

SUPPLEMENTAL OFFERING MEMORANDUM

CAPRICORN fxG10 EUR, SEGREGATED PORTFOLIO

A segregated portfolio of JP SPC 1, a segregated portfolio company incorporated in the Cayman Islands on 31 October 2007

January 2009

This document is supplemental to the Offering Memorandum for JP SPC 1 dated January 2009 and is in respect of a private offering of Participating Shares of the sub-fund of JP SPC 1 known as Capricorn fxG10 EUR, Segregated Portfolio. Such sub-fund constitutes a segregated portfolio of JP SPC 1. This document does not relate to any other segregated portfolio of JP SPC 1 and prospective investors who are interested in any other segregated portfolio should obtain a copy of the relevant Supplemental Offering Memorandum from the Administrator.

Please read this Supplemental Offering Memorandum together with the Offering Memorandum for JP SPC 1 dated January 2009 before investing. They contain important information about JP SPC 1 and the segregated portfolio to which this Supplemental Offering Memorandum relates. If you are in any doubt about the contents of either document, you should consult your stockbroker, bank manager, accountant, legal adviser or other independent professional adviser.

This Offering has not been underwritten or guaranteed by any institution or body.

IMPORTANT INFORMATION

This Supplemental Offering Memorandum (“Supplemental Offering Memorandum”) is issued in respect of non-voting participating shares (“Participating Shares”) of the sub-fund of JP SPC 1 (the “SPC”) known as Capricorn fxG10 EUR, Segregated Portfolio. Such sub-fund constitutes a segregated portfolio of the SPC and is referred to in this Supplemental Offering Memorandum as the “Segregated Portfolio”. This Supplemental Offering Memorandum must be read in conjunction with the Offering Memorandum of the SPC dated January 2009 (the “Offering Memorandum”) and the provisions of the Offering Memorandum are deemed to be incorporated into this Supplemental Offering Memorandum by reference. If there is any conflict between the provisions of this Supplemental Offering Memorandum and the Offering Memorandum, the provisions of this Supplemental Offering Memorandum shall prevail.

The Directors of the SPC are the persons responsible for the information contained in this Supplemental Offering 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 Supplemental Offering Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

The distribution of this Supplemental Offering Memorandum and the offering of Participating Shares in certain jurisdictions may be restricted, and accordingly, persons into whose possession this Supplemental Offering Memorandum comes, are required by the SPC to inform themselves about, and to observe any such restrictions.

This Supplemental Offering Memorandum does not constitute an offer for sale of shares in the SPC or the Segregated Portfolio. In particular, it does not constitute, and may not be used for the purposes of an offer or solicitation by any person in any jurisdiction (i) in which such offer or solicitation is not authorised or (ii) in which the person making such offer or solicitation is not qualified to do so or (iii) to any person to whom it is unlawful to make such offer or solicitation. In particular (i) the Participating Shares may not be offered by public invitation in the Cayman Islands; and (ii) the Participating Shares are not registered under the United States Securities Act of 1933 and may not be directly or indirectly offered or sold in the United States of America (including its territories, possessions and areas subject to its jurisdiction) or to or for the benefit of a United States Person as defined below.

For this purpose, “United States Person” means a national or resident of the United States of America, a partnership organised or existing in any state, territory or possession of the United States of America, a corporation organised under the laws of the United States of America or of any state, territory or possession thereof, or any estate or trust other than an estate or trust for which income from sources outside the United States of America (which is not effectively connected with the conduct of a trade or business within the United States of America) is not included in its gross income for the purposes of computing United States federal income tax.

This Supplemental Offering Memorandum has not been and will not be approved by any regulatory authority in any jurisdiction (including without limitation the Cayman Islands Monetary Authority who take no responsibility for the contents of this Supplemental Offering Memorandum).

Participating Shares sold after the date of this Supplemental Offering Memorandum and the date of the Offering Memorandum will be sold on the basis of the information contained in this Supplemental Offering Memorandum and the Offering Memorandum. Any further information given or made by any dealer, salesman or other persons must be regarded by prospective investors as unauthorised. In particular, no person has been authorised to make any representations concerning the SPC, the Segregated Portfolio or the Participating Shares which are inconsistent with or in addition to those contained in this Supplemental Offering Memorandum or the Offering Memorandum and neither the SPC nor the Directors accept responsibility for any representations so made.

This Supplemental Offering Memorandum is based on the law and practice in force in the Cayman Islands at the relevant time, and is subject to changes therein.

Persons interested in acquiring Participating Shares should inform themselves as to:

- (i) the legal requirements within the countries of their nationality, residence, ordinary residence or domicile for such acquisition;
- (ii) any foreign exchange restrictions or exchange control requirements which they might encounter on acquisition or disposal of Participating Shares; and
- (iii) the income tax and other taxation consequences which might be relevant to the acquisition, holding or disposal of Participating Shares.

