THIRD POINT

THIRD POINT OFFSHORE INVESTORS LIMITED

SECURITIES NOTE

Prospectus relating to Offer of Euro Shares, US Dollar Shares and Sterling Shares (at € 10 per Euro Share, US$10 per US Dollar Share and £10 per Sterling Share) and admission to the Official List and to trading on the London Stock Exchange's main market. The Company will be listed under Chapter 14 of the Listing Rules on the basis of European Directive requirements and as a consequence the additional standards under Chapter 15 of the Listing Rules will not apply to the Company. See "Consequences of Secondary Listing" in the Registration Document or Summary Note for further information.

SECURITIES NOTE

This Securities Note, the Summary Note and the Registration Document together comprise a prospectus (the "Prospectus") relating to Third Point Offshore Investors Limited (the **"Company"**) prepared in accordance with the Prospectus Rules of the Financial Services Authority (the **"FSA"**) made under section 73A of the Financial Services and Markets Act 2000 (**"FSMA"**) and approved by the FSA under section 87A of FSMA. The Prospectus has been filed with the FSA and made available to the public in accordance with rule 3.2 of the Prospectus Rules.

The Prospectus relates to a Global Offer of Euro Shares, US Dollar Shares and Sterling Shares (at €10 per Euro Share, US$10 per US Dollar Share and £10 per Sterling Share) and admission to a secondary listing on the Official List of the UK Listing Authority ("Official List") and to trading on the London Stock Exchange's main market for listed securities. The Company will be listed under Chapter 14 of the Listing Rules on the basis of Prospectus Directive requirements and, as a consequence, the additional requirements under Chapters 6 to 13 inclusive and Chapter 15 of the Listing Rules will not apply to the Company. See "Consequences of Secondary Listing" immediately following the Risk Factors section of this document for further information.

This Securities Note includes particulars given in compliance with the Listing Rules and the Prospectus Rules for the purposes of giving information with regard to the Company. The information contained in this Securities Note should be read in the context of, and together with, the information contained in the Registration Document and the Summary Note and distribution of this Securities Note is not authorised unless accompanied by, or supplied in conjunction with, copies of the Registration Document and the Summary Note.

The Shares are only suitable for investors (i) who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Master Fund, (ii) for whom an investment in the Shares is part of a diversified investment programme and (iii) who fully understand and are willing to assume the risks involved in such an investment programme. The attention of potential investors is drawn to the Risk Factors set out in this Securities Note and in the Registration Document.

The Directors of the Company, whose names appear in the "Directors, Managers and Advisers" section of this Securities Note, and the Company itself, accept responsibility for the information contained in the Prospectus, which comprises this Securities Note, the Registration Document and the Summary Note and declare that, having taken all reasonable care to ensure that such is the case, the information contained in the Prospectus is, to the best of their knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.

The Company is a limited liability closed-ended investment company registered and incorporated in Guernsey. The Company is not an Authorised Person under FSMA and, accordingly, is not registered with the FSA. Consent under the Control of Borrowing (Bailiwick of Guernsey) Ordinances 1959 to 1989 has been obtained for the issue of the Prospectus and the associated raising of funds. Neither the Guernsey Financial Services Commission nor the States of Guernsey Policy Council accepts any responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed with regard to it. The Shares may not be offered directly to the public in Guernsey, meaning any person not regulated under any of the financial services regulatory laws of the Bailiwick of Guernsey.

The attention of potential investors is drawn to the section of this Securities Note headed "Risk Factors"

Application has been made to the FSA for all of the Shares of the Company issued in connection with the Global Offer to be admitted to the Official List and to trading on the London Stock Exchange's main market for listed securities. The Company has applied for a secondary listing pursuant to Chapter 14 of the Listing Rules of the UK Listing Authority. It is not intended that the Shares be admitted to listing in any other jurisdiction. Conditional dealings in the Shares are expected to commence on a "when issued" basis at 8.00 am (London time) on or about 18 July 2007. It is expected that admission will become effective and that unconditional dealings will commence at 8.00 am (London time) on 23 July 2007 (**"Admission"**) with delivery of Shares expected to take place on or about 23 July 2007. Dealings on the London Stock Exchange before Admission will only be settled if Admission takes place. All dealings before the date of Admission will be of no effect if Admission does not take place and such dealings will be at the sole risk of the parties concerned.

Third Point Offshore Investors Limited

(a registered closed-ended investment company incorporated with limited liability under the laws of Guernsey with registered number 47161)

Global offer (the **"Global Offer"**) of Euro Shares, US Dollar Shares and Sterling Shares (the **"Shares"**) (at €10 per Euro Share, US$10 per US Dollar Share and £10 per Sterling Share) and admission to the Official List of the UK Listing Authority and to trading on the London Stock Exchange's main market for listed securities

Investment Manager

Third Point LLC

Global Co-ordinator and Bookrunner

UBS Investment Bank

Joint Lead Managers

UBS Investment Bank **Société Générale Corporate & Investment Banking**

Dated 2 July 2007

The Shares have not been and will not be registered under the US Securities Act of 1933, as amended ("US Securities Act") or any other applicable law of the United States. The Shares are being offered outside the United States to non-US persons in reliance on the exemption from registration provided by Regulation S of the US Securities Act. The Shares may not be offered or sold within the United States, or to US persons, except to persons who are both (a) Qualified Purchasers as defined by the US Investment Company Act and (b) either (i) Qualified Institutional Buyers as defined by Rule 144A or (ii) Accredited Investors as defined by Regulation D. The Company will not be registered under the US Investment Company Act, and investors will not be entitled to the benefits of such Act.

In addition, prospective investors should note that the Shares may not be acquired by investors using assets of any employee benefit plan subject to Part 4 of Subtitle B of the Title I of the US Employee Retirement Income Security Act of 1974, as amended ("ERISA") or Section 4975 of the US Internal Revenue Code of 1986, as amended (the "US Code") or other federal, state, local or other law or regulation that is substantially similar to the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the US Internal Revenue Code.

For additional offering and transfer restrictions, see "The Global Offer" and "Investment Restrictions, Transfer Restrictions and Certain ERISA Considerations" in Part 4 of this Securities Note.

UBS is acting for the Company and no one else in connection with the Global Offer and will not be responsible to anyone other than the Company in providing the protections afforded to its clients nor for providing advice in connection with the Global Offer, the contents in the Prospectus or any matters referred to herein.

Société Générale is acting for the Company and no one else in connection with the Global Offer and will not be responsible to anyone other than the Company in providing the protections afforded to its clients nor for providing advice in connection with the Global Offer, the contents in the Prospectus or any matters referred to herein.

The Company is targeting a raising of €500 million (subject to increase) through the Global Offer (excluding the Over-allotment Option described below). The quantum of the amount to be raised is indicative only and in any event will not exceed €700 million including the Over-allotment Option. The actual number of Shares of each class issued pursuant to the Global Offer will only be determined by the Company and the Global Co-ordinator after taking into account the demand for the Shares and the prevailing economic market conditions. If the amount to be raised does change, the Company does not envisage making an announcement until determination of the number of Shares of each class to be issued and allotted, unless required to do so by law. It is expected that the Global Offer Placing Statement containing the number of Euro Shares, US Dollar Shares and Sterling Shares which are the subject of the Global Offer and will be published, on or about 18 July 2007. Further details of how the number of such Shares is to be determined and further details of the Global Offer are set out under the heading Part 2 ''The Global Offer'' of this Securities Note.

This Securities Note, the Summary Note and the Registration Document, which together comprise the Prospectus, should be read in their entirety before making any application for Shares.

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* The Offer for Subscription is not available to investors outside of the United Kingdom.

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NOTICE TO INVESTORS

The Prospectus has been produced for the purpose of the Global Offer and seeking admission to trading of the Shares on the London Stock Exchange's main market for listed securities. In making an investment decision regarding the Shares offered, investors must rely on their own examination of the Company, including the merits and risks involved in an investment in the Shares. The Global Offer is being made solely on the basis of the Prospectus. Neither Bank makes any representation or warranty, express or implied, as to the accuracy or completeness of the information in the Prospectus for which the Company and the Directors of the Company are solely responsible, and nothing in the Prospectus is, or shall be relied upon as, a promise or representation by either Bank. Each Bank accordingly disclaims all and any liability (save for any statutory liability) whether arising in tort or contract or otherwise which it might otherwise have in respect of the Prospectus or any such statement. The contents of the Prospectus are not to be construed as legal, financial, business or tax advice. Prospective purchasers of the Shares offered should conduct their own due diligence on the Shares. Prospective investors should inform themselves as to: (a) the legal requirements within their own countries for the purchase, holding, transfer, redemption or other disposal of Shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer, redemption or other disposal of Shares which they might encounter; and (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer, redemption or other disposal of Shares. Each prospective investor should consult his, her or its own legal adviser, financial adviser or tax adviser.

The Prospectus constitutes a prospectus for the purposes of the Prospectus Directive. The Prospectus has been approved by and filed with the FSA and the Prospectus will be notified by the FSA to the regulator in Luxembourg and Spain.

This Securities Note, the Registration Document and the Summary Note, which together comprise the Prospectus, should be read in their entirety before making any application for Shares. Prospective Shareholders should rely only on the information contained in the Prospectus of which this Securities Note forms a part.

Neither the Shares nor the Company has been approved or disapproved by any governmental or regulatory authority of any country or jurisdiction, nor has any such governmental or regulatory authority passed upon or endorsed the merits of the Company or an investment in its Shares. The consent of the Policy Council of the States of Guernsey under The Control of Borrowing (Bailiwick of Guernsey) Ordinances 1959 to 1989 has been obtained for each issue of Shares by the Company. To receive such consent, application was made under the Guernsey Financial Services Commission's framework relating to Registered Closed Ended Investment Funds. Under this framework, neither the Guernsey Financial Services Commission nor the States of Guernsey Policy Council have reviewed the Prospectus but instead have relied on specific warranties provided by the Guernsey licensed administrator to the Company. It must be specifically understood that, in giving consent, neither the Guernsey Financial Services Commission nor the States of Guernsey Policy Council takes any responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed with regard to it.

Prospective investors should rely only on the information contained in the Prospectus. The Company has not, and neither Bank has, authorised any other person to provide prospective investors with different information. No reliance should be placed on any different or inconsistent information provided by any person. Prospective investors should assume that the information appearing in the Prospectus is accurate only as of the date on the front cover of the Prospectus, regardless of the time of delivery of the Prospectus or of any offer or sale of Shares. The business, financial condition and prospects of the Company and the Master Fund could have changed since that date. The Company expressly disclaims any duty to update the Prospectus except as required by applicable law. The Prospectus should be read in its entirety

before making any application for Shares. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in this Securities Note may not occur. All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Company's Articles of Association, which investors should review. UBS is acting for the Company and no one else in connection with the Global Offer and will not be responsible to anyone other than the Company in providing the protections afforded to its clients nor for providing advice in connection with the Global Offer or Admission. Société Générale is acting for the Company and no-one else in connection with the Global Offer and will not be responsible to anyone other than the Company in providing the protections afforded to its clients nor for providing advice in connection with the Global Offer or Admission.

