

The directors of Oxeye Growth Fund Limited (the "Directors") whose names appear under "Directory" on page 6 below accept responsibility for the information contained in this private placement memorandum (the "Private Placement Memorandum"). 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 Private Placement Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

PRIVATE PLACEMENT MEMORANDUM

Oxeye Growth Fund Limited

(a multi-class open-ended exempted company incorporated under the laws of the Cayman Islands)

**PRIVATE OFFERING OF SHARES
OF THE
OXEYE GROWTH FUND DOLLAR PORTFOLIO
AND
OXEYE GROWTH FUND EURO PORTFOLIO**

Investment Manager

Oxeye Capital Management Limited

2 August 2005

Offer for subscription of various classes of Shares of the Company of U.S.\$0.01 nominal value established with reference to one or more managed portfolios of the Company (each a "Portfolio"), through Private Offering at the termination of the initial offer period at the initial offer price per Share of the relevant class (plus any sales charge payable in respect of such subscription) payable in full on application and thereafter at subscription prices calculated with reference to the Net Asset Value per Share of the relevant class on each Dealing Day (plus any sales charge payable in respect of such subscription).

The Shares of each class of the Company will not be listed on any Stock Exchange although the Directors of the Company reserve the right to seek such a listing in the future if this is considered to be in the best interests of existing or prospective investors in the Company.

For the information of:

Number:

The Portfolios of the Company are referred to on the front page of this Private Placement Memorandum and under the section "Portfolios" on page 10 of the Private Placement Memorandum which lists the existing Portfolios and the Shares of each class in issue. Although each Portfolio will be treated as bearing its own liabilities, the Company as a whole will remain ultimately liable to third parties for the liabilities of all the Portfolios. The Company may at any time and from time to time establish further Portfolios and designate further classes of Shares.

The distribution of this Private Placement Memorandum and the offering of the Shares of each class in certain jurisdictions may be restricted. Persons into whose possession this Private Placement Memorandum comes are required by the Company to inform themselves about and to observe any such restrictions. Prospective applicants for Shares of each class should inform themselves as to the legal requirements applying and any applicable exchange control regulations and applicable taxes in the countries of their respective citizenship, residence or domicile. This Private Placement Memorandum does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation.

The Shares of each class have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "1933 Act") or qualified under any applicable state statutes, and the Shares may not be offered, sold or transferred in the United States of America (including its territories and possessions) or to or for the benefit of, directly or indirectly, any US Person (as that term is defined herein), except pursuant to registration or an exemption. The definition of "US Person" is set out in Section 6 of Appendix III of this document. The Company is not, and will not be, registered under the United States Investment Company Act of 1940, as amended (the "1940 Act") pursuant to section 3(c)(7) of that Act, and investors will not be entitled to the benefit of such registration. The Company may make a private placement of the Shares to a limited number or category of US Persons. The Shares of each class have not been approved or disapproved by the United States Securities and Exchange Commission, any state securities commission or other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of these offering materials. Any representation to the contrary is unlawful.

No representations or warranties of any kind are intended or should be inferred with respect to the economic return or the tax consequences from an investment in the Company or in a class of Shares of a particular Portfolio. No assurance can be given that existing laws will not be changed or interpreted adversely. Prospective investors are not to construe this document as legal or tax advice. Each investor should consult his own counsel and accountant for advice concerning the various legal, tax and economic considerations relating to his investment. Each prospective investor is responsible for the fees of his own counsel, accountants and other advisors.

No offering literature or advertising in any form shall be employed in the offering of the Shares other than this Private Placement Memorandum and the documents referred to herein. Any further distribution or reproduction of this document, in whole or in part, or the divulgence of any of its contents, is prohibited. A prospective investor should not subscribe for Shares of a class unless satisfied that he and/or his investment representative have asked for and received all information which would enable him to evaluate the merits and risks of the proposed investment. The Shares are not, and are not expected to be, liquid, except as described in this Private Placement Memorandum.

The Shares of each class are subject to restrictions on transferability and resale and may not be transferred or resold in the United States except as permitted under the 1933 Act and applicable state securities laws, pursuant to registration or exemption therefrom. Investors should be aware that they will be required to bear the financial risks of this investment for an indefinite period of time. Each US Person subscribing for Shares must agree that the Directors may reject, accept or condition any proposed transfer, assignment or exchange of those Shares. All investors in the Company have limited redemption

rights and such rights may be suspended under the circumstances described in this Private Placement Memorandum.

The Company is a collective investment scheme for the purposes of the Financial Services and Markets Act 2000 of the United Kingdom (the “FSMA”) and is not a recognised scheme for the purposes of section 238 of the FSMA. The communication of this Private Placement Memorandum or any invitation or inducement in the United Kingdom to participate in the Company or in a class of Shares of a particular Portfolio is accordingly restricted by law.

Whilst this Private Placement Memorandum is issued outside the United Kingdom by the Company and the Directors are responsible for its contents, wherever issued, this Private Placement Memorandum (1) is being communicated in the United Kingdom by Oxeye Capital Management Limited (the “Investment Manager”) which is authorised and regulated by the Financial Services Authority of the United Kingdom (“FSA”), only to persons of a kind to whom this document may, for the time being, be communicated by the Investment Manager by virtue of rule 3.11.2 and annex 5 of the Conduct of Business Rules of the FSA or any other exemption to section 238 of the FSMA (“permitted recipients”) and (2) has been approved by the Investment Manager solely for the purpose of communication in the United Kingdom to such permitted recipients. Any recipient of this Private Placement Memorandum who is an authorised person may (if and to the extent it is permitted to do so by the rules of the FSA applicable to it) communicate this Private Placement Memorandum or any invitation or inducement to participate in the Company or in a class of Shares of a particular Portfolio in the United Kingdom to other authorised persons or permitted recipients but not otherwise. Any recipient of this Private Placement Memorandum who is not an authorised person may not communicate this Private Placement Memorandum or any invitation or inducement to participate in the Company or in a class of Shares of a particular Portfolio to any other person in the United Kingdom.

A United Kingdom investor who enters into an investment agreement to acquire Shares of the Company will not have the right (otherwise provided under the United Kingdom Financial Services Authority Handbook of Rules and Guidance) to cancel the agreement constituted by the acceptance by or on behalf of the Company of an application for Shares.

In addition, most if not all of the protections provided by the United Kingdom regulatory structure will not apply to investments in a class of Shares of a particular Portfolio of the Company. The rights of shareholders in the Company will not be protected by the Financial Services Compensation Scheme in the United Kingdom.

No offering of Shares may be made to the public in the Cayman Islands.

No person has been authorised to give any information or to make any representations, other than those contained in this Private Placement Memorandum, in connection with the offering of Shares and, if given or made, such information or representations must not be relied on as having been authorised by the Company. Neither the delivery of this Private Placement Memorandum nor the allotment or issue of Shares shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date hereof.

US Federal Tax and Benefit Plan Considerations: Investors’ Reliance on Federal Tax Advice in this Private Placement Memorandum

The discussion contained in this Private Placement Memorandum as to federal tax considerations is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties. Such discussion is written to support the promotion or marketing of the transactions or matters addressed in this Private Placement Memorandum, including the private placement of Shares in the United States.

Each taxpayer should seek federal tax advice based on the taxpayer's particular circumstances from an independent tax advisor.

There are significant risks associated with an investment in the Company and in each class of Shares of each of its Portfolios. Investment in the Company or in a class of Shares of a particular Portfolio may not be suitable for all investors. It is intended for sophisticated or sufficiently experienced investors who can accept the risks associated with such an investment including a substantial or complete loss of their investment. There can be no assurance that a Portfolio will achieve its investment objective. Each prospective investor should carefully review this Private Placement Memorandum and carefully consider the risks associated with an investment in classes of Shares of the relevant Portfolio before deciding to invest. The attention of investors is also drawn to the "Risk Factors and Conflicts of Interest" in Appendix IV of this document.

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DIRECTORY

Directors:

Martin Petherick
Peter Radford
Bernard Key

Registered Office of the Company

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Grand Cayman
Cayman Islands

Investment Manager

Oxeye Capital Management Limited
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Wiltshire
SP1 2PB
United Kingdom

Principal Broker

ADM Investor Services International Limited
4th Floor, Millennium Bridge House
2 Lambeth Hill
London
EC4V 3TT
United Kingdom

Auditors

BDO Novus Limited
PO Box 180
Place Du Pre
Rue du Pre
St Peter Port
Guernsey
GY1 3LL

Administrator

Bordeaux Services (Guernsey) Limited
PO Box 466
Barclays Court
Les Echelons
St Peter Port
Guernsey
GY1 6AW
Channel Islands

Legal Advisers

As to English and US Law:

Dechert LLP
2 Serjeants' Inn
London EC4Y 1LT
United Kingdom

As to Cayman Islands Law:

Walkers
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London EC3V 0EJ
United Kingdom

DEFINITIONS

The following definitions apply throughout this Private Placement Memorandum unless the context otherwise requires:

"Administration Agreement"	the agreement described under "Appendix III – General Information – 2. Material Contracts" entered into between the Administrator and the Company on 22 July 2005;
"Administrator"	Bordeaux Services (Guernsey) Limited;
"Application Form"	the application form for each class of Shares of each Portfolio at the end of this document;
"Business Day"	any day (except Saturday and Sunday) on which banks in Guernsey and London and/or such other or additional places as the Directors may in their discretion determine are open for business;
"CFTC"	the US Commodity Futures Trading Commission;
"Class"	a class of Shares of the Company;
"Company"	Oxeye Growth Fund Limited;
"Dealing Day"	the first Business Day of each month is a Dealing Day in respect of the Dollar Class Shares of the Oxeye Growth Fund Dollar Portfolio and the Euro Class Shares of the Oxeye Growth Fund Euro Portfolio unless amended by the Directors as set out at page 26 under "Dealings";
"Director"	a director of the Company;
"Directors"	the board of directors from time to time of the Company including a duly authorised committee thereof;
"Dollar Class Shares"	the Dollar Class Shares of the Oxeye Growth Fund Dollar Portfolio currently being offered for subscription, details of which are contained in this Private Placement Memorandum. Dollar Class Shares are denominated in U.S. Dollars;
"Eligible Investor"	as set out at pages 24 to 26;
"Euro Class Shares"	the Euro Class Shares of the Oxeye Growth Fund Euro Portfolio currently being offered for subscription, details of which are contained in this Private Placement Memorandum. Euro Class Shares are denominated in euros;
"FSA"	the Financial Services Authority of the United Kingdom;

"Initial Offer"	the initial offer of Euro Class Shares of the Oxeye Growth Fund Euro Portfolio referred to in this Private Placement Memorandum;
"Initial Offer Period"	the initial offer period commencing on or about the date of this Private Placement Memorandum (or such later date as the Directors may in their absolute discretion determine) and ending on the Closing Date;
"Investment Management Agreement"	the agreement described under "Appendix III – General Information – 2. Material Contracts" entered into between the Investment Manager and the Company on 10 June 2002, as amended;
"Investment Manager"	Oxeye Capital Management Limited;
"Law"	the Companies Law (2004 Revision) of the Cayman Islands and any amendment or other statutory modification thereof and where in this document any provision of the Law is referred to, the reference is to that provision as modified by any law for the time being in force;
"Management Fee"	the monthly management fee payable to the Investment Manager, calculated as described under "Fees and Expenses" at pages 20 to 24;
"Net Asset Value" and "Net Asset Value per Share"	the net asset value of the assets of a Portfolio attributable to Shares of each class of that Portfolio and the net asset value per Share of a class, respectively, calculated as described under "Valuations and Possible Suspension" at pages 26 to 28 inclusive;
"Performance Fee"	the quarterly performance fee payable to the Investment Manager out of the assets of the Company attributable to each Portfolio, calculated as described under "Fees and Expenses" at pages 20 to 24;
"Portfolios"	one or more managed portfolios of the Company each represented by one or more classes of Shares and having a separate investment objective and policy being currently the: Oxeye Growth Fund Dollar Portfolio; and Oxeye Growth Fund Euro Portfolio, and such other Portfolios of the Company as may be established by the Directors from time to time;
"Principal Broker(s)"	ADM Investor Services International Limited and/or such other entity or entities as may be appointed as principal broker to the Company or in respect of a Portfolio from time to time;

"Principal Brokerage Documentation"	the customer agreement described under "Appendix III – General Information – 2. Material Contracts" entered into between the Principal Broker and the Company;
"Recognised Exchange"	any regulated market or exchange (which is an exchange within the meaning of the law of the country concerned relating to exchanges) in the EU, the OECD, Hong Kong, Singapore and South Africa, NASDAQ, EASDAQ, the market in US government securities which is conducted by primary dealers which are regulated by the Federal Reserve Bank of New York, the market in transferable securities conducted by primary dealers and secondary dealers which are regulated by the US Securities and Exchange Commission and by the National Association of Securities Dealers and the over-the-counter market in Tokyo regulated by the Securities Dealers Association of Japan and or any other regulated exchange or market as may be approved by the Directors;
"Shares"	the redeemable preference shares of the Company of par value U.S.\$0.01 each which may be designated and issued by the Company in one or more classes or series with reference to Portfolios of the Company;
"Specified Credit Rating"	a minimum credit rating of "A" for long term debt from the credit agency of Moody's or Standard & Poor's and a minimum of "P-2" or "A-1" respectively for short term debt from those same agencies or as approved by the Directors from time to time;
"United States"	the United States of America, its territories and possessions, any state of the United States and the District of Columbia;
"US Person"	as set out in Section 6 of Appendix III;
"US Taxpayer"	as set out in Section 6 of Appendix III;
"Valuation Day"	the Business Day immediately preceding the Dealing Day is a Valuation Day in respect of the Dollar Class Shares of the Oxeye Growth Fund Dollar Portfolio and the Euro Class Shares of the Oxeye Growth Fund Euro Portfolio unless amended by the Directors as set out on page 26 under "Dealings";
"1933 Act"	the United States Securities Act of 1933, as amended; and
"1940 Act"	the United States Investment Company Act of 1940, as amended.

All references to "U.S. Dollars" or "U.S.\$" are to United States dollars and to "euros" or "€" are to European euros.

PRINCIPAL FEATURES

This summary is derived from and should be read in conjunction with the full text of this Private Placement Memorandum.

Company

The Company is an open-ended multi-class investment company structured to operate in a similar manner to an open ended unit trust or mutual fund and is an exempted company formed under the laws of the Cayman Islands. The Company was incorporated with limited liability on 7 June 2002 and is empowered under the laws of the Cayman Islands to issue and redeem Shares divided into different classes, representing one or more managed Portfolios, although each Portfolio is not a separate legal entity.

The authorised share capital of the Company is U.S.\$50,100 of which the Company is currently authorised to have in issue 5 million Shares of U.S.\$0.01 each and 100 founder shares of U.S.\$1 each.

Portfolios

The Company is empowered to establish one or more managed Portfolios, each represented by one or more classes of Shares and having a specific investment objective and policy as described under the heading “Investment Objective, Strategy and Restrictions” below. Different sales, management or other charges may apply in respect of the Shares themselves and/or the assets of the relevant Portfolio attributable to the respective class of Shares (see “Fees and Expenses” on pages 20 to 24 below). At the date of this Private Placement Memorandum, the following Portfolios and classes of Shares have been established:-

Portfolio	Base Currency of Portfolio	Currency of denomination of Shares
Oxeye Growth Fund Dollar Portfolio	U.S. Dollars	Dollar Class Shares
Oxeye Growth Fund Euro Portfolio	Euro	Euro Class Shares

Dollar Class Shares of the Oxeye Growth Fund Dollar Portfolio (which were formerly offered as Shares of the Company) were initially issued on 16 July 2002 at an initial issue price of U.S.\$100 per Dollar Class Share. Euro Class Shares of the Oxeye Growth Fund Euro Portfolio are subject to an Initial Offer on the terms described on pages 28 and 36 below.

Investment Objective

As at the date of this Private Placement Memorandum the Company has established two Portfolios, the Oxeye Growth Fund Dollar Portfolio and the Oxeye Growth Fund Euro Portfolio.

The investment objective of the Oxeye Growth Fund Dollar Portfolio is to achieve Dollar based capital appreciation through an investment programme involving derivative instruments and individual securities, principally through the use of futures and options strategies, providing exposure to a range of asset classes, countries and currencies world-wide.

The investment objective of the Oxeye Growth Fund Euro Portfolio is to achieve Euro based capital appreciation through an investment programme involving derivative instruments and individual

securities, principally through the use of futures and options strategies, providing exposure to a range of asset classes, countries and currencies world-wide.

The Oxeye Growth Fund Dollar Portfolio and the Oxeye Growth Fund Euro Portfolio will each aim to produce absolute returns in all market environments, whilst adhering to robust risk management techniques.

The Oxeye Growth Fund Dollar Portfolio and the Oxeye Growth Fund Euro Portfolio will each seek to carry out their respective objective by following the “Investment Strategy” set out at pages 17 to 18.

Investors should note that the investments made by and, consequently, the performance of each Portfolio may differ. It should also be noted that the rates of commission charged by the Principal Broker in respect of each Portfolio are likely to vary. The attention of investors is also drawn to “3. Cross Class Liabilities” on page 37 below.

Dividend Policy

The Directors do not anticipate that any dividends or other distributions will be paid to the holders of the Dollar Class Shares or Euro Class Shares out of the earnings and profits attributable to the relevant class. It is intended that such income will be reinvested by the Company in investments attributable to the relevant class. Nonetheless, the Directors may from time to time declare dividends.

Investment Manager

Oxeye Capital Management Limited

Administrator

Bordeaux Services (Guernsey) Limited

Principal Broker

ADM Investor Services International Limited

Fees and Expenses

The Company will pay to the Investment Manager out of the assets of each Portfolio attributable to the Shares of each class a Management Fee payable monthly in arrears equal to one twelfth of the specified Management Fee percentage of the Net Asset Value of the Shares of the relevant class and a Performance Fee payable at a rate equivalent to 20 per cent. of any increase in Net Asset Value per Share of each class subject to a high water mark. The specified Management Fee percentage in respect of the Dollar Class Shares of the Oxeye Growth Fund Dollar Portfolio and in respect of the Euro Class Shares of the Oxeye Growth Fund Euro Portfolio is 2 per cent. per annum. Details of the fees payable by the Company are set out at pages 20 to 24.

The Investment Manager may at its discretion charge an initial fee of up to 5 per cent. of the amount subscribed prior to the issue of Shares of a class.