Your attention is also drawn to the section headed “Important Information” in the Offering Memorandum and, in particular, to the restrictions on who may invest in the SPC and the Segregated Portfolio.

DEFINITIONS AND DESCRIPTIONS

Administrator	JP Fund Administration Ltd., Cayman Islands
Articles	the Articles of Association of the SPC
Auditors	BDO Tortuga, Cayman Islands
Base Currency	in respect of the Segregated Portfolio, EURO (EUR)
Business Day	in respect of the Segregated Portfolio, (i) any day (other than a Saturday, Sunday or public holiday) on which banks are open for business in the Cayman Islands, Switzerland, Denmark and/or (ii) such other day or days classified as a business day according to such criteria as the Directors may adopt from time to time
Deposit Bank/ Broker	in respect of the Segregated Portfolio, Deutsche Bank, Saxo Bank and any other brokers/deposit banks appointed from time to time
Directors	the Directors of the SPC for the time being, or as the case may be, the Directors assembled as a board or as a committee thereof
Eligible Investor	in respect of the Segregated Portfolio, as specified in the Offering Memorandum
Fiscal Year	the SPC's fiscal year ending on 31 December in each year except in relation to the SPC's first fiscal year which will end on 31 December 2008
Initial Offering Period	in respect of the Segregated Portfolio, from 2nd February 2009 to 27 th February 2009 (both dates inclusive) or such other alternative dates as the Directors may specify from time to time
Investment Manager	in respect of the Segregated Portfolio, Capricorn Currency Management (Cayman) Ltd.
Minimum Initial Subscription	in respect of the Segregated Portfolio, EUR 50,000
Minimum Additional Subscription	in respect of the Segregated Portfolio, EUR 10,000
Minimum Holding	in respect of the Segregated Portfolio, EUR 50,000

Net Asset Value Per Segregated Portfolio	the net asset value of the Segregated Portfolio as determined in accordance with the Offering Memorandum
Net Asset Value Per Participating Share	the net asset value per Participating Share of the Segregated Portfolio as determined in accordance with the Offering Memorandum
Participating Shares	non-voting participating shares issued in respect of the Segregated Portfolio, denominated in Euros (EUR)
Redemption Date	in respect of the Segregated Portfolio, the first Business Day of each month or such other date(s) as the Directors may determine, being the date(s) on which Participating Shares of a particular Segregated Portfolio may be redeemed
Redemption Price	in respect of the Segregated Portfolio, the price per share at which Participating Shares of a particular Segregated Portfolio are redeemed, determined in the manner described under “Share Redemption” of this Supplemental Offering Memorandum
Segregated Portfolio	Capricorn fxG10 EUR, Segregated Portfolio, a sub-fund or segregated portfolio of the SPC to which this Supplemental Offering Memorandum relates
Shareholder	a person recorded as a holder of Participating Shares.
SPC	JP SPC 1, the umbrella fund of which the Segregated Portfolio is a sub-fund
Subscription Date	in respect of the Segregated Portfolio, the first Business Day of each month or such other date(s) as the Directors may determine , being the date(s) on which investors may subscribe for Participating Shares of a particular Segregated Portfolio
Subscription Price	in respect of the Segregated Portfolio, the price per share at which Participating Shares of a particular Segregated Portfolio are issued, determined in the manner described under “Offering and Share Subscription” of this Supplemental Offering Memorandum
Valuation Date	in respect of the Segregated Portfolio, the last Business Day of each month or such other date(s) as the Directors may determine, being the date(s) on which the Net Asset Value per Participating Share is determined
Voting Shares	voting non-participating shares in the capital of the SPC

INTRODUCTION

This Supplemental Offering Memorandum describes the principal features of the Segregated Portfolio and must be read in conjunction with the Offering Memorandum.

STRUCTURE

The SPC was incorporated in the Cayman Islands on 31 October 2007 as a segregated portfolio company under Part XIV of the Companies Law (2007 Revision). As a segregated portfolio company, the SPC may create one or more segregated portfolios. The Segregated Portfolio is one such segregated portfolio created by the SPC. Under the Companies Law (2007 Revision), as a segregated portfolio, the assets and liabilities of the Segregated Portfolio will be legally segregated from the assets and liabilities of every other segregated portfolio that the SPC has created or will create and from the general assets and liabilities of the SPC. General assets and liabilities of the SPC are those, which are not attributable to any particular segregated portfolio. The Directors are required to establish and maintain procedures to preserve this segregation and will do so by establishing a separate account or accounts for the Segregated Portfolio and every other segregated portfolio. The Companies Law (2007 Revision) provides that a creditor of a particular segregated portfolio may only have recourse to the assets of that segregated portfolio and not to the assets of any other segregated portfolio. If the assets of a segregated portfolio are insufficient to meet the liability owed to the creditor, the SPC's Articles provide that the creditor may not have recourse to the general assets of the SPC nor to the assets of any other segregated portfolio. Even though the assets and liabilities of the Segregated Portfolio are segregated from the assets and liabilities of the other segregated portfolio, the Segregated Portfolio is not a separate legal entity.