Investors should note that the Banks and/or their affiliates have acted, and in some cases, continue to act, in various capacities in relation to the issuers of certain securities in which the Company invests or may invest, including as manager, servicer, security trustee, equity holder and/or secured lender to affiliates of the issuer of the relevant securities. The Banks and/or their affiliates, in their capacity as lenders to certain of the issuers of securities in which the Master Fund invests may hold security interests in various of those issuers' assets, some of which assets may also secure obligations owed to holders of the relevant issuer's securities, which may include the Master Fund. In addition, either Bank may act as lender to the Master Fund, including any financing provided to the Master Fund or its affiliates under the prime brokerage agreement. Each role confers specific rights to, and obligations on, the Banks and/or their affiliates. In carrying out these rights and obligations, the interests of the Banks and/or their affiliates may not be aligned with the interests of a potential investor in the Shares.

Over-allotment and Stabilisation

In connection with the Global Offer, UBS, as the Stabilising Manager, or any of its agents, may, to the extent permitted by applicable law, over-allot Shares with a value of up to a maximum of 15 per cent. of the total amount to be raised in the Global Offer and effect other transactions with a view to stabilising or maintaining the market price of the Shares at a level higher than that which might otherwise prevail in the open market.

For the purposes of allowing the Stabilising Manager to cover short positions resulting from any such over-allotments by it during the stabilising period, the Company has granted the Stabilising Manager an over-allotment option (the "**Over-allotment Option**"), pursuant to which the Stabilising Manager may require the Company to issue additional Shares with a value of up to a maximum of 15 per cent. of the total amount to be raised in the Global Offer (before exercise of the Over-allotment Option) at the Offer Price. The Over-allotment Option is exercisable, in whole or in part, upon notice by the Stabilising Manager, at any time on or after the date of commencement of conditional dealings on the London Stock Exchange and will expire no more than 30 days thereafter. Any Shares issued by the Company pursuant to the Over-allotment Option will be issued on the same terms and conditions as the other Shares being issued under the Global Offer and will form the same classes for all purposes with all Shares issued under the Global Offer.

The Stabilising Manager is not required to enter into such stabilising transactions. Such stabilising measures, if commenced, may be discontinued at any time, may only be taken up at any time on or after the date of commencement of conditional dealings in the Shares, and will end no more than 30 days thereafter. Save as required by law or regulation, neither the Stabilising Manager nor any of its agents intend to disclose the extent of any over-allotments and/or stabilisation transactions under the Global Offer.

Restrictions on Distribution and Sale

The distribution of the Prospectus, the Global Offer and sale of the Shares offered thereby may be restricted by law in certain jurisdictions. Persons in possession of the Prospectus are required to inform themselves about and to observe any such restrictions. The Prospectus must not be

used for, or in connection with, and does not constitute any offer to sell, or a solicitation to purchase, any such Shares in any jurisdiction in which such an offer or solicitation would be unlawful. Further details are set out in "Investment Restrictions, Transfer Restrictions and Certain ERISA Considerations — Transfer Restrictions" in Part 4 of this Securities Note.

THE SHARES HAVE NOT BEEN APPROVED OR RECOMMENDED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR ANY US STATE SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY NOR HAVE SUCH AUTHORITIES CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS SECURITIES NOTE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

The Prospectus does not constitute, and may not be used for the purposes of, an offer or an invitation to subscribe for any Shares by any person in any jurisdiction: (i) in which such offer or invitation is not authorised; or (ii) in which the person making such offer or invitation is not qualified to do so; or (iii) to any person to whom it is unlawful to make such offer or invitation. The distribution of this Prospectus and the Global Offer in certain jurisdictions may be restricted. Accordingly, persons outside the United Kingdom into whose possession this Securities Note comes are required by the Company to inform themselves about and to observe any restrictions as to the offer or sale of Shares and the distribution of this Securities Note under the laws and regulations of any jurisdiction in connection with any applications for Shares in the Company, including obtaining any requisite governmental or other consent and observing any other formality prescribed in such jurisdiction. No action has been taken or will be taken in any jurisdiction by the Company that would permit a public offering of Shares in any jurisdiction where action for that purpose is required, nor has any such action been taken with respect to the possession or distribution of this Securities Note other than in any jurisdiction where action for that purpose is required.

The distribution of this Securities Note and the offer, sale and/or issue of Shares has not been and will not be registered under the US Securities Act, any state securities laws in the United States or, except as set out in this Prospectus, the securities laws of any other jurisdiction and may not be reoffered, resold, pledged or otherwise transferred except as permitted by the Company's Articles of Association and as provided in the Prospectus.

The Shares have not been and will not be registered under the US Securities Act of 1933, as amended ("US Securities Act"), or any other applicable law of the United States. The Shares are being offered outside the United States to non-US persons in reliance on the exemption from registration provided by Regulation S of the US Securities Act. The Shares may not be offered or sold within the United States, or to US persons, except to persons who are both (a) Qualified Purchasers as defined by the US Investment Company Act AND (b) either (i) Qualified Institutional Buyers as defined by Rule 144A or (ii) Accredited Investors as defined by Regulation D. The Company will not be registered under the US Investment Company Act, and investors will not be entitled to the benefits of such Act.

The Shares issued to US persons will be in registered and certificated form, and certificates evidencing ownership thereof will bear a legend with respect to the restrictions on transfer set forth herein. The Company and its agents will not be obligated to recognise any resale or other transfer of Shares made other than in compliance with the transfer restrictions set forth in this Prospectus. In addition, purchasers of the Shares that are in the United States or that are US persons may, if they are not Qualified Purchasers at the time they acquire the Shares, be forced to sell them.

For additional offering and transfer restrictions, see "The Global Offer" and "Investment Restrictions, Transfer Restrictions and Certain ERISA Considerations" in Part 4 of this Securities Note.

Further, no purchase, sale or transfer of Shares may be made unless such purchase, sale or transfer will not result in the assets of the Company, constituting "plan assets" within the

meaning of the US Employee Retirement Income Security Act of 1974, as amended (ERISA), that are subject to Title I of ERISA or Section 4975 of the US Internal Revenue Code of 1986, as amended (the ''**US Internal Revenue Code**''). Accordingly, investors using assets of retirement plans or benefit plans that are subject to ERISA or Section 4975 of US Internal Revenue Code (including, as applicable, assets or an insurance company general account) will not be permitted to acquire Shares, and each investor will be required to represent or will, by its acquisition of a Share, be deemed to have represented, that it is not a ''benefit plan investor'' within the meaning of ERISA or that is otherwise using assets of a plan that is subject to ERISA or Section 4975 of US Internal Revenue Code. Any purported purchase or transfer of a Share that would cause the Company's assets to be deemed to be ''plan assets'' under ERISA that are subject to Title I of ERISA or Section 4975 of US Internal Revenue Code, or otherwise does not comply with the foregoing transfer restrictions, is obliged as provided in the Company's Articles of Association and this Prospectus.

The Shares are transferable, subject to the restrictions described herein. Each transferor of Shares agrees to provide notice of the transfer restrictions set forth herein to the transferee.

THE MASTER FUND INTENDS TO TRADE FUTURES AND OPTIONS ON FUTURES AS PART OF ITS INVESTMENT STRATEGY AND THEREFORE EACH OF THE MASTER FUND AND THE COMPANY WILL BE DEEMED TO BE A COMMODITY POOL UNDER THE US COMMODITY EXCHANGE ACT, THE OPERATOR OF WHICH MUST REGISTER AS A COMMODITY POOL OPERATOR (**"CPO"**) WITH THE US COMMODITY FUTURES TRADING COMMISSION (**"CFTC"**) OR QUALIFY FOR AN EXEMPTION FROM SUCH REGISTRATION. THE INVESTMENT MANAGER HAS CLAIMED AN EXEMPTION FROM CPO REGISTRATION UNDER CFTC RULE 4.13(A)(3). CFTC RULE 4.13(A)(3) EXEMPTS FROM REGISTRATION CPOS OF POOLS IN WHICH ALL INVESTORS ARE QUALIFIED CONSISTENT WITH THE RULE. RULE 4.13(A)(3) REQUIRES THAT AT ALL TIMES EITHER: (A) THE AGGREGATE INITIAL MARGIN AND PREMIUMS REQUIRED TO ESTABLISH COMMODITY INTEREST POSITIONS DOES NOT EXCEED FIVE PER CENT. OF THE LIQUIDATION VALUE OF THE MASTER FUND'S INVESTMENT PORTFOLIO; OR (B) THE AGGREGATE NET NOTIONAL VALUE OF THE MASTER FUND'S COMMODITY INTEREST POSITIONS DOES NOT EXCEED ONE-HUNDRED PER CENT. OF THE LIQUIDATION VALUE OF THE MASTER FUND'S INVESTMENT PORTFOLIO. AS A RESULT OF CLAIMING THE EXEMPTION, THE INVESTMENT MANAGER IS NOT REQUIRED TO COMPLY WITH THE DISCLOSURE, REPORTING AND RECORDKEEPING REQUIREMENTS GENERALLY APPLICABLE TO REGISTERED CPOS, INCLUDING DELIVERY TO INVESTORS, INCLUDING THE COMPANY, OF A DISCLOSURE DOCUMENT AND A CERTIFIED ANNUAL REPORT DESIGNED TO MEET CFTC REQUIREMENTS.

THE INVESTMENT MANAGER OF THE MASTER FUND AND OF THE COMPANY HAS CLAIMED EXEMPTION FROM REGISTRATION WITH THE CFTC AS A COMMODITY TRADING ADVISOR (**"CTA"**) UNDER CFTC RULE 4.14(A)(8), WHICH EXEMPTS FROM REGISTRATION CTAS WHO ADVISE POOLS THAT OPERATE PURSUANT TO CFTC RULE 4.13(A)(3).

NOTICE TO NEW HAMPSHIRE RESIDENTS ONLY

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER RSA 421-B WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF THE STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE OF THE STATE OF NEW HAMPSHIRE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO,

ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

Service of Process and Enforcement of Civil Liabilities

The Company is incorporated under Guernsey law. Service of process upon Directors and officers of the Company, the majority of whom reside outside the United States, may be difficult to obtain within the United States. Furthermore, since most directly-owned assets of the Company are outside the United States, any judgment obtained in the United States against it may not be collectible within the United States. There is doubt as to the enforceability in England and Guernsey in original actions (or, in the case of Guernsey, in actions for enforcement of judgments of US courts) of civil liabilities predicated upon US federal securities laws.

Presentation of Information

Certain terms used in this Securities Note, including capitalised terms and certain technical and other terms, are explained in the section entitled ''Definitions and Glossary'' in Part 6 of this Securities Note.

Presentation of Financial Information

The audited financial information of the Master Fund contained in Part 10 of the Registration Document has been extracted, without adjustment, from the audited financial statements of the Master Fund for the years ended December 31, 2004, December 31, 2005 and December 31, 2006. The unaudited financial information of the Master Fund is also contained in Part 10 of the Registration Document is for the period ended March 31, 2007.

The financial statements of the Master Fund are prepared under US GAAP.

Available Information

For so long as any of the Shares are ''restricted securities'' within the meaning of Rule 144(a)(3) under the US Securities Act, the Company will, during any period in which it is not subject to Section 13 or 15(d) under the US Exchange Act, nor exempt from reporting under the US Exchange Act pursuant to Rules 12g3-2(b), thereunder, make available upon request to any holder or beneficial owner of any Shares, or to any prospective purchaser of any Shares designated by such holder or beneficial owner, the information specified in, and meeting the requirements of, Rule 144A(d)(4) under the US Securities Act.

RISK FACTORS

An investment in the Shares involves significant risks. Those risks may not always be possible to quantify in type or magnitude. As a result, an investment in the Shares is designed for professional and sophisticated investors and may not be suitable for someone with low risk tolerance. The Shares are only suitable for investors (i) who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company, (ii) for whom an investment in the Shares is part of a diversified investment programme and (iii) who fully understand and are willing to assume the risks involved in such an investment programme. The attention of potential investors is drawn to the Risk Factors set out in this Securities Note and the Registration Document.