Other operating costs and expenses of the Company and of each Portfolio including the fees of the Directors, the Administrator and the Principal Broker are set out at pages 24 and 47.

Taxation

Under current Cayman Islands law, no tax will be charged in the Cayman Islands on profits or gains of each Portfolio and any dividends of the Company will be payable to shareholders resident in or outside the Cayman Islands without deduction of tax. Under current Cayman Islands law, no stamp duty is levied in the Cayman Islands on the transfer or redemption of Shares. An annual registration fee will be payable by the Company in the Cayman Islands currently of \$575 per annum, together with a mutual fund registration fee of \$2,450 per annum. A description of the tax status of the Company is set out at pages 31 to 35.

Listing

The Shares of each class will not be listed on any Stock Exchange although the Directors of the Company reserve the right to seek such a listing in the future if this is considered to be in the interests of existing or prospective investors in the Company.

Share Subscriptions

Initial subscriptions for Euro Class Shares of the Oxeye Growth Fund Euro Portfolio during the Initial Offer Period must be received by the Administrator in Guernsey by 5.00 p.m. (Guernsey time) on 5 August 2005 (the Closing Date) or such later day and/or time as the Directors shall in their discretion determine. Euro Class Shares of the Oxeye Growth Fund Euro Portfolio will be issued on the Initial Dealing Day immediately following the close of the Initial Offer at a price of €100 per Euro Class Share (net of any initial fees and bank charges).

Thereafter, subscription applications and subscriptions proceeds for each class of Shares of each Portfolio should be received by the Administrator prior to 5.00 p.m. (Guernsey time) on a Business Day not less than 5 (five) Business Days prior to the Dealing Day for Shares of the relevant class or such other day and/or time as the Directors shall in their discretion from time to time determine either generally or in respect of specific applications. Shares of each class will be issued at an issue price determined by reference to the Net Asset Value per Share of the relevant class on the relevant Valuation Day (net of any initial fees and bank charges).

Redemption of Shares

Shareholders may redeem all or part of their Shares of each class of a Portfolio on any Dealing Day by delivering a completed redemption request to the Administrator by 5.00 p.m. (Guernsey time) no less than thirty days prior to the relevant Dealing Day. The redemption proceeds will be determined by reference to the Net Asset Value per Share of the relevant class. The Company will usually impose a redemption adjustment as set out at page 30 on early redemptions to assist in the preservation of equity between redeeming and continuing shareholders although the Directors have a discretion to waive the adjustment in whole or in part. The Directors may decline to accept any redemption of Shares which will result in the redeeming Shareholder holding Shares with a value of less than U.S.\$50,000 for Dollar Class Shares or the euro equivalent of U.S.\$50,000 for Euro Class Shares.

Minimum Subscription

The minimum investment for Dollar Class Shares is U.S.\$50,000 and for Euro Class Shares is the euro equivalent of U.S.\$50,000 in each case payable in full (net of any initial fees and bank charges). These minimum investment levels may be increased at the discretion of the Directors either generally or in specific cases. Different minimum levels of investment may be prescribed in respect of different classes of Shares of a Portfolio.

Publication of Net Asset Value

The Net Asset Value per Share of each class will be communicated by the Administrator to the existing shareholders on a monthly basis.

Reports to Shareholders

Accounts relating to the Company will be sent to investors annually.

INTRODUCTION

The Company, which is an open-ended multi-class investment company structured to operate in a similar manner to an open-ended unit trust or mutual fund, was incorporated with limited liability on 7 June 2002 as an exempted company under the Law and is empowered to issue and redeem Shares divided into different classes in respect of one or more managed Portfolios. Each Portfolio is not a separate legal entity. 5 million Shares are authorised and available to be issued. The Directors may create further classes of shares or further Portfolios.

There are currently two Portfolios, the Oxeye Growth Fund Dollar Portfolio and the Oxeye Growth Fund Euro Portfolio, each of which has a specific investment objective and policy.

The investment objective of the Oxeye Growth Fund Dollar Portfolio is to achieve Dollar based capital appreciation through an investment programme involving derivative instruments and individual securities, principally through the use of futures and options strategies, providing exposure to a range of asset classes, countries and currencies world-wide.

The investment objective of the Oxeye Growth Fund Euro Portfolio is to achieve Euro based capital appreciation through an investment programme involving derivative instruments and individual securities, principally through the use of futures and options strategies, providing exposure to a range of asset classes, countries and currencies world-wide.

Each Portfolio will aim to produce absolute returns in all market environments, whilst adhering to robust risk management techniques.

As of the date hereof, the Company has entered into the Investment Management Agreement, the Administration Agreement and the Principal Brokerage Documentation. Further particulars relating to the Investment Manager, Administrator and the Principal Broker and the agreements respectively entered into are given under "Investment Manager", "Administrator" and "Principal Broker" below and under "Material Contracts" in Appendix III.

DIRECTORS

The Directors have overall responsibility for the management and administration of the Company and for determining the investment objective, strategy and restrictions applicable to each Portfolio. The Directors of the Company are currently as follows:-

Martin Petherick - Martin Petherick was born in London in 1957 and is a resident of the United Kingdom. He qualified as a Chartered Accountant in 1982. After training as a portfolio manager with Kleinwort Benson Investment Management Limited, he worked for eight years in the securities broking business with Warburg Securities and Lehman Brothers, including a period as head of Lehman's Japanese Equity department in Tokyo from 1988 to 1991. He was also associated with Valu-Trac Investment Management Limited between 1992 and 1997. From 1997 to 2002 he acted as a Futures and Options Representative of ADM Investor Services International Limited. Martin Petherick is Chief Executive and co-founder of the Investment Manager.

Peter Radford - Peter Radford, who is British, born in 1957 and a resident of Guernsey, was appointed Managing Director of Bordeaux Services (Guernsey) Limited on its incorporation in 1997. He was born and educated in Guernsey where he started his career with BDO Reads in 1978 after completing an honours degree in business studies.

Peter's subsequent career took him to Executive Management Trust in Amsterdam in 1981 and to Fisher Hoffman Stride in Johannesburg in 1983. From 1986 to 1991 he was Managing Director of the Abroad Spectrum Group based in Durban, South Africa.

Leaving South Africa in 1991 Peter returned to Guernsey to develop the fund administration and asset management business of the Havelet Trust Group. He holds a number of directorships within the Genesis Fund Management group and a range of Guernsey-based mutual fund companies and investment companies.

Peter is a Fellow of the Institute of Chartered Accountants in England and Wales and of the South African Institute of Chartered Accountants. He is also a Fellow of the Securities and Investment Institute and of the Society of Trust and Estate Practitioners.

Dr. Bernard Key - Dr. Bernard Key was born in 1939 and is a US citizen, resident in Japan since 1977. He has a PhD in Economics from the University of California, Berkeley and also was a Research Fellow of the Institute of Economic Research at Kyoto University. Fluent in Japanese, he served as Senior Economist at the International Development Centre of Japan from 1977 to 1979. In 1979 he began his career in Market Research, including coverage of the Financial Services Industry. From 1983 he became an analyst and fund manager working for Jardine Fleming Securities in Tokyo. In 1989 he moved to Warburg Asset Management, where his responsibilities included fund management and research. From 1992 to 1997 he acted as CEO and CIO of Mees Pierson Capital Management (Japan) Limited with involvement in the investment and marketing of Japanese equity portfolios for Mutual and Pension Funds. In recent years he has combined academic work at Tama University with advisory services to the Government of Western Australia. In addition he has served as a consultant to Morgan Stanley Tokyo, Atlantis Investment Research Corporation, and 2 fund management companies, one of which specialises in hedge fund activities.

All of the Directors serve in a non-executive capacity.

INVESTMENT MANAGER

The Company has appointed Oxeye Capital Management Limited (the "Investment Manager") as investment manager of the Company and each of its Portfolios. Under the terms of its appointment, the Investment Manager is responsible for the investment management of each Portfolio and has overall responsibility for the Company's day-to-day activities.

The Investment Manager is authorised and regulated in the conduct of investment business in the United Kingdom by the FSA and is subject to its rules. The Investment Manager or its associates may solicit potential investors in the Company.

The directors of the Investment Manager are Martin Petherick and John Parry. Details of Martin Petherick are set out above under "Directors" and details of John Parry are as follows:

John Parry – John Parry qualified in Business Studies in 1970. After 5 years floor trading on the London Metal Exchange and the London Commodity Exchange he worked for 16 years as a futures, options and foreign exchange broker. During this time he published a guide to option trading. Since 1994 he has been employed by ADM Investor Services International Limited with an emphasis on the discretionary management of customer accounts. John Parry is a resident of the United Kingdom and is Chairman and co-founder of the Investment Manager.

ADMINISTRATOR

The Company has appointed Bordeaux Services (Guernsey) Limited to act as administrator and registrar and transfer agent for the Company and in respect of each Portfolio pursuant to the Administration Agreement. Bordeaux Services (Guernsey) Limited is a company licensed by the Guernsey Financial Services Commission to carry out the restricted activity of the administration of open-ended funds in terms of the Protection of Investors (Bailiwick of Guernsey) Law, 1987 as amended. The Company is to be administered in Guernsey by Bordeaux Services (Guernsey) Limited in terms of the Non Guernsey Scheme rules under The Licensees (Conduct of Business and Notification)(Non Guernsey Schemes) Rules 1994.

The Administrator will, subject to the overall supervision of the Directors, be responsible for the day to day administration of the Company and each Portfolio, including the issue and redemption of each class of Shares and the valuation of the assets of the Company attributable to each Portfolio. The Administrator may also provide administration services to other investment companies and unit trusts and to other institutional and private investors.

The Administrator shall administer the Company's day-to-day activities which includes responsibility for accounting, administration, reporting, and calculation and publication of the Net Asset Value per Share, based on information provided by the Principal Broker and monitoring of all payments and receipt of money. The Administrator receives all applications for subscriptions and notifications for redemptions.

As registrar and transfer agent, the Administrator is responsible for the recording and processing of subscriptions, transfers and redemptions from shareholders, for recording the pertinent shareholder information in the Company's shareholder register, and for issuing the appropriate share certificates (if any) to new shareholders.

The Administrator's fees will be paid by the Company as set out in the section entitled "Fees and Expenses" below.

PRINCIPAL BROKER

The Principal Broker is a full service international broker, regulated by the FSA and a member of the London Stock Exchange. The Principal Broker is a wholly owned subsidiary of Archer Daniels Midland International Limited in the U.K. and is a wholly owned indirect subsidiary of the Archer Daniels Midland Co. (ADM). ADM is publicly quoted on the New York Stock Exchange.

The Company will open accounts with the Principal Broker in respect of each Portfolio through which each Portfolio may execute and clear derivatives trades and deal in and settle any securities transactions on behalf of the relevant Portfolio. The fees payable by the Company to the Principal Broker in respect of each Portfolio will be based on standard scheduled fees and charges by the Principal Broker for similar services.

The Principal Broker will provide a collateral service for the securities of each Portfolio and similar investments, which are held with the Principal Broker in accordance with the terms and conditions of the agreement between the Company and the Principal Broker and the rules of the FSA by which it is regulated. Registerable securities will be registered in the name of a nominee and bearer securities will be kept in the Principal Broker's physical possession or deposited with a nominee. The nominee will hold all securities to the order of the Principal Broker.

The Principal Broker may require the Company to make such margin payments in respect of each Portfolio's accounts with the Principal Broker in cash, securities or such other form and in such other amount as the Principal Broker may in its absolute discretion require for or in connection with any

transaction. Any securities held for a Portfolio by the Principal Broker may be held or treated as margin for this purpose.

The Principal Broker may lend, deposit with or otherwise pledge and charge to a third party as collateral against any loans, advances or investment positions all assets of a Portfolio held by it or a nominee as security for the relevant Portfolio's liabilities to the Principal Broker or any third party. Securities may also be pledged or charged to a third party as collateral for the obligations of the Principal Broker or other customers or persons.

All cash, investments and other assets of a Portfolio held or carried by the Principal Broker will be subject to a general lien and right of set-off against the relevant Portfolio's liabilities to it and subject to first fixed charges in favour of the Principal Broker.

The Principal Broker may on default by the Company in its obligations to the Principal Broker, the insolvency of the Company and certain other events exercise its right to terminate and liquidate existing transactions and positions, have recourse against each Portfolio's assets and exercise other rights available to it on such default by the Company.

The Company has agreed to indemnify the Principal Broker against all losses it may suffer in connection with its agreement with the Company, except to the extent that such losses arise as a result of wilful default, fraud or negligence of the Principal Broker.

The Company reserves the right to change the Principal Brokerage Documentation by agreement with the Principal Broker and/or, in its discretion, to appoint additional or alternative principal broker(s).

INVESTMENT OBJECTIVE, STRATEGY AND RESTRICTIONS

Investment Objective of the Oxeye Growth Fund Dollar Portfolio and the Oxeye Growth Fund Euro Portfolio

The investment objective of the Oxeye Growth Fund Dollar Portfolio is to achieve Dollar based capital appreciation through an investment programme involving derivative instruments and individual securities, principally through the use of futures and options strategies, providing exposure to a range of asset classes, countries and currencies world-wide.

The investment objective of the Oxeye Growth Fund Euro Portfolio is to achieve Euro based capital appreciation through an investment programme involving derivative instruments and individual securities, principally through the use of futures and options strategies, providing exposure to a range of asset classes, countries and currencies world-wide.

The Oxeye Growth Fund Dollar Portfolio and the Oxeye Growth Fund Euro Portfolio will each aim to produce absolute returns in all market environments, whilst adhering to robust risk management techniques.

Investment Strategy of the Oxeye Growth Fund Dollar Portfolio and the Oxeye Growth Fund Euro Portfolio

The Investment Manager will undertake analytical research in order to identify investment and trading opportunities in the markets. Such in-house analytical research will form the basis of all investment decisions. Investments will be made on a fundamental basis (the study of underlying factors that affect the supply-demand equation and thus the price of an asset) with the Investment Manager selecting opportunities which it believes will offer advantageous risk/reward profiles.

The investment strategy will combine futures and options strategies and may also consist of investments in individual equities assessed on a long term valuation approach. Whilst it is not the Investment Manager's intention to take delivery of physical commodities, the Investment Manager reserves the right to do so.

The investment strategy combines fundamental and technical analysis to identify the market environment and then employs statistical and valuation criteria for choosing the individual investments.

The Oxeye Growth Fund Dollar Portfolio and the Oxeye Growth Fund Euro Portfolio will each aim to achieve positive returns by:

- a) Short options strategies - Writing covered options, with short to medium term durations, in order to take advantage of periods of low market volatility. This part of the strategy involves selling combinations of options to profit from premium erosion. The written options are hedged by either buying/selling futures, buying out-of-the-money options or buying long of underlying securities. This technique, known as volatility arbitrage, tends to be most profitable during periods of market inactivity. It is a major component of each Portfolio's investment strategy, because the Investment Manager believes that for a large proportion of the time markets trade in a statistically definable range.
- b) Investment strategies - Buying or selling derivative instruments and individual securities to benefit from periods of rising volatility. During periods when markets are experiencing strongly directional phases, writing covered options may be less profitable. In such circumstances, the Investment Manager will have the option to adjust the portfolio towards a more correlative stance. The Investment Manager has created strategies for identifying situations when the markets are over or undervalued on both a short and long term basis and will employ both trend-following and/or mean reversion techniques to take advantage of such situations.

Market Exposure

The Oxeye Growth Fund Dollar Portfolio and the Oxeye Growth Fund Euro Portfolio are each authorised to effect short positions and also to use leverage (via the futures market) with the aim of enhancing performance. Accordingly each Portfolio may employ leverage up to a maximum gross market exposure of 15 times the Net Asset Value attributable to that Portfolio and a maximum net market exposure of 5 times the Net Asset Value attributable to that Portfolio. These are predetermined limits set by the Directors and are calculated with a view to allowing sufficient liquidity within each Portfolio in order to achieve the necessary exposure to the market whilst avoiding additional calls for cash if margin requirements are to change suddenly.

Gross market exposure is calculated by summing the contractual value of all of the open futures, short option positions and long underlying securities. Net market exposure takes into account in addition a Portfolio's:

- a) net delta position; and
- b) value at risk.

Because of the hedging activities undertaken by the Investment Manager a simple analysis of the gearing ratio based on the gross exposure is misleading. Each Portfolio aims to hedge liability most of the time, which means that for any short position the Portfolio must also have a corresponding long position. For this reason the net exposure of each Portfolio must be constantly monitored by use of the delta (which measures the sensitivity of the option prices to changes in the price of the underlying

index or security). The net exposure may then be compared with the Net Asset Value attributable to the relevant Portfolio to provide a net gearing ratio. This then allows the Portfolio to be controlled within net gearing bands, so that a large move by the underlying index will not affect the Portfolio as severely as the gross exposure would suggest.

It will also be part of the risk management procedures to analyse each Portfolio's exact value at risk. The use of such hedging techniques will enable the Investment Manager to produce a maximum profit or loss profile for each Portfolio at different levels of the index on each expiry date, enabling efficient management of the Portfolio's risk.

It must be stressed that at all times the Company will seek to operate each Portfolio within the pre-determined maximum exposure limit. The Investment Manager will closely supervise margin/equity ratios in case a larger than normal move in the market unexpectedly increases margin levels and gearing ratios.

Whilst there is no restriction on the markets in which each Portfolio may operate, the markets covered shall include, without limitation, major futures and options, stock index and government bond markets.

Finally, the Company may be liquid if cash is considered to offer superior returns and active currency hedging will be employed, when necessary, to manage potential currency risks within each Portfolio.

Investment Restrictions

The Company will observe the following restrictions in respect of each Portfolio:

- (a) other than in respect of its exposure to the Principal Broker, not more than 20 per cent. of the gross assets of the Company attributable to each Portfolio will be invested in the securities of or lent to, any one issuer or exposed to the credit worthiness or solvency of a single trading counterparty in each case calculated at the time of investment except where the investment is in securities issued or guaranteed by a government agency of any EU or OECD member state or by any supranational authority of which one or more EU or OECD member states are members and any other state approved for such purpose by the Directors;
- (b) legal or management control of the issuer of underlying investments will not be taken;
- (c) each Portfolio will adhere to the general principle of diversification in respect of its futures and options investments; and
- (d) up to 40 per cent. of the value of each Portfolio may also be invested in another fund provided that the other fund operates on the principle of risk spreading. Further, no more than 20 per cent., in aggregate, of the value of the gross assets of the Company attributable to each Portfolio will be invested in other funds whose principal investment objectives include investing in other funds.

