

CONFIDENTIAL INFORMATION MEMORANDUM

PHYSICAL DIAMOND FUND

(an open-ended investment fund established as an exempted company limited by shares in the Cayman Islands)

Private Offering of Class A Shares, Class B Shares, Class C Shares and Class D Shares

Minimum Initial Subscription:

Class A Shares - USD 100,000

Class B Shares - the CHF equivalent of USD 100,000

Class C Shares - the EUR equivalent of USD 100,000

Class D Shares - USD 1,000,000

Bloomberg Code: PDFUNDA – KY

Valoren: CH18218507

CUSIP NUMBER: G7100E 106

ISIN NUMBER: KYG7200E1061

ISSUE DESCRIPTION: USD CL A SHS

Bloomberg Code: PDFUNDB – KY

Valoren: CH18218512

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ISSUE DESCRIPTION: CHF CL B SHS

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ISSUE DESCRIPTION: USD CL D SHS

April 2012

NOTICE :

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS DOCUMENT YOU SHOULD CONSULT WITH YOUR ACCOUNTANT, LEGAL ADVISER OR OTHER INDEPENDENT PROFESSIONAL ADVISER.

Number: _____

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1. DIRECTORY

Fund	Physical Diamond Fund
Registered Office	c/o SH Corporate Services Ltd. 4 th Floor Harbour Centre PO Box 61 George Town Grand Cayman KY1 –1102 Cayman Islands

Directors of the Fund	Mr. Daniel Köchli Mr. Ray George
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Investment Manager	Finanz Konzept AG Schulhausstrasse 42 8002 Zurich Switzerland
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Principals of the Investment Manager	Mr. Daniel Köchli Mr. Lars Oberle
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Administrator	IFINA (BVI) Limited Wattley Building 160 Main Street P.O. Box 4443 Road Town Tortola BVI
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Bank	Antwerp Diamond Bank Asia Pacific Ltd. Merchant Bank 30 Cecil Street 18-04 Prudential Tower 049712 Singapore
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Bonded Warehouse	Malca-Amit SA Zweigniederlassung Zurich Fracht Ost 8058 Zurich Switzerland
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Auditors

Baker Tilly (Cayman) Limited
PO Box 888
Governor's Square
23 Lime Tree Bay Avenue
George Town
Grand Cayman KY1-1103
Cayman Islands

**Legal Counsel as to
Cayman Islands law**

Solomon Harris
Attorneys-at-Law
PO Box 1990
First Caribbean House
George Town
Grand Cayman KY1 – 1104
Cayman Islands

2. IMPORTANT PRELIMINARY INFORMATION

2.1 Incorporation and Registration in the Cayman Islands

The Fund is an open-ended investment fund incorporated as a Cayman Islands exempted company limited by shares on 27 March 2012 with registration number SH-267429. The Fund's registered office is located at the address specified in the Directory.

The Fund constitutes a mutual fund as defined in section 2 of the Mutual Funds Law (Revised) of the Cayman Islands (the "Law") and is registered with the Cayman Islands Monetary Authority under section 4(3) of such Law. The Fund is therefore regulated under such Law. The Fund will comply with such Law on the basis that the minimum initial investment per investor will at all times be at least or more than the equivalent of C\$ 80,000 (namely USD 100,000). Notwithstanding this, this Confidential Information Memorandum ("Information Memorandum") has not been approved by any regulatory authority or body in any country or jurisdiction (including, without limitation, the Cayman Islands Monetary Authority). See further under the section headed "Mutual Fund Registration".

The Fund's constitution is defined in its Memorandum and Articles of Association and its objects, as set out in the Fund's Memorandum of Association, are unrestricted and accordingly include the carrying on of the business of an open-ended investment fund.

There is no investment compensation scheme available to investors in the Cayman Islands.

The Fund is generally subject to the laws of the Cayman Islands.

2.2 Reliance on Confidential Information Memorandum

The Directors of the Fund, whose names appear in the Directory, accept responsibility for the information contained in this Information 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 Information Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Information Memorandum pertains exclusively to the Classes of Participating Shares known as Class A Shares, Class B Shares, Class C Shares and Class D Shares. Those investors potentially wishing to purchase Participating Shares of any other Class should refer to the information memorandum issued in respect of that Class.

Class A Shares, Class B Shares, Class C Shares and Class D Shares (hereinafter referred to collectively as "Participating Shares" unless the context otherwise requires) are made available solely on the basis of the information and representations contained in this Information Memorandum and any further information given or representations made by any person may not be relied upon as having been authorised by the Fund or the Directors. Neither the Fund nor the Directors accept(s) responsibility for any further information so given or any representations so made. Neither the delivery of this Information Memorandum nor the allotment or issue of Participating Shares shall under any circumstances create any implication that there has been no change in the affairs of the Fund since the date hereof.

Certain information contained in this Information Memorandum constitutes "forward looking statements", which can be identified by the use of forward-looking terminology such as "may", "will", "should", "expect", "anticipate", "project", "estimate", "intend", or "believe" or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, including those described under the sections headed "Risk Factors" and "Potential Conflicts of Interests", actual events or results or the actual performance of the Fund may differ materially from those reflected or contemplated in such forward looking statements.

This Information Memorandum may be translated into other languages. Where this Information Memorandum is translated into another language, the translation shall be as close as possible to a direct translation from the English text and changes therefrom shall be only as necessary to comply with the requirements of the regulatory authorities of other jurisdictions. In the event of any inconsistency or ambiguity in relation to the meaning of any word or phrase in any translation, the English text shall prevail and all disputes as to the terms thereof shall be governed by, and construed in accordance with, the laws of the Cayman Islands.

This Information Memorandum should also be read in conjunction with the Material Agreements and the subscription agreement entered into by each investor with the Fund. In the event of a conflict between the terms of this Information Memorandum and the Material Agreements and/or the subscription agreement entered into by each investor with the Fund, the terms of the Material Agreements and/or the subscription agreement entered into by each investor with the Fund shall prevail at all times.

This Information Memorandum should be read in conjunction with the Articles of Association of the Fund (the "Articles"). In the event of a conflict between the terms of this Information Memorandum and the Articles, the terms of the Articles shall prevail at all times.

This Information Memorandum is based on the law and practice in force in the Cayman Islands at the relevant time and is subject to changes therein. In the event of any dispute between the Fund and an investor, such dispute shall be determined by the courts of the Cayman Islands

2.3 Confidentiality

This Information Memorandum is confidential. Any reproduction or distribution of this Information Memorandum, in whole or in part, or the disclosure of its contents, without the consent of the Fund, is prohibited except as required by law or by any regulatory or governmental authority. By accepting delivery of this Information Memorandum, each prospective applicant for Participating Shares agrees to keep confidential all information contained herein that is not already in the public domain and to use this Information Memorandum for the sole purpose of evaluating a possible investment in the Fund. Notwithstanding the foregoing, prospective applicants for Participating Shares are permitted to consult their accountant, legal adviser or other independent professional adviser on the contents of this Information Memorandum as part of the evaluation process on the condition that any such accountant, legal adviser or other independent professional adviser also agrees to keep confidential all information contained herein that is not already in the public domain.

2.4 Restrictions on Distribution

The distribution of this Information Memorandum and the offering of Participating Shares in certain jurisdictions may be restricted and accordingly persons into whose possession this Information Memorandum may come are required by the Fund to inform themselves of and to observe any such restrictions.

This Information Memorandum is a solicitation to prospective applicants who meet the eligibility criteria to purchase Participating Shares and does not constitute an offer for sale of Participating Shares by the Fund. However, it does not constitute a solicitation to any person in any jurisdiction in which such solicitation is not authorised or to any person to whom it would be unlawful to make such solicitation. See further under section headed "Restrictions on Distribution – Selected Jurisdictions".

The foregoing information and the information contained under the section headed "Restrictions on Distribution – Selected Jurisdictions" is for general guidance only. It is the responsibility of any person or persons in possession of this Information Memorandum and wishing to make application for Participating Shares to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. Prospective applicants for Participating Shares should inform themselves as to legal requirements also applying and any applicable exchange control regulations and applicable taxes in the countries of their respective citizenship, residence or domicile.

2.5 Risk Factors

This Information Memorandum does not constitute a recommendation by the Fund, the Directors, the Investment Manager, the Bonded Warehouse or any other person, or advice to any recipient of this Information Memorandum, on the merits of acquiring Participating Shares. This Information Memorandum does not necessarily identify, or purport to identify, all the risk factors associated with the Fund. Prospective applicants for Participating Shares must make their own independent assessment, after making such investigations as they consider necessary, of the merits of acquiring Participating Shares. Prospective applicants for Participating Shares should consult and rely upon their own investment, accounting, legal and tax representatives and advisers as to such matters concerning the Fund and to evaluate independently the financial risks, consequences and suitability of an investment in the Fund, or if in any doubt about the contents of this Information Memorandum.

Investment in the Fund carries substantial risk and may involve special risks that could lead to a loss of all or a substantial portion of such investment (see further under the section headed "Risk Factors"). Unless prospective applicants for Participating Shares fully understand and accept the nature of the Fund and the potential risks inherent in the Fund they should not invest in the Fund. Each prospective applicant for Participating Shares is wholly responsible for ensuring that all aspects of the Fund are acceptable to them.

There can be no assurance that the Fund's investment objective will be achieved and investment results may vary substantially over time. Investment in the Fund is not intended to be a complete investment programme for any investor. Prospective applicants for Participating Shares should carefully consider whether an investment in Participating Shares is suitable for them in light of their circumstances and financial resources.

Prospective applicants for Participating Shares should inform themselves as to the legal requirements within the countries of their nationality, residence, ordinary residence or domicile for such acquisition, any foreign exchange restrictions or exchange control requirements which they might encounter on acquisition or disposal of Participating Shares and the income tax and other taxation consequences which might be relevant to the acquisition, holding or disposal of Participating Shares.

Requirements which may be deemed necessary for the protection of retail or unsophisticated investors do not apply to the Fund, which is therefore not suitable for retail or unsophisticated investors. By subscribing for Participating Shares, prospective applicants are expressly agreeing that they accept the reduced requirements.

IF THE PROSPECTIVE APPLICANT FOR PARTICIPATING SHARES IS IN ANY DOUBT ABOUT THE CONTENTS OF THIS DOCUMENT THEY SHOULD CONSULT WITH THEIR ACCOUNTANT, LEGAL ADVISER OR OTHER PROFESSIONAL ADVISER BEFORE INVESTING.

3. DEFINITIONS AND INTERPRETATION

3.1 Definitions

Capitalised terms used in this Information Memorandum shall have the following meanings:

“1933 Act”	the Securities Act of 1933 of the United States (as amended).
“1940 Act”	the Investment Company Act of 1940 of the United States (as amended).
“Administration Agreement”	the agreement between the Fund and the Administrator (as supplemented, amended or replaced from time to time).
“Administrator”	IFINA (BVI) Limited, BVI.
“Articles”	the Articles of Association of the Fund (as supplemented, amended or replaced from time to time).
“Auditors”	Baker Tilly (Cayman) Limited, Cayman Islands.
“BVI”	the British Virgin Islands.
“Base Currency”	USD.
“Bonded Warehouse” or “Malca-Amit”	Malca-Amit SA, Zurich, Switzerland.
“Bonded Warehouse Agreement”	the agreement between the Fund and the Bonded Warehouse (as supplemented, amended or replaced from time to time).
“Business Day”	any day on which banks are open for business in the BVI and Switzerland and/or such other day or days or place or places as the Directors may from time to time determine.
“CHF”	the Swiss Franc.
“CI\$”	the Cayman Islands Dollar.
“CIMA”	the Cayman Islands Monetary Authority.
“Calculation Period”	a calculation period as defined in the section headed “Fees and Expenses”.
“Class”	a class of Participating Shares (including the classes of Participating Shares issued pursuant to this Information Memorandum).
“Class A Shares”	redeemable, limited voting, participating shares of par value USD 0.01 each in the Fund designated and issued as “Class A Shares” which may be issued in various Series and which have the rights as set out in this Information Memorandum and/or in the Articles.