The Global Offer will comprise three classes of shares, denominated in Euro, US Dollars and Sterling, respectively. The proceeds of the Global Offer (net of short term working capital requirements) will be invested in Third Point Class E Shares. Shareholders holding a single class of Shares may not be exposed to the same risks as Shareholders holding a different class of Shares, as events, particularly those relating to changes in exchange rates and interest rates, may cause the inherent risks of the Master Fund's investment strategy to affect the calculation of Master Fund NAV (and consequently, the value of the Shares) differently among the classes of Shares. As a result of these currency related risks, prospective Shareholders should be aware that while the classes are subject to the same risks, their magnitude may differ by class in any one occurrence.

Capitalised terms used but not defined in this Securities Note shall have the meaning given to them in the Definitions and Glossary section forming Part 6 of this Securities Note.

The Directors believe that the risks described below are the material risks relating to the Shares at the date of this Securities Note. Additional risks and uncertainties not currently known to the Directors, or that the Directors deem to be immaterial at the date of this Securities Note, may also have an adverse effect on the performance of the Company and the value of the Shares. Potential investors should review the Prospectus (of which this Securities Note forms a part) carefully and in its entirety and consult with their professional advisers before making an application to invest in the Shares.

Consequences of Secondary Listing

The Shares are expected to be admitted to a secondary listing on the Official List and as a consequence the additional requirements under Chapter 15 of the Listing Rules will not apply to the Company. The Company will be listed under Chapter 14 of the Listing Rules on the basis of Prospectus Directive requirements. As a consequence the additional requirements of Chapters 6 to 13 inclusive and Chapter 15 of the Listing Rules will not apply to the Company. Shareholders in the Company will therefore not receive the full protections of the Listing Rules. For further information on the consequences of a secondary listing please see the section "Consequences of Secondary Listing" immediately after this Risk Factors section.

Risks Relating to the Company's Investment in the Master Fund

The Master Fund depends on the Investment Manager, which is managed by Mr. Daniel S. Loeb, for the management of its investments, and the loss of Mr. Loeb's services could have a material adverse effect on the Master Fund and the Company's investment therein.

All decisions with respect to the investment management of the Master Fund, in which the Company will invest all of its capital (net of short term working capital requirements), are made by the Investment Manager. Mr. Daniel S. Loeb is the managing member and beneficial owner of the Investment Manager and oversees, through the Investment Manager, the Master Fund's investment activities. As a result, the performance of the Master Fund depends largely upon the abilities and efforts of Mr. Loeb. No assurance can be given, however, that Mr. Loeb will remain managing member indefinitely or that a suitable replacement could be found for him in the event

of his death, disability or withdrawal from the Investment Manager. The loss of Mr. Loeb's services to the Investment Manager could have a material adverse effect on the Master Fund and, in turn, the Company.

Each shareholder in the Master Fund, including the Company after the closing of the Global Offer and the investment of its capital in the Master Fund, will have the right to withdraw from the Master Fund in the event of Mr. Loeb's death, disability or withdrawal as managing member of the Investment Manager. No assurance can be given, however, that the Board of Directors of the Company will elect to withdraw from the Master Fund in such event, or that the value of the Company's investment in the Master Fund would not be affected whether the Company elects to withdraw from the Master Fund or not.

Withdrawal by the Company from the Master Fund will constitute a change of investment policy which will require Shareholder approval. Prospective investors should note that, in such circumstances, a Gate restricting the Company's ability to redeem its Master Fund Shares will apply. For further information please refer to Part 3 of the Registration Document.

Market risk could significantly affect the performance of the Company.

The Master Fund, and therefore the Company, are exposed to market risk. Market risk is risk associated with changes in, among other things, market prices of securities, commodities, foreign exchange or interest rates and there are certain general market conditions in which any investment strategy may not be profitable. The Investment Manager has no ability to control or predict such market conditions.

The Master Fund seeks to invest in companies in accordance with its investment objective without specifying allocations to the specific industries in which those companies are engaged. However, the Investment Manager's investment approach has generally resulted in broad diversification on a global basis across financial markets, thereby reducing the Master Fund's exposure to any single market. The Master Fund, however, is not purposely diversified within maximum company and industry concentration guidelines.

From time to time, multiple markets could move together against the Master Fund's investments, which could result in significant losses for the Master Fund. Such movement would have a material adverse effect on the performance of the Company and the size of returns to Shareholders.

General economic and market conditions, such as currency and interest rate fluctuations, availability of credit, inflation rates, economic uncertainty, changes in laws, trade barriers, currency exchange controls and national and international conflicts or political circumstances, as well as natural circumstances, may affect the price level, volatility and liquidity of securities. Economic and market conditions of this nature could result in significant losses for the Master Fund, which would have a material adverse effect on the performance of the Company and returns to Shareholders.

The Master Fund will invest part or all of the Company's capital in securities of companies that are in special business or organisational situations or are otherwise in distress, which investment involves significant risks.

The Master Fund will invest part or all of the Company's capital in securities of companies that are in Event Driven situations. The Master Fund may also invest part or all of the Company's capital in securities of companies in weak financial conditions, experiencing poor operating results, having substantial financial needs or negative net worth or facing special competitive problems. It is often difficult to obtain accurate and complete information as to the financial or business conditions of such companies, and investments of this type involve significant risks that can result in substantial or total losses in the value of the investments. In addition, the market prices of the securities of such companies are often subject to abrupt and erratic market movements and above-average volatility, and it may take a number of years for the market

prices of such securities to reflect their intrinsic values in order for the Master Fund to realise the value of such investments. Some of the securities of such companies may not be widely traded or may have no recognised market, or the Master Fund's position in such securities may be substantial in relation to the overall market for such securities, either of which may make the Master Fund's exit from such investments difficult.

Although the purchase of such securities may result in significant returns to the Master Fund, they involve substantial risks and may not result in any return for an extended period of time, if at all. The level of analytical sophistication, both financial and legal, necessary for a successful investment in companies experiencing significant business and financial distress is unusually high. There is no assurance that the Investment Manager will correctly evaluate the nature and magnitude of the various factors that could, for example, affect the prospects for a successful reorganisation or similar action. If the outcome of events differ from those predicted by the Investment Manager, the value of the Master Fund's investments in the relevant securities may be materially adversely affected. In addition, an investment in securities of a company involved in bankruptcy or other reorganisation and liquidation proceedings ordinarily remains unpaid unless and until such company successfully reorganises and/or emerges from bankruptcy, and the Master Fund may suffer a significant or total loss on any such investment during the relevant proceedings.

Investments in securities of companies in an Event Driven situation or otherwise in distress require active monitoring by the Investment Manager of such companies and may, at times, require active participation by the Investment Manager (including by way of board membership or corporate governance oversight), in the management or in the bankruptcy or reorganisation proceedings of such companies. Such involvement may restrict the Master Fund's ability to trade in the securities of such companies. It may also prevent the Investment Manager from focusing on matters relating to other existing investments or potential future investments of the Master Fund. In addition, as a result of its activities, the Master Fund may incur additional legal or other expenses, including, but not limited to, costs associated with conducting proxy contests, public filings, litigation expenses and indemnification payments to the Investment Manager or persons serving at the Investment Manager's request on the boards of directors of companies in which the Master Fund has an interest. It should also be noted that any such board representatives have a fiduciary duty to act in the best interests of all shareholders, and not simply the Master Fund, and thus may be obligated at times to act in a manner that is adverse to the Master Fund's interests. The occurrence of any of the above events may have a material adverse effect on the performance of the Master Fund.

The Master Fund may operate with a substantial degree of leverage, which may materially adversely affect the value of the Company's investment in the Master Fund.

From time to time, the Master Fund may borrow money from third parties, such as broker-dealers with which the Master Fund maintains accounts, for its investments. Although the use of borrowed money to purchase securities may permit the Master Fund to enhance its returns by making investments in an amount in excess of its capital, it will also increase the Master Fund's exposure to losses. Moreover, if the Master Fund's resources were not sufficient and available to pay the principal of and interest on the Master Fund's debt when called, the lender may liquidate the assets of the Master Fund that were pledged as collateral for such debt at unfavourable prices, resulting in a loss of the investment of the Master Fund shareholders, including the Company.

The Company's investment in the Master Fund is subject to risks attributable to potential illiquidity of assets in which the Master Fund invests.

Certain of the securities in which the Master Fund invests may not be publicly traded or may have resale limitations. Also, sales of securities generally may be impaired by decreased trading volume, increased price volatility, concentrated trading positions, limitations on the ability to transfer positions under structured transactions and changes in applicable regulations. In either

case, the Master Fund may be unable to dispose of the relevant securities promptly or at reasonable prices, particularly if the relevant market is moving against a position or if there is insufficient trading activity in the relevant market.

Moreover, the fair value of illiquid assets may be difficult to determine due to the absence of readily-ascertainable market prices. A number of valuation methodologies, based on a variety of factors (such as the nature of the investment, the expected cash flow and other relevant information) may be employed by the Master Fund to determine the fair value of such illiquid investments. Because of such valuation uncertainty, the fair values of such illiquid investments reflected in the Master Fund's NAV may not necessarily reflect the prices that would actually be obtained by the Master Fund when such investments are realised. If the realisation occurs at a price that is significantly lower than the NAV of the Master Fund attributable to such investment, the Master Fund and the Company's investment in the Master Fund will suffer a loss.

In addition, the use of leverage by the Master Fund (as discussed above) may compound the risks associated with liquidity of investment assets, as the Master Fund must maintain a certain degree of liquidity, based on its leveraged position, in order to service its debt. Failure to maintain such necessary liquidity may materially adversely affect the Master Fund and the Company's investment therein.

Investments in securities of issuers in emerging market countries may involve additional currency exchange, political, social and economic uncertainties and risks.

The Master Fund may invest part or all of its capital in securities of issuers incorporated and/or listed in jurisdictions other than OECD countries, which may involve additional risks in comparison to the risks of investing in securities of issuers incorporated and/or listed in OECD countries, including unfavourable changes in currency exchange rates and exchange control regulations, reduced flow and reliability of information about the relevant issuers and markets, less stringent accounting standards, greater illiquidity of securities and markets, higher brokerage commissions, custody fees and taxes, local economic or political instability and greater market risk in general. In particular, investing in securities of issuers located in emerging market countries generally involves greater risks, such as exposure to economic structures that are generally less diverse and mature than, and to political and regulatory systems that are generally less stable than, those of more developed countries. Other characteristics of emerging market countries that may affect investment in their markets include certain national policies that may restrict investment by non citizens in issuers or industries deemed sensitive to the relevant national interests and less developed legal structures governing and protecting private and foreign investments and private property. The typically small or relatively small size of markets for securities of issuers located in emerging market countries and the possibility of a low or non-existent volume of trading in those securities may also result in a lack of liquidity and increased price volatility of those securities, which may reduce the return on such investments to the Master Fund. While the Investment Manager will take these factors into consideration in making investment decisions, including with respect to hedging positions, no assurance can be given that the Master Fund will be able to avoid fully these risks.

The Master Fund may engage in short sales of securities, which carries a greater degree of risk than cash investments in securities.