The SPC's Articles have been drafted in broad and flexible terms to give the Directors the flexibility to reorganise the Segregated Portfolio into a master-feeder structure if they consider it advantageous to do so. The Segregated Portfolio will then act as what is commonly referred to as a "feeder fund". That is, Eligible Investors will contribute capital to the Segregated Portfolio that the Segregated Portfolio in turn uses to purchase non-voting participating shares in a master segregated portfolio (the "Master Segregated Portfolio"). In this respect, the Segregated Portfolio will be a "sister" to a United States feeder fund organised exclusively for United States Persons (the "U.S. Feeder"). The U.S. Feeder will pool its assets alongside those of the Segregated Portfolio such that, collectively, the two entities purchase one hundred percent of the issued and outstanding non-voting participating shares of the Master Segregated Portfolio. The Master Segregated Portfolio will be invested in assets as determined by the Investment Manager under the supervision of the US Feeder and the directors of the master segregated portfolio company.

INVESTMENT OBJECTIVE AND STRATEGY

The investment objective of the Segregated Portfolio is to seek risk-adjusted returns (pure ALPHA), that is uncorrelated to other investment strategies by trading the most liquid assets available to investors, the currency majors (G10). The strategy is categorised as being longterm, systematic, however the expertise and success behind the program is defined by the high degree of discipline within the methodology. This is best shown in the low number of trades executed. Technical analysis is the only input for position taking decisions, whereas other indicators may be used to reduce overall risk.

To the extent the Segregated Portfolio's assets are not invested in such positions, 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 Segregated Portfolio may invest in short-term debt securities or hold cash. In addition, the Segregated Portfolio 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 Segregated Portfolio's investment objective, or in order to meet its operational expenses.

The Segregated Portfolio may seek from time to time to hedge all or a portion of the market risks of the investments through the defensive use of derivative transactions, including, but not limited to, futures, options, swaps or any combination thereof. The underlying portfolio may be pledged as collateral to secure these derivative transactions and foreign exchange contracts.

The Segregated Portfolio may use leverage to meet redemptions, to bridge-finance new investments, for FX margin purposes or to enhance investments. The SPC may establish a credit facility for the Segregated Portfolio. The maximum credit facility will depend on the liquidity of the investments of the Segregated Portfolio. The Segregated Portfolio will be able to borrow, repay and re-borrow amounts under the credit facility. Such credit facility may be utilised to enable the Segregated Portfolio to establish the desired investment exposure or to cover the margin requirements for a currency hedge.

The Investment Manager will decide periodically on the investments of the Segregated Portfolio, review the investment process and monitor the performance of the Segregated Portfolio. The Investment Manager is granted full discretion over the matters relating to the manner, the method and timing of investments and transactions.

The evaluation and selection of investments will be made by using several criteria, including, but not limited to, (i) an assessment of the potential return expected from a contemplated investment; past performance; the strategy used; the particular geographic markets or economic sectors in which the investments will be made, (ii) an estimate of degree of risk and volatility likely to be experienced with the investment over time, (iii) the liquidity of the investment, and (iv) an estimate of the degree of correlation of the performance of the particular investment with other investments of the Segregated Portfolio.

The SPC reserves the right to establish one or more separate companies in respect of the Segregated Portfolio which will act as a special purpose vehicle to pool, hold, invest and trade the investments of the Segregated Portfolio (such investments being entirely segregated from any other investments of the other Segregated Portfolios, or from the other Segregated Portfolios or the SPC itself) together with the investments of one or more other funds, whether established in the United States or elsewhere, which have the same investment objectives and strategies, which invest in the same asset classes and which employ the same investment techniques as the Segregated Portfolio.

NET ASSET VALUE PER PARTICIPATING SHARE

The Net Asset Value per Participating Share will be calculated in accordance with the criteria as specified under “Net Asset Per Participating Share” in the Offering Memorandum.

DIVIDEND POLICY

It is not the intention of the Directors to declare dividends in respect of the Segregated Portfolio and all earnings of the Segregated Portfolio are intended to be reinvested. However, the Directors reserve the right to declare dividends in respect of the Segregated Portfolio.

OFFERING AND SHARE SUBSCRIPTION

For administrative convenience, Participating Shares will generally be issuable in various series and each series will generally be convertible into other series. No part of the initial offer has been underwritten or guaranteed.

The first series of Participating Shares in the Segregated Portfolio (i.e. the series issued following the close of the Initial Offering Period and designated as the “Series One”) is available for issue during the Initial Offering Period at a Subscription Price of EUR 100 per Participating Share. The Initial Offering Period will commence at 9am (Cayman Islands time) on 2nd February 2009 and will close at 5pm (Cayman Islands time) 27th February 2009 . The Directors may extend or shorten the Initial Offering Period at their discretion.