“Class B Shares”	redeemable, limited voting, participating shares of par value CHF 0.01 each in the Fund designated and issued as “Class B Shares” which may be issued in various Series and which have the rights as set out in this Information Memorandum and/or in the Articles.
“Class C Shares”	redeemable, limited voting, participating shares of par value EUR 0.01 each in the Fund designated and issued as “Class C Shares” which may be issued in various Series and which have the rights as set out in this Information Memorandum and/or in the Articles.
“Class D Shares”	redeemable, limited voting, participating shares of par value USD 0.01 each in the Fund designated and issued as “Class D Shares” which may be issued in various Series and which have the rights as set out in this Information Memorandum and/or in the Articles.
“Directors”	the members of the board of directors of the Fund for the time being and any duly constituted committee thereof and any successors to such members as may be appointed from time to time.
“EUR”	the Euro.
“Eligible Investor”	an eligible investor as defined in the section headed “Subscription of Shares”.
“Fund”	Physical Diamond Fund, an exempted company limited by shares incorporated in the Cayman Islands.
“GIA”	the Gemological Institute of America.
“gross negligence”	in relation to a person, generally means a standard of conduct beyond negligence whereby a person acts with reckless disregard for the consequences of his action or inaction.
“HRD”	the Hoge Raad Voor Diamant (The Diamond High Council).
“IGI”	the International Gemological Institute.
“Ineligible Applicant”	an ineligible applicant as defined in the section headed “Subscription of Shares”.
“Information Memorandum”	this Confidential Information Memorandum (as supplemented, amended or replaced from time to time).
“Initial Offer Period”	the period determined by the Directors during which Participating Shares will be available for subscription at the Initial Price as described in the section headed “Subscription of Shares”.
“Initial Price”	the applicable price at which Participating Shares are available for subscription during the Initial Offer Period described in the section headed “Subscription of Shares”.

“Investment Management Agreement”	the agreement between the Fund and the Investment Manager (as supplemented, amended or replaced from time to time).
“Investment Manager”	Finanz Konzept AG, Switzerland.
“Law”	the Mutual Funds Law (Revised) of the Cayman Islands.
“Management Fee”	the applicable investment management fee payable by the Fund to the Investment Manager with respect to the Participating Shares.
“Material Agreements”	the Administration Agreement, the Bonded Warehouse Agreement and the Investment Management Agreement.
“Minimum Holding”	USD 100,000 in the case of Class A Shares, the CHF equivalent of USD 100,000 in the case of Class B Shares, the EUR equivalent of USD 100,000 in the case of Class C Shares and USD 1,000,000 in the case of Class D Shares, or such lesser amounts as the Directors may in their discretion, either generally or in any particular case, determine.
“Net Asset Value”	the net asset value of a particular Series determined in accordance with this Information Memorandum and the Articles.
“Net Asset Value per Share”	the Net Asset Value per Participating Share of a particular Series being the Net Asset Value of a particular Series divided by the number of Participating Shares in issue or deemed to be in issue in respect of the particular Series.
“Participating Shares”	redeemable, limited voting, participating shares of either par value USD 0.01 each, EUR 0.01 each or CHF 0.01 each in the capital of the Fund (including the classes of Participating Shares consisting of Class A Shares, Class B Shares, Class C Shares and Class D Shares) and having the rights as set out in this Information Memorandum and/or in the Articles.
“Performance Fee”	the applicable performance fee payable by the Fund to the Investment Manager with respect to the Participating Shares.
“Redemption Day”	each day (falling after the close of the Initial Offer Period) on which investors may redeem Participating Shares, namely, the first Business Day of each calendar month and/or such other day or days as the Directors may from time to time determine.
“Redemption Price”	the applicable price per Participating Share at which Participating Shares are redeemed as described in the section headed “Redemption of Shares”.
“Register of Shareholders”	the Fund’s register of shareholders in relation to Participating Shares.
“Series”	each series within Participating Shares issued for administrative convenience.
“Series One”	each first Series within Participating Shares.

“Shareholder”	a person recorded as a holder of Participating Shares in the Register of Shareholders.
“Subscription Day”	each day (falling after the close of the Initial Offer Period) on which investors may subscribe for Participating Shares, namely, the first Business Day of each calendar month and/or such other day or days as the Directors may from time to time determine.
“Subscription Price”	the applicable price per Participating Share at which Participating Shares are available after the close of the Initial Offer Period as described in the section headed “Subscription of Shares”.
“USD”	the United States Dollar.
“US Person”	a citizen or resident of the United States, a corporation (or other entity treated as a corporation for United States federal income tax purposes) created or organized in the United States or any political subdivision thereof, an estate the income of which is subject to United States federal income taxation regardless of its source, a partnership or other entity created or organised in or under the laws of the United States, a trust if (i) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States fiduciaries have the authority to control all substantial decisions of the trust or (ii) the trust was in existence on 20 August 1996 and properly elected to be treated as a US Person, or any person falling within the definition of the term “United States Person” under Regulation S promulgated under the 1933 Act or under Rule 4.7 under the CEA.
“United States”	the United States of America (including the states and District of Columbia) and any of its territories, possessions and other areas subject to its jurisdiction.
“Valuation Day”	each day (falling after the close of the Initial Offer Period) on which the Net Asset Value and Net Asset Value per Share are determined, namely, the last Business Day of each calendar month and/or such other day or days or place or places as the Directors may from time to time determine.
“Voting Shares”	non-redeemable, full voting, non-participating shares of par value USD 1.00 each in the Fund issued and designated as “Voting Shares” and which have the rights as set out in this Information Memorandum and in the Articles.

3.2 Interpretation

In this Information Memorandum unless the context otherwise requires:

- (a) words importing the singular include the plural and vice versa;
- (b) words which are gender neutral or gender specific include each gender;
- (c) other parts of speech and grammatical forms of a word or phrase defined in this Information Memorandum have a corresponding meaning;

- (d) an expression importing a natural person includes a company, partnership, joint venture, association, corporation or other body corporate and a government agency;
- (e) a reference to “includes” means to include without limitation;
- (f) a reference to a clause, schedule or attachment is a reference to a clause of this Information Memorandum, and a schedule or attachment to, this Information Memorandum and a reference to this Information Memorandum includes a schedule and attachment to this Information Memorandum;
- (g) a reference to a law is a reference to that law as amended, consolidated or replaced;
- (h) a reference to a document includes all amendments or supplements to that document, or replacements or novations of it;
- (i) a reference to an entity in this Information Memorandum includes that entity’s successors and permitted assigns;
- (j) all references to the currencies shall include any successor currency; and
- (k) all references to dates are to dates of the Gregorian calendar.

4. INVESTMENT POLICIES

4.1 Evaluation, Selection and Monitoring Processes

The Investment Manager is granted full discretion over the matters relating to the manner, method and timing of all investments and transactions on behalf of the Fund and will continually monitor the performance of the Fund.

4.2 Investment Objective

The investment objective of the Fund in respect of each Class is to achieve a positive return in the long term. Each Class will be invested in the same portfolio of assets.

4.3 Investment Strategy

The Fund seeks to achieve its investment objective by primarily investing and trading in natural physical polished and coloured diamonds ("Diamonds"). The Diamonds will comply with the criteria set out in the section headed "Investment Criteria".

4.4 Investment Criteria

The following criteria will apply to the Diamonds:

- (a) all Diamonds will be sourced directly from producers and the "Worldwide Bonded Warehouses";
- (b) all Diamonds will be independently certified by recognised gemological institutes such as GIA, IGI and HRD; and
- (c) no Diamonds will originate from any war-zone (in compliance with the provisions of the Kimberley Process, the aim of which is to prevent "blood diamonds" from entering the market).

4.5 Storage and Insurance

Whilst not in transit, the Diamonds will be stored in the Bonded Warehouse. For details of the Bonded Warehouse see further under the section headed "Bonded Warehouse".

The Diamonds will be covered by a "Jewellers' Block Insurance" policy, which will be placed 100% with underwriters at Lloyds of London. The sum insured will at all times be equal to the portfolio value of the Diamonds.

4.6 Short Term Investments

To the extent the Fund's assets are not invested in Diamonds, and during periods in which the Investment Manager believes that economic, financial or political conditions make it advisable, or opportunities for capital appreciation are limited or for defensive purposes, the Fund may invest in short-term debt securities or hold cash. In addition, the Fund may place all or part of its assets in temporary investments for cash management purposes pending investments of initial or subsequent subscription monies in accordance with the Fund's investment objective, or in order to meet its operational expenses.

THE FUND'S INVESTMENT PROGRAMME IS SPECULATIVE AND ENTAILS SUBSTANTIAL RISKS. MARKET RISKS ARE INHERENT IN ALL INVESTMENTS TO VARYING DEGREES. NO ASSURANCE CAN BE GIVEN THAT THE FUND'S INVESTMENT OBJECTIVE WILL BE REALISED. AN INVESTOR MAY LOSE SOME OR ALL OF THEIR INVESTMENT (SEE FURTHER UNDER THE SECTION HEADED "RISK FACTORS").

5. MANAGEMENT, SERVICE PROVIDERS, AUDITORS ETC.

5.1 Directors

The Directors are responsible for the overall management and control of the Fund in accordance with the Articles. The Directors will review the operations of the Fund at meetings and it is the current intention of the Directors to meet at least annually. For this purpose, the Directors will receive periodic reports from the Investment Manager detailing the performance of the Fund and providing an analysis of its investment portfolio.

The Directors of the Fund are Mr. Daniel Köchli and Mr Ray George. The Directors act in a non-executive capacity. For the purposes of this Information Memorandum, the address of each of the Directors is the registered office of the Fund.

Mr. Daniel Köchli

Mr. Köchli has been working as an independent adviser to the fund, insurance and financial industry since 1986. He is CEO of Finanz Konzept AG, Switzerland, the Investment Manager to the Fund. Mr. Köchli acquired his knowledge and expertise in international enterprises and has already successfully launched three companies in Switzerland, which he manages. He is certified as a market trader at the Swiss Stock Exchange in Zurich and the European Exchange in Frankfurt.

Mr. Ray George

Mr. George has 20 years experience in the financial arena, recently establishing himself as a self employed Accountant/Consultant & Businessman. Mr. George holds a Bachelor of Arts Degree, Cum Laude in Accounting from the University of the Virgin Islands and an Associate in Science Degree-Business Administration-Bronx Community College of the City University of New York. Throughout Mr. George's career he has worked with mutual fund administration at CITCO B.V.I. Ltd and ING Barings covering all areas from incorporation to licensing through to the full administration of mutual funds.

The Articles of the Fund provide that the remuneration of the Directors shall be determined by the holders of the Voting Shares and that the Directors may be reimbursed expenses. See further under the section headed "Fees and Expenses".

The Fund has appointed the Directors pursuant to service agreements between the Fund and them respectively.

There is no provision for the retirement of Directors on their attaining a certain age and the Articles do not provide for retirement of Directors by rotation.

Pursuant to the Articles, the Fund has undertaken to indemnify every Director and any secretary, officer and servant of the Fund against all costs, losses and expenses (including travelling expenses) that any such indemnified person may incur and become liable for by reason of any contract entered into, or acts done by him in any way in discharge of his duties other than through his wilful misconduct, gross negligence, reckless disregard of his duties or as otherwise required by law. The amount for which such indemnity is provided shall immediately attach as a lien on the property of the Fund and have priority as between the Shareholders over all other claims. Pursuant to the Articles, no Director, secretary, officer or servant of the Fund shall be liable for the acts, receipts, neglects or defaults of any other Director, secretary, officer or servant of the Fund, for joining in any receipt or other act for conformity or for any loss or expense happening to the Fund through the insufficiency or deficiency of any security in or upon which any of the moneys of the Fund shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any moneys, securities or effects shall be deposited, or for any loss, damage or misfortune whatever which shall happen in the execution of the duties of his respective office or in relation thereto unless the same happened through his own wilful misconduct, gross negligence, reckless disregard of his duties or as otherwise required by law.

5.2 Investment Manager

The Fund has appointed Finanz Konzept AG, Switzerland as investment manager of the Fund ("Investment Manager") pursuant to an investment management agreement between the Fund and the Investment Manager ("Investment Management Agreement").

The Investment Manager was established in 2001 by its current partners and specialises in asset management and advisory services for private and institutional investors.

The overall executive responsibility for the operation of the Investment Manager rests with its principals. The principals of the Investment Manager are Mr. Lars Oberle and Mr. Daniel Köchli, however, the day-to-day management of the Fund will be the responsibility of Mr. Köchli.

For biographical details of Mr. Köchli, see further under the section headed "Directors".

Mr. Samy Bamberger

In addition to Mr. Köchli the investment management team will be assisted by Mr. Samy Bamberger. Mr. Bamberger is a Zurich based diamond broker with specialist knowledge dealing on the international diamond markets in "larger" diamonds. Mr. Bamberger's role will be to identify diamonds suitable for purchase by the Fund and provide recommendations to the Investment Manager. Mr. Bamberger will also be responsible for negotiating the purchase and sale of diamonds held in the Fund's portfolio.

Pursuant to the Investment Management Agreement, the Investment Manager will receive from Fund remuneration for services rendered to the Fund. See further under the section headed "Fees and Expenses".