The Master Fund may from time to time engage in short sales of securities, under which it would sell securities that have been borrowed from third parties in anticipation of a future decline in the prices for such securities. The Master Fund will buy back and then return such securities to the lender. If the prices of securities being sold short by the Master Fund subsequently increase, the Master Fund may suffer losses on such short sale. The possible loss to the Master Fund from a short sale of securities is theoretically unlimited, depending on the extent to which the price of the relevant securities has risen compared to the prices at which the Master Fund sold such

securities. In addition, short-selling activities are subject to restrictions imposed by securities laws and regulations and the rules of various securities exchanges.

The Master Fund may from time to time engage in risk arbitrage transactions that depend on the realisation of certain underlying corporate events, which events may be delayed or not occur at all.

The Master Fund may engage in risk arbitrage transactions in which, in connection with a proposed merger, exchange offer, tender offer or other similar transaction, it will purchase securities of the relevant issuer at prices slightly below the anticipated value of the cash, securities or other consideration to be paid or exchanged for such securities in such transaction. Such purchase price may be substantially in excess of the market price of the securities prior to the announcement of the merger, exchange offer, tender offer or other similar transaction. If the proposed merger, exchange offer, tender offer or other similar transaction later appears not likely to be consummated or in fact is not consummated or is delayed, the market price of the securities purchased by the Master Fund in anticipation of such transaction may decline sharply and result in losses to the Master Fund. In addition, the Master Fund may not hedge its positions against market fluctuations. This can result in losses to the Master Fund even if the proposed transaction is ultimately consummated. Securities to be issued in a merger or exchange offer may also be sold short by the Master Fund in the expectation that the short position will be covered by delivery of such securities when issued. If the merger or exchange offer is not consummated, the Master Fund may be forced to cover its short position at a higher price than its short sale price, resulting in a loss to the Master Fund.

The Master Fund may invest the Company's capital in non-investment grade, high-yield bonds and preferred securities, and the Master Fund may fail to realise any profits from these investments or lose some or all of the principal amounts of these investments.

The Master Fund may invest the Company's capital in high-yield debt and preferred securities that are rated in the non-investment grade categories by various credit rating agencies or in other securities that are not rated but with comparable characteristics. Securities rated in these lower-rating categories are generally considered to be speculative with respect to their issuers' capacity to pay interest and repay the principal amount of such securities, and are therefore subject to greater risks of loss of principal amount and non-payment of interest than securities rated in higher rating categories. They are also more susceptible to the effects of a deterioration of general economic conditions than securities in higher rating categories. Adverse publicity and negative investor perception about these lower-rated securities, whether or not based on an analysis of the fundamentals with respect to the relevant issuers, may contribute to a decrease in the value and liquidity of such securities. In addition, because investors generally perceive greater risks being associated with these lower-rated securities, the yields and prices of such securities may fluctuate more than those of higher-rated securities. The market for lower-rated securities is also more illiquid and less active than that for higher-rated securities, which can adversely affect the prices at which these lower-rated securities can be sold.

Certain of the Master Fund's investments are subject to interest rate risks, which could cause the value of such investments to decrease should interest rates change.

Certain of the Master Fund's investments are subject to interest rate risks. For example, the value of fixed income securities will change inversely with changes in interest rates. Interest rates are highly sensitive to factors beyond the Investment Manager's control, including, among others, governmental monetary and tax policies and domestic and international economic and political conditions. As interest rates rise, the market value of fixed income securities (or securities backed by fixed income obligations) tends to decrease. Conversely, as interest rates fall, the market value of fixed income securities (or securities backed by fixed income obligations) tends to increase. The risk of rising interest rates will be greater for long-term securities than for short term securities. In addition, in the event of a significant rising interest

rate environment and/or economic downturn, loan defaults may increase and result in credit losses that may be expected to affect adversely the Master Fund's liquidity and operating results.

The Master Fund may use various derivative instruments, including options and futures, as part of its investment strategy, which use of derivative instruments may involve additional risks.

The Master Fund may use various derivative instruments, including options, futures, forward contracts and swaps, as part of its investment strategy. Some of these derivative instruments may be volatile and speculative in nature, and may be subject to wide and sudden fluctuations in market value. Derivatives, especially over-the-counter derivatives in the form of a privately negotiated contract against a principal counterparty, may also be subject to adverse valuations reflecting the counterparty's marks (or valuations), which might not correspond to the valuations of other market or exchange-traded instruments. Derivatives used for hedging purposes may not correlate perfectly with the underlying investment sought to be hedged. Derivative instruments also may not be liquid in all circumstances, so that in volatile markets the Master Fund may not be able to exit its position without incurring a loss. Trading in derivative investments can result in large amounts of leverage, which may magnify the gains and losses experienced by the Master Fund and could cause the Master Fund's NAV to be subject to wider fluctuations than would otherwise be the case. When the Master Fund uses derivatives as an investment instrument rather than for hedging purposes, any loss on the derivative investment will not be offset by gains on another hedged investment. The Master Fund is therefore directly exposed to the risks of that derivative. While derivatives used for hedging purposes can reduce or eliminate losses, such use can also reduce or eliminate gains.

The use of call and put options and futures trading by the Master Fund entails additional risks. Although an option buyer's risk is limited to the amount of the original investment for the purchase of the option, an investment in an option may be subject to greater fluctuation than in an investment in the underlying securities. Futures markets are highly volatile and are influenced by factors such as changing supply and demand relationships, governmental programs and policies, national and international political and economic events and changes in interest rates. Because of the low margin deposits normally required in futures trading, a high degree of leverage is typical of a futures trading account, and a relatively small price movement in a futures contract may result in substantial losses to the investor. Futures positions are marked to the market each day and variation margin payments must be paid to or by the Master Fund. Futures trading may also be illiquid, and certain exchanges do not permit trading in particular contracts at prices that represent a fluctuation in price during a single day's trading beyond certain set limits. Should prices fluctuate during a single day's trading beyond those limits, conditions which might last for several days with respect to certain contracts, the Master Fund could be prevented from promptly liquidating unfavourable positions and thus be subjected to substantial losses.

The Master Fund may not be successful in effectively utilising hedging and risk management transactions, which could subject its portfolio to increased risk or lower returns on its investments and cause the Company's investment in the Master Fund to decrease in value.

The Master Fund may utilise financial instruments in order to: (i) protect against possible changes in the market value of the Master Fund's investment portfolio resulting from fluctuations in the securities markets and changes in interest rates; (ii) protect the Master Fund's unrealised gains in the value of the Master Fund's investment portfolio; (iii) facilitate the sale of any such investments; (iv) enhance or preserve returns, spreads or gains on any investment in the Master Fund's portfolio; (v) hedge the interest rate or currency exchange rate on any of the Master Fund's liabilities or assets; (vi) protect against any increase in the price of any securities the Master Fund anticipates purchasing at a later date; or (vii) for any other reason that the Investment Manager deems appropriate.

The success of the Master Fund's hedging strategy will depend, in part, upon the Investment Manager's ability to assess correctly the relationship between the performance of the instruments used in the hedging strategy and the performance of the portfolio investments being hedged. Since the characteristics of many securities change as markets change or time passes, the success of the Master Fund's hedging strategy will also be subject to the Investment Manager's ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. While the Master Fund may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for the Master Fund than if it had not engaged in such hedging transactions. The Investment Manager may not seek to establish a perfect correlation between the hedging instruments utilised and the portfolio holdings being hedged. Such an imperfect correlation may prevent the Master Fund from achieving the intended hedge or expose the Master Fund to a risk of loss. The Investment Manager may not hedge against a particular risk because it does not regard the probability of the risk occurring to be sufficiently high as to justify the cost of the hedge, or because it does not foresee the occurrence of the risk.

Past Performance of the Master Fund should not be taken as an indication of future performance.

There can be no assurance that the Master Fund will achieve its investment objective. The Master Fund may be adversely affected by unforeseen events including, without limitation, changes in interest rates or the credit status of an issuer or counterparty, adverse fluctuations in exchange rates and the value of securities and commodities, the insolvency or bankruptcy of counterparties, forced redemptions of securities or acquisition proposals, break-up of planned mergers, unexpected changes in relative value, short squeezes, inability to short sell securities or changes in tax treatment. The Prospectus of which this Securities Note forms a part contains certain historical financial and other information in relation to the past performance of the Master Fund. Past performance of the Master Fund should not be taken as an indication of the future performance of the Master Fund or, by extension, of the Company.

The Company's ability to redeem its Master Fund Shares is restricted.

If a material adverse event occurs in relation to the Master Fund or the market generally, the ability of the Company to avoid or mitigate further adverse exposure is limited by its restricted ability to redeem its Master Fund Shares. These restrictions could materially extend the period required for the Company to realise its investment in the Master Fund.

In particular, the Company, or the Investment Manager on behalf of the Company, is required, in certain circumstances, to give a minimum of 60 days' notice of any redemption request and redemption is subject to a lock up period and a Gate. In certain circumstances, it may take significantly longer (for example where a Gate applies or if there is a temporary suspension of Master Fund NAV calculation) before such redemption request is satisfied in full. Withdrawals or redemptions by other investors in the Master Fund may also negatively impact the value of the Company's investment. Any of these occurrences could have a material adverse effect on the value of Shares and the ability of investors to dispose of their Shares at a satisfactory price or at all. Please refer to "Redemption of Master Fund Shares" in the Registration Document.

The Master Fund is subject to the credit risks of counterparties with respect to certain transactions.

To the extent that the Master Fund engages in principal transactions, including, but not limited to, forward currency transactions, swap transactions and the purchase and sale of bonds and other fixed income securities, it must rely on the creditworthiness of its counterparties under such transactions. In certain instances, the credit risk of a counterparty is increased by the lack of a central clearing house for certain transactions including swap contracts. In the event of the insolvency of a counterparty, the Master Fund may not be able to recover its assets in full or at all during the insolvency process.

Some of the Master Fund's investments are subject to currency risks that could cause the value of the investments to decrease regardless of the inherent value of the underlying investments.

The investment strategy of the Investment Manager in managing the Master Fund does not place a restriction on the percentage of the Company's investments that are denominated in currencies other than US Dollars. The Master Fund's investments that are denominated in currencies other than US Dollars are subject to the risk that the value of a particular currency will decrease in relation to currencies other than those denominated in US Dollars. Although the Master Fund generally hedges its non-US Dollar exposures back to US Dollars, an increase in the value of the US Dollar compared to other currencies in which the Master Fund makes its investments would otherwise reduce the effect of increases and magnify the effect of decreases in the prices of the Master Fund's non-US Dollar denominated investments in their local markets. Conversely, a decrease in the value of the US Dollar would magnify the effect of increases and reduce the effect of decreases in the prices of the Master Fund's non-US Dollar denominated investments. Fluctuations in currency exchange rates will similarly affect the US Dollar equivalent of any interest, dividends or other payments made to the Master Fund denominated in a currency other than US Dollars. Among the factors that may affect currency values are trade balances, the level of short term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments.

Non-US Dollar denominated Shares will be exposed to non-US Dollar exchange rate fluctuations.

The Shares in the Company are denominated in Euro, US Dollars and Sterling and its financial statements will be prepared in US Dollars. The operational and accounting currency of the Master Fund is the US Dollar, and therefore non-US Dollar subscription monies for Master Fund Shares are converted to US Dollars for operating purposes. The costs and any benefit of hedging the foreign currency exposure of the assets attributable to Master Fund Shares denominated in Euros and Sterling from the US Dollar will be allocated solely to the relevant class of Master Fund Shares (and therefore to the relevant class of Shares in the Company). This may result in variations in the value of the three classes of Shares trading.