The 20 per cent. exposure to a single counterparty restriction referred to above at (a) will also not apply to investments made through one or more other principal brokers where the assets are traded on a Recognised Exchange or where the counterparty has the Specified Credit Rating.

The Directors have overall responsibility for investment strategy of each Portfolio and authority to select investment managers, pursuant to which the Company has entered into the Investment Management Agreement.

The Directors reserve the right to amend the Investment Objective, Strategy or Restrictions of a Portfolio by not less than sixty (60) days' written notice to investors in that Portfolio.

Investors should note that the investments made by and, consequently, the performance of each Portfolio may differ. It should also be noted that the rates of commission charged by the Principal Broker in respect of each Portfolio are likely to vary. The attention of investors is also drawn to "3. Cross Class Liabilities" on page 37 below.

The investment objectives, strategies and restrictions of future Portfolios may differ substantially from those of existing Portfolios.

Dividend Policy

The Directors have the ability in respect of each class of Shares of each Portfolio to declare dividends in their discretion from time to time and to pay interim dividends after consultation with the Investment Manager. Dividends if declared and paid will be debited from the assets of the Company attributable to the class of Shares of the relevant Portfolio. The holders of Shares will be given the opportunity of reinvesting any dividend payments.

Although there are no restrictions on distributions, the Directors do not anticipate that any dividends or other distributions will be paid to holders of the Dollar Class Shares or the Euro Class Shares out of the earnings and profits attributable to the relevant class. It is intended that such income will be reinvested by the Company in investments attributable to the relevant class. Nonetheless, the Directors may from time to time declare dividends.

Further classes of Shares

The Directors may in their discretion from time to time determine to issue classes of Shares with different rights in respect of a Portfolio. This may include, without limitation, Shares of a class denominated in a currency other than the base currency of account of the Portfolio and/or Shares in respect of which different sales, management or other charges will apply in respect of the Shares themselves and/or the assets of the relevant Portfolio attributable to the respective classes of Shares.

FEES AND EXPENSES

Investment Manager's Fees

The Manager is entitled to receive out of the assets of each Portfolio attributable to the Shares of each class a periodic management fee (the "Management Fee") payable monthly in arrears equal to one twelfth of the specified Management Fee percentage of the Net Asset Value of the Shares of the relevant class on the last Business Day of each calendar month.

The specified Management Fee percentage in respect of the Dollar Class Shares of the Oxeye Growth Fund Dollar Portfolio and in respect of the Euro Class Shares of the Oxeye Growth Fund Euro Portfolio is 2 per cent. per annum.

The Investment Manager is also entitled to receive out of the assets of each Portfolio attributable to the Shares of each class a performance related fee (the "Performance Fee") so that each Share is effectively charged a fee which equates precisely with that Share's performance. This method of calculation ensures that (i) any Performance Fee paid to the Investment Manager is charged only to those Shares which have appreciated in value; (ii) all shareholders of a class have the same amount of capital per Share at risk; and (iii) shareholders have the same Net Asset Value per Share.

The Performance Fee in respect of the Shares of each class will be equal to 20 per cent. of the increase in the Net Asset Value per Share of each class (after adding back any distributions made) outstanding in respect of each Performance Period subject to a high water mark. The use of a high water mark (as described below) ensures that investors will not be charged a Performance Fee until any previous losses are recovered. The Performance Fee in respect of the Shares of each class is payable quarterly in arrears in respect of each performance period. The performance period will comprise each three month period save that the first period in respect of the Euro Class Shares of the Oxeye Growth Fund Euro Portfolio will be from 8 August 2005 to 30 September 2005 (the "Performance Period").

The Performance Fee in respect of the Shares of each class will be accrued monthly and taken into account in the calculation of the Net Asset Value per Share on each Valuation Day. In the event that a shareholder redeems Shares of a class prior to the end of a Performance Period, any accrued but unpaid Performance Fee in respect of such Shares will be deducted from the redemption proceeds and paid to the Investment Manager promptly thereafter. The Performance Fee in respect of each Performance Period will be calculated by reference to the Net Asset Value per Share of the relevant class before the deduction of any accrued Performance Fees but after the deduction of accrued Management Fees and other expenses.

Adjustment Due to Deficit and Premium Subscriptions

(a) Deficit Subscriptions

Where an investor subscribes for Shares of a class at a time when the Net Asset Value per Share of that class is less than the high water mark then an adjustment is required to reduce inequalities that may otherwise result to the respective subscriber or to the Investment Manager. The high water mark is the greater of:-

- (i) the highest Net Asset Value per Share of the relevant class on the last day of any Performance Period; and
- (ii) the initial issue price per Share of a class.

Where Shares of a particular class of a Portfolio are subscribed at a time when the Net Asset Value per Share of that class is less than the relevant high water mark, such new shareholders will in effect, be required to pay an equivalent Performance Fee in respect of the Shares of the relevant class with respect to any subsequent appreciation in the Net Asset Value per Share of those Shares until the high water mark has been reached. This will be achieved by the Company having the power to redeem a portion of that shareholder's holding of Shares of the relevant class for a consideration equivalent to the Performance Fee at the end of each Performance Period which amount shall be paid directly to the Investment Manager and not to the respective shareholder. After the high water mark has been achieved, the Performance Fee will be calculated and levied in the same manner as for all other Shares of the relevant class. No Performance Fee will be accrued for existing shareholders until the high water mark has been recovered.

(b) Premium Subscriptions

Where Shares of a particular class (“Premium Shares”) are purchased at a time when the Net Asset Value per Share of that class is greater than the relevant high water mark (a “Premium Subscription”), the prospective investor is required to pay an additional sum equal to the accrual then in place per Share of that class in respect of the Performance Fee (an “Equalisation Credit”). The Equalisation Credit is designed to ensure that all shareholders of the relevant class have the same amount of capital at risk per Share.

The Equalisation Credit will be at risk in the Company and will therefore appreciate or depreciate based on the performance of the relevant Portfolio subsequent to the subscription. In the event of a decline in the Net Asset Value per Share of a class, the Equalisation Credit due to the shareholder will reduce in line with the Performance Fee accrual for other Shares of that class namely by an amount equal to 20 per cent. of the amount of the loss on a per Share basis until the Equalisation Credit is exhausted. Subsequent appreciation in the value of the Premium Shares will result in a recapture of any Equalisation Credit lost due to such reductions, but only to the extent of the previously lost Equalisation Credit up to the amount paid at subscription.

At the end of the Performance Period, an amount equal to the lower of the Equalisation Credit paid at the time of the Premium Subscription (less any Equalisation Credit previously applied) or 20 per cent. of the excess of the Net Asset Value per Share of the relevant class over the high water mark is applied in the subscription for additional Shares of the relevant class for the shareholder. If the shareholder redeems Premium Shares before the last day in any Performance Period, the shareholder will receive additional redemption proceeds equal to any Equalisation Credit then remaining multiplied by a fraction, the numerator of which is the number of Premium Shares being redeemed and the denominator of which is the number of Premium Shares owned by the shareholder immediately prior to the redemption.

An example of the Company’s method of calculating the Performance Fee payable and any adjustments made thereto is set out below on page 23.

Each of the Management Fee and Performance Fee are payable by the Company to the Investment Manager within 30 days after it becomes due. The Investment Manager may pay all or part of its fees to intermediaries.

The Investment Manager may at its discretion charge an initial fee of up to 5 per cent. of the amount subscribed for Shares of a class.

Example Performance Fee Calculations

Shareholder	Shareholder Subscribes for Shares of a class at	NAV on Date of Purchase	Equalisation Credit Paid	Offering Price	NAV at 30 September 2004 (before Performance Fee)	Performance Fee accrued at 30 September 2004	Deficit subscription payable	Equalisation Credit returned to Shareholder ***	NAV at 30 September 2004	Shares held by shareholder at 1 October 2004
A	1 July 2004 NAV = U.S.\$100	U.S.\$100	U.S.\$0	U.S.\$100	U.S.\$140	U.S.\$8	U.S.\$0	U.S.\$0	U.S.\$132	1.0000
B	Interim Purchase Date 1 August 2004 NAV = U.S.\$80	U.S.\$80	U.S.\$0	U.S.\$80*	U.S.\$140	U.S.\$8	U.S.\$4*	U.S.\$0	U.S.\$132	0.9697
C	Interim Purchase Date 1 August 2004 NAV = U.S.\$120 (before Performance Fee)	U.S.\$116	U.S.\$4	U.S.\$120**	U.S.\$140**	U.S.\$8	U.S.\$0	U.S.\$4	U.S.\$132	1.0303

* Additional Performance Fee owed for increase in NAV from U.S.\$80 to U.S.\$100 (which is not charged to Shareholder A). Adjustment made by redeeming a portion of Shareholder B's Shares at 30 September 2004 (the "deficit subscription").

** Includes Equalisation Credit.

*** In the form of additional Shares.

Other Fees and Expenses

For providing the accounting, valuation and administrative services as specified in the Administration Agreement, the Administrator will receive from the Company such fees as may be negotiated from time to time. As at the date of this Private Placement Memorandum, the Administrator is entitled to receive from the Company a fee of 0.25 per cent. per annum on the first U.S.\$50 million of net asset value of the Company, decreasing to 0.2 per cent. per annum thereafter. These fees are subject to a minimum fee of U.S.\$25,000 per annum. The assets of each Portfolio attributable to each class of Shares shall bear a proportion of these expenses on a pro rata basis (based on the Net Asset Value of the assets of each Portfolio attributable to each class of Shares). The Administrator is also entitled to receipt of out-of-pocket expenses incurred on behalf of the Company, including, without limitation, telephone and facsimile charges and postage and photocopying expenses.

The Principal Broker performs a variety of principal brokerage services on arm's length commercial terms on behalf of each Portfolio for which fees are charged at normal commercial rates and expenses are to be reimbursed. The rates of commission charged by the Principal Broker in respect of each Portfolio are likely to vary. Any sub-custodian fees will be met by the Principal Broker.

In addition, the Company will pay certain other costs and expenses incurred in its operation, including, without limitation, taxes, expenses for legal, auditing and consulting services, marketing and promotional activities, registration fees and other expenses due to supervisory authorities, insurance, interest, brokerage costs and all professional and other fees and expenses incurred in connection therewith.

The formation and preliminary expenses (including marketing, printing and legal fees) will be paid by the Company. See page 49.

INVESTING IN THE COMPANY

Eligible Investors

Each investor must represent and warrant to the Company that, among other things, he is able to acquire Shares without violating applicable laws. The Company will not knowingly offer or sell Shares to any investors to whom such offer or sale would be unlawful. Investment is confined to professional investors, i.e., sophisticated investors who can provide the representations and warrants contained in the Application Form. In particular, each investor is required to declare that either: (i) their ordinary or professional activity includes the buying and selling of investments, whether as principal or agent; or (ii) in the case of a natural person, their individual net worth or joint net worth with that person's spouse, exceeds \$1 million; or (iii) it is an institution with a minimum amount of assets under discretionary management of \$5 million. In addition, each investor must warrant expressly to the Company that they: (a) have the knowledge, expertise and experience in financial matters to evaluate the risks of investing in the Company and to make an informed decision with respect thereto; (b) are aware of the risks inherent in investing in the Shares and the method by which the assets of the Company are held and/or traded, and (c) can bear the risk of loss of their entire investment.

Measures aimed towards prevention of money laundering may require a subscriber to verify his/her/its identity to the Company. This obligation is absolute unless: (i) the application is being made via a regulated credit or financial institution; or (ii) payment is made to the Company from an account held in the subscriber's name with a banking institution, which in either case is in a country which is a member of the Financial Action Task Force. If alternative (i) applies, the Company may seek to

obtain written assurance of the subscriber's identity from the relevant institution. The Administrator may also refuse to process a redemption request until proper information is provided.

If any person in the Cayman Islands involved in the business of the Company has a suspicion or belief that a payment to the Company (by way of subscription or otherwise) is derived from or represents the proceeds of criminal conduct, that person must report such suspicion to the Cayman Islands Reporting Authority pursuant to the Cayman Islands Proceeds of Criminal Conduct Law, (as amended) and regulations made thereunder.

For US Persons, investment in the Company will be confined to US Persons who are eligible investors. In addition, the Shares will only be promoted in the United Kingdom to those persons who represent and warrant that they are eligible under applicable law.

The Administrator will notify applicants if 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 by a public authority such as a notary public or the police in their country of residence, 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 certified copy of the certificate of incorporation (and any change of name), memorandum and articles of association (or equivalent) and the names and addresses of all directors and/or beneficial owners.

The details given above are by way of example only. The Administrator reserves the right to request such documentation as it deems necessary to verify the identity of the applicant and to verify the source of the relevant money. Failure to provide the necessary evidence may result in applications being rejected or in delays in the despatch of documents and for the issue of Shares. The Administrator may also refuse to process a redemption request until proper information has been provided. The Administrator shall be held harmless by a potential subscriber against any loss arising as a result of a failure to process the subscription or redemption if such information as has been requested by the Administrator has not been provided by the applicant.

Investment in the Company is confined to professional investors, i.e., sophisticated investors who can provide the representations and warranties contained in the Disclosure Statement in the Application Form.

The Shares may not be offered, sold or transferred in the United States or to, or for the benefit of, directly or indirectly, any US Person (as that term is defined herein) except pursuant to registration under the 1933 Act or an exemption therefrom, and applicants will be required to certify that they are not acquiring Shares for the benefit of, directly or indirectly, US Persons and that such applicants will not, subject to the conditions set forth under "Investing in the Company - Transfers", sell or offer to sell or transfer Shares to a US Person.

The Company reserves the right to accept applications for Shares from a limited number or category of US Persons if the Company receives evidence satisfactory to it that the sale of Shares to such an investor is exempt from registration under the securities laws of the United States, including, but not limited to, the 1933 Act, that such sale will not require the Company to register under the 1940 Act, and, in all events, that there will be no adverse tax or other regulatory consequences to the Company or its shareholders as a result of such sale. If and when permitted, US Persons subscribing on this basis should request a Supplemental Disclosure Statement for US Persons and US Taxpayers from the Administrator and will be required to complete a set of subscription documents for US Persons appended thereto in addition to the Application Form contained in this Private Placement

Memorandum. Some subscribers may be taxable in the United States but will not come within the definition of US Person for the purposes of determining which subscription documents should be used (see Section 6 of Appendix III for the definition of “US Taxpayer” and “US Person”). Such persons are not obliged to complete the special subscription documents for US Persons and will not automatically receive the supplemental disclosure document. However, such investors are encouraged to obtain the supplemental disclosure document from the Administrator which will, when available, set forth additional tax disclosures with respect to US Taxpayers.

The Company will require each investor to represent whether it is either an investment company required to be registered under the 1940 Act or an issuer that, but for an exception from the definition of “investment company” under the 1940 Act, would be an investment company. Investors who fall under either of these categories will be further required to disclose the number of their US Person beneficial owners and to update this information should it change in the future. The Directors shall have the authority to prohibit investment by such investors and to compulsorily redeem such investors if the Directors determine, in their sole and absolute discretion, that the holding of Shares by such investors would necessitate registration of any of the Company’s advisers under the US Investment Advisers Act of 1940 or would be adverse to the interests of the Company.

The Company reserves, and intends to exercise, the right at its sole discretion compulsorily to redeem or require the transfer of any Shares sold (or acquired) in contravention of these prohibitions or in the event that the continued ownership of any Shares by any person could result in adverse tax or regulatory consequences to the Company or its shareholders or, in particular, require the registration of the Shares under the 1933 Act or the Company under the 1940 Act.

Dealings

Dealing Days and Valuation Days in respect of Shares of the relevant class may, at the discretion of the Directors, be increased to include other Business Days. The Directors may also change or increase or decrease the number of such days. Twenty one days’ notice of any such change will normally be given to shareholders.

All Shares will be issued in registered form. Shares may only be acquired in non-certificated form and as such no share certificate is issued and ownership is evidenced by entry on the Share register. A subscription note will be issued to all shareholders after receipt of all relevant registration details, confirming his holding and registration on the Share register.

Valuations and Possible Suspension

The Directors have delegated the calculation of the Net Asset Value of the assets of each Portfolio attributable to each class of Shares to the Administrator. The Administrator calculates the Net Asset Value of the assets of each Portfolio and the Net Asset Value per Share of each class by reference to prices as at the close of business in the relevant markets on each Valuation Day.

The Net Asset Value per Share of each class is determined by dividing the Net Asset Value of the assets of each Portfolio attributable to the relevant class of Shares by the number of Shares of the relevant class outstanding on such day.

For these purposes, Shares to be redeemed on a Dealing Day will be included in the Shares in issue while Shares to be issued on the Dealing Day will be excluded from the Shares in issue. In calculating the value of investments attributable to a class of Shares of a Portfolio:-

- (a) securities traded on a stock exchange are to be valued generally at the price of the last reported trade quoted on such exchange or, if not available, at the mean between the exchange quoted bid and asked prices;
- (b) unlisted securities will be valued initially at cost and thereafter with any reduction or increase in value (as the case may be) in a manner determined by the Directors (after consultation with the Administrator and the Investment Manager) to reflect the true value thereof;
- (c) the value of futures, options and any other derivative instruments held by a Portfolio and traded on exchange will be valued at the last reported trading price. Where derivative instruments such as forwards and swaps are traded over the counter they will be valued in a manner determined by the Directors (after consultation with the Administrator and the Investment Manager) to reflect the true value thereof;
- (d) the value of any cash in hand or on deposit and accounts receivable, prepaid expenses and cash dividends accrued and not yet received shall be deemed to be the full amount thereof, unless it is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Directors may consider appropriate to reflect the true value thereof; and
- (e) there will be deducted all liabilities of the Portfolio and such provisions and allowances for contingencies (including tax) as the Directors think appropriate and accrued costs and expenses payable by the Portfolio.

In determining the Net Asset Value of the assets of each Portfolio attributable to a class of Shares, assets will be valued at the latest available prices as set out in (a) to (e) above, except in the event of a compulsory redemption of Shares of a class when they may be valued at the latest available “bid” prices for long positions or as the case may be “asked” prices for short positions less any fiscal charges, fees and expenses incurred as a result of such redemption. If the latest available bid price or asked price is not available for a particular security then that security will be valued in a manner determined by the Directors in their sole discretion (after consultation with the Administrator and the Investment Manager) to best reflect the true value thereof.