Following the close of the Initial Offering Period, Participating Shares will be available for subscription at the Subscription Price on each Subscription Date. The Subscription Price for subsequent series of Participating Shares will, for administrative convenience, be the Net Asset Value per Participating Share of Series One as at the Valuation Date immediately preceding the Subscription Date on which the application is effective.

A subscription charge at a rate of up to 5% of the amount subscribed is also payable and will be deducted from the subscription monies and the net amount will be used to subscribe for Participating Shares at the Net Asset Value per Participating Share. The subscription charge may be waived in whole or in part by the Investment Manager at its absolute discretion, either generally or in any particular case, and, unless waived, will be paid to a distributor or to third parties.

Participating Shares may be issued for non-cash consideration at the discretion of the Directors. Such consideration will be valued by reference to the valuation principles applied in the calculation of Net Asset Value of the SPC and the Net Asset Value per Participating Share (but subject to the deduction of such sum (if any) as the Directors considers represents an appropriate provision for any fiscal, transfer, registration or other charges, fees or duties associated with the non-cash consideration received by the SPC) or if the Directors consider appropriate by such other method as may, in the opinion of the Directors, be fair and reasonable, having regard to the interests of the applicant and the existing Shareholders at the relevant time.

Applicants for Participating Shares during the Initial Offering Period should complete a subscription agreement in the form prescribed by the SPC and send it to the Administrator by mail (with a copy by e-mail or facsimile) so as to be received by the Administrator no later than 5pm (Cayman Islands time) on the last day of the Initial Offering Period. In the case of subscriptions in cash, cleared funds in respect of the subscription monies must be received by the Administrator by the same time. If the subscription agreement and/or subscription monies is/are not received by these times, the application will be held over until the first Subscription Date Day after the close of the Initial Offering Period and Participating Shares will then be issued at the Subscription Price on that Subscription Date.

Thereafter, applicants for Participating Shares, and Shareholders wishing to apply for additional Participating Shares, must send their completed subscription agreement by mail (with a copy by e-mail or facsimile) so as to be received by the Administrator by no later than 5pm (Cayman Islands time) five business days before monthly subscription dates, or by such other day as the Directors may in any particular case determine, before the relevant Subscription Date and so that, in the case of subscriptions in cash, cleared funds are received by the Administrator no later than 5pm (Cayman Islands time) on the same day, failing either of which the application will be held over to the following Subscription Date and Participating Shares will then be issued at the Subscription Price applicable on that Subscription Date.

Fractions of Participating Shares will, if necessary, be issued to four decimal places. If an applicant or Shareholder requests a whole number of Participating Shares, subscription monies in excess of the amount needed to purchase the Participating Shares will be repaid (without interest) to the applicant or the Shareholder at their risk and cost.

The SPC reserves the right to reject any application in whole or part in its absolute discretion, without any obligation to disclose their reasons for doing so, in which event the amount paid on application or the balance thereof (as the case may be) will be returned (without interest) as soon as practicable in the same currency at the risk and cost of the applicant or Shareholder.

The Administrator will issue a written confirmation to successful applicants or Shareholders confirming acceptance of their application, normally within 5 Business Days of the relevant Subscription Date. Once completed applications have been received and accepted by the Administrator, they are irrevocable.

In the case of subscriptions in cash, applications for Participating Shares will not be dealt with and Participating Shares will not be issued until receipt of notification that an applicant's or Shareholder's funds have been cleared in the full amount of the subscription. Subject thereto, Participating Shares will be deemed to be issued on the relevant Subscription Date.

The Directors reserve the right from time to time to resolve to close the Segregated Portfolio or to limit new subscriptions, either for a specified period or until they otherwise determine and either in respect of all investors or new investors only. During any such period, Participating Shares will not be available for subscription.

The Minimum Initial Subscription per investor for Participating Shares is EUR 50,000. The Directors may, in their absolute discretion, waive such minimum initial investment requirement, either generally or in any particular case. The Minimum Additional Subscription per investor is EUR 10,000. The Directors may, in their absolute discretion, waive such minimum subsequent investment requirement, either generally or in any particular case. The Investment Manager and its directors, employees and connected persons are not subject to these minimum investment levels.

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

Investment in Participating Shares is strictly limited to Eligible Investors as defined in the Offering Memorandum. Prospective applicants must represent and warrant in the subscription application form that they are an Eligible Investor and that they have the knowledge, expertise and experience in financial investment and business matters to evaluate the risks of investing in the Segregated Portfolio, are aware that the Participating Shares are an investment involving risk, that they are aware of the risks inherent in investing in assets in which the Segregated Portfolio will invest and the method by which these assets may be held and/or traded, that they are not dependent upon current cash returns with respect to the investment in the Segregated Portfolio and that they can bear the loss of their entire investment in the Segregated Portfolio.