The Master Fund is entitled to redeem at any time the shares held by the Company in the Master Fund, which could result in a significant change in the Company's investment strategy and could lead to a winding up of the Company.

The Master Fund is entitled at any time to redeem Master Fund Shares held by the Company. The Master Fund is not required to redeem its shares on a pro rata basis amongst all of its investors and such redemption could be specific to the Company alone. Should such a circumstance occur, the Directors may propose, and the Shareholders may vote, to wind up the Company and return capital to Shareholders. No assurance can be given that the Shareholders will realise a profit or avoid a loss of all or part of their investment if the Company were to be wound up. If the Shareholders vote to continue the Company in such circumstances, the Company will be required to seek an alternative investment strategy and there can be no assurance that such strategy will have similar risks or rates of return to the Company's investment in the Master Fund or that any delay in finding and implementing such an alternative strategy will not have a material adverse effect on the value of the Shares.

Prime brokers and custodians of the Master Fund may hold legal and beneficial title to assets of the Master Fund which will subject the Master Fund to the risks of insolvency or fraud on the part of the prime brokers or custodians.

Under the arrangements between the Master Fund and its prime brokers and custodians, the prime brokers and custodians may be entitled to identify as collateral, to rehypothecate or otherwise to use for their own purposes, assets held by them for the Master Fund. Legal and beneficial title to such assets may therefore be transferred to the relevant prime broker or custodian. The Master Fund has only a contractual right to the return of assets equivalent to

those of the relevant assets and would rank in respect of such contractual right as an unsecured creditor on an insolvent winding up of the relevant prime broker or custodian. In the event of the insolvency of any of the Master Fund's prime brokers or custodians, the Master Fund might not be able to recover equivalent assets in full or at all. Moreover, any cash of the Master Fund held or received by or on behalf of a prime broker or custodian may not be treated as client money and may not be subject to the client money protections conferred by the client rules of the FSA or equivalent rules of other regulators to which such prime broker or custodian may be subject. Accordingly, the cash of the Master Fund may also constitute collateral and may not be segregated from the cash of the prime brokers and custodians. The Master Fund may rank as an unsecured creditor in respect of such cash on an insolvency of a prime broker or custodian. The inability of the Master Fund to recover such cash could have a material adverse effect on the Company's performance and returns to Shareholders.

The Investment Manager and its managing member and principals are involved in other businesses and investments which may create conflicts of interest.

The Investment Manager, in addition to managing the investments of the Master Fund, currently serves or may serve in the future as the investment manager to other investment funds and managed accounts, which may have substantially the same investment programs as the Master Fund, and it will not devote its resources exclusively to the Master Fund's business. The Investment Manager will devote only such time to the business of the Master Fund as, in its sole and absolute discretion, it determines to be necessary and appropriate. In addition, the Investment Manager and its owners, members, officers and principals are presently, and will in the future continue to be, involved in other business ventures that have no relationship with the Master Fund. Accordingly, the Investment Manager and its owners, members, principals and officers may encounter potential conflicts of interest in connection with the Investment Manager's role as Investment Manager for the Master Fund and their involvement in other business ventures.

In executing securities transactions, the Investment Manager may combine orders of the Master Fund and those of other investment funds and managed accounts, which may at times reduce the number of securities available for purchase by the Master Fund. Investments will be allocated between the Master Fund and these other funds and separate accounts in a manner that the Investment Manager believes in good faith to be equitable, and whereby the Master Fund's interests are not unfairly prejudiced.

The Investment Manager may also on occasion purchase or sell securities or other investments for the Master Fund while at the same time the Investment Manager is selling or purchasing the same investments for one or more of the Investment Manager's other clients. In order to minimise transaction and market impact costs, the Investment Manager may effect cross-transactions in these investments among clients, generally through brokers at prevailing market prices.

There are circumstances in which it may be advantageous to establish arrangements under which particular investments are held by the Master Fund or another client, while the economic benefits and risks of those investments are shared by the Master Fund and other clients of the Investment Manager. Such arrangements may entail the creation of special purpose vehicles, derivative contracts and other mechanisms for sharing risk and reward. The Investment Manager will seek to ensure that all such arrangements result in a fair and equitable sharing of risk and reward, taking into consideration any financing or other incremental costs, but there can be no assurance that the results will replicate those that would have occurred if each client had made an investment in the underlying risk.

Some clients of the Investment Manager involved in such arrangements may be regarded as proprietary accounts of the Investment Manager, based on the size of the investment in such clients held by the Investment Manager and/or its affiliates. The fairness of arrangements involving proprietary accounts will be reviewed by an independent party, which may include the

independent directors of any fund. Each client of the Investment Manager that bears economic risk and reward from these arrangements will bear any associated tax or regulatory risk, and may be required to indemnify other clients with respect to those risks.

The Company's organisational, ownership and investment structure may create significant conflicts of interest that may be resolved in a manner that is not always in the best interests of the Company or the holders of the Shares.

The Company's organisational, ownership and investment structure involves a number of relationships that may give rise to conflicts of interest between the Company and the Shareholders, on the one hand, and Third Point and Third Point's affiliates, on the other hand. In certain instances, the interests of Third Point and Third Point's affiliates, in their capacities as Shareholders and as Investment Manager of the Master Fund and otherwise, may differ from the interests of the Company and the Company's other Shareholders, including with respect to the types of investments made, the timing and method in which investments are exited, the reinvestment of returns generated by investments, the use of leverage when making investments, and others. These transactions may create a conflict between the interests of Third Point and Third Point's affiliates and the best interests of the Company and the Company's other Shareholders.

The Master Fund's investment strategy may result in incurring legal or other expenses. The liability of the Investment Manager to the Master Fund is limited under the Master Fund Investment Management Agreement, and the Master Fund has agreed to indemnify the Investment Manager and certain of its affiliates against claims that they may face in connection with such arrangements, which may lead them to assume greater risks when making investment-related decisions than they otherwise would if investments were being made solely for their own account.

As a consequence of the Master Fund's investment strategy, it may incur legal or other expenses, including but not limited to, the costs associated with conducting proxy contests, US Securities and Exchange Commission filings and litigation expenses. Under the Master Fund Investment Management Agreement, the Investment Manager has not assumed any responsibilities other than to perform the obligations, duties and responsibilities described in the Master Fund Investment Management Agreement. As a result, the right of the Master Fund to recover against the Investment Manager may be limited to damages arising out of the performance or non-performance of the responsibilities explicitly mentioned in the Master Fund Investment Management Agreement. In addition, the Master Fund Investment Management Agreement contains provisions indemnifying the Investment Manager from liabilities incurred in connection with the performance of obligations under the Master Fund Investment Management Agreement under certain circumstances. See Part 3 of the Registration Document for further information. These protections from liability may result in the Investment Manager tolerating greater risks when making investment-related decisions than otherwise would be the case, including when determining whether to use leverage in connection with investments.

Current and future litigation may have a material adverse effect on the Master Fund and, as a consequence, on the value of the Shares. In implementing the investment strategy of the Investment Manager, its affiliates and the Master Fund may become involved in litigation involving entities in which the Master Fund invests, whether as plaintiff or defendant.

Third Point and two of its employees are among seven hedge fund groups named as defendants in a lawsuit filed in New Jersey state court in 2006 by Fairfax Financial Holdings Limited and one of its subsidiaries, and amended in 2007.

The action alleges that the defendants engaged in a disinformation campaign to damage the company and lower its share price, in violation of New Jersey state law, and that the plaintiffs have suffered damages of no less than $6 billion. In the opinion of the Investment Manager the

action is without merit. The Investment Manager intends to defend itself vigorously in this lawsuit, and expects to prevail.

As noted in the previous risk factor, the Investment Manager's liability to the Master Fund is limited and the Master Fund has indemnified the Investment Manager under the Master Fund Investment Management Agreement. There is a risk that due to its indemnification of the Investment Manager in relation to the litigation referred to above, the Master Fund may be required to pay significant damages, or incur significant costs should such damages or costs be awarded against the Investment Manager as a result of the above court actions. The payment of significant damages or costs by the Master Fund may have a material adverse effect on the Master Fund and, in turn, on the Company's investment in it.

For further information in relation to litigation affecting the Master Fund please refer to section 7 of Part 9 of the Registration Document.

Risks Relating to the Investment Manager

The Investment Manager is dependent upon the expertise of key personnel (in addition to Mr. Loeb) in providing investment management services to the Master Fund.

In addition to its dependence on the services of the Investment Manager's managing member, Mr. Daniel S. Loeb, the ability of the Master Fund to achieve its investment objective is also significantly dependent upon the expertise of the Investment Manager's partners, employees and affiliates and their ability to attract and retain suitable staff. The impact of the departure for any reason of a key individual (or individuals) other than Mr. Loeb on the ability of the Investment Manager to achieve the investment objective of the Master Fund cannot be determined and may depend on amongst other things, the ability of the Investment Manager to recruit other individuals of similar experience and credibility.

As noted above, the investment performance of the Master Fund relies materially on the services of Mr. Loeb and his team. The loss of the services of Mr. Loeb and his team to the Investment Manager could have a material adverse effect on the Master Fund and, in turn, the Company. Please refer to the previous risk factors of this Securities Note for further information on the risk associated with the Investment Manager's loss of Mr. Loeb's services.

Performance-based compensation arrangements of investment professionals of the Investment Manager could encourage riskier investment choices that could cause significant losses for the Master Fund.

A significant part of the compensation of the Investment Manager and its investment professionals is calculated by reference to the performance of the investments of the Company in the Master Fund. Such compensation arrangements may create an incentive to make investments that are riskier or more speculative than would be the case if such arrangements were not in effect. Resulting losses by the Master Fund could have a material adverse effect on the performance of the Company and returns to Shareholders. In addition, because performance-based compensation is calculated on a basis that includes unrealised appreciation of the Master Fund's assets, such performance-based compensation may be greater than if such compensation were based solely on realised gains.

The Investment Manager is dependent on information technology systems and back office functions.

The Master Fund is dependent on the Investment Manager for investment management, operational and financial advisory services. The Company is also dependent on the Investment Manager for certain management services as well as back office functions. The Investment Manager depends on information technology systems in order to assess investment opportunities, strategies and markets and to monitor and control risks for the Master Fund. Information technology systems are also used to trade in the underlying investments of the Master Fund.

It is possible that a failure of some kind which causes disruptions to these information technology systems could materially limit the Investment Manager's ability to adequately assess and adjust the investments of the Master Fund, formulate strategies and provide adequate risk control. Any such information technology related difficulty could harm the performance of the Master Fund.

Further, failure of the back office functions of the Investment Manager to process trades by the Master Fund in a timely fashion could prejudice the investment performance of the Master Fund which could also have a material adverse effect on the performance of the Company.

Risks Relating to the Company

The Company is a newly formed company with no separate operating history, and the Master Fund and Third Point's track record is not indicative of their or its future performance.

The Company was incorporated as a Guernsey registered closed-ended investment company on 19 June 2007 and has not yet commenced operations. The Company intends to invest all of its capital (net of short term working capital requirements) in the Master Fund, an exempt company with limited liability organised under the laws of the Cayman Islands. The Company does not have any historical financial statements or other meaningful operating or financial data on which potential investors may base an evaluation. An investment in the Shares is therefore subject to all of the risks and uncertainties associated with any new business, including the risk that the Company will not achieve its investment objectives and that the value of any potential investor's investment could decline substantially.

