneath) and clearly indicate his/her position or capacity, and include a contact address and phone number. The certifier must indicate that the document is a true copy of the original, and for copies of passports/driver's licenses/national identity cards, include wording which confirms that "*the individual whose identity is represented in the passport/driver's license/national identity card has appeared personally before the party providing the certification on the date of certification, that the attached document is a true copy of the original and that the picture thereon is a good likeness of the holder*".

Please also note that the copy should be clear and legible.

The following documentary requirements must be satisfied within two weeks of receipt of this request

(a) **Limited Partnerships ("LPs") or Limited Liability Companies ("LLCs")**

Where the Investor is an LP or LLC, the following information and documents with respect to that LP or LLC should be provided:

- a certified true copy of the partnership agreement or limited liability company operating agreement;
- a mandate from the LP or LLC authorising the establishment of the relationship (either generally or specific to the relevant fund) and conferring authority on those who issue instructions (e.g. authorised signatory list);
- the identity of the general partner/managing member or authorised signatories of those authorised to issue instructions for the LP/LLC. Where the general partner or managing member is an entity, then the entity has to be identified in accordance with the requirement set forth in this document (depending on what type of entity is involved), and also the individual(s) acting for such entity;
- verification of registered address – this should be included in the partnership agreement or limited liability company operating agreement, if not, further verification of the registered address should be provided for example an extract from a public registry or other appropriate document.

(b) **Corporate Entities**

(i) **Listed Corporations**

Where the Investor is a corporation and the corporation:

- ◇ is quoted on a stock exchange in an Approved Jurisdiction; or
- ◇ is known to be the subsidiary of such a quoted company; or

² **Approved jurisdictions:**

Countries of the European Community: Austria, Belgium, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Slovak Republic, Slovenia, Spain, Sweden, United Kingdom; Argentina; Australia; Brazil; Canada; Hong Kong, China; Iceland; Japan; Mexico; New Zealand; Norway; Singapore; South Africa; Switzerland, Turkey; United States

◇ is regulated by a regulator in an Approved Jurisdiction,

the following information and documents are required:

- evidence that the corporation is so quoted, is the subsidiary of a corporation so quoted, or is regulated (e.g. a Bloomberg or search of the list of corporations listed on the relevant Stock Exchange);
- a list of directors' names;
- an authorised signatory list which must include the name(s) and specimen signature(s) of the person(s) who have signing authority;

(ii) **Private Corporations**

Where the Investor is a private corporation, the following information and documents are required:

- certified true copy of the certificate of incorporation or similar document;
- a list of directors' names;
- an authorised signatory list;
- the identity of all directors, independently verified in accordance with paragraph 4(a) above (i.e. the Personal Identity and Address Verification of all directors)
Note:
 - if the private corporation has a corporate director, then such entity has to be identified in accordance with the requirements set forth in this document and the Personal Identities and Address Verification of all directors (i.e. being individuals) of that corporate director must be provided.
- a list of names and addresses of shareholders holding 10% or more of the issued share capital of the private corporation, and in the case of individual shareholders, their occupations and dates of birth;
- where a significant shareholder (owning 25% or more of the issued share capital of the Investor) is a body corporate and particularly where it concerns a nominee or “front” company, information regarding the ultimate beneficial ownership of that particular company must be provided. Where the ultimate beneficial owner(s) is/are individual(s), documentation concerning the Personal Identity and Address Verification with respect to the individual(s) in accordance with paragraph 4(a) is required.

(iii) **Investment Fund**

Where the Investor is an Investment Fund, the following information and documents are required:

- certified true copy of the certificate of incorporation or similar document;
- a list of directors' names;
- an authorised signatory list;
- the identity of all directors, independently verified in accordance with paragraph 4(a) above (i.e. the Personal Identity and Address Verification of all directors);
- Written confirmation by the administrator of the fund that 1. no shareholders own more than 10% of the issued capital; 2. the administrator has anti-money laundering policies and procedures in place reasonably designed to verify the identity of its shareholders and their sources of funds. This letter should also include information concerning the regulatory oversight under which the administrator operates and the legislation that is applied to their KYC/AML procedures.

(c) **Trusts**

(i) **Where the trustee is a Financial Institution in an Approved Jurisdiction, a subsidiary thereof or a trust company which is licensed and regulated in an Approved Jurisdiction,**

the following information and documents should be provided:

- purpose of the trust;
- name of the trustee;

- documentary evidence showing that the trustee is a **Financial Institution in an Approved Jurisdiction**, subsidiary thereof or licensed trust company in an Approved Jurisdiction.

(ii) **Where the trustee is an entity but not a Financial Institution in an Approved Jurisdiction, a subsidiary thereof, or a trust company which is licensed and regulated in an Approved Jurisdiction** the following information and documents should be provided:

- full name, occupation, business and/or residential address and, where available, telephone and facsimile numbers of the settlor (if no settlor is named in the trust deed or declaration of trust, then the identity of the person(s) who established the trust should be obtained);
- purpose of the trust;
- name of the trustee;
- a copy of the trustee's license (or equivalent);
- a list of directors of the trustee;
- the identity of all directors of the trustee independently verified in accordance with paragraph 4(a) above (i.e. the Personal Identity and Address Verification of the directors);
- an authorised signature list;
- a certified true copy of the Trust Deed.

(iii) **Where the trustee is one or more individuals**, the following information and documents should be provided:

- full name, occupation, business and/or residential address and, where available, telephone and facsimile numbers of the settlor (if no settlor is named in the trust deed or declaration of trust, then the identity of the person(s) who ultimately established the trust should be obtained)
- purpose of the trust;
- name(s) of the trustee(s);
- the identity of the trustee(s) independently verified in accordance with paragraph 4(a) above (i.e. the Personal Identity and Address Verification of the trustee(s));
- a certified true copy of the Trust Deed.