Whilst it is entirely the responsibility of the individual investor to be satisfied that he, she or it is an Eligible Investor and neither the SPC nor the Directors accept any responsibility in that regard, subscriptions will not be accepted from any natural person, firm or company whom the Directors know or reasonably suspect is not an Eligible Investor.

All the Participating Shares will only be issued in bookstock form, meaning that a Shareholder's entitlement will be evidenced by an entry in the SPC's register of Shareholders for the Segregated Portfolio, as maintained by the Administrator, and not by a share certificate.

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

Measures aimed at the prevention of money laundering require an applicant for Participating Shares as described under "General and Statutory Information" in the Offering Memorandum.

SHARE REDEMPTION

Subject to any restrictions in that regard, Participating Shares are redeemable at the option of the Shareholder. Any Shareholder may redeem all or part of their Participating Shares at the Net Asset Value per Participating Share on a Redemption Date.

Shareholders should complete a redemption request in the form prescribed by the SPC and send it to the Administrator by mail (with a copy by e-mail or facsimile) so as to be received by the Administrator no later than 5pm (Cayman Islands time) 5 Business Days before the Redemption Date, or by such other day as the Directors may in any particular case determine, before the relevant Redemption Date, failing which the redemption request will be held over until the next following Redemption Date and Participating Shares will be redeemed at the Redemption Price applicable on that Redemption Date.

Redemption requests may be sent by e-mail or facsimile, but redemption proceeds will not be remitted unless the Administrator has received the original of the redemption request by the relevant Redemption Date and the Shareholder has duly received confirmation from the Administrator that such redemption request is in good order within 5 Business Days of the Administrator's receipt of same; failing which confirmation, any redemption request sent by e-mail or facsimile will be rendered void.

The minimum request for redemption will be EUR 10,000. 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 Net Asset Value of the Participating Shares retained by the Shareholder would be less than the Minimum Holding.

A redemption request, once given, is irrevocable.

The Redemption Price will be equal to the Net Asset Value per Participating Share as at the Valuation Date immediately preceding the relevant Redemption Date.

No redemption fee will be payable on Participating Shares.

Payment of redemption proceeds will normally be made within 30 Business Days of the relevant Redemption Date. Payment will be made in Euros (EUR) by direct transfer in accordance with instructions given by the redeeming Shareholder to the Administrator and at the Shareholder's risk and cost. Redemption may, at the discretion of the Directors (subject to the approval of the Shareholder requesting redemption of Participating Shares), be effected in specie by the appropriation of assets of the Segregated Portfolio of the relevant value (which shall conclusively be determined by the Directors in good faith) in satisfaction of the Redemption Price. Any such appropriation shall not materially prejudice the interests of the remaining Shareholders as a whole.

The Directors may declare a suspension of the redemption of Participating Shares in certain circumstances as described under “Share Redemption” in the Offering Memorandum. No Participating Shares will be redeemed during any such period of suspension.

The Directors have the right to require the compulsory redemption of all Participating Shares held by or for the benefit of a Shareholder in certain circumstances as described under “Share Redemption” in the Offering Memorandum.

Shareholders should note that the Directors may refuse to accept a redemption request if it is not accompanied by such additional information as they may reasonably require. This power may, without limitation to the generality of the foregoing, be exercised where proper information has not been provided for the prevention of money laundering verification purposes as described under “General and Statutory Information” in the Offering Memorandum.

INVESTMENT MANAGER

The Segregated Portfolio has appointed Capricorn Currency Management (Cayman) Ltd. as Investment Manager of the Segregated Portfolio, pursuant to an Investment Management Agreement effective as of 30th January 2009 (the “Investment Management Agreement”). The principal of the Investment Manager is Mr. Mikkel Thorup who is an investment professional with more than 15 years experience in the financial markets. Mr. Thorup started his career in a Danish financial institution, before further advancing to more established institutions such as Smith Barney and Credit Suisse in Switzerland. Mr. Thorup was an investment manager with Dubesco Holding, in Denmark from 1991 to 1992, with HJZ in Denmark, from 1992 to 1995 and Smith Barney and Credit Suisse, in Geneva from 1995 to 1998. In 1998 Mr. Thorup formed the Capricorn Group, and Capricorn Asset Management AG, Zurich in 2001. He is presently active with both firms as Chief Investment Officer and Founding Partner. Mr. Thorup is responsible for the overall trading philosophy of the Capricorn products, implementation of future investment products and is primary trader for the Capricorn managed programs and funds.

The responsibilities of the Investment Manager will include making and carrying out all investment decisions on behalf of the Master Segregated Portfolio and the Segregated Portfolio. The particular skills that the Investment Manager brings are its general expertise and experience in fund management.