The Company has presented in the Prospectus certain information with respect to the historical performance of the Master Fund. Such information is included, among other places, under "Operating and Financial Review" in Part 5 of the Registration Document. When considering this information potential investors should bear in mind that the historical results of the Master Fund are not indicative of the future results that they should expect from the Master Fund or their investment in the Shares. Changes in investment strategy, market conditions and the performance of particular investments, among other factors, may negatively affect the Company's future performance.

The Company will not be able to participate in the investment decisions of the Master Fund, in which it will invest all of its capital.

The Company does not have any operations and will invest all of its capital in the Master Fund. The Company expects that its only substantial asset will be the Master Fund Shares it will own. Under the structure of the Master Fund, the Company will not have a right to participate in the investment decisions of the Master Fund. In addition, the existence of other shareholders in the Master Fund may affect the Company's ability to exercise voting power as a shareholder of the Master Fund. Although the existing shareholders in the Master Fund have the opportunity to exchange their investments in the Master Fund for Shares simultaneously with the Global Offer, no assurance can be given that all or any such existing shareholders in the Master Fund will in fact execute such exchange.

The Shares may trade at a discount to Net Asset Value.

The Shares may trade at a discount to per Share NAV for a variety of reasons, including due to market conditions, liquidity concerns or the actual or expected performance of the Master Fund. There can be no guarantee that attempts by the Company to mitigate any such discount will be successful or that the use of discount control mechanisms will be possible or advisable.

Existing shareholders in the Master Fund may redeem their shares in the Master Fund, which may reduce the capital and revenue of the Master Fund and affect the Company's performance.

Under the Articles of Association governing the Master Fund, existing shareholders of the Master Fund may generally redeem, with prior notice, their shares in the Master Fund. Those existing shareholders may elect to allocate their capital away from the Master Fund for a variety

of reasons, including poor financial performance, changes in market conditions, unhappiness with the Master Fund's investment strategy or other factors. Substantial voluntary redemption by shareholders of the Master Fund within a limited period of time may require the Master Fund to liquidate its investments prematurely to meet redemption obligations, which could adversely affect the return on such investments. In addition, because the Master Fund relies in part on the size of its capital for its investment strategy, a significant decrease in the size of its capital may have a material adverse effect on the business of the Master Fund and, in turn, the Company's financial performance.

Certain existing shareholders in the Master Fund have arrangements with the Investment Manager and/or the Master Fund, under which they may hold certain advantages over the Company in its capacity as a shareholder in the Master Fund.

Certain existing shareholders in the Master Fund previously entered into side letters with the Investment Manager and, in some instances, the Master Fund, with respect to various aspects of the Master Fund, including, but not limited to, disclosure of certain information, waiver of the requirement to have an interest in certain special investments, changes in redemption terms, key man provisions, notification upon the occurrence of certain events (in some instances including the ability to redeem upon the occurrence of certain events) and "most favoured nation" clauses. Certain side letter provisions may provide a shareholder in the Master Fund with certain advantages over other shareholders, including the Company. For instance, if a shareholder had increased access to portfolio information, such shareholder could be able to make more informed decisions about redeeming from the Master Fund. Any resulting redemption could force the Master Fund to sell investments at a time when it might not otherwise have done so or for a price less than it deemed fair value.

Changes in laws or regulations, or a failure to comply with any laws and regulations, may adversely affect the Company's business, investments and results of operations.

The Company, the Master Fund and the Investment Manager are subject to laws and regulations enacted by national, regional and local governments and institutions. In particular, the Company will be required to comply with certain licensing and regulatory requirements that are applicable to a Guernsey investment company, including laws and regulations supervised by the Guernsey Financial Services Commission and the Listing Rules. Compliance with, and monitoring of, applicable laws and regulations may be difficult, time consuming and costly. Those laws and regulations and their interpretation and application may also change from time to time and those changes could have a material adverse effect on the Company's business, investments and results of operations. In addition, a failure to comply with applicable laws or regulations, as interpreted and applied, by any of the entities referred to above could have a material adverse effect on the Company's business, investments and results of operations.

The regulatory environment for hedge funds and the managers of hedge funds is evolving. Any change in the laws and regulations affecting the Company or the Master Fund, or any change in the regulations affecting hedge funds, funds of hedge funds or hedge fund managers generally may have a material adverse effect on the Company's ability to obtain leverage or carry on its business of investing in the Master Fund, which in turn could have a material adverse effect on the Company's performance and returns to Shareholders.

The Company and the Master Fund are not, and do not intend to become, regulated as investment companies under the US Investment Company Act and related rules.

The Company and the Master Fund have not been, and do not intend to, become registered as investment companies under the US Investment Company Act and related rules. The US Investment Company Act and related rules provide certain protections to investors and impose certain restrictions on companies that are registered as investment companies. None of these protections or restrictions is or will be applicable to the Company or the Master Fund. In addition, in order to avoid being required to register as an investment company under the US

Investment Company Act and related rules, the Company has implemented restrictions on the ownership and transfer of its Shares, which may materially affect any potential investor's ability to hold or transfer the Shares. In particular, US investors will be required to hold Shares in certificated form, which will require certain steps to be taken by such investors in order to dispose of their Shares. See "Investment Restrictions, Transfer Restrictions and Certain ERISA Considerations" in Part 4 of this Securities Note.

The Company's ability to pay its operational and other expenses and to carry out purchases of its own Shares will depend on its cash position and ability to redeem Master Fund Shares.

Upon completion of the Global Offer, the Company expects to invest all of its cash (net of short term working capital requirements) in Master Fund Shares. The Company is expected to retain a sufficient amount of cash to support ongoing operational and other incidental expenses. The Company will have preferred liquidity from the Master Fund to fund operating expenses and share buy backs.

The arrangements of the Master Fund with Third Point and Third Point's affiliates were negotiated in the context of an affiliated relationship and may contain terms that are less favourable than those which otherwise might have been obtained from unrelated parties in an arm's-length negotiation.

The Master Fund Investment Management Agreement, the deferred incentive fee agreement between the Investment Manager and the Master Fund, the investment objectives and policies of the Master Fund and the Master Fund's other arrangements with Third Point and Third Point's affiliates were negotiated by persons who were, at the time of negotiation, affiliates of Third Point and one another. Because these arrangements were negotiated between related parties, their terms, including terms relating to compensation, contractual or fiduciary duties, conflicts of interest, termination rights and Third Point's ability to engage in outside activities, including activities that compete with the Company, its activities and the activities of the Master Fund, and limitations on liability and indemnification, may be less favourable than otherwise might have resulted if the negotiations had involved unrelated parties.

Failure by the Manager, the Investment Managers or other third-party service providers to the Company to carry out its or their obligations could materially disrupt the business of the Company.

The Company has no employees and the Directors have all been appointed on a non-executive basis. The Company must therefore rely upon the performance of third-party service providers to perform its executive functions. In particular, the Investment Manager, the Administrator and the Registrar of the Company will perform services that are integral to the Company's operations and financial performance. Failure by any service provider to carry out its obligations to the Company or to the Master Fund in accordance with the terms of its appointment, or to perform its obligations to the Company or to the Master Fund at all, could have a materially adverse effect on the Company's performance and returns to Shareholders.

Risks Relating to the Shares and Shareholders

The rights of Shareholders and the fiduciary duties owed by the Board of Directors to the Company will be governed by Guernsey law and the Articles of Association of the Company may differ from the rights and duties owed to companies under the laws of other countries.

The Company is an investment company that has been formed and registered under the laws of Guernsey. The rights of its Shareholders and the fiduciary duties that its Board of Directors owes to the Company and Shareholders are governed by Guernsey law and the Articles of Association of the Company. In accordance with Guernsey law, the Articles of Association of the Company contain various provisions that modify and restrict the fiduciary duties that might otherwise be owed to Shareholders. As a result, the rights of its Shareholders and the fiduciary duties that are owed to them and the Company may differ in material respects from the rights and duties that

would be applicable if the Company was organised under the laws of a different jurisdiction or if it was not permitted to vary such rights and duties in its Articles of Association.

No formal corporate governance code will apply to the Company.

There is no formal corporate governance code with which the Company must comply, although the Company has adopted policies in relation to the independence of directors and a share dealing code equivalent to the Model Code, as set out under "Consequences of Secondary Listing" in this Securities Note. In addition, there can be no assurance that the Company will continue to comply with such standards as they currently exist or as they may be revised going forward. Furthermore, no legal sanctions would apply to the Company if it failed to comply with such standards.

The Directors, the Administrator and the Prime Brokers may have conflicts of interest in the course of their duties.

The Directors, the Administrator and Prime Brokers may also, from time to time, provide services to, or be otherwise involved with, other investment programs established by parties other than the Company or the Master Fund which may have similar objectives to those of the Company or the Master Fund. It is therefore possible that any of them may, in the course of business, have potential conflicts of interest with the Company or the Master Fund. Furthermore, the Master Fund's cash held with the Prime Brokers is not segregated from the Prime Brokers' own cash and will be used by the Prime Brokers in the course of their business. The Master Fund therefore ranks as an unsecured creditor in relation thereto.

The Shares have never been publicly traded on the London Stock Exchange. Even if the Company is successful in listing the Shares, an active and liquid trading market for the Shares may not develop.

There has not been an active market for the Shares. The Company has applied to list the Shares on the London Stock Exchange's main market for listed securities. The Company cannot predict the extent to which, even if admitted to trading, investor interest will lead to the development of an active and liquid trading market for the Shares or, if such a market develops, whether it will be maintained. In addition, the Joint Lead Managers may sell a substantial amount of Shares to a limited number of investors, which could adversely affect the development of an active and liquid market for Shares.

The Company cannot predict the effects on the price of the Shares if a liquid and active trading market for the Shares does not develop. In addition, if such a market does not develop, relatively small sales may have a significant negative impact on the price of the Shares, and sales of a significant number of Shares may be difficult to execute at a stable price.

The Shares are subject to restrictions on transfers to any person located in the United States or who is a US person, which may impact the price and liquidity of the Shares.

The Shares have not been registered in the United States under the US Securities Act or under any other applicable securities law and are subject to restrictions on transfer contained in such laws and under ERISA regulations.

There are additional restrictions on the resale of Shares by Shareholders who are located in the United States or who are US persons and on the resale of Shares by any Shareholder to any person who is located in the United States or is a US person. Potential investors should refer to the section "Investment Restrictions, Transfer Restrictions and Certain ERISA Considerations" in Part 4 of this Securities Note. These restrictions may adversely affect the overall liquidity of the Shares.

The price of Shares may fluctuate significantly and potential investors could lose all or part of their investment.

There has not been a market for Shares. The Offer Price is fixed but may not be indicative of the market price of the Shares. The market price of Shares may fluctuate significantly and potential investors may not be able to resell their Shares at or above the price at which they purchased them. Factors that may cause the price of the Shares to vary include but are not limited to:

- changes in the Company's financial performance and prospects or in the financial performance and prospects of companies engaged in businesses that are similar to the Company's business;
- changes in the underlying values and trading volumes of the investments that the Company makes through the Master Fund;
- the termination of the Master Fund Investment Management Agreement and the departure of some or all of the Investment Manager's investment professionals;
- changes in laws or regulations, including tax laws, or new interpretations or applications of laws and regulations, that are applicable to the Company's business;
- sales of Shares by its Shareholders;
- general economic trends and other external factors, including those resulting from war, incidents of terrorism or responses to such events;
- speculation in the press or investment community regarding the Company's business or investments, or factors or events that may directly or indirectly affect its business or investments;
- a loss of a major funding source; and
- a further issuance of Shares.