The Investment Management Agreement is for an initial one year term, which will be automatically renewed for successive one year terms, unless terminated at the end of such initial one year term or any successive one year term by either party upon not less than 90 days' written notice.

Under the terms of the Investment Management Agreement, neither the Investment Manager nor any of its directors, officers or employees will be responsible to the Fund for any loss or damage which the Fund may suffer as a result of or in the course of the discharge of the Investment Manager's duties under the Investment Management Agreement other than loss or damage arising by reason of the fraud, gross negligence or wilful default of the Investment Manager, its directors, officers or employees. The Fund will indemnify the Investment Manager, its directors, officers and employees out of its assets against all claims and demands which may be made against any of them in respect of any loss or damage sustained by any third party, other than loss or damage arising by reason of the fraud, gross negligence or wilful default of the Investment Manager, its directors, officers or employees.

Provided that the Investment Manager has used reasonable care in the appointment, supervision and control of any person, firm or corporation to supply services in connection with the Investment Manager's duties under the Investment Management Agreement, the Investment Manager is entitled to rely on any reasonable advice, information or services thereby provided without liability to the for any loss suffered by the Fund as a result thereof. The Investment Manager may appoint one or more investment advisors at any time.

5.3 Administrator

The Fund has appointed IFINA (BVI) Limited, BVI as the administrator, registrar and transfer agent to the Fund ("Administrator") pursuant to an administration agreement between the Company on behalf of the Fund and the Administrator ("Administration Agreement").

The Administrator is responsible for the Fund's administration including accounting, financial reporting, Net Asset Value calculations and the processing of subscriptions and redemptions.

The Administration Agreement is for an indefinite term and may ordinarily be terminated by either party giving not less than 90 days' prior written notice to the other party. The Administration Agreement is also terminable with or without notice in other circumstances as specified in the Administration Agreement.

Under the Administration Agreement, the Administrator and its Associates (as defined in the Administration Agreement) shall not be liable to the Fund for loss, damage, liabilities, costs or expenses suffered by the Fund, unless such are finally determined to be directly caused by the wilful default, dishonesty, fraud or gross negligence by or of the Administrator or its Associates.

Under the Administration Agreement, the Fund shall indemnify the Administrator and its Associates, on demand, out of the assets of the Fund, from and against any and all actions, proceedings, claims, demands, liabilities, losses, damages, costs and expenses including, without limitation, legal and professional fees and expenses arising from or incidental to the provision of the Services (as defined in the Administration Agreement), which may be made or brought against or suffered or incurred by the Administrator or any of its Associates arising out of or in connection with the performance of the Administrator's duties pursuant to the Administration Agreement.

Pursuant to the Administration Agreement, the Administrator will receive from the Fund remuneration for services rendered to the Fund. See further under the section headed "Fees and Expenses".

The Administrator does not act as a guarantor of the Participating Shares. Moreover, the Administrator is not responsible for any of the trading or investment decisions of the Fund (all of which are made by the Investment Manager), or the effect of such trading decisions on the performance of the Fund.

5.4 Bonded Warehouse

The Fund has appointed Malca-Amit SA, Zurich, Switzerland as the bonded warehouse to the Fund ("Bonded Warehouse" or "Malca-Amit") pursuant to a bonded warehouse agreement between the Fund and the Bonded Warehouse ("Bonded Warehouse Agreement").

Formed in 1963, Malca-Amit's expert knowledge, integrated solution technology and ground-breaking capabilities have enabled clients to achieve maximum efficiency when dealing with the movement of their precious assets. Malca-Amit has offices and agents in 31 countries, along with a comprehensive international network of partners and affiliates and secure vaults and storage facilities throughout its global network, available for use for short or long-term storage.

Malca-Amit is recognised as the market leaders offering highly-secured global storage facilities. Security at each vault is paramount and Malca-Amit operates physical surveillance and security systems together with global monitoring and response stations ensuring uncompromised security at all times.

Pursuant to the Bonded Warehouse Agreement, the Bonded Warehouse has agreed to provide warehousing services to the Fund.

The Bonded Warehouse Agreement provides for the indemnification by the Fund of the Bonded Warehouse as set out in the Bonded Warehouse Agreement.

The Bonded Warehouse is a service provider of the Fund and, as such, bears no responsibility for the content of this Information Memorandum, the investments of the Fund, the performance of the Fund or any matter other than as specified in the Bonded Warehouse Agreement.

The Bonded Warehouse will not be responsible for determining and/or ensuring that the Participating Shares are marketed and sold in compliance with all applicable securities and other laws.

The Bonded Warehouse will not be responsible for ensuring that the investment transactions comply with the investment policies set forth in this Information Memorandum.

The Bonded Warehouse is compensated for its services pursuant to the Bonded Warehouse Agreement. The fees and charges of the Bonded Warehouse are subject to variation and renegotiation from time to time.

The appointment of the Bonded Warehouse will continue until terminated by either party.

5.5 Auditors

The Fund has appointed Baker Tilly (Cayman) Ltd., Cayman Islands as the Fund's auditors ("Auditors").

The Fund has entered into an engagement letter with the Auditors containing provisions limiting the liability of the Auditors arising out of or in connection with their engagement.

5.6 Legal Counsel

The Fund has appointed Solomon Harris, Attorneys-at-Law, Cayman Islands as the Fund's legal counsel in respect of matters of Cayman Islands law.

6. SHARE CAPITAL

6.1 The Fund's Share Capital

The authorised share capital of the Fund is currently the aggregate of USD 15,100 and EUR 10,000 and CHF 10,000 divided into a pool of 1,500,000 Participating Shares of par value USD 0.01 each (some of which have been designated and issued as Class A Shares and Class D Shares), a pool of 1,000,000 Participating Shares of par value CHF 0.01 each (some of which have been designated and issued as Class B Shares) and a pool of 1,000,000 Participating Shares of par value EUR 0.01 each (some of which have been designated and issued as Class C Shares) and 100 Voting Shares of par value USD 1.00 each.

Mr. Daniel Köchli (one of the Directors) holds all the Voting Shares in his personal capacity.

Subject as otherwise provided in the Articles, all Participating Shares for the time being and from time to time unissued shall be under the control of the Directors, and may be redesignated, allotted, issued or otherwise disposed of in such manner, to such persons and on such terms as the Directors, in their absolute discretion, may think fit.

Subject to the provisions of this Information Memorandum and the Articles, the Fund has the power to increase or reduce the said authorised capital and to issue any part of its capital, original or increased, subject to any conditions or restrictions. The Fund may, in due course, create and issue further Classes of Participating Shares which shall invest in the same portfolio as the existing Class of Participating Shares.

Investors invest in the Fund with limited liability and, subject to the provisions of any warranties granted by an investor when investing into the Fund, cannot lose more than the amount of their investment. Shareholders will not be liable to make any further payment after they have paid the price of their Participating Shares and no further liability for the debts of the Fund can be imposed on any Shareholder in respect of the Participating Shares held by them

The rights attaching to the Participating Shares and the Voting Shares respectively are as follows:

6.2 Participating Shares

Participating Shares are participating shares with limited voting rights. These are generally redeemable at the option of the holder subject to any restrictions in that regard. The holder of a Participating Share is not entitled to receive notice of, attend or vote at meetings of shareholders save with respect to such matters that may vary the rights of the Participating Shareholders. In a winding-up, each holder of a Participating Share has a preferential right of return of the paid-up par value and a right to share in surplus assets represented by those Participating Shares after return of the paid-up par value on the Voting Shares. The rights attached to the Participating Shares of any class may be varied only with the consent in writing of the holders of three-fourths of the issued Participating Shares of that class or with the sanction of a resolution passed by a three-fourths majority of the votes cast at a meeting of the holders of the Participating Shares of that class. Subject to any restrictions in this regard, the Participating Shares are redeemable at the election of the holder, subject to the financial ability of the Fund to redeem under the provisions of Cayman Islands law. The liquidity of the Participating Shares may be limited at any particular time. Under certain circumstances, the Fund may suspend redemption rights of the Participating Shares. See further under the section headed "Redemption of Shares". Except as herein otherwise stated, Participating Shares shall rank *pari passu*.

It is not envisaged that any income or gains will be distributed by the Fund by way of dividend and it is likely that all earnings of the Fund will be reinvested. However, this does not preclude the Directors from declaring a dividend at any time in the future if they consider it appropriate to do so. In the event that a dividend is declared and remains unclaimed after a period of six years from the date of declaration, such dividend will be forfeited and will revert to the Fund. To the extent that a dividend may be declared, it will be paid in compliance with applicable laws. The Fund is not liable to Shareholders for tax implications and personal liabilities caused by any such dividends.

6.3 Voting Shares

Voting Shares do not carry any right to dividends. The holders of Voting Shares have the right to receive notice of, attend and vote at a general meeting. Accordingly, they have the exclusive right to appoint or remove Directors of the Fund. Only holders of Voting Shares are entitled to place the Fund in voluntary liquidation. In a winding up the holder of a Voting Share is entitled only to the return of the paid-up par value of the Voting Share only after the paid-up par value of Participating Shares has been returned.

7. SUBSCRIPTION OF SHARES

7.1 Initial Subscriptions and Initial Price

Class A Shares may be subscribed for during the Initial Offer Period at an Initial Price of USD 1,000 per share, plus any applicable subscription fee. The Initial Offer Period in respect of Class A Shares will commence at 9.00 am (BVI time) on 16 April 2012 and will close at 5.00 pm (BVI time) on 30 April 2012.

Class B Shares may be subscribed for during the Initial Offer Period at an Initial Price of CHF 1,000 per share, plus any applicable subscription fee. The Initial Offer Period in respect of Class B Shares will commence at 9.00 am (BVI time) on 16 April 2012 and will close at 5.00 pm (BVI time) on 30 April 2012.

Class C Shares may be subscribed for during the Initial Offer Period at an Initial Price of EUR 1,000 per share, plus any applicable subscription fee. The Initial Offer Period in respect of Class C Shares will commence at 9.00 am (BVI time) on 16 April 2012 and will close at 5.00 pm (BVI time) on 30 April 2012.

Class D Shares may be subscribed for during the Initial Offer Period at an Initial Price of USD 1,000 per share, plus any applicable subscription fee. The Initial Offer Period in respect of Class D Shares will commence at 9.00 am (BVI time) on 16 April 2012 and will close at 5.00 pm (BVI time) on 30 April 2012.

Subscriptions may also be made in kind at the sole discretion of the Directors and where subscriptions in kind are accepted these will be valued in accordance with the valuation provisions as set out in the section headed "Calculation of Net Asset Value".

The Directors may extend or shorten any Initial Offer Period at their absolute discretion.

7.2 Subsequent Subscriptions and Subscription Price

After the close of the Initial Offer Period, investors may subscribe for Participating Shares at the applicable Subscription Price on each Subscription Day. The applicable Subscription Price on each Subscription Day will be equal to the applicable Net Asset Value per Share of the Series which is at a new net high as at the Valuation Day immediately preceding the Subscription Day on which the application is effective. If no preceding Series is at a new net high on the Valuation Day then a new Series of Share will be issued at a price of USD 1,000, EUR 1,000 or CHF 1,000 per Participating Share (as the case may be), plus any applicable subscription fee.

Subscriptions may also be made in kind at the sole discretion of the Directors and where subscriptions in kind are accepted these will be valued in accordance with the valuation provisions as set out in the section headed "Calculation of Net Asset Value".

The Directors are authorised from time to time to resolve to close the Fund to new subscriptions on such basis and on such terms as the Directors may in their absolute discretion determine.

7.3 Subscription Procedure

Subscriptions can only be made at the invitation of the Fund. The Administrator will be responsible for providing administration services to the Fund including serving as the Fund's agent for the issue and redemption of Participating Shares. The Fund reserves the right to reject subscriptions in whole or in part, without giving any reason, in which event subscription payments will be refunded at the applicant's risk, without interest in the same currency in which the application monies were received by telegraphic transfer to the account from which funds were received and at the expense of the applicant. When accepted by the Fund, subscriptions will (save as determined by the Directors) be irrevocable.

Applicants for Participating Shares during the Initial Offer Period should complete a subscription agreement in the form provided with this Information Memorandum and send it to the Administrator by

facsimile along with the executed original documentation by mail/courier (using the details contained in the subscription agreement) so as to be received by the Administrator no later than 5:00pm (BVI time) on the last Business Day of the Initial Offer Period. Cleared funds in respect of the subscription monies must be received by the Fund no later than 5.00 pm (BVI time) on the Business Day prior to the last day of the Initial Offer Period failing which the subscription agreement will be held over until the next following Subscription Day and Participating Shares will be issued at the applicable Subscription Price applicable on that following Subscription Day. The Fund may in its sole and absolute discretion accept subscriptions received after the stated time or require a completed subscription agreement and/or cleared funds at an earlier or later time or date.