Under the terms of the Investment Management Agreement, the services of the Investment Manager may generally only be terminated by either party on 90 days written notice. The Investment Management Agreement may also be terminated immediately in certain circumstances as detailed in the Investment Management Agreement. For example, The Investment Management Agreement will be deemed to be terminated immediately in the event of the SPC exercising its right to compulsorily redeem all Participating Shares in the Segregated Portfolio or the where the Investment Manager has failed to reach certain targets set by the SPC.

The Investment Manager will not be responsible for any loss or damage which the Segregated Portfolio may sustain or suffer as a result of or in the course of the discharge by the Investment Manager of its duties to the Segregated Portfolio other than loss or damage arising from the actual fraud, gross negligence or wilful default of the Investment Manager. The Segregated Portfolio will indemnify the Investment Manager out of the Segregated Portfolio’s assets against claims against the Investment Manager in respect of any loss or damage suffered by the Investment Manager, other than by reason of the actual fraud, gross negligence or wilful default of the Investment Manager.

The Investment Manager is permitted to delegate some or all of its responsibilities under the Investment Management Agreement to a sub-investment manager but will be responsible for any acts or omissions of such sub-investment manager. The Investment Manager is required to exercise due care and diligence in making any such appointment and to supervise the person or entity appointed.

In the event that the Investment Manager shall cease to operate or be wound up, the Directors will take such steps in relation to the Segregated Portfolio as they consider shall be in the best interests of the Shareholders.

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 Segregated Portfolio 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 Segregated Portfolio will not participate.

Please refer to the Investment Management Agreement itself for its full details of its terms and conditions.

ADMINISTRATOR

The Segregated Portfolio has appointed JP Fund Administration (Cayman) Ltd., Cayman Islands as Administrator of the Segregated Portfolio pursuant to an Administration Agreement between, inter alios, the SPC on behalf of the Segregated Portfolio and the Administrator effective as of 14th February 2009 (the "Administration Agreement"). The Administrator is an exempted company limited by shares and was incorporated in the Cayman Islands the 13th August 2008. The Administrator is the holder of a full mutual fund administrators licence to carry on business as an administrator in respect of an unlimited number of mutual funds granted by the Cayman Islands Monetary Authority on 4th November 2008.

Subject to the approval of the Cayman Islands Monetary Authority, the SPC is entitled to appoint a different administrator in respect of the Segregated Portfolio at its discretion.

The Administrator is responsible for the Segregated Portfolio's fund administration, including accounting, financial reporting, net asset value calculations and the processing of subscriptions and redemptions.

Under the terms of the Administration Agreement, the services of the Administrator may generally only be terminated by either party on 90 days written notice. The Administration Agreement may also be terminated immediately in certain circumstances as detailed in the Administration Agreement. The Administrator will not be liable for any damage, loss, claims, proceedings, demands, liabilities, costs or expenses whatsoever suffered or incurred by the Segregated Portfolio or any person at any time from any cause whatsoever unless arising directly as a result of the Administrator's actual fraud, Gross Negligence (as defined in the Administration Agreement) or wilful default, or that of any of its directors, officers, employees, delegates or agents, as the case may be. The Segregated Portfolio will indemnify the Administrator, for itself and as trustee for each of its directors, officers, employees and agents, its directors, officers or agents from and against any all liabilities, obligations, losses, damages, penalties, actions, proceedings, claims, judgments, demands, costs, expenses or disbursements of any kind whatsoever which they or any of them may incur or be subject to in consequence of the Administration Agreement or as a result of the performance of the Administration Agreement or as a direct result of the performance of its duties under the Administration Agreement except to the extent that the same are a result of the fraud, Gross Negligence (as defined in the Administration Agreement) or wilful default of the party seeking the indemnity thereunder

The Administrator shall be entitled to appoint such sub-registrars, issue, transfer and redemption agents, nominees, agents and delegates as it sees fit to perform in whole or in part any of its duties under the Administration Agreement (including in such appointment powers of sub-delegation). The fees and other remuneration of any such sub-registrars, issue, transfer and redemption agents, nominees or delegates shall (unless specifically agreed otherwise) be paid by the Administrator out of its own fees received pursuant to the Administration Agreement.

Notwithstanding any other provisions of the Administration Agreement, save where an agent or delegate is an Associate of the Administrator (as defined in the Administration Agreement), the Administrator shall not be liable for any loss occasioned by any agent or delegate appointed

pursuant to the Administration Agreement provided that the Administrator has exercised reasonable skill and care in the selection of that agent or delegate.

Please refer to the Administration Agreement itself for its full details of its terms and conditions.

DEPOSIT BANK/ BROKER

No Custodian or Prime Broker has been appointed by the Segregated Portfolio.

The Segregated Portfolio has appointed Deutsche Bank as a Deposit Bank of the Segregated Portfolio.

Founded in 1870, Deutsche Bank is headquartered in Frankfurt am Main, Germany. With a market capitalisation of 38.74 billion Euros, Deutsche Bank offers retail banking services in Germany. Its investment bank and asset management business comprises 1,700 branches located in more than 70 countries.