Notwithstanding the foregoing, in valuing the assets and liabilities of each Portfolio, the Directors may follow some other prudent method of valuation if it considers that in the circumstances such other method of valuation should be adopted to reflect more fairly the value of any investment.

The Directors are empowered temporarily to suspend the calculation of the Net Asset Value of the assets of a Portfolio, which will automatically lead to the suspension of subscriptions and redemptions for shareholders of the relevant class, and may do so in any of the following events:-

- (a) when one or more stock exchanges or markets which provide the basis for valuing a substantial portion of the assets of the Company and/or the relevant Portfolio are closed other than for, or during, holidays or if dealings therein are restricted or suspended;
- (b) when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Company, disposal of underlying assets of the Company and/or the relevant Portfolio is not reasonably practicable without being seriously detrimental to shareholders’ interests or if, in the opinion of the Directors, a fair

price cannot be calculated for those assets of the Company or Portfolio, as the case may be;

- (c) in the case of a breakdown of the means of communication normally used for the valuing of a significant portion of the investments of the Company or a Portfolio or if, for any reason, the value of any asset of the Company or a Portfolio may not be determined as rapidly and accurately as required;
- (d) if, as a result of exchange restrictions or other restrictions affecting the transfer of funds, transactions on behalf of a Portfolio are rendered impracticable or if purchases, sales, deposits and withdrawal of any assets cannot be effected at the normal rates of exchange; or
- (e) if a resolution calling for the liquidation, dissolution or merger of the Company or of a class of Shares has been adopted.

The Directors reserve the right to withhold payment from persons whose Shares have been redeemed prior to such suspension until after the suspension is lifted. Such right will be exercised in circumstances where the Directors believe that to make such payment during the period of suspension would materially and adversely affect the interests of existing shareholders. Notice of any suspension will be given without delay to any shareholder tendering his Shares for redemption. The Directors will take all reasonable steps to bring any period of suspension to an end as soon as possible. If the request is not withdrawn, the redemption will take place as of the first Business Day following the termination of the suspension.

In addition, the Directors have the right to postpone any Valuation Day or Dealing Day for up to one Business Day without the requirement to give notice to shareholders when, in the opinion of the Directors, a significant proportion (which is likely to be 5 per cent. or more) of the assets of the Company or of a Portfolio cannot be valued on an equitable basis and such difficulty is expected by the Directors to be overcome within that period.

Purchases

The issue procedure is shown at page 58.

Initial subscriptions during the Initial Offer Period for Euro Class Shares in the Oxeye Growth Fund Euro Portfolio must be received by the Administrator in Guernsey by 5.00 p.m. (Guernsey time) on 5 August 2005 (or such later day and/or time as the Directors shall in their discretion determine). Euro Class Shares will be issued on the initial Dealing Day following the close of the Initial Offer at a price of €100 per Euro Class Share (net of any initial fees and bank charges).

Thereafter, subscription applications and subscription proceeds for each class of Shares of each Portfolio should be received by the Administrator by 5.00 p.m. (Guernsey time) on a Business Day not less than 5 (five) Business Days prior to the Dealing Day for Shares of the relevant class or such other day and/or time as the Directors shall in their discretion from time to time determine either generally or in respect of specific applications. The issue price is determined by reference to the Net Asset Value per Share of the relevant class. Applications for Dollar Class Shares should be made in U.S. Dollars and for Euro Class Shares should be made in euros (save for the Directors' discretion to accept individual subscriptions in any other currency as they may see fit). Share subscriptions will normally be processed on the Dealing Day utilising the subscription proceeds. Subject to the Directors' discretion to determine otherwise, subscriptions received after 5.00 p.m. in Guernsey on a Business Day less than 5 (five) Business Days prior to the relevant Dealing Day will be held over

until the next Dealing Day and Shares of a class will then be issued at the price applicable to that next Dealing Day. Subscribers should also refer to the section headed "Fees and Expenses" which sets out certain adjustments to be made to the subscription price. The Administrator will send to the investor an acknowledgement of his purchase. Shares will be issued to four decimal places.

The Directors have a discretion to refuse to accept applications for Shares of a class in whole or in part. The Directors may also limit the total number of Shares of a class which may be redeemed on any Dealing Day to 10 per cent. of the total number of Shares of a class then in issue in circumstances where the Directors believe that owing to their perception of the liquidity of the underlying investments, such an action would be in the overall interests of all shareholders. Where this restriction is applied, Shares will be redeemed on a pro rata basis and any Shares which for this reason are not redeemed on any particular Dealing Day will be carried forward for redemption on the next Dealing Day and will then be redeemed in priority to redemption orders subsequently received by the Administrator.

The Directors may suspend subscriptions for such period as they may determine where they believe such suspension to be in the best interests of the Company and its shareholders as a whole.

Application for an initial purchase of Shares must be for an amount of not less than U.S.\$50,000 for Dollar Class Shares and the euro equivalent of U.S.\$50,000 for Euro Class Shares payable in full (net of any initial fees and bank charges). Further applications by existing shareholders can be made for any amount over U.S.\$50,000 for Dollar Class Shares and €50,000 for Euro Class Shares. These minimums may be increased at the discretion of the Directors either generally or in specific cases.

Any interest accruing on application monies prior to the Dealing Day will be payable to the Company.

Transfers

All transfers of Shares of a class must be effected by written instrument signed by the transferor and containing the name and address of the transferee and the number of Shares being transferred, or in such other manner or form and subject to such evidence as the Directors shall consider appropriate. The transfer will take effect on registration of the transferee as holder of the relevant Shares of such class. The transferee will be required to give the warranties contained in the Application Form and receive Shares with a minimum value of U.S.\$50,000 in respect of Dollar Class Shares and the euro equivalent of U.S.\$50,000 in respect of Euro Class Shares and must also provide such information as the Administrator deems necessary to verify the identity of the transferee before registration of the transferee as holder of the relevant Shares can take place.

The Directors intend to restrict transfers of Shares to any US Persons. Further, the Directors may also be entitled to require the redemption of Shares which are held by any US Person and any person holding Shares where such Shares are owned directly or beneficially by any person who, by virtue of the holding concerned gives rise to a regulatory, pecuniary, legal, taxation or material administrative disadvantage (or adverse consequence) to the Company.

Redemptions

Shareholders may redeem each class of Shares on any Dealing Day provided that the request is received by the Administrator by 5.00 p.m. (Guernsey time) no less than thirty days prior to the relevant Dealing Day. Dollar Class Shares and Euro Class Shares will be redeemed in U.S. Dollars and euros, respectively, by reference to the Net Asset Value per Share of the relevant class as at the

relevant Valuation Day in accordance with the procedure in Appendix I. Except in the case of a suspension of calculation of the Net Asset Value of the assets of the relevant Portfolio attributable to the Shares of the relevant class (when redemptions will be delayed), all redemption requests will, save at the discretion of the Directors, be irrevocable. Subject to the Directors' discretion to determine otherwise, requests received after 5.00 p.m. (Guernsey time) less than thirty days prior to the relevant Dealing Day falls will be held over until the next Dealing Day and Shares of the relevant class will then be redeemed at the price applicable to that next Dealing Day.

No redemption requests will be accepted unless in writing. Redemption proceeds will be paid as soon as practicable and (in any event) within twenty days of the relevant Dealing Day following receipt of a valid redemption request by transfer to a pre-designated bank account. Where a written request is received without the relevant redemption form, provisional redemption will be made but the proceeds of redemption will be held by the Company (without payment of interest) until the original completed redemption request has been received. If a redemption request is received by fax, the original must follow by post.

Partial redemptions of Shares may be effected. The Directors may decline to accept any redemption of Shares which will result in the redeeming Shareholder holding Shares with a value of less than U.S.\$50,000 in respect of Dollar Class Shares or the euro equivalent of U.S.\$50,000 in respect of Euro Class Shares. The Company will have the right compulsorily to redeem any shareholding in any circumstances in which the Directors determine in their absolute discretion that such compulsory redemption is in the best interests of the Company. The Company also has the right to make a compulsory redemption in the circumstances set out at page 37.

A redemption adjustment based on the value of Shares of a class redeemed will usually be made and retained by the Company although the Directors have discretion to waive the adjustment in whole or in part either generally or in specific cases. The time period is calculated from the date of issue, or the date of acquisition if acquired in the secondary market, of the relevant Shares and the percentage is of the value of the Shares redeemed. The redemption adjustment is calculated as follows:-

first six months:- 2 per cent.

In making the calculation where not all of a shareholding is redeemed, Shares first acquired will be deemed to be the Shares first redeemed.

Shareholders should also consider the section headed "Fees and Expenses" which sets out certain adjustments made to the redemption price.

TAX CONSIDERATIONS

The statements on taxation below are intended to be a general summary of certain Cayman Islands, United States and United Kingdom tax consequences that may result to the Company and for its shareholders. The statements relate to shareholders holding Shares of a class as an investment (as opposed to an acquisition by a dealer) and are based on the law and practice in force in the relevant jurisdiction at the date of this document. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment in the Company is made will endure indefinitely.

Prospective shareholders should familiarise themselves with and, where appropriate, take advice on the laws and regulations (such as those relating to taxation and exchange controls) applicable to the subscription for, and the holding and realisation of, Shares in the places of their citizenship, residence and domicile. The tax consequences for each shareholder of acquiring, holding, redeeming or disposing of Shares will depend upon the relevant laws of any jurisdiction to which the shareholder is subject. Investors and prospective investors in a Portfolio should seek their own professional advice as to this, as well as to any relevant exchange control or other laws and regulations.

The Company may be subject to local withholding taxes in respect of income or gains derived from a Portfolio's investments in certain countries. Taxation law and practice and the levels and bases of and reliefs from taxation relating to the Company and to its shareholders may change from time to time.

Cayman Islands

As an exempted company, the Company has received from the Governor-in-Cabinet of the Cayman Islands for an undertaking, in accordance with Section 6 of the Tax Concessions Law (Revised), that for a period of twenty years from 18 June 2002 no laws of the Cayman Islands imposing any tax on profits, income or gains shall apply to the Company, that no tax shall be levied on profits, income or gains made on or in respect of the Shares of each class, debentures or other obligations of the Company and that no tax in the nature of estate duty or inheritance tax shall be payable on the Shares of each class, debentures or other obligations of the Company.

Under current Cayman Islands law no tax would be charged in the Cayman Islands on profits or gains of the Company and any dividends of the Company would be payable to the shareholders resident in or outside the Cayman Islands without deduction of tax. No stamp duty is levied in the Cayman Islands on the transfer or redemption of Shares of each class. An annual registration fee will be payable by the Company in the Cayman Islands. At current rates, the fee will be U.S.\$575 per annum. In addition, the Company must pay a mutual fund registration fee of approximately U.S.\$2,450 per annum.

United States

Investors' Reliance on Federal Tax Advice in this Private Placement Memorandum

The discussion contained in this Private Placement Memorandum as to federal tax considerations is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties. Such discussion is written to support the promotion or marketing of the transactions or matters addressed in the Private Placement Memorandum. Each taxpayer should seek advice based on the taxpayer's

particular circumstances from an independent tax advisor.

United States Federal Income Tax Considerations

As with any investment, the tax consequences of an investment in Shares may be material to an analysis of an investment in the Company. This Private Placement Memorandum discusses certain U.S. federal income tax consequences only generally and does not purport to deal with all of the U.S. federal income tax consequences applicable to the Company or to all categories of investors, some of whom may be subject to special rules. This discussion assumes that no U.S. Taxpayer owns or will own directly or indirectly, or will be considered as owning by reason of certain tax law rules of constructive ownership, any Shares. The Company does not, however, guarantee that will always be the case. Furthermore, the discussion assumes that the Company will not hold any interests (other than as a creditor) in any “United States real property holding corporations” as defined in the U.S. Internal Revenue Code of 1986, as amended (the “Code”). Each prospective investor is urged to consult his or her tax advisor regarding the specific consequences of an investment in the Company under applicable U.S. federal, state, local and foreign income tax laws as well as with respect to any specific gift, estate and inheritance tax issues.

Taxation of the Company

The Company generally intends to conduct its affairs so that it will not be deemed to be engaged in trade or business in the United States and, therefore, none of its income will be treated as “effectively connected” with a U.S. trade or business carried on by the Company. If none of the Company’s income is effectively connected with a U.S. trade or business carried on by the Company, certain categories of income (including dividends and certain types of interest income) derived by the Company from U.S. sources will be subject to a U.S. tax of 30 percent, which tax is generally withheld from such income. Certain other categories of income, generally including most forms of U.S. source interest income (e.g. interest and original issue discount on portfolio debt obligations (which may include United States Government securities, original issue discount obligations having an original maturity of 183 days or less, and certificates of deposit), and capital gains (including those derived from options transactions), will not be subject to this 30 per cent withholding tax. If, on the other hand, the Company derives income which is effectively connected with a U.S. trade or business carried on by the Company, such income will be subject to U.S. federal income tax at the graduated rates applicable to U.S. domestic corporations, and the Company would also be subject to a branch profits tax on earnings removed, or deemed removed, from the United States.

Taxation of Shareholders

The U.S. tax consequences to shareholders of distributions from the Company and of dispositions of Shares generally depends on the shareholder's particular circumstances, including whether the shareholder conducts a trade or business within the United States or is otherwise taxable as a U.S. Taxpayer.

U.S. Taxpayers, if any, will be required to furnish the Company with a properly executed IRS Form W-9; all other Shareholders will be required to furnish an appropriate, properly executed IRS Form W-8. Amounts paid to a U.S. Taxpayer Shareholder as dividends from the Company, or as gross proceeds from a redemption of Shares, generally will be reported to the U.S. Taxpayer Shareholder and the U.S. Internal Revenue Service on an IRS Form 1099 (except as otherwise noted below). Failure to provide an appropriate and properly executed IRS Form W-8 (in the case of Shareholders who are not U.S. Taxpayers) or IRS Form W-9 (for Shareholders who are U.S. Taxpayers), may

subject a Shareholder to backup withholding tax. Backup withholding is not an additional tax. Any amounts withheld may be credited against a Shareholder's U.S. federal income tax liability.

Tax-exempt entities, corporations, non-U.S. Shareholders and certain other categories of Shareholders will not be subject to reporting on IRS Form 1099 or backup withholding, if such Shareholders furnish the Company with an appropriate and properly executed IRS Form W-8 or IRS Form W-9, as appropriate, certifying as to their exempt status.

United Kingdom

The Company

The Directors intend that the affairs of the Company should be managed and conducted so that it does not become resident in the U.K. for U.K. taxation purposes. Accordingly, and provided that the Company does not carry on a trade in the U.K. through a permanent establishment situated therein for U.K. taxation purposes, the Company will not be subject to U.K. corporation tax on income and capital gains arising to it. The Directors intend that the affairs of the Company will be conducted so that no such permanent establishment will arise insofar as this is within their control, but it cannot be guaranteed that the conditions necessary to prevent any such permanent establishment coming into being will at all times be satisfied.

Interest and other income received by the Company which has a U.K. source may be subject to withholding taxes in the U.K.

Shareholders

Subject to their personal circumstances, shareholders resident in the U.K. for taxation purposes will be liable to U.K. income tax or corporation tax in respect of any dividends paid or other distributions of income made by the Company, whether or not such distributions are reinvested.

Except in the case of a company owning directly or indirectly not less than ten per cent. of the share capital of the Company, no credit will be available against a shareholder's U.K. taxation liability in respect of income distributions of the Company for any taxes suffered or paid by the Company on its own income.

Chapter V of Part XVII of the Income and Corporation Taxes Act 1988 of the U.K. (the "Taxes Act") provides that if an investor who is resident or ordinarily resident in the U.K. for taxation purposes holds a "material interest" in an overseas company that constitutes an "offshore fund" and that company does not qualify as a "distributing fund" throughout the period during which the investor holds that interest, any gain accruing to the investor upon the sale, redemption or other disposal of that interest (which will include, where applicable, redemption by the Company as a result of a deficit subscription by a shareholder) will be taxed at the time of such sale, redemption or disposal as income and not as a capital gain. Shares will constitute "material interests" in an "offshore fund" for the purposes of these provisions.

The Directors currently intend that the Company will not seek to comply with the conditions necessary for it or any of the Portfolios to qualify as a distributing fund. Accordingly, shareholders who are resident or ordinarily resident in the U.K. for taxation purposes may be liable to U.K. income tax in respect of gains arising from the sale, redemption or other disposal of their Shares. Such gains

may remain taxable notwithstanding any general or specific U.K. capital gains tax exemption or allowance available to an investor and cannot be reduced by use of indexation allowance. In addition, individual and other non-corporate shareholders will not be able to take advantage of taper relief in the U.K. capital gains tax system which enables the proportion of chargeable gains subject to taxation to be reduced where shares are held over a period of years. Accordingly, this may result in certain longer-term investors incurring a proportionately greater U.K. taxation charge.

Chapter II of Part IV of the Finance Act 1996 (“FA 1996”) provides that, if at any time in an accounting period a corporate investor within the charge to U.K. corporation tax holds a material interest in an offshore fund within the meaning of the relevant provisions of the Taxes Act, and there is a time in that period when that fund fails to satisfy the “non-qualifying investments test”, the material interest held by such a corporate investor will be treated for the accounting period as if it were rights under a creditor relationship for the purposes of the rules relating to the taxation of most corporate debt contained in FA 1996 (the “Corporate Debt Regime”). The Shares will (as explained above) constitute material interests in an offshore fund. In circumstances where the test is not satisfied (for example if the Company invests in cash, securities or debt instruments and the market value of such investments exceeds sixty per cent. of the market value of all its investments), the Shares will be treated for corporation tax purposes as within the Corporate Debt Regime. As a consequence where the test is not met, all returns on the Shares in respect of each corporate investor’s accounting period during which the test is not met (including gains, profits and deficits and exchange gains and losses) will be taxed or relieved as an income receipt or expense on a “mark to market” basis. Accordingly, a corporate shareholder may, depending on its own circumstances, incur a charge to corporation tax on an unrealised increase in the value of its holding of Shares (and, likewise, obtain relief against corporation tax for an unrealised reduction in the value of its holding of Shares). The provisions, broadly, relating to non-distributing funds (outlined above) and those relating to holdings in controlled foreign companies (outlined below) would not then apply to such corporate shareholders.