Applicants for Participating Shares after the close of the Initial Offer Period should complete a subscription agreement in the form provided with this Information Memorandum and send it to the Administrator by facsimile along with the executed original documentation by mail/courier (using the details contained in the subscription agreement) so as to be received by the Administrator no later than 5.00 pm (BVI time) on the Business Day falling at least 3 Business Days, or such lesser period as the Directors may in any particular case determine, before the relevant Subscription Day. Cleared funds in respect of the subscription monies must be received by the Fund no later than 5.00 pm (BVI time) on the Business Day prior to relevant Subscription Day, failing which the subscription agreement will be held over until the next following Subscription Day and Participating Shares will be issued at the applicable Subscription Price applicable on that following Subscription Day. The Fund may in its sole and absolute discretion accept subscriptions received after the stated time or require a completed subscription agreement and/or cleared funds at an earlier or later time or date.

The Administrator will issue a written confirmation to successful applicants confirming acceptance of their subscription. Applications for Participating Shares will not be dealt with and Participating Shares will not be issued until receipt of notification that an applicant's funds have been cleared in the full amount of the subscription. If the applicant does not receive an acknowledgement of its subscription agreement within 5 Business Days of submission to the Administrator, such applicant should contact the Administrator to confirm the status of the subscription agreement. The Administrator and Fund accept no liability for any Subscription Agreement which is submitted to the Administrator but in relation to which no acknowledgement has been issued to the applicant. Neither the Fund nor the Administrator shall be responsible for any mis-delivery or non-receipt of any original or facsimile if they have not acknowledged receipt of the original or facsimile. In the case of mis-receipt or corruption of any message, the applicant will be required to re-send the documents. Notwithstanding the method of communication, the Fund and/or the Administrator reserve(s) the right to ask for the production of original documents or other information to authenticate the communication

Subject to the foregoing, Participating Shares shall be deemed to be issued on the Business Day following the close of the Initial Offer Period or the relevant Subscription Day (as the case may be).

7.4 Minimum Investment

The minimum initial investment per subscriber in the case of Class A Shares is USD 100,000, in the case of Class B Shares is the CHF equivalent of USD 100,000, in the case of Class C Shares is the EUR equivalent of USD 100,000 and in the case of Class D Shares is USD 1,000,000, or such lesser amounts as the Directors may in their discretion, either generally or in any particular case, determine (subject to any restrictions imposed by Cayman Islands law in this regard).

The minimum additional investment for current Shareholders in the case of Class A Shares is USD 100,000, in the case of Class B Shares is CHF 100,000, in the case of Class C Shares is EUR 100,000 and in the case of Class D Shares is USD 1,000,000, or such lesser amounts as the Directors may in their discretion, either generally or in any particular case, determine.

Fractional Participating Shares may be issued up to as many decimal places as the Directors may in their discretion, either generally or in any particular case, determine. Subscriptions for Class A Shares and Class D Shares must usually be made in USD, subscriptions for Class B Shares must usually be made in CHF and subscriptions for Class C Shares must usually be made in EUR. Subscriptions may also be

accepted in other currencies at the sole discretion of the Directors. In such event, subscriptions will be converted into the relevant currency at the prevailing rate available to the Fund.

Subscriptions may also be made in kind at the sole discretion of the Directors and where subscriptions in kind are accepted these will be valued in accordance with the valuation provisions as set out in the section headed "Calculation of Net Asset Value".

In accordance with Cayman Islands law, at no time may the Directors accept initial investments below the equivalent of USD 100,000 or such other amount stipulated by Cayman Islands law.

7.5 Transfer of Subscription Monies by Administrator

By signing the subscription agreement, each investor consents to the transfer of subscription monies to the account of the Fund prior to the issuance of a confirmation from the Administrator.

7.6 Eligible Investors

Investment in Participating Shares is limited to Eligible Investors. An Eligible Investor is any person who:

- (a) is a sophisticated investor (i.e. has the knowledge, expertise and experience in financial matters to evaluate the risks of investing in the Fund;
- (b) is aware of the risks inherent in investing in the assets in which the Fund will invest and the method by which these assets will be held and/or traded and can bear the loss of their entire investment in the Fund);
- (c) is able to acquire and hold Participating Shares without violating applicable laws; and
- (d) is not an Ineligible Applicant.

Investors must warrant on the appropriate subscription agreement that they have the knowledge, expertise and experience in financial matters to evaluate the risks of investing in the Fund, are aware of the risks inherent in investing in the assets in which the Fund will invest and the method by which these assets will be held and/or traded, and can bear the loss of their entire investment in the Fund. Any transferee of Participating Shares will be required to warrant in like terms before any transfer is registered.

7.7 Ineligible Applicants

The subscription agreement requires each prospective applicant for Participating Shares to represent and warrant to the Fund that, among other things, it is able to acquire and hold Participating Shares without violating applicable laws.

Participating Shares may not be offered, issued or transferred to any person in circumstances which, in the opinion of the Directors, might result in the Fund incurring any liability to taxation or suffering any other pecuniary disadvantage which the Fund might not otherwise incur or suffer, or would result in the Fund being required to register under any applicable United States securities laws.

Participating Shares may not be issued or transferred to any US Person except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the 1933 Act and any applicable state laws.

Each applicant for, and transferee of, Participating Shares will be required to provide such representations, warranties or documentation as may be required by the Directors to ensure that these requirements are met prior to the issue or the registration of any transfer of Participating Shares. If the transferee is not already a Shareholder, it will be required to complete the appropriate subscription agreement.

7.8 Form of Shares

All Participating Shares will be in registered form only and therefore share certificates will not be issued. However upon the acceptance of the Fund of a duly completed subscription agreement, investors will receive written confirmation of the number of Participating Shares held by them ownership of which shall be evidenced by entry in the Register of Shareholders.

7.9 Suspension

The Directors may declare a suspension of the issue of Participating Shares in certain circumstances as described under the section headed "Calculation of Net Asset Value". No Participating Shares will be issued during any such period of suspension.

7.10 Anti-Money Laundering

Measures aimed at the prevention of money laundering will require an applicant for Participating Shares to verify his identity and/or the source of funds to the Administrator.

The Fund and/or the Administrator may require a detailed verification of an investor's identity, any beneficial owner underlying the account, and the source of the investor's subscription payment.

The Fund, the Investment Manager and the Administrator reserve the right to request such information and/or documentation as they deem necessary to verify such information. In the event of delay or failure by the subscriber or Shareholder to produce any information and/or requested documentation required for verification purposes, the Directors may refuse to accept a subscription (in which event the subscription monies will be returned without interest to the account from which they had been originally remitted) or may compulsorily redeem such Shareholder's Participating Shares and/or payment of redemption proceeds may be delayed and none of the Fund, the Directors or the Administrator shall be liable to the subscriber or Shareholder where an application for Participating Shares is not processed or Participating Shares are compulsorily redeemed in such circumstances. The Directors, by written notice to any Shareholder, may suspend the payment of redemption proceeds payable to such Shareholder if it reasonably deems it necessary to do so to comply with anti-money laundering regulations applicable to the Fund or any of the Fund's service providers.

Each subscriber and Shareholder shall be required to make such representations to the Fund as the Fund and/or the Administrator shall require in connection with applicable anti-money laundering programs, including, without limitation, representations to the Fund that such subscriber or Shareholder is not a prohibited country, territory, individual or entity listed on the US Department of Treasury's Office of Foreign Assets Control ("OFAC") website, and that it is not directly or indirectly affiliated with any country, territory, individual or entity named on an OFAC list or prohibited by any OFAC sanctions programs. Such subscriber or Shareholder shall also represent to the Fund that amounts contributed by it to the Fund were not directly or indirectly derived from activities that may contravene US Federal, state or international laws and regulations, including, without limitation, any applicable anti-money laundering laws and regulations.

The Administrator may disclose information regarding investors, which may constitute personal data under data protection legislation, to such parties (e.g., affiliates, attorneys, auditors, administrators or regulators) in connection with the operation of the Fund or to facilitate the transfer of Participating Shares, including, but not limited to, in connection with anti-money laundering and similar laws, regardless of the location of the offices of the Administrator or such parties (e.g. affiliates, attorneys, auditors, administrators or regulators). The Administrator or other service providers may also release information if directed to do so by the investors in Participating Shares, if compelled to do so by law or in connection with any government or self-regulatory organisation request or investigation related to anti-money laundering or any other laws or regulations. In connection with the establishment of anti-money laundering procedures, the Fund may implement additional restrictions on the transfer of Participating Shares.

If any person resident in the Cayman Islands knows or suspects that another person is engaged in money laundering and the information for that knowledge or suspicion came to his attention in the course of his trade, profession, business or employment, he is required to report such belief or suspicion to the relevant authorities pursuant to The Proceeds of Crime Law of the Cayman Islands and such report shall not be treated as a breach of confidence or of any restriction upon the disclosure of information imposed by any enactment or otherwise.

By way of example, an individual may be required to produce the original passport or identification card or copy duly certified by a public authority such as a notary public, the police or the ambassador in his country of residence, together with two original documents evidencing his address such as a utility bill or bank statement or duly certified copies.

The details given above are by way of example only and the Administrator will request such information and documentation as it considers is necessary to verify the identity or source of funds of an applicant. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Administrator may refuse to process the application and the subscription monies relating thereto (in which event the subscription monies will be returned without interest to the account from which they had been originally remitted) or may refuse to process a redemption request until proper information and/or requested documentation has been provided. Investors should note specifically that where redemption proceeds will be remitted to an account which is not in the name of the investor, or to an alternated account in the name of the investor, subject to the discretion of the Fund and the Administrator to agree otherwise. The redemption proceeds will not be paid to a third party account.

Each applicant for Participating Shares will be required to make such representations as may be required by the Directors and/or the Administrator in connection with anti-money laundering programmes. Each applicant will also be required to represent that subscription monies are not directly or indirectly derived from activities that may contravene United States federal or state, or international, laws and regulations, including anti-money laundering laws and regulations.

Each applicant for Participating Shares acknowledges that the Administrator shall be indemnified and held harmless against any loss arising as a result of a failure to process his application for Participating Shares or redemption request if such information and documentation as has been requested by the Administrator has not been provided by the applicant.

The Fund or the Administrator may impose additional requirements from time to time to comply with all applicable anti-money laundering laws, including the USA PATRIOT Act.

8. REDEMPTION OF SHARES

8.1 General

All redemptions are subject to certain restrictions imposed by this Information Memorandum, the Articles and Cayman Islands law.

Subject to the foregoing, Participating Shares are redeemable at the option of the Shareholder on any Redemption Day.

Where Participating Shares have been acquired on more than one date, they will be redeemed on a “first in, first out” basis.

8.2 Procedure

Shareholders should send a completed redemption request in the form provided with this Information Memorandum to be received by the Administrator no later than 5.00 pm (BVI time) on the Business Day falling at least 10 Business Days, or such lesser period as the Directors may in any particular case determine, before the relevant Redemption Day, failing which the redemption request will be held over until the next following Redemption Day and Participating Shares will be redeemed at the applicable Redemption Price applicable on that following Redemption Day.

The Shareholder(s) must sign each redemption request and, when required by the Fund or the Administrator, verification of the authenticity of the signature must be provided. Redemption requests may be sent by facsimile, but redemption proceeds will not be remitted until the Administrator has received the original of the redemption request by mail/courier. A redemption request, once given, is irrevocable save with the consent of the Directors (which may be withheld in their discretion).

In order for a redemption request to be effective, it must be acknowledged by the Administrator on behalf of the Fund. If the Shareholder does not receive an acknowledgement of its redemption request within 5 Business Days of submission to the Administrator, such Shareholder should contact the Administrator to confirm the status of the redemption request. The Administrator and Fund accept no liability for any redemption request which is submitted to the Administrator but in relation to which no acknowledgement has been issued to the redeeming Shareholder. Neither the Fund nor the Administrator shall be responsible for any mis-delivery or non-receipt of any facsimile or original if they have not acknowledged receipt of the facsimile or original. In the case of mis-receipt or corruption of any message, you will be required to re-send the documents. Notwithstanding the method of communication, the Fund and/or the Administrator reserve(s) the right to ask for the production of original documents or other information to authenticate the communication.

A request for a partial redemption of Participating Shares may be refused or the holding redeemed in its entirety, if, as a result of such partial redemption, the relevant Net Asset Value of the Participating Shares retained by the Shareholder would be less than the applicable Minimum Holding.