Securities markets in general have experienced extreme volatility that has often been unrelated to the operating performance of particular companies or partnerships. Any broad market fluctuations may adversely affect the trading price of the Shares.

The Company may issue additional securities that dilute existing holders of Shares or that have rights and privileges that are more favourable than the rights and privileges of holders of the Shares.

Under the Articles of Association of the Company, it may issue additional securities, including Shares, options, rights, warrants and appreciation rights relating to its securities for any purpose. Future issuances may consist of Shares or of securities having greater rights and preferences. The Company is not required under Guernsey law to offer any such Shares or other securities to existing Shareholders on a pre-emptive basis. Therefore, it may not be possible for existing Shareholders to participate in such future issues, which may dilute the existing Shareholders' interests in the Company. In addition, additional issuances by the Company, or the possibility of such issue, may cause the market price of the Shares to decline.

The ability of potential investors to invest in the Shares or to transfer any Shares that they hold may be limited by restrictions imposed by ERISA and similar regulations, the Articles of Association of the Company and other tax considerations.

The Company intends to restrict the ownership and holding of its Shares so that none of its assets will constitute ''plan assets'' of any Plan as defined in ''Investment Restrictions, Transfer Restrictions and Certain ERISA Considerations'' in Part 4 of this Securities Note. The Company intends to impose such restrictions based on deemed representations in the case of its Shares. If the Company's assets were deemed to be ''plan assets'' of any Plan subject to Title I of ERISA or Section 4975 of the US Internal Revenue Code, pursuant to US Department of Labor regulations promulgated under ERISA by the US Department of Labor and codified at 29 C.F.R.

Section 2510.3-101, which the Company refers to as the "Plan Asset Regulations", (i) the prudence and other fiduciary responsibility standards of ERISA would apply to investments made by the Company and (ii) certain transactions that the Company, the Master Fund or a subsidiary of the Master Fund may enter into, or may have entered into, in the ordinary course of business might constitute or result in non-exempt prohibited transactions under Section 406 of ERISA or Section 4975 of the US Internal Revenue Code and might have to be rescinded. Governmental plans, certain church plans and non-US plans, while not subject to Title I of ERISA or Section 4975 of the US Internal Revenue Code, may nevertheless be subject to other state or local laws or regulations that would have the same effect as the Plan Asset Regulations so as to cause the underlying assets of the Company to be treated as assets of an investing entity by virtue of its investment (or any beneficial interest) in the Company and thereby subject the Company, the Master Fund or the Investment Manager (or other persons responsible for the investment and operation of the Company assets) to laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions contained in Title I of ERISA or Section 4975 of the US Internal Revenue Code. The Company refers to these laws as "Similar Laws".

Each purchaser and subsequent transferee of the Shares will be deemed to represent and warrant that no portion of the assets used to acquire or hold its interest in the Shares constitutes or will constitute the assets of any Plan. The Articles of Association of the Company provide that any purported acquisition or holding of Shares in contravention of the restriction described in such representation will be void and have no force and effect. If, notwithstanding the foregoing, a purported acquisition or holding of Shares is not treated as being void for any reason, the Shares will automatically be transferred to a charitable trust for the benefit of a charitable beneficiary and the purported holder will acquire no right in such Shares. See "Investment Restrictions, Transfer Restrictions and Certain ERISA Considerations" in Part 4 of this Securities Note for a more detailed description of certain ERISA, US Internal Revenue Code and other considerations relating to an investment in the Shares.

Local laws or regulations may mean that the status of the Company, the Shares or the Master Fund is uncertain or subject to change, which could adversely affect investors' ability to hold the Shares.

For regulatory, tax and other purposes, the Company and the Shares may be treated differently in different jurisdictions. For instance, in certain jurisdictions and for certain purposes, the Shares may be treated as units in a collective investment scheme. Furthermore, in certain jurisdictions, the status of the Company and/or the Shares may be uncertain or subject to change, or it may differ depending on the availability of certain information or disclosures by the Company. Changes in the status or treatment of the Company or the Shares may have unforeseen effects on the ability of investors to hold the Shares or the consequences of so doing.

Risks Relating to Taxation

US investors may suffer adverse tax consequences because the Company will be treated as a passive foreign investment company (a "PFIC") for US federal income tax purposes.

The Company and the Master Fund are each a PFIC for US federal income tax purposes because of the composition of their assets and the nature of their income, and the Master Fund may invest in companies that themselves are PFICs. As a result, US investors will be subject to adverse US federal income tax consequences, including additional taxes and interest charges upon disposition of its Shares or upon the receipt of certain distributions and the potential for the recognition of ordinary income in excess of their actual economic income from their investment in the Shares. Such adverse tax consequences may be mitigated by making a special tax election. For a further discussion of the PFIC rules and mitigating elections see "Certain Tax Considerations — Passive Foreign Investment Company Considerations" in Part 3 of this Securities Note.

Changes to tax treatment of derivative instruments may adversely affect the Master Fund and certain tax positions it has taken may be successfully challenged.

The regulatory and tax environment for derivative instruments is evolving, and changes in the regulation or taxation of derivative instruments may adversely affect the value of derivative instruments held by the Master Fund and its ability to pursue its investment strategies. In addition, the Master Fund may take positions with respect to certain tax issues which depend on legal conclusions not yet resolved by the courts. Should any such positions be successfully challenged by an applicable taxing authority, there could be a material adverse effect on the Company.

The Company is exposed to changes in tax laws or regulation, or their interpretation.

Changes to the tax laws of, or practice in, Guernsey, the United States, the United Kingdom or any other tax jurisdiction affecting the Company or the Master Fund including, for example, the imposition of withholding or other taxes on the Company's investment in the Master Fund, could adversely affect the value of the investments held by the Company in the Master Fund and decrease the post-tax returns to Shareholders.

The Company is exposed to changes in its tax residence and changes in the tax treatment of arrangements relating to its business or investment in the Master Fund.

If the Company were treated as resident, or as having a permanent establishment, or as otherwise being engaged in a trade or business, in any country in which it invests or in which its investments are managed, all of its income or gains, or the part of such gain or income that is attributable to, or effectively connected with, such permanent establishment or trade or business, may be subject to tax in that country, which could have a material adverse effect on the Company's performance and returns to Shareholders.

To maintain its non-UK tax resident status, the Company must be managed and controlled outside the United Kingdom. The composition of the Board of Directors, the place of residence of the Board's individual members and the location(s) in which the board makes its decisions will be important factors in determining and maintaining the non-UK tax residence status of the Company. While the Company is incorporated in Guernsey and a majority of the Directors reside outside the United Kingdom, the Company must pay continued attention to ensure that its decisions are not made in the United Kingdom or the Company may lose its non-UK tax resident status. The Company must similarly ensure that it does not become tax resident in the United States or other jurisdictions.

Changes in tax laws or regulation affecting the Master Fund or the unexpected imposition of tax on its investments could adversely affect its performance.

The Master Fund is not currently subject to tax on a net income basis in any country. There can be no assurance that the net income of the Master Fund will not become subject to tax in one or more countries as a result of unanticipated activities performed by the Investment Manager or its affiliates, adverse developments or changes in law, contrary conclusions by the relevant tax authorities or other causes. The imposition of any such unanticipated net income taxes could materially reduce the Master Fund's after-tax returns, which could have a material adverse effect on the performance of the Company and returns to Shareholders.

CONSEQUENCES OF SECONDARY LISTING

Application will be made for the Shares to be admitted to a secondary listing on the Official List pursuant to Chapter 14 of the Listing Rules, which sets out the requirements for secondary listings based on Prospectus Directive requirements. As a consequence, the additional requirements of Chapters 6 to 13 inclusive and Chapter 15 of the Listing Rules will not apply to the Company. Shareholders in the Company will therefore not receive the full protections of the Listing Rules. However, the Company intends to comply with the Listing Principles set out in Chapter 7 of the Listing Rules which would otherwise apply to an investment company such as the Company if it were to obtain a "primary" listing on the Official List. The Company is not, however, subject to such Listing Principles and will not be required to comply with them.

As mentioned above, the Company will not be required to comply with the provisions of Chapter 15 of the Listing Rules, the key provisions of which currently are:

- Listing Rule 15.2.2(2) — the Company is not required to have an adequate spread of investment risk. However, the Investment Manager's investment approach has generally resulted in broad diversification on a global basis across financial markets thereby reducing the Master Fund's exposure to any single market or issuer of securities. Prospective investors should nevertheless note that the Master Fund seeks to invest in companies in accordance with its investment objective without regard to the industries in which those companies are engaged.

- Listing Rule 15.2.2(3) — the Company may not comply with the requirements in this rule that an investment company must be a passive investor and must not control or seek to control any companies in which it invests. Although the Company will not typically seek control, it may not be precluded from doing so.

- Listing Rule 15.2.4(2) — the Company is not required to comply with the requirement imposed by this rule that its Directors and the Investment Manager have sufficient and satisfactory experience in the management of investments of the type in which the Company proposes to invest. However, the Investment Manager has considerable experience in the management of investments of the type in which the Company proposes to invest. The Investment Manager has in place a team of 20 investment professionals, led by Mr. Daniel S. Loeb, and has produced annual returns net of fees and expenses of 23.1 per cent. over the Master Fund's 10 year history.

- Listing Rules 15.2.6 to 15.2.9 — the Company is not required to comply with the corporate governance requirements imposed by these Listing Rules, which include requirements for its Directors to demonstrate that they will act independently of the Investment Manager, for a majority of its Directors to be independent, for there to be no more than one who is a representative of the Investment Manager (or otherwise closely associated with the Investment Manager as specified in (iii) below) and for the Chairman of its Board of Directors to be independent. However, the Company is currently in compliance with these rules, and has adopted a policy that the composition of its Board of Directors be at all times such that (i) a majority of its Directors be independent of the Investment Manager; (ii) the Chairman of its Board of Directors be free from conflicts of interest and be independent of the Investment Manager; and (iii) no more than one director, partner, employee or professional adviser to the Investment Manager or any company in the same group as the Investment Manager may be a Director of the Company at any time, in each case having regard to the terms and definitions used in Listing Rules 15.2.6 to 15.2.9.

- Listing Rule 15.2.10(1) — the Directors will not comprise a majority of Directors of the fund in which the Company invests all its assets (net of short term working capital requirements), being the Master Fund, nor will the Company control the investment policy of the Master Fund. Further details of the Master Fund are contained in Part 3 of the Registration Document.

- Listing Rule 15.2.10(3) — the Company will not comply with the prohibition on investing more than 20 per cent. of the Company's assets in the securities of one issuer as all of the Company's assets (net of short term working capital requirements) will be invested in the securities of one company, the Master Fund. Further details of the Company's investment policy are contained in Part 1 of this Securities Note.
- Listing Rule 15.4.3 — the Company is not required to comply with the Model Code on Directors' dealings in shares of the Company set out in Chapter 9 of the Listing Rules. However, the Company has adopted a share dealing code that is consistent with the provisions of the Model Code.
- Listing Rule 15.4.9 — the Company is not required to comply with the requirements that an investment company may not make a material change to its investment policies without the approval of its shareholders. The Company has, however, included a provision in its Articles to this effect.
- Listing Rule 15.4.11 — the Company does not intend to comply with the notification requirements in this rule, which relate to periodic disclosure of a listed investment company's portfolio on the basis that, given the Company's investment strategy, the Company does not believe that such disclosure would be meaningful to investors, but it will file monthly investor letters and monthly fact sheets with a Regulatory Investor Service.
- Listing Rule 15.4.12 — the Company may not comply with this rule, which requires certain specific disclosures in an issuer's annual report and accounts, but it will prepare financial statements on an annual and semi-annual basis in accordance with US GAAP and the Companies Law, and as required by Chapter 14 of the Listing Rules, the Company will also comply with the Disclosure and Transparency Rules. Further details on the Company's financial reporting policy are contained in Part 5 of the Registration Document.
- Listing Rule 15.4.23 — the Company is not required to comply with this rule which in certain circumstances prohibits the issue of further shares of the same class of the existing shares at a price below the NAV of those shares. In practice, the Company will, however, comply with Listing Rule 15.4.23 and does not intend to issue further shares of the same class at a price below the NAV of such shares, nor to reissue shares from treasury at a price below their NAV.