The attention of individual shareholders ordinarily resident in the U.K. is drawn to the provisions of section 739 and section 740 of the Taxes Act under which the income accruing to the Company may be attributed to such a shareholder and may render them liable to taxation in respect of undistributed income and profits of the Company. This legislation will, however, not apply if such a shareholder can satisfy HM Revenue & Customs that either:

- (i) the purpose of avoiding liability to U.K. taxation was not the purpose or one of the purposes of their investment in the Company; or
- (ii) the investment was a bona fide commercial transaction and was not designed for the purpose of avoiding U.K. taxation.

Chapter IV of Part XVII of the Taxes Act subjects U.K. resident companies to tax on the profits of companies not so resident in which they have an interest. The provisions, broadly, affect U.K. resident companies which hold, alone or together with certain other associated persons, shares which confer a right to at least 25 per cent. of the profits of a non-resident company where that non-resident company is controlled by persons who are resident in the U.K. and is subject to a lower level of taxation in its territory of residence. The legislation provides for certain exceptions, including an exception for a company which implements an acceptable distribution policy (as defined in the legislation). As the Company may not make significant distributions, this legislation may be relevant to certain corporate shareholders. The legislation is not directed towards the taxation of capital gains.

The attention of shareholders resident or ordinarily resident in the U.K. for taxation purposes (and who, if individuals, are also domiciled in the U.K. for those purposes) is drawn to the provisions of section 13 of the Taxation of Chargeable Gains Act 1992 ("section 13"). Section 13 applies to a "participator" for U.K. taxation purposes (which term includes a shareholder) if at any time when any gain accrues to the Company (such as on disposal of any of its investments) which constitutes a chargeable gain for those purposes, at the same time, the Company is itself controlled by a sufficiently small number of persons so as to render the Company a body corporate that would, were it to have been resident in the U.K. for taxation purposes, be a "close" company for those purposes. The provisions of section 13 could, if applied, result in such person who is a "participator" in the Company being treated for the purposes of U.K. taxation of chargeable gains as if a part of any chargeable gain accruing to the Company had accrued to that person directly, that part being equal to the proportion of the gain that corresponds on a just and reasonable basis to that person's proportionate interest in the Company as a "participator". No liability under section 13 could be incurred by such a shareholder however, where such proportion does not exceed one-tenth of the gain.

The European Union Savings Directive

As the Company is not a UCITS authorised in accordance with European Union Directive 81/611/EEC (as amended), is not licensed as a mutual fund under section 5 of the Cayman Islands Mutual Funds Law (2003 Revision) nor may otherwise be regarded as a UCITS equivalent, the European Union Savings Directive 2003/48/EC (the "Directive") should not apply to the Company or the Administrator. Where the Directive applies to an undertaking for collective investment which has the relevant percentage of its assets invested in debt instruments as defined in the Directive, a paying agent in a Member State such as the Administrator is required to provide to its home tax authorities details of payments of interest or, (as relevant to the Company) deemed interest paid by the paying agent on or after 1 July 2005 to or for the benefit of an individual resident in another Member State which will be shared with the tax authorities of that other Member State.

APPENDIX I - PRICES AND SHARE TERMS

1. Issue and Redemption of Shares

(a) Issue

The initial subscription price during the Initial Offer Period is €100 per Euro Class Share (net of initial fees and bank charges) and initial subscriptions for Euro Class Shares should be received in cleared funds together with a duly completed application form by the Administrator in Guernsey by 5.00 p.m. (Guernsey time) on 5 August 2005 or such later date and/or time as the Directors shall in their discretion from time to time determine either generally or in respect of specific applications. If the application form and/or subscription money are not received by this time, the application will be held over until the next Dealing Day and Shares will be issued at the price prevailing on that Dealing Day.

Thereafter, Dollar Class Shares of the Oxeye Growth Fund Dollar Portfolio and Euro Class Shares of the Oxeye Growth Fund Euro Portfolio may be subscribed for on a Business Day not less than 5 (five) Business Days prior to the relevant Dealing Day or such other day and/or time as the Directors determine either generally or in respect of specific applications in either case at a subscription price per Share determined by reference to the Net Asset Value per Share of the relevant class on the relevant Valuation Day (net of any initial fees and bank charges).

In certain circumstances (more particularly described at page 20 under "Fees and Expenses") subscription amounts may be subject to certain adjustments.

The Company may add to the subscription price thereby calculated such sum as it may consider represents the appropriate provision for duties and charges which would be incurred on the assumption that all the investments held were to be acquired on that relevant Dealing Day and, if in the opinion of the Directors not to do so would cause an inequity between shareholders, the Net Asset Value attributable to a Portfolio may be determined on the basis of asked prices for long positions and bid prices for short positions when calculating the issue price. The value so obtained will be divided by the number of Shares in the relevant class in issue and will be rounded to the nearest four decimal places.

(b) Redemption

Shareholders may request redemption of their Dollar Class Shares and Euro Class Shares on any Dealing Day by delivering a duly completed redemption request to the Administrator not less than thirty days prior to the relevant Dealing Day. Any application received after that time will be dealt with on the next succeeding Dealing Day. If a redemption request is received by fax, the original must follow by post failing which the redemption proceeds will not be remitted. It is anticipated that redemptions are for settlement within twenty days of the Dealing Day at a redemption price per Share of the relevant Class determined by reference to Net Asset Value attributable to the relevant Portfolio on the relevant Valuation Day including any applicable equalisation payment. The Directors may decline to accept any redemption of Dollar Class Shares or Euro Class Shares which will result in the redeeming Shareholder holding Shares with a value of less than U.S.\$50,000 in respect of Dollar Class Shares and the euro equivalent of U.S.\$50,000 in respect of Euro Class Shares.

Subject to the Directors' discretion to determine otherwise, requests received after thirty days prior to the relevant Dealing Day will be held over until the next Dealing Day and Shares will then be redeemed at the price applicable to that next Dealing Day.

In certain circumstances (more particularly described at page 30 under "Redemptions") redeemed Shares of a class may be the subject of certain adjustments to the redemption price.

The Company may deduct from the sum thereby calculated a redemption adjustment which will be

retained by the Company and may deduct such sum as it may consider represents the appropriate allowance for duties and charges in relation to the realisation of all the investments held on that Dealing Day and, if in the opinion of the Directors not to do so would cause an inequity between shareholders, the Net Asset Value for each Portfolio may be determined on the basis of bid prices for long positions and asked prices for short positions when calculating redemption proceeds. The Net Asset Value so obtained will be divided by the number of Shares in issue in the relevant Portfolio and rounded to four decimal places.

(c) **General**

Except in the case of a suspension of calculation of the Net Asset Value (when Share issues and redemptions of the relevant class(es) will be delayed), all requests for the issue or redemption of Shares shall, save at the discretion of the Directors, be irrevocable.

The Directors are entitled to exercise their reasonable judgement in determining the values to be attributed to assets and liabilities and, provided they are acting bona fide in the interest of the Company as a whole, such valuation is not open to challenge by current or previous shareholders of the Company.

2. **Compulsory Redemption**

The Company shall be entitled compulsorily to redeem all or any Shares of a class at such time and in such number and in such manner as the Directors shall from time to time determine.

Without prejudice to the generality of the foregoing, the Directors are entitled compulsorily to redeem Shares of any class owned directly or beneficially by any person or persons who or which, by virtue of the holding concerned, gives rise to a breach of any applicable laws or requirement in any jurisdiction or may, either alone or together with other shareholders, in the sole and conclusive opinion of the Directors:-

- (i) prejudice the tax status or residence of the Company or its Shareholders; or
- (ii) cause the Company or its Shareholders to suffer any pecuniary, fiscal or regulatory disadvantages; or
- (iii) cause the Company to be required to comply with any registration or filing requirements in any jurisdiction with which it would not otherwise be required to comply.

In addition to sub-paragraphs (i) to (iii) above, the Directors are also entitled to redeem Shares of a class in any other circumstances in which they determine in their absolute discretion that such compulsory redemption is in the best interests of the Company (the Directors will only exercise this discretion to redeem compulsorily all Shares of a class).

The Directors are also entitled compulsorily to redeem Shares of any class where, in their sole and conclusive opinion, the aggregate amount invested in the Company or the small number of shareholders with outstanding Shares of any class at any time does not justify or support the continued trading and existence of the Shares of the relevant class as a class of the Company.

3. **Cross Class Liabilities**

The Company has multiple classes and Portfolios and further classes or Portfolios may be created in the future. However, the Company as a whole, including all such future separate classes and portfolios, is one legal entity. All of the assets of the Company are available to meet all of the liabilities of the Company, regardless of the Portfolio to which such assets or liabilities are attributable. Separate classes will only be formed by the Directors having due regard to the risk characteristics of

the classes proposed so as to minimise any risk of cross class liability. As at the date of this Private Placement Memorandum, the Directors are not aware of any such existing liability. In addition, the Directors will consider the use of separate subsidiary investment vehicles to the extent appropriate.

APPENDIX II - CONSTITUTION OF THE COMPANY

The Memorandum and Articles of Association (“Articles”) of the Company comprise its constitution. The following summary is not exhaustive. The documents are available for inspection at the Company’s Registered Office.

(a) **Memorandum**

The Memorandum of Association of the Company provides (at clause 3) that the Company objects are unrestricted (except as prohibited by law).

(b) **Articles of Association**

The Articles contain provisions to the following effect:

Issue of Shares

Subject as provided in the Articles or the Law, unissued Shares shall be under the control of the Directors and they may be redesignated, issued, allotted or disposed of in such manner, to such persons and on such terms as the Directors in their absolute discretion may think fit. Fractional Shares may be issued up to four decimal places. The Directors may in their absolute discretion refuse to issue any Shares to any subscriber. Additional classes of shares may be issued in the future.

The Company is authorised to issue 5 million Shares.

Alterations of Share Capital

Subject to the provisions of the Law, the Company may by ordinary resolution:- (a) increase the share capital by such sum, to be divided into new Shares of such amount, as the resolution shall prescribe; (b) consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares; (c) convert all or any of its paid up shares into stock and reconvert that stock into paid up shares of any denomination; (d) subdivide its existing shares, or any of them into Shares of a smaller amount provided that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced Share shall be the same as it was in case of the Share from which the reduced Share is derived; and (e) cancel any Shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the Shares so cancelled.

The Directors may in their discretion in order to effect a performance or similar fee redeem a portion of a shareholder’s shareholding for no consideration (and apply the value of such Shares in payment of fees) or receive from a shareholder on subscription an additional sum by way of equalisation credit toward a potential future issue of Shares in order to equitably adjust such shareholder’s aggregate holding.

The Directors may declare dividends on the Shares at such time as they consider appropriate out of net income and also out of realised and unrealised gains, less realised and unrealised losses. Any dividend payable to shareholders which remains unclaimed for six years after the dividend payment date shall be forfeited and shall revert to the Company.

Variation of Class Rights

Subject to the provisions of the Law rights attaching to Shares of a class may be altered with the consent in writing of the holders of two thirds of the issued Shares of such class or with the sanction of a resolution passed at a separate meeting of the holders of Shares of such class by not less than a two thirds majority of such holders of Shares of such class present in person or by proxy at the meeting.

The Company may with the sanction of a special resolution reduce its share capital or any capital redemption reserve or share premium account and may also purchase its own Shares on such terms and in such manner as the Company may agree with the holder.

Founder Shares

The founder shares shall confer no right to participate in the profits or assets of the Company other than the return of the nominal value thereof. The founder shares are not redeemable, carry no voting rights except where no redeemable Shares are in issue and are fully paid up.

Redeemable Preference Shares

The Shares shall be redeemable voting preference shares.

Subject to the provisions of and the restrictions contained in the Law and the Articles, a holder of the Shares shall be entitled to redeem all or any of such Shares on any Dealing Day or such day as the Directors may determine by such number of days prior written notice to the Company as determined by the Directors from time to time and otherwise in such form given in such manner as the Directors shall from time to time determine but no Shares shall be redeemed whilst the calculation of the net asset value of the Company is suspended.

The Directors may elect in their absolute discretion to effect a redemption payment to any or all redeeming shareholders, either in whole or in part, in specie or in kind rather than in cash in which event the Directors shall use the same valuation procedures used in determining the Net Asset Value of the Company and of the relevant class to determine the value to be attributed to the relevant securities to be transferred or assigned to make available to the redeeming shareholders who shall receive securities of a value equal to the redemption payment to which they would otherwise be entitled and who shall be responsible for all custody and other costs involved in changing the ownership of the relevant securities from the Company to the redeeming shareholders and on-going custody costs. Any such distributions in specie will not materially prejudice the interests of existing shareholders.

The Directors may determine from time to time with respect to the shares of a class the minimum aggregate number of shares to be subscribed for during the initial offering period before any such shares of such class are issued, the minimum number of such shares to be issued to each prospective shareholder, the minimum number of shares of each class capable of being redeemed by any shareholder on any Dealing Day or such day as the Directors may determine (or an amount in respect thereof) and the minimum number of shares to be otherwise issued to or held on an ongoing basis after any redemptions by each shareholder.

Transfer of Shares

Shares may be transferred by a form of transfer in any usual or common form or such other form approved by the Directors in their discretion. Share transfers shall be executed by or on behalf of the transferor and if so required by the Directors, the transferor shall be deemed to remain a holder of the Share until the name of the transferee is entered into the Register of Shareholders in respect thereof.

The Directors may decline to register any transfer of Shares where the holding of such Shares may result in regulatory, pecuniary, legal, taxation or material administrative disadvantage (or adverse consequences) for the Company or where the transfer will result in the transferee holding Shares with a value of less than U.S.\$50,000. They may also decline to register a transfer during the 14 days before a general meeting or to register a transfer when the transfer instrument is not accompanied by the relevant subscription form from the transferee, the share certificate (if any) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer.

If the Directors refuse to register a transfer of Shares they shall within fourteen days after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal.

The registration of transfers may be suspended at such times and for such periods (not exceeding 45 days in any year) as the Directors may from time to time determine.

For the purpose of determining those shareholders that are entitled to receive notice of, attend or vote at any meeting of shareholders or any adjournment thereof or those shareholders that are entitled to receive payment of any dividend or in order to make a determination as to who is a shareholder for any other purpose, the Directors may provide that the Register of Shareholders shall be closed for transfers for a stated period but not to exceed in any case 45 days. If the Register of Shareholders shall be so closed for the purpose of determining those shareholders that are entitled to receive notice of, attend or vote at a meeting of shareholders such register shall be so closed for 14 days immediately preceding such meeting and the record date for such determination shall be the date of the closure of the Register of Shareholders.

Compulsory Transfer of Shares

The Directors are entitled by service of a notice to require the transfer of any Shares held by, or for the benefit of, any person:-

- (i) who is a US person or is holding Shares for the account of a US Person;
- (ii) who, by virtue of the holding concerned, gives rise to a regulatory, pecuniary, legal or taxation or material administrative disadvantage to the Company or its shareholders;
- (ii) in the event that the continued ownership of Shares by such person could result in adverse tax or regulatory consequences to the Company or its shareholders, or require the Company to comply with any registration or filing requirements in any jurisdiction with which it would not otherwise be required to comply; or
- (iv) who has failed to provide any information or declaration required by the Directors within twenty one days of being requested to do so.

Compulsory Redemption of Shares

As mentioned at page 37, the Directors are entitled compulsorily to redeem Shares of any class owned directly or beneficially by any person or persons who or which, by virtue of the holding concerned, gives rise to a breach of any applicable laws or requirement in any jurisdiction or may, either alone or together with other shareholders, in the sole and conclusive opinion of the Directors:-

- (a) prejudice the tax status or residence of the Company or its shareholders; or
- (b) cause the Company or its shareholders to suffer any pecuniary, fiscal or regulatory disadvantages; or
- (c) cause the Company to be required to comply with any registration or filing requirements in any jurisdiction with which it would not otherwise be required to comply.

The Directors are also entitled, in their sole and conclusive opinion, to compulsorily redeem all Shares of any class where:-

- (a) the aggregate amount invested in the Company or the small number of shareholders with outstanding Shares of any class at any time does not, in the opinion of the Directors, justify or support the continued trading and existence of the Shares of the relevant class as a class of the

Company; or

- (b) the aggregate value of all Shares of a class is less than the amount set out in the Private Placement Memorandum; or
- (c) in any other circumstances in which the Directors determine in their absolute discretion that such compulsory redemption is in the best interests of the Company (the Directors will only exercise this discretion to redeem compulsorily all Shares of a class).

General Meetings

The Directors may whenever they think fit, convene an extraordinary general meeting. The Directors shall, upon the receipt of the requisition expressing the object of the meeting in writing of any one or more shareholders holding ten per cent. or more of the shares entitled to vote, convene an extraordinary general meeting, to be convened by the Directors within twenty one days from the date of delivery of the requisition being left at the registered office for a date not later than 45 days after the date of such deposit or if the Directors do not convene such meeting for a date not later than 45 days after the date of such deposit, convened by any of the requisitionists in the same manner, as nearly as possible, as that in which meetings may be convened by the Directors.

At least twenty-one Business Days notice of the meeting is required to be given to such persons as are entitled to vote or may otherwise be entitled under the Articles to receive such notices, but with the consent of all the shareholders entitled to receive notice, that meeting may be convened by shorter notice and in such manner as those shareholders think fit.

No business shall be transacted at any general meetings unless a quorum of shareholders is present at the time when the meeting proceeds to business. One or more shareholders holding in aggregate not less than one third of the voting share capital of the Company in person or by proxy and entitled to vote shall be a quorum.

An ordinary resolution may be passed by a majority of shareholders entitled to vote present at the meeting in person or by proxy. A special resolution requires a two thirds majority of shareholders entitled to vote present at the meeting in person or by proxy. An ordinary or special resolution may be passed by unanimous written resolution.

At a general meeting, on a show of hands every shareholder present in person or by proxy and entitled to vote shall have one vote. On a poll every such shareholder entitled to vote shall have one vote for each Share of which he is the holder.

In the case of joint holders the vote of the senior shareholder who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the Register of Shareholders.

On a poll, votes may be given either personally or by proxy. The instrument appointing a proxy shall be in any usual or common form or such other form as the Directors may determine and shall be deposited at the Registered Office of the Company or at such other place as is specified for that purpose in the notice convening the meeting no later than 48 hours prior to the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid provided that the chairman of the meeting may in his discretion accept an instrument of proxy sent by telefax upon receipt or telefax confirmation that the signed original thereof has been sent.