The minimum redemption amount in the case of Class A Shares is USD 1,000, in the case of Class B Shares is CHF 1,000, in the case of Class C Shares is EUR 1,000 and in the case of Class D Shares is USD 10,000, or such lesser amounts as the Directors may in their discretion, either generally or in any particular case, determine.

8.3 Redemption Price

The Redemption Price per Participating Share of a particular Series will be equal to the applicable Net Asset Value per Share of that Series as at the Valuation Day immediately preceding the relevant Redemption Day, less any applicable redemption fee.

8.4 Settlement

Payment of redemption proceeds will generally be made as soon as practicable after the relevant Redemption Day and will normally be made within 30 Business Days of the Redemption Day. However, the Directors reserve the right, at their absolute discretion, to retain up to 10% of the redemption proceeds in case of adjustment of the Net Asset Value applicable to the redeemed Participating Shares and which will be paid after confirmation thereof to the satisfaction of the Directors, which may be after completion of the annual audit. Interest will be paid on any retained amount at the rate available to the Fund.

Payment of redemption proceeds will be made in USD in the case of Class A Shares and Class D Shares, CHF in the case of Class B Shares and EUR in the case of Class C Shares, by wire transfer in accordance with instructions given by the redeeming Shareholder to the Administrator and at the Shareholder's risk and cost. No interest will be paid on the redemption proceeds between the Redemption Day (other than provided for above) and the date of actual payment. The Shareholders understands and agrees that redemption proceeds will not be paid to a third party account.

Redemption proceeds may also be remitted in kind at the sole discretion of the Directors.

8.5 Deferred Redemptions

In the event that redemption requests are received for redemption of Participating Shares representing in aggregate more than 10% of the total number of Participating Shares then in issue, the Fund is entitled to reduce the requests rateably and pro rata amongst all Shareholders seeking to redeem Participating Shares on the relevant Redemption Day and carry out only sufficient redemptions which, in aggregate, amount to 10% of the Participating Shares then in issue. Participating Shares which are not redeemed but which would otherwise have been redeemed will be redeemed on the next Redemption Day (subject to further deferral if the deferred requests themselves exceed 10% of the Participating Shares then in issue) in priority to any other Participating Shares for which redemption requests have been received. The Participating Shares will be redeemed at the Redemption Price as at the Valuation Day immediately preceding the relevant Redemption Day on which they are redeemed.

The Directors intend not to exercise their powers to defer redemptions except to the extent they consider that existing Shareholders would otherwise be materially prejudiced or that such exercise is necessary to comply with applicable law or regulation.

8.6 Suspension

The Directors may declare a temporary suspension of the redemption of Participating Shares in certain circumstances as described under the section headed "Calculation of Net Asset Value". No Participating Shares will be redeemed during any such period of suspension. Any such suspension shall terminate when the Directors declare that the suspension is at an end. The Fund may withhold payment to any person whose Participating Shares have been tendered for redemption until after the suspension has been lifted. Notice of any suspension will be given to any Shareholder who has tendered his Participating Shares for redemption and to whom full payment of the redemption proceeds has not yet been remitted. If a redemption request is not withdrawn by a Shareholder following notification of a suspension, the redemption will be completed on the basis of the Redemption Price at the Valuation Day immediately following the end of the suspension.

The Directors may declare an indefinite suspension of the redemption of Participating Shares in one or more of the following circumstances:

- (a) where the Directors determine to conduct a controlled wind down of the operations of the Fund for any reason, including where they determine that the Fund is no longer economically viable, with a view to returning assets of the Fund to the Shareholders; or
- (b) for any other reason that the Directors in their discretion deem is in the best interests of the Shareholders.

8.7 Compulsory Redemptions

The Directors have the right to require the compulsory redemption of all or part of the Participating Shares held by or for the benefit of a Shareholder at any time, including, without limitation, if the Directors determine that the Participating Shares are held by or for the benefit of any Shareholder who is or becomes an Ineligible Applicant and/or is not or is no longer an Eligible Investor. Shareholders are required to notify the Administrator immediately if at any time they cease to be Eligible Investors or become Ineligible Applicants. When the Directors become aware that a Shareholder : (i) has ceased to be an Eligible Investor or has become an Ineligible Applicant; (ii) is holding Participating Shares in breach of any law or regulation or otherwise in circumstances having or which may have adverse regulatory, tax, pecuniary or material administrative disadvantages for the Fund or its Shareholders; or (iii) has failed to provide any information or declaration required by the Directors within 30 days of being requested to do so, the Directors may either (i) direct such Shareholder to redeem or to transfer the relevant Participating Shares to a person who is qualified or entitled to own or hold such Participating Shares or (ii) redeem the relevant Participating Shares.

Any person who becomes aware that he is holding Participating Shares in contravention of any of the above provisions and who fails to transfer or redeem his Participating Shares pursuant to the above provisions shall indemnify and hold harmless each of the Fund, the Directors, the Investment Manager, the Administrator and the Shareholders (each an "Indemnified Party") from any claims, demands, proceedings, liabilities, damages, losses, costs and expenses directly or indirectly suffered or incurred by such Indemnified Party arising out of or in connection with the failure of such person to comply with his obligations pursuant to any of the above provisions.

The Fund also reserves the right to require compulsory redemption of all Participating Shares held by a Shareholder if the Net Asset Value of the Participating Shares held by the Shareholder is less than the relevant Minimum Holding. Where the Net Asset Value of the Participating Shares held by a Shareholder is less than the relevant Minimum Holding and the Fund decides to exercise its right to compulsorily redeem, the Fund will notify the Shareholder in writing and allow such Shareholder 30 days to purchase additional Participating Shares to meet the minimum requirement.

The Articles also permit the Directors to redeem Participating Shares where during a period of six years no cheque in respect of any dividend on the Participating Shares has been cashed and no acknowledgement has been received in respect of any confirmation of ownership of the Participating Shares sent to the Shareholder. The Articles also provide that any unclaimed dividends may be forfeited after six years and, on forfeiture, form part of the assets of the Fund.

9. RESTRICTIONS ON TRANSFER

9.1 General

Subject to the restrictions set out in this Information Memorandum, Participating Shares are transferable by written instrument of transfer signed by (or in the case of a transfer by a body corporate, signed on behalf of or sealed by) the transferor and containing the name and address of the transferor and the transferee. The instrument of transfer shall be in such form as the Directors approve.

The Directors may in their absolute discretion decline to register any transfer of Participating Shares to a person of whom they do not approve or if they are not satisfied that such transfer complies with all applicable laws and regulations. Any person becoming entitled to Participating Shares in consequence of the death or bankruptcy of a Shareholder shall, on producing appropriate evidence, at the absolute discretion of the Directors, be entitled to become registered as a Shareholder in respect of the Participating Shares or to make such transfer of the Participating Shares as the deceased or bankrupt person could have made, subject to the Directors having the same right to refuse to register the transfer as they would have had in the case of a transfer by the deceased or bankrupt person before the death or bankruptcy.

No transfer may be made which would result in either the transferor or the transferee remaining or being registered (as the case may be) as the holder of Participating Shares valued at less than the Minimum Holding at the time of such intended transfer, except at the sole discretion of the Directors.

The Directors may suspend the registration of transfers for not more than a total of 30 days in any year.

9.2 Procedure

Shareholders wishing to transfer Participating Shares must sign the written instrument of transfer in the exact name or names in which the Participating Shares are registered, indicate any special capacity in which they are signing and supply all other required details. The completed form of transfer, duly stamped if applicable, together with such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer, must be sent to the Administrator by facsimile along with the executed original transfer application by mail/courier. The transfer shall take effect upon the registration of the transferee in the register of Shareholders. If the transferee is not already a Shareholder, he will be required to complete a subscription agreement.

In order for a transfer to be effective, it must be acknowledged by the Administrator on behalf of the Fund. If the transferor/transferee does not receive an acknowledgement of the written instrument of transfer within 5 Business Days of submission to the Administrator, such transferor/transferee should contact the Administrator to confirm the status of the transfer. The Administrator and Fund accept no liability for any transfer which is submitted to the Administrator but in relation to which no acknowledgement has been issued to the transferor/transferee. Neither the Fund nor the Administrator shall be responsible for any mis-delivery or non-receipt of any facsimile or original if they have not acknowledged receipt of the facsimile or original. In the case of mis-receipt or corruption of any message, you will be required to re-send the documents. Notwithstanding the method of communication, the Fund and/or the Administrator reserve(s) the right to ask for the production of original documents or other information to authenticate the communication. The Fund reserves the right to require any transferee to execute an application form as if such transferee were an original subscriber for the Participating Shares the subject of the transfer.

10. CALCULATION OF NET ASSET VALUE

The Net Asset Value per Share of a particular Series will be determined by the Administrator on behalf of the Directors, except when the determination of same has been suspended (in accordance with the Articles), at each Valuation Day and is calculated to four or more decimal figures by aggregating the value of the assets owned or contracted for by the Fund in respect of the particular Series, net of any relevant taxes and converted into USD in the case of Class A Shares and Class D Shares, CHF in the case of Class B Shares and EUR in the case of Class C Shares and subtracting (i) all of the liabilities of the Fund attributable to the particular Series (including accrued liabilities and such provisions and allowances for contingencies as the Administrator considers appropriate in respect of the costs and expenses payable by the Fund including any accrued Performance Fees) and (ii) such proportion of the amount paid up on the Voting Shares as the Fund shall determine, and dividing the resulting sum by the number of Participating Shares in the particular Series outstanding at that Valuation Day.

The Fund will adopt the highest standard of valuation methodology based on globally recognised and accepted practices. All Diamonds purchased/sold by the Fund will be certified by the GIA or HRD or other recognised diamond certification laboratories.

The GIA is internationally recognised as being the world's foremost authority on diamonds and coloured stones and its certification is considered the "standard" which is accepted throughout the diamond fraternity.

HRD Antwerp is the Hoge Raad voor Diamant, the primary shareholder of which is the Antwerp World Diamond Centre (AWDC). The AWDC is a private foundation established in 1973 as the Hoge Raad voor Diamant (HRD) or Diamond High Council and represents the Belgian diamond industry.

The certification of diamonds will confirm the individual characteristics of each diamond, including:

- (a) Its weight.
- (b) Its purity.
- (c) Its colour and fluorescence.
- (d) Its proportions.
- (e) Its processing.
- (f) Its dimensions (diameter, thickness, height, thickness, minimum and maximum diameter at the girdle).
- (g) Any existing structural errors.

The GIA certification is the basis used to determine the valuation of each Diamond using the internationally accepted Rapaport Diamond Report, which is issued weekly by the Rapaport Group.

The Rapaport Group is an international network of companies that support the development of free, fair, efficient and competitive diamond and jewellery markets. Established in 1976, the Rapaport Group has over ten thousand clients in 70 countries.

The Rapaport Price List is the primary source of diamond prices and market information and is also the international benchmark used by dealers to establish diamond prices in all the major markets.

The Fund will use the Rapaport Price List to verify the value of any Diamonds purchased/sold and will also be used when valuing the Diamond aspect of the Fund's portfolio for the purpose of calculating the Net Asset Value.

The other assets (if any) of the Fund will be valued as follows:

- (a) The value of any investment which is quoted, listed or normally dealt in on a market shall be calculated by reference to the price appearing to the Administrator to be the last available bid price for long positions and the offer prices for short positions if bid and asked prices are available (or if bid and asked prices are not available, the closing price) on the market on which the investment is quoted, listed or ordinarily dealt in for such amount of such investment as the Administrator may consider in the circumstances to provide a fair criterion, provided that:
 - (i) if an investment is quoted, listed or normally dealt in on more than one market, the Administrator shall adopt the last available bid price for long positions and offer price for short positions or, as the case may be, the closing price, on the market which in their opinion provides the principal market for such investment;
 - (ii) in the case of an investment which is quoted, listed or normally dealt in on a market but in respect of which for any reason, prices on that market may not be available at any relevant time, the value therefore shall be certified by a person firm or association making a market in such investment and qualified, in the opinion of the Administrator, to provide such a certificate; and
 - (iii) there shall be taken into account interest on interest-bearing investments up to the relevant Valuation Day.
- (b) The value of any investment, which is not quoted, listed or normally dealt in on a market shall be the value thereof ascertained by the Administrator in good faith. For this purpose:
 - (i) the value of such investment shall be the amount expended in the acquisition thereof; and
 - (ii) in valuing such investments the Administrator may consider, inter alia, the fundamental analytical data relating to the investments, the nature and duration of restrictions on disposition of the investments and the forces, which influence the market in which the investments are purchased and sold.
- (e) Interest-bearing securities shall be valued at mid market prices from exchanges or independent brokers plus accrued interest.
- (f) In the case of any security or other property which in the opinion of the Administrator it would not be appropriate to value as above provided, the value thereof shall be determined in such manner as the Administrator shall from time to time determine.
- (g) In the case of any asset realized or contracted to be realized at a known value the net proceeds, discounted at a rate considered appropriate by the Administrator, of such realization shall be taken into account in lieu of any other method of determining the value of the asset concerned.
- (h) The value of any such securities or other assets listed above shall be determined having regard to the full amount of any currency premium or discount which may be relevant.
- (i) Values expressed in a currency other than USD, EUR or CHF will be translated into USD, EUR or CHF at the average of the last available buying and selling price for such currency.

