

High level¹ Key Features of Qualifying Funds

| | Qualifying Fund |
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| GENERAL MATTERS | |
| 1. Name | Qualifying Fund |
| 2. Domicile | Isle of Man |
| 3. New funds allowed | Yes |
| 4. Minimum investment | Each fund to agree between manager and governing body |
| 5. Entrant criteria | Qualifying Investor entrant criteria |
| 6. Transition provisions | Existing PIFs and EIFs over \$100K have 18 months from 1/11/2007 in which they may transition without new declarations for existing investors (EIFs must resolve to do this within 12 months of 1/11/07) |
| 7. Fees | Currently no application and annual fees. This is being reviewed in line with revised powers under the Schemes Bill |
| FUNCTIONARIES | |
| 8. Governing body (directors/ trustee/ general partner) statement of responsibility (initial and ongoing) | Yes |
| 9. IOM resident natural person on Governing Body (ie director etc) | Yes NB Unit trusts have various options |
| 10. Manager | IOM licenceholder |
| 11. Investment Advice/ Asset Management | Governing body responsible for ensuring appropriate (with manager agreement to appointment) |
| 12. Custodian | Regulated in IOM or acceptable jurisdiction |
| 13. Promoter | Regulated in IOM or acceptable jurisdiction |
| 14. Acceptable financial adviser for certain sales | Yes |
| 15. Qualifying auditor | Yes |
| RESPONSIBILITIES ON THE MANAGER | |
| 16. Determining whether the fund is and continues to be managed and operated in accordance with the fund's constitutional documents | Yes |
| 17. Notify FSC if aware a member of the governing body or the qualifying auditor is removed from such office, resigns or is not reappointed | Yes (also individual director and qualifying auditor to notify with reasons etc) |
| 18. Satisfy itself about investor's status on basis of declarations | Yes |
| 19. Submit notifications to FSC on launch or alteration | Yes |
| 20. In conjunction with Governing Body submit the annual compliance declaration to FSC | Yes |

¹ It should be noted that this document is a high level summary only. The specific legislation should be referred to in all cases.

| | Qualifying Fund |
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| 21. Quarterly statistical information to FSC | Yes |
| 22. Report to FSC if aware requirements re offering document declarations or fund accounting not complied with | Yes |
| 23. Notify FSC if aware that audit report is qualified and/or a management letter is issued by the auditors in relation thereto (with copy of report and an action plan) | Yes |
| 24. Notify FSC if audited annual financial statements are late (with reasons, timetable for distribution, joint signature with auditor) | Yes |
| OFFERING DOCUMENT | |
| 25. Required to include all material information relevant to an informed judgement about the merits of participating in the fund | Yes |
| 26. Prescribed information and risk warnings must be contained | Yes |
| APPLICATION FORM CERTIFICATIONS | |
| 27. Investor declaration | Yes |
| 28. Declaration if investing on behalf of another & life company declaration | Yes |
| 29. Regulated financial adviser confirmation if individual investor | Yes |