Directors

The number of Directors shall be not less than one nor, unless the Company by ordinary resolution

may otherwise determine, more than ten. The Company may by ordinary resolution remove and appoint a Director. A Director may appoint an alternate to act on his behalf and such alternate shall count towards a quorum. The Directors may appoint additional Directors.

The Directors may, where they unanimously so resolve, be entitled to any remuneration for their services as Directors. The Directors shall be entitled to be paid their travelling, hotel and other expenses properly incurred by them in going to, attending and returning from meetings of the Directors, or any committee of the Directors, or general meetings of the Company, or otherwise in connection with the business of the Company, or to receive a fixed allowance in respect thereof as may be determined by the Directors from time to time, or a combination of one such method and partly the other.

There is no shareholding qualification or age limit for Directors.

The business and affairs of the Company shall be managed by the Directors outside the United Kingdom and the United States and the Directors may pay all expenses incurred in setting up and registering the Company and may exercise all such powers of the Company as are not, by the Law or the Articles, required to be exercised by the Company in general meeting. The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge the Company undertaking and/or its assets.

The Directors may meet together (either within or without the Cayman Islands but outside of the United Kingdom and the United States) for the dispatch of business, adjourn, and otherwise regulate their meetings and proceedings as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the chairman shall have a second or casting vote. A Director may at any time summon a meeting of Directors by at least five days notice in writing to every Director which notice shall set forth the general nature of the business to be considered provided however that notice may be waived by all the Directors (or their alternates) either at, before or after the meeting.

The quorum necessary for the transaction of the business of the Directors, may be fixed by the Directors, and unless so fixed by the Directors, if there shall be two or more than two Directors shall be two, and if less than two Directors shall be one or their proxies provided that at any such transaction of business there shall be at least a majority of Directors who are not resident in the UK. No person resident of the UK shall be appointed a proxy of or an alternate of a Director not resident in the UK.

A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare the nature of his interest at a meeting of the Directors. A general notice given to the Directors by any Director to the effect that he is a member of any specified company or firm and is to be regarded as interested in any contract which may thereafter be made with that company or firm shall be deemed a sufficient declaration of interest in regard to any contract so made. A Director may vote in respect of any contract or proposed contract or arrangement notwithstanding that he may be interested therein and if he does so his vote shall be counted and he may be counted in the quorum at any meeting of the Directors at which any such contract or proposed contract or arrangement shall come before the meeting for consideration.

A Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise, nor shall any such contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established. A Director,

notwithstanding his interest, may be counted in the quorum present at any meeting whereat he or any other Director is appointed to hold any such office or place of profit under the Company or whereat the terms of any such appointment are arranged and he may vote on any such appointment or arrangement.

Any Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director; provided that nothing herein contained shall authorise a Director or his firm to act as auditor to the Company.

All acts done by any meeting of the Directors or of a committee of Directors, or by any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

Notices

A notice may be given by the Company to any shareholder either personally or by sending it by post, telefax or email to him at his address, or (if he has no registered address) to the address, if any, supplied by him to the Company for the giving of notices to him.

Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, pre-paying and posting a letter containing the notice (by airmail if available) and to have been effected at the expiration of three days after it was posted.

Where a notice is sent by telefax or email, service of the notice shall be deemed to be effected by properly addressing, and sending such notice through the appropriate transmitting medium and to have been effected on the day the same is sent. Notice of every general meeting shall be given to every shareholder entitled to vote except those shareholders entitled to vote who (having no registered address) have not supplied to the Company an address for the giving of notices to them.

A notice may be given by the Company to the joint holders of record of a Share by giving the notice to the joint holder first named on the Register of Shareholders in respect of the Share.

Winding Up

On a return of capital on liquidation or winding up of the Company, the assets of the Company available for distribution among its shareholders shall be applied in the following priority:-

- (i) firstly, in the payment to the holders of the Shares of each class of a sum in the currency in which that class is designated (or in any other currency selected by the liquidator) as nearly as possible equal (at a rate of exchange determined by the liquidator) to the net asset value of the Shares of such class held by such holders respectively as at the date of commencement to wind up provided that there are sufficient assets available in the portfolio of net assets of the Company represented by each class of Share (an "investment account"). In the event that there are insufficient assets available in the relevant investment account, to enable such payment to be made recourse shall be had:
 - (A) first, to any assets of the Company not comprised within any of the investment accounts; and
 - (B) secondly, to the assets remaining in the investment accounts for the other classes of Shares (after payment to the holders of the Shares of that class to which they relate of the amounts to which they are respectively entitled under this paragraph (i)) pro rata to the total value of such assets remaining within each investment account;

- (ii) secondly, in the payment to the holders of Shares of a particular class any balance then remaining in the relevant investment account, such payment being made in proportion to the number of Shares held;
- (iii) thirdly, in the payment to the holders of founder shares of the nominal amount of such founder shares; and
- (iv) fourthly, in the payment to the holders of the Shares of any balance then remaining and not comprised within any of the investment accounts, such payment being made in proportion to the number of Shares held.

If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Law, divide amongst the relevant shareholders in specie or in kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may for such purpose set such value as he deems fair upon any property to be divided.

Indemnity

Every Director and officer for the time being of the Company or any trustee for the time being acting in relation to the affairs of the Company and their representative, heirs, executors, administrators, personal representatives or successors or assigns shall, in the absence of fraud, negligence, or wilful default, be indemnified and secured harmless out of the assets of the funds of the Company against all actions, proceedings, costs, charges, expenses, including travelling expenses, losses, damages or liabilities, which any such Director, officer or trustee may incur or become liable in respect of or by reason of any contract entered into or act or thing done by him as such officer or servant, or in any way in discharge of his duties, and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the shareholders over all other claims.

No such Director, Alternate Director, Managing Director, agent, Secretary, Assistant Secretary or other officer of the Company (other than the Company's auditor) shall be liable (i) for the acts, receipts, neglects, defaults or omissions of any other such director or officer or agent of the Company; or (ii) by reason of his having joined in any receipt for money not received by him personally or for any act of conformity; or (iii) for any loss on account of defect of title to any property of the Company; or (iv) on account of the insufficiency of any security in or upon which any assets of the Company shall be invested or for any loss of any of the assets of the Company which shall be invested or (v) for any loss incurred through any bank, broker or other agent; or (vi) for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any moneys, assets, securities or effects shall be deposited; or (vii) for any loss occasioned by any negligence, default, breach of duty, breach of trust, error of judgement or oversight on his part; or (viii) for any loss, damage or misfortune whatsoever which may happen in or arise from the execution or discharge of the duties, powers, authorities, or discretions of his office or in relation thereto, unless the same shall happen through his own fraud or wilful default.

APPENDIX III - GENERAL INFORMATION

1. The Company

- (a) The Company was incorporated with limited liability on 7 June 2002 in the Cayman Islands under the provisions of the Law as an exempted company with limited liability (registered no. CR-118125).
- (b) The authorised share capital of the Company is U.S.\$50,100. The Company is currently authorised to issue 5 million Shares which may be classified as Dollar Class Shares or Euro Class Shares, and 100 founder shares of U.S.\$1 each.

The founder shares were taken up by the subscriber to the Memorandum and Articles of Association in order that the Company be incorporated. On 7 June 2002 they were transferred to Martin Petherick and John Parry. The founder shares confer no right to vote at general meetings of the Company except where no redeemable Shares are in issue and fully paid up, and give the rights in the winding up of the Company as set out under “Winding-up” on page 44. They confer no other right to participate in the profits or assets of the Company.

- (c) No Shares of any class have pre-emptive rights. There are no outstanding options or any special rights relating to any Shares.
- (d) The Company was incorporated with the capacity of issuing various classes of shares. Dollar Class Shares of the Oxeye Growth Fund Dollar Portfolio and Euro Class Shares of the Oxeye Growth Fund Euro Portfolio are currently available for issue. As at the date of this document, no further classes have been created.

2. Material Contracts

The following contracts, not being contracts in the ordinary course of business, were entered into by the Company and are or may be material. They contain limitations of liability and indemnities operating in favour of parties other than the Company in the absence of such party’s fraud, wilful default or negligence. Information in relation to fees is contained under “Fees and Expenses”.

- (a) The Administration Agreement dated 22 July 2005 between the Company and the Administrator whereby the Administrator has agreed to act as administrator, registrar and transfer agent and secretary of the Company and in respect of each Portfolio. The Administration Agreement may be terminated by either party giving to the other not less than 90 days’ notice in writing (or such shorter notice as such other party may agree to accept) given so as to expire on the last day of any calendar month provided that the Administration Agreement may be terminated forthwith if:- (i) either party has broken or is in breach of any of the terms of the Administration Agreement (other than a breach which in the opinion of the other party is of a trivial nature) and, if such breach is capable of remedy, shall not have remedied such breach within thirty days after service of notice requiring the same to be remedied; or (ii) either party has gone into liquidation or been dissolved or wound up or an order has been made or a resolution has been passed to put either party into liquidation or for that party to be dissolved or wound up (except a voluntary liquidation, dissolution or winding up for the purpose of reconstruction or amalgamation); or (iii) either party has been declared *en desastre* under the laws of the Island of Guernsey.
- (b) The Investment Management Agreement dated 10 June 2002, as amended, between the Company and the Investment Manager whereby the Investment Manager has agreed to provide investment management and marketing services to the Company and each of its Portfolios. The agreement is terminable on not less than 3 months’ written notice.
- (c) The Principal Brokerage Documentation between the Company and the Principal Broker whereby the Principal Broker will provide principal brokerage services to the Company in respect of each Portfolio.

This agreement is terminable by the Principal Broker on service of a written notice of termination in accordance with the Principal Brokerage Documentation and by the Company on service of a written notice of termination where the Company has no open positions in investments or other assets and there are no other liabilities owed to the Principal Broker.

3. **Directors and Interests**

- (a) There are no service contracts in existence between the Company and any of its Directors, nor are any such contracts proposed.
- (b) Fees, initially of up to U.S.\$2,500 per Director per annum will be paid to the Directors for acting as such together with their out of pocket expenses.

Directors may waive all or part of their fees or assign their fees to their employers. Martin Petherick has waived his entitlement to fees.

- (c) At the date hereof, Martin Petherick, Peter Radford and Bernard Key are investors in the Company.
- (d) Peter Radford, a Director, is also a managing director of the Administrator. Martin Petherick, a Director, is also a director of and interested in the share capital of the Investment Manager.
- (e) The Investment Manager may at its discretion charge an initial fee of up to 5 per cent. of the amount subscribed prior to the issue of Shares of a class. Some or all of this initial fee may be paid to individual Directors or their employers as a consequence of their introducing investors to the Company. The Investment Manager may also rebate part of its fees received from the Company to any approved intermediaries who may include, from time to time, individual Directors.
- (f) Save as disclosed in this paragraph 3, no Director nor any connected person has any interest, direct or indirect, in the promotion of, or in any assets which have been or are proposed to be acquired or disposed of by, or leased to, the Company, and no Director is materially interested in any contract or arrangement subsisting at the date hereof which is significant in relation to the business of the Company.
- (g) No Director has:
 - (i) any unspent convictions in relation to indictable offences; or
 - (ii) been bankrupt or the subject of a voluntary arrangement, or has had a receiver appointed to any asset of such Director; or
 - (iii) been a director of any company which, while he was a director with an executive function or within 12 months after he ceased to be a director with an executive function, had a receiver appointed or went into compulsory liquidation, creditors voluntary liquidation, administration or company voluntary arrangements, or made any composition or arrangements with its creditors generally or with any class of its creditors; or
 - (iv) been a partner of any partnership, which while he was a partner or within 12 months after he ceased to be a partner, went into compulsory liquidation, administration or partnership voluntary arrangement, or had a receiver appointed to any partnership asset; or
 - (v) had any public criticism by statutory or regulatory authorities (including recognised professional bodies); or
 - (vi) been disqualified by a court from acting as a director or from acting in the management or conduct of affairs of any company.

4. **General**

- (a) No share or loan capital of the Company is under option or agreed conditionally or unconditionally to be put under option.
- (b) Save for an initial charge of up to 5 per cent., no commissions, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of Shares of any class. Investors should note that the rates of commission charged by the Principal Broker in respect of each Portfolio are likely to vary.
- (c) As at the date of this Private Placement Memorandum, the Company has no litigation, arbitration or claim pending or, so far as the Directors are aware, threatened against it nor has any claim been made since incorporation.
- (d) The Company does not, nor does it expect to, have any employees.
- (e) The Company falls within the definition of a “regulated mutual fund” in terms of the Mutual Funds Law (2003 Revision) of the Cayman Islands (the “Mutual Funds Law”).

As a regulated mutual fund the Company is subject to the supervision of the Cayman Islands Monetary Authority (the “Authority”) and the Authority may at any time instruct the Company to have its accounts audited and to submit them to the Authority within such time as the Authority specifies. In addition, the Authority may ask the Directors to give the Authority such information or such explanation in respect of the Company as the Authority may reasonably require to enable it to carry out its duty under the Mutual Funds Law.

The Directors must give the Authority access to or provide at any reasonable time all records relating to the Company and the Authority may copy or take an extract of a record it is given access to. Failure to comply with these requests by the Authority may result in substantial fines on the part of the Directors and may result in the Authority applying to the court to have the Company wound up.

The Authority may take certain actions if it is satisfied that a regulated mutual fund is or is likely to become unable to meet its obligations as they fall due or is carrying on or is attempting to carry on business or is winding up its business voluntarily in a manner that is prejudicial to its investors or creditors. The powers of the Authority include, inter alia, the power to require the substitution of Directors, to appoint a person to advise the Company on the proper conduct of its affairs or to appoint a person to assume control of the affairs of the Company. There are other remedies available to the Authority including the ability to apply to court for approval of other actions.

- (f) The Directors reserve the right to accept subscriptions satisfied by way of *in specie* transfer of assets. In exercising their discretion, the Directors will take into account the investment objective and strategy of the relevant Portfolio and whether the proposed *in specie* assets comply with those criteria including the permitted investments of the Company. Any *in specie* subscription that meets the investment criteria will be valued by the Administrator (at the cost of the subscriber) in accordance with the valuation procedures of the Company set out at pages 26 to 28 and such valuation will be independently verified by the Auditors within 14 days of that valuation. Upon receipt of that verification and a properly completed application form, the Administrator will allot the requisite number of Shares of the relevant class in the normal manner. The Directors reserve the right to decline to register any person on the register of shareholders until the subscriber has been able to prove title to the assets in question. The subscriber shall be responsible for all custody and other costs involved in changing the ownership of the relevant assets unless the Directors otherwise agree.
- (g) Dollar Class Shares of the Oxeye Growth Fund Dollar Portfolio were initially issued on 16 July 2002 at an initial issue price of U.S.\$100 per Dollar Class Share representing a premium of U.S. \$99.99 over

the nominal value of each such Share. As at 31 May 2005 the Net Asset Value per Dollar Class Share was U.S.\$111.60. The initial issue price of €100 per Euro Class Share of the Oxeye Growth Fund Euro Portfolio represents a premium of some €99.99 over the nominal value of each such Share.

5. **Preliminary Expenses**

The formation and preliminary expenses (including marketing, printing and legal fees) relating to the establishment of the Company and the launch of the Dollar Class Shares of the Oxeye Growth Fund Dollar Portfolio amounted to U.S.\$80,000. This sum is being amortised by the Company over a five year period from the commencement of business of the Company in July 2002, subject to the Directors' discretion to vary this if they consider it prudent to do so. This practice is contrary to international accounting standards and, although this is not anticipated by the Directors, could result in a qualified audit opinion.

The preliminary expenses (including marketing, printing and legal fees) relating to the launch of the Euro Class Shares of the Oxeye Growth Fund Euro Portfolio are expected to amount to approximately U.S.\$41,000. This sum will be amortised by the Company over a five year period following the launch of the Euro Class Shares of the Oxeye Growth Fund Euro Portfolio, subject to the Directors' discretion to vary this if they consider it prudent to do so. This practice is contrary to international accounting standards and, although this is not anticipated by the Directors, could result in a qualified audit opinion

The costs of establishing each further Portfolio of the Company and/or additional Share classes of a Portfolio will be charged to the respective Portfolio.

6. **Definition of "US Person", "US Taxpayer" and "Benefit Plan Investor"**

"US Person"

A "US Person" for purposes of this Private Placement Memorandum is a person who is in either of the following two categories: (a) a person included in the definition of "US person" under Rule 902 of Regulation S under the 1933 Act or (b) a person excluded from the definition of a "Non-United States person" as used in CFTC Rule 4.7. For the avoidance of doubt, a person is excluded from this definition of US Person only if he or it does not satisfy any of the definitions of "US person" in Rule 902 and qualifies as a "Non-United States person" under CFTC Rule 4.7.

"US person" under Rule 902 generally includes the following:

- (a) any natural person resident in the United States;
- (b) any partnership or corporation organised or incorporated under the laws of the United States;
- (c) any estate of which any executor or administrator is a US person;
- (d) any trust of which any trustee is a US person;
- (e) any agency or branch of a non-US entity located in the United States;
- (f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US person;
- (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the United States; and
- (h) any partnership or corporation if:

- (i) organised or incorporated under the laws of any non-US jurisdiction; and
- (ii) formed by a US person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) of Regulation D under the 1933 Act) who are not natural persons, estates or trusts.

Notwithstanding the preceding paragraph, "US person" under Rule 902 does not include: (i) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-US person by a dealer or other professional fiduciary organised, incorporated, or (if an individual) resident in the United States; (ii) any estate of which any professional fiduciary acting as executor or administrator is a US person, if (A) an executor or administrator of the estate who is not a US person has sole or shared investment discretion with respect to the assets of the estate, and (B) the estate is governed by non-United States law; (iii) any trust of which any professional fiduciary acting as trustee is a US person if a trustee who is not a US person has sole or shared investment discretion with respect to the trust assets and no beneficiary of the trust (and no settlor if the trust is revocable) is a US person; (iv) an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country; (v) any agency or branch of a US person located outside the United States if (A) the agency or branch operates for valid business reasons, and (B) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and (vi) certain international organisations as specified in Rule 902(k)(2)(vi) of Regulation S under the 1933 Act.

In addition, a discretionary or similar account managed or held for the benefit of a US person as defined above will be treated as a US person, irrespective of whether the discretion is exercised within or outside the United States.