The liabilities of the Fund shall be deemed to comprise:

- (a) All bills and accounts payable.

- (b) All fees and expenses payable and/or accrued.
- (c) All contractual obligations for the payment of money or the acquisition of property.
- (d) All provisions authorised or approved by the Directors for taxes or contingencies.
- (e) All other liabilities of the Fund of whatsoever kind and nature, except liabilities represented by outstanding Participating Shares and surplus of the Fund.

Prospective investors should be aware that situations involving uncertainties as to the valuation of portfolio positions may occur and could have an adverse effect on the Fund's net assets. Absent bad faith or manifest error, the Net Asset Value per Share as determined by the Administrator is conclusive and binding on all Shareholders.

The Fund may suspend the issue and/or redemption of Participating Shares (although not necessarily the calculation of the Net Asset Value per Share) under any one or more of the following circumstances:

- (a) A closure of or suspension of trading on any market on which any assets of the Fund are traded;
- (b) A breakdown occurs in any of the means normally employed to ascertain the value of the assets of the Fund or when for any other reason the value of the assets of the Fund cannot reasonably be ascertained;
- (c) Circumstances exist as a result of which in the opinion of the Directors it is not reasonably practicable for the Fund to realise any investments or other assets owned or contracted for, which together constitute a material proportion of the overall assets of the Fund; or
- (d) For any other reason that the Directors in their discretion deem is in the best interests of the Fund.

In determining the Net Asset Value per Share, the Administrator will follow the valuation policies and procedures adopted by the Fund as set out above. For the purpose of calculating the Net Asset Value per Share, the Administrator shall, and shall be entitled to, rely on, and will not be responsible for the accuracy of, financial data furnished to it by the Directors. The Administrator may also use and rely on industry standard financial models in pricing any of the Fund's securities or other assets. If and to the extent that the Investment Manager is responsible for or otherwise involved in the pricing of any of the Fund's securities or other assets, the Administrator may accept, use and rely on such prices in determining the Net Asset Value per Share and shall not be liable to the Fund, the Directors, the Investment Manager, any investor in the Fund, or any other person in so doing.

11. FEES AND EXPENSES

11.1 Subscription Fee

At the absolute discretion of the Directors, a subscription fee of up to 5% of subscription proceeds may be levied in respect of subscriptions of Class A Shares, Class B Shares, Class C Shares and Class D Shares. This subscription fee or part of it may be used as a compensation for third party placement agents.

Different levels of subscription fee may apply to other Classes created in the future.

11.2 Management Fees

The Investment Manager is entitled to receive management fees (each a "Management Fee") from the Fund.

In the case of Class A Shares, the Management Fee will be calculated, will accrue and will be payable monthly in arrears at a rate equal to 2.40% per annum of the Net Asset Value of the Class A Shares.

In the case of Class B Shares, the Management Fee will be calculated, will accrue and will be payable monthly in arrears at a rate equal to 2.40% per annum of the Net Asset Value of the Class B Shares.

In the case of Class C Shares, the Management Fee will be calculated, will accrue and will be payable monthly in arrears at a rate equal to 2.40% per annum of the Net Asset Value of the Class C Shares.

In the case of Class D Shares, the Management Fee will be calculated, will accrue and will be payable monthly in arrears at a rate equal to 1.20% per annum of the Net Asset Value of the Class D Shares.

For the purposes of calculating the Management Fee during each Calculation Period the fee will be based on the sum of the Net Asset Value at the end of the preceding Calculation Period plus the value of any subscriptions and minus the value of redemptions at the start of the Calculation Period for which the Management Fee is being calculated.

The Investment Manager may from time to time and at its sole discretion and out of its own resources decide to rebate to intermediaries and/or Shareholders part or all of the Management Fee. Any such rebates may be applied in paying up additional Participating Shares to be issued to the Shareholder, or may (at the discretion of the Investment Manager) be paid in cash.

Different levels of Management Fee may apply to other Classes created in the future.

11.3 Performance Fees

The Investment Manager is also entitled to receive performance fees (each a "Performance Fee") from the Fund.

The Performance Fee will be calculated on a share-by-share basis so that each Participating Share is charged a Performance Fee which equates precisely with that Participating Share's performance. This method of calculation is intended to ensure so far as possible that any Performance Fee paid to the Investment Manager is charged only to those Participating Shares which have appreciated in value.

In respect of each Participating Share, the Performance Fee will be calculated, will accrue and will be payable monthly in arrears (the "Calculation Period") at the rate of 20.4% of the increase in the Net Asset Value per Share during each Calculation Period above the Threshold Net Asset Value per Share (as defined below) in respect of that Calculation Period.

For administrative convenience, the Participating Shares will be issued on each Subscription Day in separate Series. The first Series of Participating Shares (i.e. the Series issued following the close of the Initial Offer Period) will be designated as "Series One" and the subscription price (i.e. the Initial Price) for that Series will be USD 1,000, EUR 1,000 or CHF 1,000 per Participating Share (as the case may be).

The Subscription Price for subsequent Series of Participating Shares will, for administrative convenience, be the applicable Net Asset Value per Share of the Series which is at a new net high as at the Valuation Day immediately preceding the Subscription Day on which the application is effective. If no preceding Series is at a new net high on the Valuation Day then a new Series of Share will be issued at a price of USD 1,000, EUR 1,000 or CHF 1,000 per Participating Share (as the case may be), plus any applicable subscription fee.

The only reason for issuing Participating Shares in separate Series is to achieve a fair allocation of the Performance Fee between all Shareholders irrespective of when a particular Shareholder subscribes for or redeems Participating Shares.

Separate accounts in the accounting records of the Fund will be kept for each Series of Participating Shares. Profits and gains (realised and unrealised) of the Fund will be pro-rated and credited to such accounts and the losses, expenses and liabilities of the Fund, including accrued and unpaid expenses of the Fund and the proceeds of redemption in respect of the relevant Series of Participating Shares when paid, will be pro-rated and debited to such accounts. Net profits and gains and net losses will be allocated to each Series of Participating Shares on each Valuation Day based upon the relative aggregate Net Asset Value of each Series of Participating Shares (excluding Performance Fee accrual).

At the end of each fiscal year, except where there is a Loss Carry Forward per Participating Share (as defined below) in respect of Series One, each Series of Participating Shares which is not subject to a Loss Carry Forward per Participating Share, will be converted into Participating Shares of Series One at the Net Asset Value per Share of Series One as at the Valuation Day on the date of conversion. If on such date there is a Loss Carry Forward per Participating Share in respect of Series One, then each Series of Participating Shares which is not subject to a Loss Carry Forward per Participating Share will be converted into Participating Shares of the first Series of Participating Shares on which a Performance Fee is payable on such date. There will be no change in the Net Asset Value of the Participating Shares of any Shareholder as a result of the conversion of their Participating Shares to Series One or other Series although a different number of Participating Shares of Series One or other Series may be owned by the Shareholder following conversion as compared to before the conversion. This methodology ensures that a Performance Fee is only paid when the Net Asset Value per Share of each Series of Participating Shares increases above the Threshold Net Asset Value per Participating Share (as defined below). The conversion to Series One or other Series will mean that most Series of Participating Shares will eventually have the same Net Asset Value per Share.

The Threshold Net Asset Value per Participating Share in respect of each Calculation Period will be the Starting Net Asset Value per Participating Share (as defined below) plus the Loss Carry Forward per Participating Share (if any). The Starting Net Asset Value per Participating Share of the relevant Series will be the Net Asset Value per Share at the date of issue of that Participating Share (before deduction for any accrued Performance Fees) or, if issued in a previous Calculation Period, the Net Asset Value per Share at the start of the current Calculation Period. Participating Shares which are acquired in the secondary market will be treated as if they were issued on the date of acquisition (at the most recent Subscription Price) for these purposes.

The Loss Carry Forward per Participating Share relates to the diminution in the Net Asset Value per Share during the previous Calculation Period plus any accumulated Loss Carry Forward at the beginning of that previous Calculation Period.

Where a Participating Share of the relevant Series was issued in the current Calculation Period, the Loss Carry Forward per Participating Share is by definition equal to zero. If the Participating Share was issued in a previous Calculation Period, the Loss Carry Forward per Participating Share is equal to (i) the Net Asset Value per Share (before deduction for any accrued Performance Fees) at the beginning of the immediately preceding Calculation Period (or at the date of issue if issued during the immediately

preceding Calculation Period) less the Net Asset Value per Share at the end of the immediately preceding Calculation Period, plus (ii) the accumulated Loss Carry Forward per Participating Share as at the beginning of the immediately preceding Calculation Period (if any).

Thus the total Loss Carry Forward applicable to any Participating Share of the relevant Series is the previous highest Net Asset Value of that Participating Share recorded at the beginning of any Calculation Period less the Net Asset Value of that Participating Share as at the end of the preceding Calculation Period. If the Loss Carry Forward per Participating Share would otherwise be less than zero it will be reset at zero.

If the Investment Management Agreement is terminated during a Calculation Period the Performance Fee in respect of the then current Calculation Period will be calculated and paid as though the date of termination were the end of the relevant Calculation Period

The Investment Manager may from time to time and at its sole discretion and out of its own resources decide to rebate to intermediaries and/or Shareholders part or all of the Performance Fee. Any such rebates may be applied in paying up additional Participating Shares to be issued to the Shareholder, or may (at the discretion of the Investment Manager) be paid in cash.

Different levels of Performance Fee may apply to other Classes created in the future.

11.4 Fees of Administrator

The Fund will pay to the Administrator fees and expenses as specified in the Administration Agreement.

The fees payable to the Administrator are subject to review from time to time.

11.5 Fees of Bonded Warehouse

The Fund will pay to the Bonded Warehouse fees and expenses as specified in the Bonded Warehouse Agreement.

The fees payable to the Bonded Warehouse are subject to review from time to time.

11.6 Fees of Directors

The remuneration of the Directors shall from time to time be determined by the holders of the Voting Shares. Such remuneration will be commensurate with standard rates and are subject to review from time to time.

The Directors may also be reimbursed all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings of the Fund or in connection with the business of the Fund.

11.7 Redemption Fees

At the absolute discretion of the Directors, a redemption fee of up to 2% of redemption proceeds may be levied in respect of redemptions of Class A Shares, Class B Shares, Class C Shares and Class D Shares, if these are redeemed within 24 months of their issue.

Different levels of redemption fees may apply to other Classes created in the future.

11.8 Organisational and Ongoing Costs and Expenses

The Fund will bear its own operating costs and expenses, including, but not limited to, organisational and investment costs and expenses of the Fund (reasonably determined to be related to the investment of the Fund's assets), organisational and investment costs and expenses of any special purpose vehicles established by the Fund, administrative costs and expenses, marketing costs and expenses, legal and

licensing costs and expenses, government fees, audit costs and expenses, interest and shareholder communication costs and expenses and other costs and expenses associated with the operation of the Fund.

The legal set-up and organisational costs and expenses of the Fund will be amortized over the first 6 months of the operation of the Fund (and thereafter as incurred). Whilst the Directors consider that such an accounting policy is appropriate, such policy conflicts with International Financial Reporting Standards and may result in a qualification to the Auditors' report to the Fund's financial statements if the auditors determine that such costs and expenses are material to such financial statements.

12. TAXATION

12.1 Cayman Islands

Under current legislation in the Cayman Islands, no direct taxes will be imposed upon the Fund or its shareholders by the Cayman Islands Government. Under current legislation in the Cayman Islands, there are no exchange control laws or regulations in effect. The Fund has been incorporated under the laws of the Cayman Islands as an exempted company and, as such, has received an undertaking from the Governor-in-Cabinet of the Cayman Islands that for a period of 20 years from the date of undertaking, no law which is enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciations or any tax in the nature of estate duty or inheritance tax, will be payable on or in respect of the shares, debentures or other obligations of the Fund or by way of the withholding in whole or in part of any relevant payment as defined in Section 6(3) of the Tax Concessions Law (Revised) of the Cayman Islands. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax.