(d) **Private Foundations**

Where the Investor is a private endowment or foundation (as opposed to, for example, a University or other educational establishment or foundation), the following information and documents should be provided:

- full name, occupation, business and/or residential address and, where available, telephone and facsimile numbers of the founder of the foundation;
- the Personal Identity and Address Verification of the founder (in accordance with paragraph 4(a) above);
- a certified true copy of the certificate of incorporation or similar document;
- a list of directors' names;
- an authorised signatory list which must include the name(s) and specimen signature(s) of the person(s) who signed the relevant Subscription Form or redemption request;
- the identity of all directors, independently verified in accordance with paragraph 4(a) above (i.e. the Personal Identity and Address Verification of the directors);

Note:

- if the private endowment or foundation has a corporate director, then such entity has to be identified in accordance with the requirements set forth in this document and the Personal Identities and Address Verification of all the directors (i.e. being individuals) of that corporate director must be provided.

(e) **Financial Institutions in Non-Approved Jurisdictions**

Where the Investor is a Financial Institution in a country that is not on the list of Approved Jurisdictions, and its ultimate parent company is not established in an Approved Jurisdiction, documentation as stipulated above for Corporate Entities under 4(c) must be provided.

Where the Investor is a Financial Institution in a country that is not on the list of Approved Jurisdictions, but its ultimate parent company is established in an Approved Jurisdiction, please have the ultimate parent company confirm to us in writing that, without exception, the institution applies substantially similar requirements for identifying customers as the ultimate parent company.

If you have any questions please do not hesitate to contact the Compliance Department at 599-9 732 2258, or e-mail to compliance@citco.com.

To be sent by fax with two originals to follow
by overnight courier to:
**H.H. Repurchase and
Trading Company N.V.**
c/o Kaya Flamboyan 9
P.O. Box 4774
Curaçao, Netherlands Antilles
Fax: 599-9-732-2225
Email: hausmannh@citco.com

REPURCHASE LETTER

Dated:
H.H. Repurchase and Trading Company N.V.
c/o Kaya Flamboyan 9
P.O. Box 4774
Curaçao, Netherlands Antilles

Dear Sirs:

The undersigned hereby gives you irrevocable notice of its request that you purchase from the undersigned _____ Shares of the (check one) Class A Shares, Class B Shares, or Class C Shares of Hausmann Holdings N.V. (the "Fund"), effective on the next Dealing Day (as defined in the Explanatory Memorandum of the Fund, dated as of February 1, 2007).

It is understood that Dollars (with respect to Class A Shares and Class B Shares) or Euros (with respect to Class C Shares) will be sent by wire transfer to the undersigned in payment for such Shares, to the account indicated below, unless otherwise indicated, within 30 calendar days after the Dealing Day, in an amount equal to the Net Asset Value of such Shares as of the close of business in New York on the Dealing Day (or, if such date is not a business day in New York, the preceding business day). It is understood that you are entitled to charge a commission of up to one and one half (1.5%) of such Net Asset Value, which has been waived for the time being. You may also charge a brokerage fee of up to one-half percent (0.5%).

The undersigned hereby designates and appoints any of the employees of H.H. Repurchase and Trading Company N.V. with full power of substitution, as its true and lawful Proxy and Attorney-in-Fact for the purpose of signing a deed of transfer in respect of the Shares herein requested to be redeemed.

The Repurchase Company reserves the right to withhold payment of proceeds until it has received the original repurchase request signed by an authorised signatory of the redeeming shareholder. None of the Fund, the Repurchase Company or the Administrator shall be responsible for any mis-delivery or non-receipt of any facsimile or email. Facsimiles or emails sent to the Repurchase Company shall only be effective when actually received by the Repurchase Company. **Shareholders who submit repurchase requests initially by facsimile or email to the Repurchase Company are advised to contact the Repurchase Company by telephone on (599-9) 732-2222 to confirm that the facsimile or email repurchase request has been received.**

Please acknowledge your receipt of this notice by advising the undersigned at the address set forth below.

Very truly yours,

Signature of Subscriber

Joint Signature (if any)

Name and Address of Subscriber(s) (Printed):

Note: This notice completed in full must be sent to the Repurchase Company by fax with two original copies to follow by overnight courier at least 20 calendar days prior to the Dealing Day.

Please complete further:

Registration details

Registration Name: _____

Street and number: _____

PO Box (if any) _____

ZIP and City or City, state and ZIP: _____

Country: _____

Telephone number: _____

Fax number: _____

E-mail address: _____

Purchaser's Bank (wire transfer) Information

Correspondent Bank's SWIFT BIC _____

Correspondent Bank's Name _____

Intermediary Bank's SWIFT BIC & A/C # _____

Intermediary Bank's Name _____

Beneficiary's Bank SWIFT BIC & A/C # _____

Beneficiary's Bank Name _____

Beneficiary's a/c number _____

Beneficiary's (= to registered shareholder) _____

**ADDENDUM TO EXPLANATORY MEMORANDUM OF
HAUSSMANN HOLDINGS N.V.**

In connection with the sale of Shares of the Fund, the Board of the Fund has determined until further notice that for investors subscribing for Shares of the Fund through Merrill Lynch, Pierce, Fenner & Smith Incorporated (“Merrill Lynch”), the Subscription Application set forth at the back of the Explanatory Memorandum will not be required. All other investors will be required to complete such application.

For further information relating to the subscription for Shares of the Fund through Merrill Lynch, investors should contact their Merrill Lynch financial consultant or private banker.

HAUSSMANN HOLDINGS N.V.

EXPLANATORY MEMORANDUM

February 1, 2007