Deutsche Bank provides a full range of financial services to institutional and private clients. The Deposit Bank's operating divisions include Corporate and Investment Banking, Private Clients and Asset Management. It generated a total revenue of 31 billion Euros in 2007, has approximately 80,250 employees and is rated 'triple A' by Standard & Poors, a reputed provider of credit ratings. Deutsche Bank is subject to supervision by a number of global, regulatory authorities.

The Segregated Portfolio has appointed Saxo Bank, a fully licensed, regulated European bank, as an executing broker (the "Broker") of the Segregated Portfolio. The Broker, a pioneer of low-cost, online trading systems, is a leading Internet bank, involved in trading and investment in Forex (more than any other online provider), Contract For Difference (CFDs) stock derivatives, stocks from 22 major stock exchanges and Futures and Managed funds. The Broker will facilitate trades electronically as determined by the Investment Manager.

The Segregated Portfolio may appoint other deposit banks and executing brokers at the discretion of the Directors or Investment Manager and without any prior approval by either the Deposit Bank or the Broker.

Under a Power of Attorney executed by the Directors of the SPC on behalf of the Segregated Portfolio, certain individuals of JP Fund Services S.A., an affiliate of JP Fund Foundation Ltd. (which company has been issued all of the voting shares of the SPC and which is the promoter of the SPC) have been given the power to open bank accounts with the Deposit Bank and securities trading accounts with the Broker. Additionally, in conjunction with the Investment Manager, the attorneys have been given the power to transfer funds between the Administrator, the Deposit Bank and the Broker as may be required to operate the Segregated Portfolio and in the normal course of business of the Segregated Portfolio.

Neither the Deposit Bank nor the Broker will be liable for any consequential loss suffered by the Segregated Portfolio. Neither the Deposit Bank nor the Broker will have any liability in relation to any external asset manager appointed by the Segregated Portfolio and, in particular, neither the Deposit Bank nor the Broker shall be under any obligation whatsoever to investigate or monitor any act performed by the Segregated Portfolio or the Investment Manager. The Segregated Portfolio agrees to indemnify and save harmless both the Deposit Bank and the Broker from and against any and all loss, damage, liability, claims and expenses whatsoever by reason of the Deposit Bank and the Broker acting as the Segregated Portfolio's deposit bank and broker.

Neither the Deposit Bank nor the Broker shall be liable to the SPC or the Segregated Portfolio for any loss sustained by the SPC or the Segregated Portfolio in respect of any of the investments and in particular this shall extend to any loss arising from any delay, mis-delivery or error in transmission of any cable or telegraphic communication, provided that the Deposit Bank and the Broker shall remain liable for any loss to the SPC or Segregated Portfolio arising from the Deposit Bank or the Broker's own willful misfeasance, bad faith or gross negligence.

No liability whatsoever shall accrue to the Deposit Bank or the Broker in respect of any act performed by the Investment Manager or any person appointed by the Investment Manager. In particular, neither the Deposit Bank nor the Broker shall be under any obligation whatsoever to investigate or monitor in any way any act performed by the SPC or Segregated Portfolio or the Investment Manager. The foregoing shall apply in particular to compliance with any investment requirements or restrictions prescribed by law or laid down by agreement, regardless of whether or not the Deposit Bank or the Broker has been notified of the same.

RISK FACTORS SPECIFIC TO THE SEGREGATED PORTFOLIO

THE SEGREGATED PORTFOLIO'S INVESTMENT PROGRAM IS SPECULATIVE AND ENTAILS SUBSTANTIAL RISKS. MARKET RISKS ARE INHERENT IN ALL SECURITIES TO VARYING DEGREES. NO ASSURANCE CAN BE GIVEN THAT THE SEGREGATED PORTFOLIO'S INVESTMENT OBJECTIVE WILL BE REALISED.

Segregated Portfolio Structure

The SPC is established as a segregated portfolio company. As a matter of Cayman Islands law, the assets held on behalf of one segregated portfolio will not be available to meet the liabilities of another. However, the SPC is a single legal entity which may operate or have assets held on its behalf or be subject to claims in other jurisdictions which may not necessarily recognise such segregation.

Dependence on Management

There can be no assurance that the Segregated Portfolio will achieve its investment objective. The achievement of the investment objective of the Segregated Portfolio in respect of the Participating Shares depends, in part, on the quality, skill, and expertise of the individuals employed by the Investment Manager. The loss of key personnel from the Investment Manager could adversely affect the Segregated Portfolio.

The foregoing is not a comprehensive list of investment risk factors in respect of the Participating Shares, and potential investors are urged to refer to the list of investment risk factors under "Risk Factors" in the Offering Memorandum and also to consult with their professional advisors as to the legal, tax and business risks involved in this program.