No stamp duty is levied in the Cayman Islands on the transfer or redemption of Participating Shares. An annual registration fee will be payable by the Fund in the Cayman Islands which will be calculated by reference to the nominal amount of its authorised share capital. In addition, a mutual fund fee will be payable by the Fund on an annual basis.

12.2 Shareholder Taxation

Prospective investors should ascertain from their professional advisers the consequences to them of acquiring, holding, redeeming, transferring or selling Participating Shares under the relevant laws of the jurisdictions to which they are subject, including the tax consequences and any exchange control requirements. Prospective investors should note that the Fund may be subject to irrecoverable withholding taxes on investment income in the country of origin.

The receipt of dividends (if any) by Shareholders, the redemption, switching or transfer of Participating Shares and any distribution on a winding-up of the Fund may result in a tax liability for the Shareholders according to the tax regime applicable in their various countries of residence, citizenship or domicile. Shareholders resident in or citizens of certain countries which have anti-offshore fund legislation may have a current liability to tax on the undistributed income and gains of the Fund. None of the Directors, the Fund or any of the Fund's agents shall have any liability in respect of the individual tax affairs of Shareholders.

12.3 European Union

The Fund is incorporated in the Cayman Islands and is registered under Section 4(3) of the Mutual Funds Law (Revised) of the Cayman Islands (the "Law"). The Reporting of Savings Income Information (European Union) Law, 2005 of the Cayman Islands (the "Savings Income Law") came into force on 1 July 2005 for the purpose of implementing into Cayman Islands law the European Union Council Directive 2003/48/EC on the Taxation of Savings Income ("EUSD"). The Reporting of Savings Income Information (European Union) Regulations, 2005 made under the Savings Income Law excludes from the scope of the Savings Income Law, funds which are considered as "non-UCITS equivalent" which would include funds registered under Section 4(3) of the Law. Therefore, the Fund is not subject to The Savings Income Law and will be treated as outside the scope of the EUSD as a matter of Cayman Islands law.

12.4 Value Added Tax

The assets of the Fund are not subject to Value Added Tax ("VAT") as they are at all times held in bonded warehouses which are exempt from VAT.

THE FOREGOING IS BASED ON THE FUND'S UNDERSTANDING OF CERTAIN ASPECTS OF THE LAW AND PRACTICE CURRENTLY IN FORCE IN THE CAYMAN ISLANDS. THERE CAN BE NO GUARANTEE THAT THE TAX POSITION OR PROPOSED TAX POSITION AT THE DATE OF THIS INFORMATION MEMORANDUM OR AT THE TIME OF AN INVESTMENT WILL ENDURE INDEFINITELY.

13. GENERAL AND STATUTORY INFORMATION

13.1 Reports and Financial Statements

The Fund's fiscal year ends on 31 December in each year with the first fiscal year to end on 31 December 2012. Shareholders will receive audited annual financial reports of the Fund within six months of the end of the Fund's fiscal year. The Fund's audited annual financial reports will be prepared in accordance with International Financial Reporting Standards.

The Investment Manager will provide reports to the Fund quarterly for distribution.

13.2 Constitution, Laws and Material Agreements

This Information Memorandum is not intended to provide a complete description of the Fund's Memorandum or Articles of Association, the applicable laws of the Cayman Islands or any agreements entered into by the Fund. Copies of the following are available upon written request to the Fund, subject to reimbursement of reasonable costs:

- (a) the Memorandum of Association of the Fund;
- (b) the Articles;
- (c) the Mutual Funds Law (Revised) of the Cayman Islands;
- (d) the Companies Law (Revised) of the Cayman Islands;
- (e) the Investment Management Agreement;
- (f) the Administration Agreement; and
- (g) the Bonded Warehouse Agreement.

13.3 Registered Office

The Fund's registered office is located at the address specified in the Directory.

13.4 Indemnification

The Fund has undertaken to indemnify every Director, officer and employee of the Fund against all costs, losses, damages and expenses (including travelling expenses) that any such indemnified person or legal entity may incur and become liable for by reason of any contract entered into, or act or thing done by him as Director, officer or employee of the Fund or in any way in discharge of his duties other than through his own wilful misconduct, gross negligence, reckless disregard of his duties or as otherwise required by law. The amount for which such indemnity is provided shall immediately attach as a lien on the property of the Fund and have priority over the Shareholders of the Fund and over all other claims.

No Director, officer or employee of the Fund shall be liable for the acts, receipts, neglects or defaults of any other director, officer or employee of the Fund, for joining in any receipt or other act for conformity or for any loss or expense happening to the Fund through the insufficiency or deficiency of any security in or upon which any of the monies of the Fund shall be invested or for any loss of any of the monies of the Fund which shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any monies, securities or effects shall be deposited, or for any other loss, damage or misfortune whatever which shall happen in or about the execution of the duties of his respective office or in relation thereto unless the same happened through his own wilful misconduct, gross negligence, reckless disregard of his duties or as otherwise required by law.

13.5 Mutual Fund Registration

As a regulated mutual fund, the Fund will be subject to the supervision of the Cayman Islands Monetary Authority ("CIMA") who may at any time instruct the Fund to have its accounts audited and to submit them to CIMA within such time as it specifies. In addition, CIMA may ask the Directors to give it such information or such explanation in respect of the Fund as it may reasonably require to enable it to carry out its duties under the Law.

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

CIMA is prohibited by the Law from disclosing any information relating to the affairs of the Fund other than disclosure required for the effective regulation of a mutual fund or when required to by law or by the court or when permitted by law in cooperation with a foreign regulatory authority.

CIMA 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 winding up its business voluntarily in a manner that is prejudicial to its investors or creditors. The powers of CIMA include, amongst other things, the power to require the substitution of Directors, to appoint a person to advise the Fund on the proper conduct of its affairs or to appoint a person to assume control of the affairs of the Fund. There are other remedies available to CIMA including the ability to apply to the court for approval of other actions.

13.6 Miscellaneous

Since the date of its incorporation, the Fund has not paid or declared a dividend, nor drawn up any accounts. Save as disclosed herein, no commissions are payable and no discounts, brokerages or other special terms have been granted by the Fund in connection with the issue of the Participating Shares.

Save as disclosed herein, no amount or benefit has been paid or given, or is intended to be paid or given, to any promoter. No share or loan capital of the Fund is under option or has been agreed conditionally or unconditionally to be put under option or has been issued or is proposed to be issued for a consideration other than cash (which if any would be paid by wire transfer).

The Fund is not, nor has it been since its incorporation, engaged in any litigation or arbitration and the Directors are not aware of any litigation or arbitration or claims pending or threatened against the Fund.

The Fund has no subsidiaries and no employees.

14. POTENTIAL CONFLICTS OF INTERESTS

Potential conflicts of interests exist in the structure and operation of the Fund.

14.1 Voting Shares

Mr. Daniel Köchli holds all the Voting Shares in the Fund in his personal capacity. Only the holder of the Voting Shares can appoint and remove the Directors of the Fund (other than the Directors themselves who may appoint other Directors) and only the Directors may terminate the services of the Investment Manager, the Administrator, the Bonded Warehouse and other agents of the Fund.

14.2 Directors

Mr. Daniel Köchli is a Director of the Fund as well as a principal of the Investment Manager. Mr. Köchli may therefore have an interest in certain agreements or arrangements made by the Fund with the Investment Manager and therefore such agreements or arrangements have not been negotiated on arms length terms.

Mr. Ray George as a professional independent director may currently hold and may in the future hold directorships of other investment funds which may be competitive with the Fund or invest in the same or similar investments as the Fund.

However, the Directors have fiduciary duties to the Fund and consequently have exercised and will exercise good faith and integrity in handling all the Fund's affairs. Should any conflicts of interests arise, the Directors will endeavour to ensure that they are resolved fairly.

14.3 Non-Exclusivity

The Investment Manager, the Administrator, the Bonded Warehouse and their respective affiliates may manage or provide investment management, advisory or other services in respect of investments and funds other than those of the Fund that may create conflicts between the interests of their other clients and the Fund. In that respect, Investment Manager, the Administrator, the Bonded Warehouse and any of their respective affiliates may give advice and take action for their own account in the performance of their duties to other clients that may differ from the timing and nature of action taken with respect to the Fund. Because of different investment objectives and strategies, situations may occur where an asset is bought or sold for one or more managed funds (including the Fund) and accounts, while one or more of the other funds and accounts to which the Investment Manager, the Administrator, the Bonded Warehouse or any of their respective affiliates is providing services in buying or selling the same assets. Moreover, if the purchases or sales of assets for two or more of such other funds and accounts arise at or about the same time, transactions in such assets will be allocated, insofar as it is feasible, for the respective funds and accounts in a manner determined to be equitable to all. Circumstances may arise when the purchases or sales of assets for one or more of the funds and accounts to which the Investment Manager, the Administrator, the Bonded Warehouse or any of their respective affiliates is providing services have an adverse effect on other funds (including the Fund) and accounts to which the Investment Manager, the Administrator, the Bonded Warehouse or any of their respective affiliates is providing services.

14.4 Non-Public Information

The Investment Manager, the Administrator, the Bonded Warehouse and their respective affiliates, in the course of their other business activities, may obtain non-public information that would be of value to the Fund. However, Investment Manager, the Administrator, the Bonded Warehouse and their respective affiliates will be under no obligations to use and may depending upon the circumstances, be legally prohibited from using such information for the benefit of the Fund. Each will at all times, have regard in such event to its obligations to the Fund and will endeavour to ensure that such conflicts are resolved fairly. When making investments where a conflict of interests may arise, the Investment Manager will act in a fair and equitable manner as between the Fund and its other clients.

14.5 Soft Dollar Commissions and Other Trading Fees

In accordance with applicable law, the Investment Manager may effect transactions or arrange for the effecting of transactions through brokers with whom it has arrangements whereby the broker agrees to use a proportion of the commission earned on such transactions to discharge the broker's own costs or the costs of third parties in providing certain services to the Investment Manager. The benefits provided under such arrangements will assist the Investment Manager in the provision of investment management services to the Fund and to other third parties. Specifically, the Investment Manager may agree that a broker shall be paid a commission in excess of the amount another broker would have charged for effecting such transaction so long as, in the good faith judgement of the Investment Manager, the amount of the commission is reasonable in relation to the value of the brokerage and other services provided or paid for by such broker. Such services, which may take the form of research, analysis and advisory services and which, depending on the precise nature of the services, may also take the form of market price services, electronic trade confirmation systems or third party electronic dealing or quotation systems, may be used by the Investment Manager in connection with transactions in which the Fund will not participate.

15. RISK FACTORS

As with all investments, risk cannot be eliminated and there can be no assurance or guarantee that the Fund will meet its investment objective. Investment in the Fund is only available to sophisticated investors who fully understand and are willing to assume the risks involved. Below are certain risk factors that must be taken into consideration before investing in the Participating Shares. While the Directors believe the following to be the most significant, this list is not intended to be exhaustive. Prospective investors are urged to consult their financial adviser before investing in the Fund.

15.1 General Risks of Investing

An investment in the Fund is subject to all risks incidental to the ownership of assets, which the Fund may own directly or indirectly. These factors include, without limitation, changes in government rules and fiscal and monetary policies, changes in laws and political and economic conditions throughout the world, and changes in general market conditions. There can be no guarantee that losses will not be realized by a Shareholder in the Fund and a Shareholder may lose some or even all of his investment. Under certain circumstances, the Fund may be unable to liquidate its assets due to the absence of a liquid market, and consequently, may not be able to redeem Participating Shares.

Loss

Investment in the Fund should be considered speculative and should not be considered as a complete investment programme. Investment in the Fund is designed for sophisticated investors who are able to bear a loss of their capital contributions in the Fund, who do not require regular current income and who can accept a high degree of risk in their investments. The value of Participating Shares as well as the value of the underlying investment of the Fund may go down as well as up. In a worst case scenario, an investor should be prepared to lose all or a substantial portion of their investment.

Lack of Diversification

Although the Fund may diversify its investment portfolio, the Fund is not obliged to do so or to utilize common diversification techniques in the proportion of its assets that it may invest and, consequently, the Fund may at certain times hold relatively few assets. The investment of a large percentage of the Fund's assets in a small number of investments may cause the Net Asset Value to fluctuate more than that of a diversified investment fund. The Fund could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected.

Strategy

In response to market, economic, political or other conditions, the Investment Manager may temporarily use a different investment strategy for the Fund either for its core positioning or its trading overlay. Such a strategy could include investing a relatively significant amount of the Fund's assets in cash or high-quality money market securities. If the Investment Manager does so, it could affect the Fund's performance and the Fund might not achieve its investment objective.