CFTC Rule 4.7 currently provides in the relevant part that the following persons are considered "Non-United States persons":-

- (1) a natural person who is not a resident of the United States;
- (2) a partnership, corporation or other entity, other than an entity organised principally for passive investment, organised under the laws of a non-US jurisdiction and which has its principal place of business in a non-US jurisdiction;
- (3) an estate or trust, the income of which is not subject to United States income tax regardless of source;
- (4) an entity organised principally for passive investment such as a pool, investment company or other similar entity *provided* that units of participation in the entity held by persons who do not qualify as Non-United States persons or otherwise as qualified eligible persons (as defined in CFTC Rule 4.7(a)(2) or (3)) represent in the aggregate less than 10 per cent. of the beneficial interest in the entity, and that such entity was not formed principally for the purpose of facilitating investment by persons who do not qualify as Non-United States persons in a pool with respect to which the operator is exempt from certain requirements of Part 4 of the US Commodity Futures Trading Commission's regulations by virtue of its participants being Non-United States persons; or
- (5) a pension plan for the employees, officers or principals of an entity organised and with its principal place of business outside the United States.

An investor who is not a US Person may nevertheless be considered a "US Taxpayer" under US federal income tax laws. For example, an individual who is a US citizen residing outside of the United

States is not a US Person but is a “US Taxpayer”. Such an investor should consult a tax advisor regarding an investment in the Company.

“US Taxpayer”

"US Taxpayer" includes a US citizen or resident alien of the United States (as defined for United States federal income tax purposes); any entity treated as a partnership or corporation for US tax purposes that is created or organised in, or under the laws of, the United States or any state thereof (including the District of Columbia); any other partnership that is treated as a US Taxpayer under US Treasury Department regulations; any estate, the income of which is subject to US income taxation regardless of source; and any trust over whose administration a court within the United States has primary supervision and all substantial decisions of which are under the control of one or more US fiduciaries. Persons who have lost their US citizenship and who live outside the United States may nonetheless in some circumstances be treated as US Taxpayers.

“Benefit Plan Investor”

“Benefit Plan Investor” is used as defined in US Department of Labor (“DOL”) Regulation §2510.3-101(f)(2) and includes (i) any employee benefit plan (as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”)), whether or not such plan is subject to Title I of ERISA (which includes both US and non-US plans, plans of governmental entities as well as private employers, church plans, and certain assets held in connection with nonqualified deferred compensation plans); (ii) any plan described in Section 4975(e)(1) of the Internal Revenue Code of 1986, as amended (the “Code”) (which includes a trust described in Code Section 401(a) that is exempt from tax under Code Section 501(a), a plan described in Code Section 403(a), an individual retirement account or annuity described in Code Section 408 or 408A, a health savings account described in Code Section 223(d), a medical savings account described in Code Section 220(d) and an education savings account described in Code Section 530); and (iii) any entity whose underlying assets include plan assets by reason of a plan’s investment in the entity (generally because 25 per cent. or more of a class of equity interests in the entity is owned by plans). Benefit Plan Investors also include that portion of any insurance company’s general account assets that are considered “plan assets” and (except if the entity is an investment company registered under the 1940 Act) the assets of any insurance company separate account or bank common or collective trust in which plans invest.

7. Reports and Financial Statements

The financial year of the Company ends on 31 December and the first accounting period ended on 31 December 2002. Audited financial statements and a semi annual report, with unaudited financial information, will be sent to shareholders of each class within four months of the period to which they relate. The Company is denominated in U.S. Dollars and will present its accounts in U.S. Dollars in accordance with international accounting standards. A copy of the most recent financial statements will, when available, be sent to shareholders and prospective shareholders of each class on request.

8. Conflicts of Interest

The Investment Manager, the Administrator, the Principal Broker, any of their directors, officers, employees, agents and affiliates and the Directors and any person or company with whom they are affiliated or by whom they are employed (each an "Interested Party") may be involved in other financial, investment or other professional activities which may cause conflicts of interest with the Company. In particular, Interested Parties may provide services similar to those provided to the Company to other entities and will not be liable to account for any profit earned from any such services. The Interested Parties will at all times have due regard to their duties owed to the Company and where a conflict arises they will endeavour to ensure that it is resolved fairly. For example, an Interested Party may acquire investments in which the Company may invest on behalf of clients.

However, where the Investment Manager could (i) allocate an investment between two or more funds or accounts which it manages (including the Company's); or (ii) make a disposal of investments held by two or more such funds or accounts, it will act fairly as between the relevant funds or accounts in making such allocation or disposal, having regard to, inter alia, factors such as cash availability and portfolio balance.

The Company may acquire securities from or dispose of securities to any Interested Party or any investment fund or account advised or managed by any such person. An Interested Party may provide professional services to the Company (provided that no Interested Party will act as auditor to the Company) or hold Shares of a class and buy, hold and deal in any investments for their own accounts notwithstanding that similar investments may be held by the Company. An Interested Party may contract or enter into any financial or other transaction with any shareholder or with any entity any of whose securities are held by or for the account of the Company, or be interested in any such contract or transaction. Furthermore, any Interested Party may receive commissions to which it or he is contractually entitled in relation to any sale or purchase of any investments of the Company effected by it for the account of the Company, provided that in each case the terms are no less beneficial to the Company than a transaction involving a disinterested party and any commission is in line with market practice.

Investors should also take note of the information provided under paragraph 3(d) of "Directors and Interests" at page 47. In the event of a conflict of interest arising, the Directors will endeavour to ensure that it is resolved fairly.

9. **Documents for Inspection**

Copies of the following documents will be available for inspection at the offices of the Administrator during usual business hours on any weekday (Saturdays and public holidays excepted):-

- (a) the Memorandum and Articles of Association of the Company;
- (b) the material contracts referred to in paragraph 2 of Appendix III;
- (c) the Companies Law (2004 Revision) and the Mutual Funds Law (2003 Revision) of the Cayman Islands; and
- (d) when applicable, the latest audited financial statements of the Company.

APPENDIX IV - RISK FACTORS

Investment in the Company and in each class of Shares of each of its Portfolios carries a high degree of risk including, but not limited to, the risks referred to below. No assurance can be given that shareholders will realise a profit on their investment. Moreover, shareholders of a class may lose some or all of their investment. The risks referred to below are not exhaustive. Potential investors should review this Private Placement Memorandum carefully and in its entirety and consult with their professional advisors before making an application for Shares.

Operating History. The Company and the Investment Manager are recently formed. There can be no assurance that any of the Portfolios of the Company will achieve its investment objective.

Business dependent upon key individuals. The success of the Company is significantly dependent upon the expertise of the directors of the Investment Manager. Past investment performance may not be construed as an indication of the future results of an investment in a Portfolio of the Company.

Investment and Trading Rules generally. Substantial risks are involved in investing in the various securities and instruments a Portfolio of the Company intends to purchase and sell. Prices may be influenced by, among other factors:

- changing supply and demand relationships;
- domestic and foreign policies of governments, particularly policies to do with trade or with fiscal and monetary matters;
- political events, particularly elections and those events that may lead to a change in government;
- the outbreak of hostilities, even in an area in which the Company or a Portfolio is not invested; and
- economic developments, particularly those related to balance of payments and trade, inflation, money supply, the issue of government debt, changes in official interest rates, monetary revaluations or devaluations and modifications in financial market regulations.

As a result of the nature of each Portfolio's investment activities, the results of a Portfolio's operations may fluctuate substantially from period to period. Accordingly, performance results of a particular period will not necessarily be indicative of results in future periods.

Potential Illiquidity of Exchange-traded Instruments. It may not always be possible for the Company to execute a buy or sell order on behalf of a Portfolio on exchanges at the desired price or to liquidate an open position due to market conditions, including the operation of price fluctuation limits. If trading on an exchange is suspended or restricted, a Portfolio may not be able to execute trades or close out positions on terms that the Investment Manager believes are desirable.

Most futures exchanges limit fluctuations in futures contract prices during a single day by regulations referred to as "price limits". Once the price of a futures contract has increased or decreased to the limit point, it may be impossible to exit a position at an advantageous price. Futures exchanges have occasionally moved the limit down for several consecutive days with little or no trading. Similar occurrences could prevent a Portfolio from promptly liquidating unfavourable positions and subject a Portfolio to substantial losses. Also, the exchange regulator or exchanges may suspend or limit trading. While price limits reduce liquidity, they do not reduce ultimate losses. Futures contracts which expire into cash settlement such as stock indices, interest rate futures and currencies do not operate a daily price limit system, but instigate a system of circuit breakers where the market will be closed for a period.

Exchange-Traded Futures Contracts and Options on Futures Contracts. A Portfolio will use exchange-traded futures contracts and options on futures contracts. Use by a Portfolio of such instruments will present the same types of volatility and leverage risks associated with transactions in derivative instruments generally (see

below). In addition, such transactions present a number of risks which might not be associated with the purchase and sale of other types of investment products.

Futures contracts are highly leveraged instruments and the low margin deposits normally required in futures transactions allow for an extremely high degree of leverage in comparison with investments in other assets. Because of the leverage associated with trading futures, a relatively small movement in the market price of traded instruments may result in a disproportionately large profit or loss and may result in a loss of a substantial amount or even all of the assets of the Company or of a particular Portfolio.

Due to the nature of futures, cash to meet margin money will be held by a broker with whom the Company has an open position. In the event of the insolvency or bankruptcy of the broker, there can be no guarantee that such money will be returned to the Company. On execution of an option the Company may pay a premium to or receive a premium from the Clearing House. In the event of the insolvency or bankruptcy of the Clearing House, the option premium may be lost in addition to any unrealised gains where the contract is in the money. Trading in derivative instruments is not always subject to governmental regulation or control. In addition the Company is exposed to the risk of counterparties defaulting on contractual obligations and substantial losses may occur on such default, if as a result of such losses the solvency of the Clearing House is affected. However, all Clearing Houses operate large, but not unlimited, insurance policies against such defaults.

Each Portfolio may invest in financial futures and related options to the extent that all necessary CFTC registrations or exemptions have been obtained. Such registrations or exemptions would not include review or approval by the CFTC of any private placement memorandum or the trading strategies of any Portfolio. A Portfolio's use of futures contracts and options on futures contracts will present the same type of volatility and leverage risks associated with transactions in derivative instruments generally (see below). In addition, such transactions present a number of risks which might not be associated with the purchase and sale of other types of investment products.

Prior to exercise or expiration, a futures or option position can be terminated only by entering into an offsetting transaction. This requires a liquid market on the exchange on which the original position was established. While a Portfolio will enter into futures and option positions only if, in its judgement, there appears to be a liquid market for such instruments, there can be no assurance that such a market will exist for any particular contract at any point in time. In that event, it might not be possible to establish or liquidate a position.

The liquidity of a market in futures contracts and options on futures contracts is also subject to the risk of trading halts, suspensions, exchange or clearing house equipment failures, government intervention, insolvency of a brokerage firm, clearing house or exchange or other disruptions of normal trading activity. Default or insolvency of a broker may result in positions being liquidated or closed out.

To the extent that a Portfolio trades in derivatives contracts and any broker with whom the Company maintains accounts fails to segregate that Portfolio's assets, the Company and/or the relevant Portfolio may be subject to a risk of loss in the event of the bankruptcy of the broker.

OTC Derivative Instrument Transactions. A Portfolio may invest in futures and options and other investments which are not traded on organised exchanges and as such are not standardised. Such transactions are known as over-the-counter or ("OTC") transactions and may include forward contracts or options. Whilst some OTC markets are highly liquid, transactions in OTC derivatives may involve greater risk than investing in exchange traded derivatives because there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of the position arising from an off-exchange transaction or to assess the exposure to risk. Bid and offer prices need not be quoted and, even where they are, they will be established by dealers in these instruments and consequently it may be difficult to establish what is a fair price. In respect of such trading, a Portfolio is subject to the risk of counter-party failure or the inability or refusal by a counter-party to perform with respect to such contracts. Market illiquidity or disruption could result in major losses to that Portfolio.

The instruments, indices and rates underlying derivative transactions expected to be entered into by a Portfolio

may be extremely volatile in the sense that they are subject to sudden fluctuations of varying magnitude, and may be influenced by, among other things, government trade, fiscal, monetary and exchange control programmes and policies; national and international political and economic events; and changes in interest rates. The volatility of such instruments, indices or rates, which may render it difficult or impossible to predict or anticipate fluctuations in the value of instruments traded by the Company could result in losses.

Short Selling. To the extent that a Portfolio invests directly in equity securities, the establishment and maintenance of a short position in equities can involve greater risks than would be the case with a long position. These include the possibility of unlimited loss due to potentially unlimited price appreciation in the securities concerned, problems associated with the cost or availability of stock to borrow for the purposes of short selling and possible difficulties in purchasing stock to cover short positions in certain market conditions.

Short Option Strategies. The establishment and maintenance of a short position in options can involve greater risks than would be the case with a long position. These include the possibility of unlimited loss due to potentially unlimited price appreciation in the options concerned. It must be stressed that the use of short option strategies by a Portfolio may involve risks that other options investors would prefer to lay-off or avoid taking and that short option strategies are not suitable for all investors.

Leverage, Interest Rates and Margin. A Portfolio may leverage its investment return with such instruments as futures, options and other derivative contracts traded on Recognised Exchanges. The interest rates imputed in the prices of such instruments may affect the operating results of a Portfolio in a similar way to other forms of borrowing. Each Portfolio may employ leverage up to a maximum gross market exposure of 15 times the Net Asset Value attributable to the relevant Portfolio and a maximum net market exposure of 5 times the Net Asset Value attributable to the relevant Portfolio (as set out in the Investment Objective, Strategy and Restrictions). These are predetermined limits set by the Directors and are calculated with a view to allowing sufficient liquidity within the portfolio in order to achieve the necessary exposure to the market whilst avoiding additional calls for cash if margin requirements are to change suddenly.

Gross market exposure is calculated by summing the contractual value of all of the open futures, short option positions and long underlying securities.

Each Portfolio's market exposure could be net long or net short. This 'net' position is calculated by taking the maximum gross market exposure and multiplying by the net delta of the portfolio (the delta measures the sensitivity of option prices to changes in the price of the underlying index.) As a result of hedging, the overall exposure and therefore the leverage may be reduced. It will also be part of the risk management procedures to analyse the portfolio's exact value at risk. The use of such hedging techniques will allow the Investment Manager to produce a maximum profit or loss profile for the portfolio at different levels of the index on each expiry date, enabling efficient management of the portfolio's risk.

It must be stressed that at all times each Portfolio will seek to operate within the pre-determined maximum exposure limit. The Investment Manager will closely supervise margin/equity ratios in case a larger than normal move in the market unexpectedly increases margin levels.

A Portfolio's use of leverage results in certain additional risks. For example, should the securities pledged to brokers to secure a Portfolio's margin accounts decline in value, the Company and/or the relevant Portfolio could be subject to a "margin call" and need to deposit additional funds with the broker or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. In the event of a sudden drop in the value of a Portfolio's assets, that Portfolio might not be able to liquidate assets quickly enough to pay off its margin debt. In addition, leverage can increase the loss to investors. In the futures markets, margin deposits are typically low. Low margin deposits mean that a relatively small price movement in a futures contract may result in immediate and substantial losses. For example, if at the time of purchase 10 per cent. of the price of a futures contract is deposited as margin, a 10 per cent. decrease in the price of the futures contract would, if the contract is then closed out, result in a total loss of the margin deposit before any deduction for the brokerage commission.

Possible Effects of Speculative Position Limits. Most futures exchanges have established limits referred to as “speculative position limits” on the maximum net long or net short speculative positions that any person may hold or control in any particular futures or options contracts traded on futures exchanges. All accounts owned or managed by the Investment Manager will be combined for speculative position limit purposes. The Investment Manager could be required to liquidate positions held for a Portfolio in order to comply with such limits. Any such liquidation could result in substantial costs to the Company and/or the relevant Portfolio.

Concentration of Investments. Although each Portfolio will endeavour to diversify its portfolio in accordance with the Investment Restrictions set out under "Investment Objective, Strategy and Restrictions", each Portfolio may hold a few relatively large futures and/or options positions. Consequently, a loss in any such position could result in significant losses to the relevant Portfolio and a proportionately higher reduction in the Net Asset Value attributable to that Portfolio than if such Portfolio had invested in a wider number of positions.

Lack of Segregation of Assets. Investments held by the Principal Broker and its nominee company or other brokers may cease to be the property of the Company and/or may not be segregated by the Principal Broker or the nominee company or other broker from its/their own investments and may be available as a result to the creditors of the Principal Broker or the nominee company or other broker in the event of its/their insolvency.

Currency. Shares will be issued and redeemed in U.S. Dollars or euros, as the case may be. Certain of a Portfolio's assets may, however, be invested in securities and other investments denominated in other currencies. The value of such investments may be affected favourably or unfavourably by fluctuations in exchange currencies, notwithstanding any efforts made to hedge such fluctuations. In addition, prospective investors whose assets and liabilities are primarily denominated in currencies other than the currency of investment should take into account the potential risk of loss arising from fluctuations in the rate of exchange between the currency of investment and such other currency. Active currency hedging may be undertaken with the aim of hedging the currency exposure. However such hedging may involve the use of derivative instruments such as futures and options and may create losses for the relevant Portfolio over and above any such losses incurred by the aforementioned currency exposure.

Risk of Government Intervention. The prices of instruments in which a Portfolio may trade or invest are subject to certain risks arising from government regulation of or intervention in the relevant capital markets, through regulation of their local markets, restrictions on investments by foreigners or limits on flows of investment funds. Such regulation or intervention could adversely affect the relevant Portfolio's performance.

Market Risk. A Portfolio's investments are subject to normal market fluctuations and the risks inherent in the purchase, holding or writing of futures and options positions and related instruments, and there can be no assurance that appreciation will occur. The profitability of a Portfolio's investments depends to a large extent upon correctly assessing the future course of the price movements of securities. Futures and options are volatile instruments, and investors may not realise the value of their initial investment.

Risk Control. The Investment Manager will employ strict risk control procedures at all times. Exposure to the market is mostly via a mixture of options and futures positions. These instruments have unlimited liability and so the Investment Manager will institute a programme of risk controls which will aim (but not guarantee) to provide fully covered option and future positions (limited liability) on 100 per cent. of the portfolio at all times. The only exception to this will be where short-term trading positions have been adopted using futures contracts. Short term implies a maximum of four weeks. After that time if the position has not closed then the open liability will be covered by the use of same-instrument trading option contracts. These risk controls have been designed to limit losses in so far as practicable. There can be no assurance that the risk of loss from investing in a Portfolio will be eliminated.