FEES AND EXPENSES

Management Fee

The Investment Manager will receive from the Segregated Portfolio a management fee (“Management Fee”) in respect of each Participating Share equal to 2% per annum of the Net Asset Value per Participating Share (before deduction of that month’s Management Fee and before deduction for any accrued Performance Fees) as at each Valuation Date, payable monthly in arrears.

The Investment Manager, at its absolute discretion, reserves the right to waive or reduce the Management Fee either generally or in any particular case.

Performance Fee

The Investment Manager will also be entitled to receive from the Segregated Portfolio a performance fee (“Performance Fee”) in respect of each Participating Share. The Performance Fee will generally 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 (i) any Performance Fee paid to the Investment Manager is charged only to those Participating Shares which have appreciated in value, (ii) all holders of Participating Shares have the same amount per Participating Share at risk, and (iii) all Participating Shares have the same Net Asset Value per Participating Share.

In respect of each Participating Share, the Performance Fee will be calculated and payable monthly in arrears (the “Calculation Period”) at the rate of 40% of the increase in the Starting Net Asset Value per Participating Share during the Calculation Period above the High Watermark per Participating Share (as defined below) in respect of the Calculation Period but only to the extent that such increase exceeds the shareholder’s “Hurdle Rate” for the Calculation Period. “Hurdle Rate” means a return of 4% per year. The Hurdle Rate percentage will be adjusted appropriately for any year that is not a full year. If a shareholder has an increase in the Net Asset Value per Participating Share above the High Watermark per Participating Share (as defined below) in respect of the Calculation Period but that increase falls short of the Hurdle Rate, the Investment Manager will not be entitled to a Performance Fee for the Calculation Period.

For administrative convenience, Participating Shares will be issued on each Subscription Date in separate series. The first series of Participating Shares (ie the series issued following the close of the Initial Offering Period) will be designated as the “Series One” and the subscription price for that series will be EUR 100 per Participating Share. The Subscription Price for subsequent series of Participating Shares will, for administrative convenience, be the Net Asset Value per Participating Share of Series One as at the Valuation Date immediately preceding the

Subscription Date on which the application is effective. 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 Segregated Portfolio will be kept for each series of Participating Shares. Profits and gains (realised and unrealised) of the Segregated Portfolio will be pro-rated and credited to such accounts and the losses, expenses and liabilities of the Segregated Portfolio, including accrued and unpaid expenses of the Segregated Portfolio 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 Date based upon the relative aggregate Net Asset Value per Participating Shares of each series (excluding Performance Fee accrual).

At the end of each Calculation Period, except where there is a Loss Carry Forward per Participating Share (see 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 Participating 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 per Participating Share 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 Participating Share of each series of Participating Shares increases above the High Watermark per Participating Share (see 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 Participating Share.

The High Watermark per Participating Share in respect of each Calculation Period will be the Starting Net Asset Value per Participating Share 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 Participating 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 Participating 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 Participating 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 Participating 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 Participating 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.

The Investment Manager, at its absolute discretion, reserves the right to waive or reduce the Performance Fee either generally or in any particular case.

Subscription Charge

A subscription charge at a rate of up to 5% of the amount subscribed is also payable and will be deducted from the subscription monies and the net amount will be used to subscribe for Participating Shares at the Net Asset Value per Participating Share. The subscription charge may be waived in whole or in part by the Investment Manager at its absolute discretion, either generally or in any particular case, and, unless waived, will be paid to a distributor or to third parties.

Redemption Charge

There are no redemption fees payable on Participating Shares.

Directors' Fees

Directors' fees and expenses will be borne by the Segregated Portfolio.

Administration and Custodian/Prime Brokerage Fees

The Segregated Portfolio will pay the Administrator and the Custodian/Prime Broker customary fees in exchange for their services.

Other Fees and Expenses

The Segregated Portfolio is obliged to pay all its regular and recurring legal expenses, annual audit costs and the ongoing expenses of administration. The expenses of administration may include postage, telephone and facsimile expenses; reasonable travel expenses related to the administration and affairs of the Segregated Portfolio; the cost of on-going filing requirements; the cost of preparing, printing, publishing and distributing, in such languages as are necessary, memoranda, such reports and documents as may be desirable or required under applicable laws and regulations; the out-of-pocket expenses related to accounting and bookkeeping; and all other

ongoing out-of-pocket administration expenses related to the Segregated Portfolio together with all other reasonable out-of-pocket expenses of the Investment Manager, the Administrator, the Custodian/Prime Broker and any other service provider.

The costs, charges and expenses that may be attributable to the SPC will be borne by the SPC and allocated across the segregated portfolios, including the Segregated Portfolio, in such manner as the SPC shall determine.

CONFLICTS OF INTEREST SPECIFIC TO THE SEGREGATED PORTFOLIO

There are considered no conflicts of interest specific to the Segregated Portfolio.

However, potential conflicts of interest exist in the structure and operation of the SPC. Please refer to the section headed “Conflicts of Interest” in the Offering Memorandum.