Legal

The Fund may make investments based on, or enter into contracts described by, significant legal documents. Whilst the Fund generally seeks advice on material matters, there can be no guarantee that any advice given will be accurate, that a contract will be validly executed by the relevant counterparty or that a contract will ultimately prove to be enforceable against the relevant counterparty. Furthermore, the expected outcome of these contracts or investments may not be realised in practice. If these contracts or investments do not produce the expected result, the Fund could suffer significant losses.

15.2 Liquidity Risks

The liquidity risk is one of the most important risks to consider for an alternative investment. It can be present in the following forms:

Limited Transferability and Lack of Liquidity of Participating Shares

Since the Participating Shares are transferable only with the prior approval of the Directors, Shareholders may not be able to sell their investments and therefore would have to utilize the Fund's redemption programme, which itself may be subject to restrictions — see further under the section headed "Redemption of Shares". There is no recognized market for the Participating Shares and Participating Shares will have very limited or no liquidity. Investors should be fully aware of the long-term nature of their investment in the Fund and should have other financial reserves so that they are able to bear the economic risk of the loss of their entire investment.

Liquidity of Investments

The Fund may invest in assets for which there may not be a readily available market. Difficulties which the Fund may encounter in liquidating such assets may result in the suspension of dealing in the Participating Shares. See further under the section headed "Redemption of Shares". The foregoing could result in delays in the calculation of the Net Asset Value per Share and/or payment of any redemption proceeds.

Effect of Substantial Redemptions

Substantial redemptions by Shareholders within a short period of time could require the Fund to liquidate certain assets more rapidly than would otherwise be desirable, which could adversely affect the value of the Fund's assets. The resulting reduction in the Fund's assets could make it more difficult to generate a positive rate of return or to recoup losses due to a reduced equity base.

An intent at a substantial redemption may be so large as to trigger a restrictions already indicated on the amount of the money which can be redeemed in any given month. This contractual restriction can lead to all or part of the assets being locked for a month or more which would put those assets subject to the same risks as the other assets

In Kind Redemptions

The Fund intends to make all redemptions in cash (by wire transfer) but may make in kind redemption if it so determines. Such non-cash redemptions could expose investors to some or all of the risks associated with investments as described in this Information Memorandum, including, but not limited to, illiquidity, etc.

15.3 Legal Structure etc.

Fund Newly Established

The Fund is newly established with no operating history, having been incorporated on 27 March 2012. The lack of a track record will reduce the accuracy and scope of assessment possible.

No or Limited Voting Rights

Only the Voting Shares owned by Mr. Daniel Köchli have full voting rights. Only Mr. Köchli can therefore appoint and remove the Directors of the Fund (other than the Directors themselves who may appoint other Directors). And only the Directors may terminate the services of the Investment Manager, the Administrator, the Bonded Warehouse and other agents of the Fund.

Participating Shares have voting rights only in relation to variation of the rights attaching to the Participating Shares as described earlier.

Mandatory Redemptions

The Fund has the right to require, on 30 days notice, the compulsory redemption or transfer of all Participating Shares held by a Shareholder if the Directors of the Fund determine that the Participating Shares are held for the benefit of any non-eligible Shareholder. The Fund also reserves the right to require compulsory redemption or transfer of all Participating Shares held by a Shareholder if, in the opinion of the Directors, the ownership of the Participating Shares by the Shareholder is, or may be, unlawful or harmful or injurious to the business or reputation of the Fund, or if as at any Valuation Day the total value of Participating Shares held by the Shareholder is less than the Minimum Holding (or such lesser amount as the Directors may in their discretion, either generally or in any particular case,

determine) and in certain other circumstances. See further under the section headed “Redemption of Shares”.

Changes in Applicable Law

The Fund must comply with various legal requirements, including requirements imposed by the securities laws, tax laws and pension laws in various jurisdictions. Should any of those laws change, the legal requirements to which the Fund may be subject could differ materially and adversely from current requirements.

Changes in Regulation

The regulation of the global funds industry has undergone substantial change in recent years, a process which is expected to continue. It is impossible to predict what, if any, significant new regulations may be promulgated in the future. The effect of any regulatory change on the Fund, and on the value of any investor's investment, is impossible to predict but could be substantial and adverse.

Lack of Supervision

The Fund is an open-ended investment company and is a registered mutual fund under the Law. Investors should only consider investing in a Fund if they are a sophisticated investor and their investment in the Fund does not constitute a material part of their total investments. The fact that the Fund is registered should not, however, be taken to imply that the Cayman Islands Government or the Cayman Islands Monetary Authority accepts any responsibility for overseeing or regulating the Fund's investment activities.

Taxation

Although the Fund and the Investment Manager shall attempt to structure the investments of the Fund in a manner that is generally tax efficient for the Fund and the Shareholders, there is no assurance that the structure of such investments will be tax efficient for any particular Shareholder or that any particular tax result will be achieved. Prospective investors must consult their own professional advisers with respect to the tax consequences to them of an investment in the Fund under the laws of the jurisdictions in which they are subject to taxation.

Importance of the Investment Manager

The Investment Manager makes decisions for the Fund in investing the Fund's capital. The Fund's success depends, to a large extent, upon the Investment Manager's ability to choose appropriate investments. In addition, if any of the officers of the Investment Manager cease to participate in the operation of the Investment Manager to the extent they relate to the operations of the Fund for any reason, the operations, objectives and activities of the Fund may be adversely affected.

Early Termination

In the event of a premature termination of the Fund's activities, the Fund would have to distribute to the Shareholders their pro rata interest in the assets of the Fund. At the time of such sale or distribution, certain assets held by the Fund may be illiquid and could therefore be worth less than the initial cost of such assets, resulting in loss to Shareholders.

Potential Conflicts of Interests

Potential conflicts of interests exist in the structure and operation of the Fund. See further under the section headed “Potential Conflicts of Interests”.

Lack of Independent Legal Review

Prospective investors should note that the Fund is represented by Solomon Harris, Attorneys-at-Law, Cayman Islands in respect of matters of Cayman Islands law. Prospective investors are encouraged to seek the advice of independent legal counsel in evaluating the terms and risks of investing in the Fund.

Uninsured Losses

To the fullest extent possible, the Fund will seek to cause insurance following industry practices to be maintained on commercially reasonable terms on all Diamonds, including in relation to theft. However, there are certain losses for which insurance is not available on commercially practicable terms, such as

losses from earthquakes, typhoons, flooding, war, terrorism, civil disorder or other unforeseeable catastrophic events.

15.4 Fees and Indemnities

Indemnities

The Directors, the Investment Manager, the Administrator, the Bonded Warehouse and their respective affiliates and certain other parties are entitled to be indemnified in certain circumstances. As a result, there is a risk that the Fund's assets will be used to indemnify such persons, companies or their employees or to satisfy their liabilities as a result of their activities in relation to the Fund.

Transaction Costs

The Fund's investment approach will involve a high level of trading and turnover of the Fund's investments which may generate substantial transaction costs which will be borne by the Fund.

Performance Fee

The Investment Manager's right to receive a performance fee, part or all of it may be delivered to the Investment Manager. This may create an incentive for the Investment Manager to cause the Fund to make investments that are riskier or more speculative than would be the case if the Investment Manager were paid only a fixed fee. Since the performance fee is calculated on a basis that includes unrealized appreciation of the Fund's assets, such fee may be greater than if it were based solely on realized gains.

Dividend Policy

Payments of dividends on the Participating Shares are not currently contemplated. Those who anticipate the need for income from dividends from their investments should not invest in the Fund. It is presently intended that all earnings of the Fund will be reinvested.

15.5 Trading and Investment Technique Risks

Substantial risks are involved in the trading of Diamonds. Market movements can be volatile and are difficult to predict. Government activities can have a profound effect on markets. Politics, recession, inflation, employment levels, trade policies, international events, war and other unforeseen events can also have significant impact upon the prices of Diamonds

Market Conditions

There are certain general market conditions in which any given investment strategy is unlikely to be profitable. The Fund will not have any ability to control or predict such market conditions.

Commodities Generally

It should be noted that commodities (such as Diamonds) prices bear specific risks. Commodities may be traded globally but only covered by relatively few players, and thereby be exposed to significant liquidity and price gap risks.

15.6 Counterparty Risks

Suspension of Trading

Commodity exchanges typically can suspend or limit trading in any commodity traded on the exchange. A suspension could render it impossible to liquidate assets and thereby expose the Fund to substantial losses.

Failure of Custodians

The Bonded Warehouse will have custody of the assets of the Fund. Financial difficulty, fraud or misrepresentation at the Bonded Warehouse could impair the operational capabilities or capital position of the Fund.

15.7 Valuation Risks

The Net Asset Value per Share is expected to fluctuate over time with the performance of the Fund's investments. A Shareholder may not fully recover his initial investment when he chooses to redeem his Participating Shares or upon compulsory redemption if the Net Asset Value per Share at the time of such redemption is less than the subscription price paid by such Shareholder.

The Net Asset Value per Share varies depending on the value of assets of the Fund which, in turn, depend on factors beyond the control of the Fund, such as investor demand. Some of the Fund's investments will tend to be more illiquid in nature than others. Illiquid assets are difficult to value and as a consequence the Net Asset Value per Share may prove to be inaccurate. In addition, the calculation of the value of the Fund's assets may be based on values reported by third parties which generally will be unaudited. The Fund is entitled to rely on reported values of the assets without independent verification. These reports may be subject to subsequent revision which may result in adjustments to Net Asset Value per Share. The Fund may, but will not be required to, retroactively recalculate the Net Asset Value and the Net Asset Value per Share to reflect any later adjustment. Consequently, the Net Asset Value per Share used to effect purchases and redemptions may prove to be inaccurate and accordingly adjustments may be made to purchases and redemptions.

THE FOREGOING LIST OF RISK FACTORS DOES NOT PURPORT TO BE A COMPLETE ENUMERATION OR EXPLANATION OF THE RISKS INVOLVED IN AN INVESTMENT IN THE FUND. PROSPECTIVE INVESTORS SHOULD READ THIS ENTIRE INFORMATION MEMORANDUM AND CONSULT THEIR OWN COUNSEL AND ADVISERS BEFORE DECIDING TO INVEST IN THE FUND.

16. RESTRICTIONS ON DISTRIBUTION – SELECTED JURISDICTIONS

The distribution of this Information Memorandum and any invitation to subscribe for Participating Shares may be restricted in certain jurisdictions. It is the responsibility of any person or persons in possession of this Information Memorandum wishing to make application for Participating Shares pursuant to this Information Memorandum to inform themselves of, and to observe any restrictions under the applicable laws and regulations of any relevant jurisdiction. Prospective applicants for Participating Shares should inform themselves as to any applicable legal requirements, exchange control regulations and taxes in the countries of their respective citizenship, residence or domicile. The following information in relation to selected jurisdictions is provided as a general guide only:

Cayman Islands

No invitation may be made to the public in the Cayman Islands to subscribe for Participating Shares. However, there is no prohibition or restriction on Cayman Islands exempted companies or ordinary non-resident companies, exempted limited partnerships or exempted trusts subscribing for Participating Shares.

Switzerland

The Fund has not been authorised by the Swiss Federal Market Supervisory Authority as a foreign investment fund under Article 120 of the Swiss Collective Investment Scheme Act of 23 June 2006. Accordingly, Participating Shares may not be offered or distributed on a professional basis in or from Switzerland and neither this Information Memorandum, nor any other offering material relating to Participating Shares may be distributed in connection with any such offering or distribution. Participating Shares may only be offered and this Information Memorandum may only be distributed in Switzerland to qualified Investors without any public offering as defined by Swiss laws.

No person is authorised to give any information or to make any representation in connection with the issue of Participating Shares other than those that are contained in this Information Memorandum and the documents mentioned herein. No person receiving a copy of this document in any jurisdiction may treat the same as constituting an offer to him in the relevant jurisdiction. It is the responsibility of any person wishing to acquire Participating Shares to satisfy himself as to full observance of the laws of the relevant jurisdiction in connection therewith, including obtaining any governmental or other consents which may be required or observing any other formalities needing to be observed in such jurisdiction

United States of America

Participating Shares have not been registered under the Securities Act of 1933 of the United States (as amended) ("the 1933 Act") or the securities laws of any of the states of the United States, nor is such registration contemplated. Participating Shares may not be offered, sold or delivered directly or indirectly in the United States or to or for the account or benefit of any "US Person" except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the 1933 Act and any applicable state laws. Any re-offer or resale of any Participating Shares in the United States or to US Persons may constitute a violation of United States law.

The Fund will not be registered under the Investment Company Act of 1940 of the United States (as amended) (the "1940 Act").