Investment Strategies. No assurance can be given that the strategies to be used will be successful under all or any market conditions. Each Portfolio will utilise financial instruments such as derivatives for investment purposes and seek to hedge against fluctuations in the relative values of the relevant Portfolio's positions as a result of changes in exchange rates, interest rates, equity prices and levels of other interest rates and prices of other securities. Such hedging transactions may not always achieve the intended effect and can also limit

potential gains.

Performance Fees. Performance Fees may be payable by the Company in respect of each Portfolio to the Investment Manager, at the conclusion of each Performance Period and Performance Fees may be paid on unrealised gains that are not subsequently realised.

Fees and Expenses. Whether or not the Company is profitable, it is required to meet certain fixed costs, including start-up and organisational expenses, ongoing administrative and operating expenses and advisory fees. Turnover of each Portfolio's investments may be higher than the average for other portfolios and accordingly the level of commissions paid is likely to be higher than average.

Investments. Investments in the Shares of each class may be relatively illiquid because of limitations on withdrawal and transfer rights.

Cross Class Liability. See paragraph 3 of Appendix I – "Cross Class Liabilities"

Conflicts of Interest. See paragraph 8 of Appendix III - "Conflicts of Interest"

ISSUE PROCEDURES

1. Applications

Your application to invest in a Portfolio of the Company should be made by sending the printed application form to:-

Oxeye Growth Fund Limited
c/o Bordeaux Services (Guernsey) Limited
P O Box 466,
Barclays Court,
Les Echelons,
St Peter Port,
Guernsey
GY1 6AW

Tel: +44 (0) 1481 715167

Fax: +44 (0) 1481 714061

Investors may request additional copies of the application form from the Administrator.

The Administrator must be sent a completed application form for each Share issue. US Persons must also complete the Subscription Agreement for US Persons which accompanies the Supplemental Disclosure Statement for US Persons and US Taxpayers together with (in the case of both US and non-US Persons) such other documentation as the Directors may from time to time request.

US Taxpayers also must complete and return a properly executed IRS Form W-9 certifying as to their US tax status; all other subscribers must complete and return an appropriate IRS Form W-8 certifying as to their non-US tax status. Blank forms are available from the Administrator.

Applications for an initial purchase of Shares must be for an amount of not less than U.S.\$50,000 for Dollar Class Shares and the euro equivalent of U.S.\$50,000 for Euro Class Shares (in each case net of initial fees and bank charges). The minimum investment level may be increased at the discretion of the Directors either generally or in specific cases. Further applications by existing shareholders must be of an amount of U.S.\$50,000 for Dollar Class Shares and €50,000 for Euro Class Shares.

2. Payment by SWIFT or Telegraphic Transfer

Applicants may make payment by SWIFT (details of which should be available from your bank). Applicants should fax or write to the Administrator on or prior to any Dealing Day to request an allotment of Shares of the relevant class. The applicant's bank must be instructed at the time of application to forward the appropriate remittance by the fastest available means to reach the bank listed below on the relevant Dealing Day. The applicant's bank should also be instructed to fax the Administrator with details of the transfer it is making containing the information set out at Appendix A to the application form.

Payment, net of charges, should be sent to:-

Dollar Class Shares of the Oxeye Growth Fund Dollar Portfolio

Wachovia Bank N.A
New York
Account: The Royal Bank of Scotland International
Account Number: 2000193009149
SWIFT: PNBPUS3NNYC
Further Credit:
Account name: Bordeaux Services Client A/C Re Oxeye Growth Fund
Account Number: 2029-56241598
SWIFT: RBOSGGSP

Euro Class Shares of the Oxeye Growth Fund Euro Portfolio

The Royal Bank of Scotland plc London
Correspondent Banking Branch
Great Tower Street
London
Account: The Royal Bank of Scotland International Limited
Account Number: WGIJRYEURC
SWIFT: RBOSGB2L
Further Credit:
Account name: Bordeaux Services Client A/C Re Oxeye Growth Fund
Account Number: 2029-56241598
SWIFT: RBOSGGSP

3. **General Information**

Shares of each class will not be finally allotted until the Administrator is satisfied that cleared funds have been received.

The Company reserves the right to reject any application in whole or in part, in which event the application money or any balance will be returned by post at the risk of the applicant without interest.

If the amount paid does not correspond to a specific number of Shares of a class, the Company will issue such number of Shares of the relevant class as is applicable, calculated to four decimal places.

4. **Subscription Notes**

It is anticipated subscription notes will be sent to applicants within ten Business Days of the Dealing Day confirming details of their transaction.

5. **Share Certificates**

To avoid unnecessary expense and to facilitate redemption of Shares of each class, no certificate will be issued unless a shareholder specifically so requests at the time of application. If such a request is made, certificates representing Shares of a class will normally be despatched at the applicant's risk within 28 days to the address specified in the application form.

INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM

1. Application

All applications must be made in writing using the printed application form. Please write name(s) using block capitals and fill in the address as indicated. Where there are joint applicants, all correspondence will be sent to the first named applicant at that address. If a nominee is appointed, all correspondence will be sent to the nominee.

2. Signature

The Disclosure Statement should be read carefully and signed by the applicant(s) on the appropriate line(s). If any signature is different from the name given for registration purposes, please complete the full name in block capitals and state the capacity in which the application form is being signed, where indicated.

3. Transmittal and Mailing Instructions

The application form should be sent to the address shown on the application form.

Where application is made by fax, the original signed application form must be mailed to the Administrator.

4. Anti-Money Laundering

Measures aimed towards prevention of money laundering may require the applicant to verify their identity. The Administrator will notify applicants if proof of identity is required. The Administrator may also refuse to process a redemption request until proper information is provided. The applicant must ensure that where payment is made by SWIFT, the financial institution remitting their subscription funds sends a fax to the Administrator containing the information contained at Appendix A to the Application Form.

5. Queries

All queries regarding the completion of the application form should be addressed to the Administrator.

APPLICATION FORM

To: **Oxeye Growth Fund Limited**

Fax No: +44(0)1481 714 061

Attn: Bordeaux Services (Guernsey) Limited
P O Box 466,
Barclays Court,
Les Echelons,
St Peter Port,
Guernsey
GY1 6AW

Please use block capitals

APPLICANT

Name.....	
Address.....	
.....	Postal Code
Country	Email
Tel. No	Fax No.....

CORRESPONDENCE ADDRESS (if different from above). All correspondence will be sent to the above address, unless the following section is completed.

Name.....	
Address.....	
.....	Postal Code
Country	Email
Tel. No	Fax No.....

INVESTMENT

<u>Amount Remitted</u>	<u>Bank Transfer</u>	<u>Bankers' Draft</u>	<u>Cheque</u>
Dollar Class Shares of the Oxeye Growth Fund Dollar Portfolio	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
U.S.\$ _____			
Euro Class Shares of the Oxeye Growth Fund Euro Portfolio	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
€ _____			
<p>The initial minimum investment is U.S.\$50,000 for Dollar Class Shares and the euro equivalent of U.S.\$50,000 for Euro Class Shares (in each case net of any initial fees and bank charges). This minimum investment level may be increased at the discretion of the Directors either generally or in specific cases.</p>			

REDEMPTION OF SHARES

Redemption of Shares of a class by telegraphic transfer should be made on the bank listed below:

Name of Bank.....

CityCountry

Branch Office (and Sort Code).....

Account NameAccount No.....

Redemption proceeds will be sent by bank transfer to the account given first on this Application Form, at the shareholder's risk.

DISCLOSURE STATEMENT

To: Oxeye Growth Fund Limited and Bordeaux Services (Guernsey) Limited

- (1) I/We hereby acknowledge that I/we have received and considered the current Private Placement Memorandum relating to the Company and its Portfolios and that this application is made on the terms thereof and subject to its Memorandum and Articles of Association.
- (2) I/We hereby irrevocably apply for such number of Shares of a class (including fractions) at a price determined in accordance with the Private Placement Memorandum. I/We acknowledge that the Company reserves the right to reject any application in whole or in part.
- (3) I/We warrant and declare that (i) my/our ordinary business or professional activity includes the buying and selling of investments, whether as principal or agent; or (ii) that I individually (or jointly with my spouse) have a net worth in excess of U.S.\$1 million; or (iii) we are an institution with a minimum amount of assets under discretionary management of U.S.\$5,000,000.
- (4) I/We warrant that: (a) I/we have the knowledge, expertise and experience in financial matters to evaluate the risks of investing in the Company and to make an informed decision with respect thereto; (b) I am/we are aware of the risks inherent in investing in the Shares and the method by which the assets of the Company are held and/or traded; and (c) I/we can bear the risk of loss of my/our entire investment.
- (5) I/We certify that the Shares are not being acquired in violation of any applicable law.
- (6) US Person Representation *(Please tick either (a) or (b) below)*:
 - (a) I/We hereby certify that I am/we are a US Person (as defined in the Private Placement Memorandum), and that I/we have completed and submitted the Supplemental Disclosure Statement for US Persons and US Taxpayers provided to me/us by the Administrator.
 - (b) I/We hereby certify that I am/we are not a US Person (as defined in the Private Placement Memorandum). I/we further certify that the Shares are not being acquired for the benefit of, directly or indirectly, any US Person (as defined in the Private Placement Memorandum) and that I/we will not, subject to the conditions set forth in the Private Placement Memorandum, sell or offer to sell or transfer Shares in the United States or to or for the benefit of a US Person.

- (7) I/we understand (a) that the Company has not been and will not be registered under the United States Investment Company Act of 1940, as amended, (b) that the Shares of a class have not been registered and will not be registered under the United States Securities Act of 1933, as amended, and (c) that the Shares of a class have not been qualified under the securities laws of any state of the United States and may not be offered, sold or transferred in the United States or to or for the benefit of, directly or indirectly, any US Person.

Note: It is likely that investment in the Company will not appeal to non-US Persons who are taxable US Taxpayers. If they nevertheless wish to invest they must tick the "yes" box set out below:

- (8) I/We will hold Shares of a class on behalf of a US Taxpayer (as defined in the Private Placement Memorandum): *(please tick the appropriate box)*

Yes No

If the yes box is ticked, I/we have also reviewed the disclosures relating to US taxation set forth in the Supplemental Disclosure Statement for US Persons and US Taxpayers, and I/we understand the US tax consequences of such an investment. I/We agree to provide the Company with such additional tax information as it may from time to time request. **Note: US Taxpayers must provide an IRS Form W-9; all other subscribers must provide an appropriate IRS Form W-8.**

- (9) (a) I/we declare that the entity hereby subscribing for Shares is or is not (tick the appropriate box) a Benefit Plan Investor or investing on behalf of or with any assets of a Benefit Plan Investor as defined in the Private Placement Memorandum. *(Benefit Plan Investors must contact the Administrator.)*

- (b) If the entity subscribing for Shares is a Benefit Plan Investor or investing on behalf of or with any assets of a Benefit Plan Investor, is it subject to Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or to Section 4975 of the Internal Revenue Code of 1986, as amended ("Code"), or an entity any of the assets of which include assets of any such plan?

Yes No *(please tick the appropriate box)*

- (c) If I/we am/are a Benefit Plan Investor, or am/are acting on behalf of or investing with any assets of a Benefit Plan Investor, then, to the extent applicable, (i) I am/we are aware of and have taken into consideration the diversification requirements and other fiduciary duties under Section 404(a)(1) of ERISA or other substantively similar law; (ii) I/we have concluded that my/our proposed investment in the Company is a prudent one; (iii) the fiduciary or other person signing the Application Form is independent of the investment adviser(s) to the Company, any intermediaries who have marketing agreements with the Company, and any of their affiliates, and has not relied upon any investment advice or recommendation of any such person as a basis for the decision to invest in the Company; (iv) this subscription and the investment contemplated hereby are in accordance with all requirements applicable under my/our governing instruments and under ERISA, the Code and/or other substantively similar law; (v) I/we represent and warrant that my/our acquisition and holding of Shares does not and will not constitute or result in a non-exempt prohibited transaction under ERISA or Code Section 4975, or a violation of any substantively similar law; and (vi) I/we acknowledge and agree that the Investment Manager shall not be a "fiduciary" (within the meaning of Section 3(21) of ERISA, Section 4975 of the Code, or other substantively similar law) with respect to any of my/our assets by reason of the investor's investment in the Company.

- (10) I/We certify that I/we am/are or am/are not (tick the appropriate box) exercising discretionary authority over an account held for the benefit of a US Person.

(11) If I am/we are a commodity pool, my/our investment is directed by an entity which (i) is not required to be registered in any capacity with the CFTC or to be a member of the National Futures Association (“NFA”), (ii) is exempt from such registration or (iii) is duly registered with the CFTC in an appropriate capacity or capacities and is a member in good standing of the NFA.

(12) Investment Company Representations:

(a) I am/We are neither an investment company required to be registered under the US Investment Company Act of 1940, as amended (the “1940 Act”), nor an issuer that, but for an exception from the definition of “investment company” under the 1940 Act, would be an investment company; or

(b) I am/We are an investment company subject to registration or would be an investment company but for an exception under the 1940 Act.

I/We have _____ US Person beneficial owners.

(State the number, not the percentage, of US Person beneficial owners. For purposes of answering (12)(b), include as a US Person beneficial owner any account held for the benefit of a US Person, regardless of where the discretion over the account is exercised. Applicants who tick (12)(b) must contact the Administrator and may be required to provide additional information.)

I/We further agree to notify the Administrator within 5 business days in the event that the number of US beneficial owners exceeds the number stated immediately above.

(13) I/We acknowledge that due to money laundering requirements operating within their jurisdiction, the Administrator and/or the Company may require proof of identity as described at page 25 of the Private Placement Memorandum before the application or a redemption request can be processed and the Company and/or the Administrator shall be held harmless and indemnified against any loss ensuing due to the failure to process this application, or a subsequent redemption request, if such information as has been required has not been provided by me/us.

(14) I/We hereby confirm that the Company, the Directors and the Administrator are each authorised and instructed to accept and execute any instructions in respect of this application and the Shares of each class to which it relates given by me/us by facsimile. If instructions are given by me/us by facsimile, I/we acknowledge that the onus is on me/us to ensure that such instructions are received in legible form, and I/we undertake to confirm them with original instructions. I/we hereby indemnify the Company, the Directors and the Administrator and agree to keep each of them indemnified, against any loss of any nature whatsoever arising to each of them as a result of any of them acting on facsimile instructions. The Company, the Directors and the Administrator may rely conclusively upon and shall incur no liability in respect of any action taken upon any notice, consent, request, instructions or other instrument believed, in good faith, to be genuine or to be signed by properly authorised persons.

(15) I/We warrant that I am/we are aware and accept that the Company has authority to redeem a portion of my/our investments in the Company and to pay the proceeds to the Investment Manager as part of any Performance Fee payable in accordance with the provisions of the Private Placement Memorandum.

(16) I/We acknowledge that I/we will indemnify and hold harmless the Company, the Investment Manager, the Administrator and their respective directors, officers and employees against any loss, liability, cost or expense (including without limitation 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 me/us to the Company.

- (17) I/We hereby designate and appoint the Administrator with full power of substitution, as my/our true and lawful proxy for the purpose of voting the Shares of the relevant class subscribed for herein or otherwise acquired as such Proxy may determine on any and all matters which may arise at any meeting of shareholders and upon which such Shares of such class could be voted by shareholders present in person at such meeting. This Proxy may be revoked by the owner of record of the Shares of the relevant class hereby subscribed for, either personally or by presentation of a subsequently executed proxy at any meeting of shareholders, or by written notice to the Administrator, at the above address (or such other address as the Company or the Administrator shall furnish in writing to a Shareholder of the relevant class) received prior to any such meeting.
- (18) I/We, warrant that I/we have the right and authority to make the investment pursuant to this Application Form whether the investment is my/our own or is made on behalf of another person or entity and that I/we are/will not be in breach of any laws or regulations of any competent jurisdiction and I/we hereby indemnify the Company, the Administrator and other shareholders for any loss suffered by them as a result of this warranty/representation not being true in every respect.
- (19) I/We consent to details relating to my/our application and holdings being disclosed to the Investment Manager or any company which performs marketing and investor services on behalf of the Company.
- (20) I/We hereby confirm that I/we shall be deemed to have made the statements listed at (1) to (19) above unless I/we notify you to the contrary in relation to any future Shares of a class I/we may obtain. I/We also agree to notify the Company promptly of any changes in the foregoing information which may occur prior to or following an investment in the Company.

SIGNATURE DATE

JOINT APPLICANTS (if applicable)

NAME	SIGNATURE	DATE
1.
2.
3.

NOTES:

- (1) A corporation should affix its common seal or execute under the hand of a duly authorised official who should state his representative capacity.
- (2) The application may be completed by a duly authorised agent on behalf of the applicant(s). Such person represents and warrants that he is duly authorised to sign this form and thereafter to redeem Shares of the relevant class on behalf of the applicant(s).
- (3) Applicants who are unable to make the above Disclosure Statement may still be able, in certain circumstances, to subscribe for Shares of the relevant class, but they should contact the Administrator for details first.
- (4) The Investment Manager may at its discretion charge an initial fee of up to 5 per cent. of the amount subscribed prior to the Administrator applying the subscription to the purchase of Shares of the

relevant class.

- (5) The application form includes Appendix A. If the documents are not fully completed to the satisfaction of the Administrator the application may not be accepted.

APPENDIX A

PLEASE GIVE THIS LETTER TO YOUR FINANCIAL INSTITUTION AND HAVE THEM RETURN IT TO THE ADMINISTRATOR AT THE SAME TIME THAT THE SUBSCRIPTION MONEY IS WIRED.

SAMPLE LETTER

[to be placed on letterhead of the financial institution remitting payment]

Date

Via mail and facsimile: + 44(0)1481 714 061

Oxeye Growth Fund Limited
c/o Bordeaux Services (Guernsey) Limited,
P O Box 466,
Barclays Court,
Les Echelons,
St. Peter Port,
Guernsey,
GY1 6AW
Channel Islands

Dear Sirs

RE: Oxeye Growth Fund Limited

1. Name of Remitting Financial Institution:
2. Address of Remitting Financial Institution:
3. Name of Customer:
4. Address of Customer:
5. We have credited your account at [Bank], Account Number [number] for [amount] by order of [subscriber] on [date].

The above information is given in strictest confidence for your own use only and without any guarantee, responsibility or liability on the part of this institution or its officials.

Yours faithfully,

Signed: _____

Full Name: _____

Position: _____