It should be noted that the requirements of Chapter 15 are currently the subject of revision. Certain of the requirements above are unlikely to continue to apply (or to apply in the same manner) to Chapter 15 companies following the implementation of the new rules, which is expected to take effect in the third quarter of 2007 and in the first quarter of 2008. However, the Company will not comply with certain provisions of Chapter 15 as currently proposed to be revised. In the event that Chapter 15 is revised in such a way that the Directors believe that the Company can comply fully with all requirements, the Company may consider applying for re-admission under Chapter 15.

In addition, the Company is not required, and does not intend, to appoint a listing sponsor under Chapter 8 of the Listing Rules to guide the Company in understanding and meeting its responsibilities under the Listing Rules or comply with Chapter 10 of the Listing Rules relating to significant transactions.

The Company is not required to comply with the provisions of Chapter 11 of the Listing Rules regarding related party transactions. The Company has adopted a related party policy which shall apply to any transaction which it may enter into with the Investment Manager or any of its affiliates which would constitute a ''related party transaction'' as defined in, and to which would apply, Chapter 11 of the Listing Rules provided that, for the avoidance of doubt, a subscription or redemption of Master Fund Shares shall not be a ''related party transaction'' for these purposes. In accordance with its related party policy, the Company shall not enter into any such related party transaction without first obtaining (i) the approval of a majority of the Independent

Directors (who may, in their absolute discretion, convene an extraordinary general meeting to obtain the approval of non-related party shareholders to the proposed transaction), and (ii) a fairness opinion or third-party valuation (as appropriate) in respect of such related party transaction from an appropriately qualified independent adviser. This policy may only be modified pursuant to a non-related Shareholder vote.

The Company is not required to comply with the provisions of Chapter 12 of the Listing Rules regarding market repurchases by the Company of its Shares. The Company has, however, adopted a policy consistent with the provisions of the Listing Rules 12.4.1 and 12.4.2, whereby (i) its Board of Directors will seek annual renewal of Shareholder authority to purchase in the market up to 14.99 per cent. of each class of Shares in issue from time to time; (ii) unless a tender offer is made to all holders of the relevant class of Shares, the maximum price to be paid per Share pursuant to any such repurchase must not be more than the higher of: (1) 105 per cent. of the average of the middle market quotations for a Share taken from the London Stock Exchange's main market for listed securities for the five Business Days before the purchase is made; and (2) the higher of the price of the last independent trade and the highest current independent bid at the time of purchase; and (3) any repurchase by the Company of 15 per cent. or more of any class of its Shares will be effected by way of a tender offer to all Shareholders of that class.

It should be noted that the UK Listing Authority will not have the authority to monitor the Company's voluntary compliance with the Listing Rules applicable to companies listed under Chapter 15 described above (and will not do so) nor impose sanctions in respect of any breach of such requirements by the Company.

EXPECTED TIMETABLE

Global Offer opens	2 July 2007
Latest time and date for receipt of Application Forms for Shares under the Offer for Subscription	5.00 pm 16 July 2007
Latest time and date for receipt of Placing commitments	5.00 pm 17 July 2007
Allocation	17 July 2007
Announcement of the results of the Global Offer through a Regulatory Information Service	18 July 2007
Conditional dealings to commence on the London Stock Exchange at 8.00 am	18 July 2007
Admission and commencement of unconditional dealings on the London Stock Exchange at 8.00 am	23 July 2007
CREST stock accounts expected to be credited	23 July 2007
Despatch of definitive share certificates (where applicable)	week commencing 30 July 2007

Each of the times and dates in the above timetable may be extended or brought forward without further notice. References to times are to London time unless otherwise stated. It should be noted that if Admission does not occur, all conditional dealings will be of no effect and any such dealings will be at the sole risk of the parties concerned.

GLOBAL OFFER STATISTICS

Target size of the Global Offer (excluding any proceeds received pursuant to the Over-allotment Option)*†	€500 million
Offer Price	€10 per Euro Share
	US$10 per US Dollar Share
	£10 per Sterling Share
Expected Opening NAV per Share	€10 per Euro Share
	US$10 per US Dollar Share
	£10 per Sterling Share
ISIN for Euro Shares	GG00B1YQ6Y64
ISIN for US Dollar Shares	GG00B1YQ7219
ISIN for Sterling Shares	GG00B1YQ6R97

* The actual number of Shares, and the number of Shares in each class, in issue upon Admission will depend on how the demand is satisfied in relation to each class of Shares and the relative proportion of the Global Offer allocated to each class. It is expected that the Global Offer Placing Statement containing the number of Euro Shares, US Dollar Shares and Sterling Shares will be published on or about 18 July 2007.

† Assuming gross proceeds of the Global Offer of €500 million, additional proceeds of up to €75 million may be received pursuant to the exercise of the Over-allotment Option. In any event, the total amount of the Global Offer will not exceed €700 million, including any proceeds of the exercise of the Over-allotment Option.

DIRECTORS, MANAGERS AND ADVISERS

Directors	Marc-Antoine Autheman — Chairman Christopher Legge — Chairman Audit Committee Keith Dorrian Christopher Fish Jim Kelly — Third Point LLC representative
Investment Manager of the Fund	Third Point LLC 390 Park Avenue, 18th Floor, New York, NY 10022 +1 212 318 8870
Investment Manager of the Master Fund	Third Point LLC 390 Park Avenue, 18th Floor, New York, NY 10022 +1 212 318 8870
Global Co-ordinator, Bookrunner and Joint Lead Manager	UBS Limited 1 Finsbury Avenue London EC2M 2PP
Joint Lead Manager	Société Générale S.A. Tour Société Générale 17 cours Valmy 92972 Paris La Défense Cedex — France
Legal Advisers to the Company as to English law	Herbert Smith LLP Exchange House Primrose Street London EC2A 2HS
Legal Advisers to the Company as to US law	Cravath, Swaine & Moore, LLP 825 Eighth Avenue, Worldwide Plaza New York, NY 10019-7475
Advocates to the Company as to Guernsey law	Ozannes Advocates PO Box 186, le Merchant Street St Peter Port, Guernsey, GY1 4HP
Legal Advisers to Global Co-ordinator and Joint Lead Managers	Allen & Overy LLP One Bishops Square London E1 6AO
Receiving Agent	Capita Registrars Corporate Actions The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
Administrator and Secretary	Northern Trust International Fund Administration Services (Guernsey) Limited PO Box 255 Trafalgar Court, Les Banques St. Peter Port, Guernsey, GY1 3QL
CREST Service Provider and Registrar	Capita Registrars (Guernsey) Limited 2nd Floor, No. 1 Le Truchot, St Peter Port, Guernsey, GY1 1WO
Reporting Accountant	Ernst & Young LLP 1 More London Place London SE1 2AF
Auditors	Ernst & Young LLP P.O. Box 9 14 New Street St Peter Port, Guernsey, GY1 4AF

SELLING RESTRICTIONS

The Prospectus does not constitute, and may not be used for the purposes of, an offer or an invitation to apply for any Shares by any person: (i) in any jurisdiction in which such offer or invitation is not authorised; or (ii) in any jurisdiction in which the person making such offer or invitation is not qualified to do so; or (iii) to any person to whom it is unlawful to make such offer or invitation. The distribution of this Prospectus and the offering of Shares in certain jurisdictions may be restricted and accordingly persons into whose possession this Prospectus comes are required to inform themselves about and observe such restrictions.

United States

The Shares have not been and will not be registered under the US Securities Act. The Shares may not be offered or sold within the United States or to US persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. The Joint Lead Managers have agreed that (1) they will offer and sell Shares under the Placing Agreement outside the United States only in accordance with Rule 903 of Regulation S and (2) they will not offer or sell the Shares under the Placing Agreement at any time within the United States or to US persons except to persons that they reasonably believe to be both (a) qualified purchasers (as defined in Section 2(a)(51) of the US Investment Company Act and related rules and (b) either (i) qualified institutional buyers (as defined in Rule 144A under the US Securities Act) in reliance on the exemption from registration provided by Rule 144A under the US Securities Act or (ii) accredited investors (as defined in Rule 501(a) under the US Securities Act) in reliance on the exemption from registration provided by Regulation D under the US Securities Act. The Company has not been and does not intend to become registered as an investment company under the US Investment Company Act and related rules. The Shares and any beneficial interests therein may not be offered or sold or reoffered, resold, pledged or otherwise transferred in the United States or to US persons, except as described above. Each purchaser of Shares that is a US person is hereby notified that the offer and sale of Shares to it is being made in reliance upon Rule 144A under the US Securities Act and under the relevant provisions of the US Investment Company Act and related rules.

The Shares issued to US persons will be in registered and certificated form and certificates evidencing ownership thereof will bear a legend with respect to the restrictions on transfer set forth herein. The Company and its agents will not be obligated to recognise any resale or other transfer of Shares made other than in compliance with the transfer restrictions set forth in this Prospectus. In addition, purchasers of the Shares that are in the United States or that are US persons may, if they are not Qualified Purchasers at the time they acquire the Shares, be forced to sell them. For a description of important restrictions on the Shares initially offered and sold in the United States or to US persons, see ''Investment Restrictions, Transfer Restrictions and Certain ERISA Considerations in Part 4 of this Securities Note.

Each purchaser and subsequent transferee of Shares will be required to, in addition to certain other representations, represent and warrant in writing that no portion of the assets used to acquire or hold its interest in the Shares constitutes or will, for as long as it holds the Shares, constitute the assets of any Plan (as defined in ''Investment Restrictions, Transfer Restrictions and Certain ERISA Considerations'' in Part 4 of this Securities Note). The Company's Articles of Association provide that any purported acquisition or holding of Shares in contravention of the restriction described in the representation will be void and have no force and effect. If, notwithstanding the foregoing, a purported acquisition or holding of Shares is not treated as being void for any reason, the Shares will automatically be transferred to a charitable trust for the benefit of a charitable beneficiary and the purported holder will acquire no right in such Shares.

Member States of the European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (as defined below) or where the Prospectus Directive is applied by the regulator (each, a **"Relevant Member State"**), an offer of the Shares to the public may only be made in the Relevant Member State after the publication of a prospectus in relation to the Shares has been approved by a competent authority in that Relevant Member State (or, in the case of Luxembourg, Spain and the United Kingdom, which has been approved in or passported into such jurisdictions in accordance with the Prospectus Directive as implemented by such jurisdiction) except that an offer of the Shares to the public in a Relevant Member State may be made at any time:

- to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year, (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts;
- to fewer than 100 natural or legal persons per Relevant Member State (other than qualified investors as defined in the Prospectus Directive); or
- in any other circumstances which do not require the publication of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of the Shares to the public" in relation to any Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State, and the expression "Prospectus Directive" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

Bailiwick of Guernsey

Shares will not be offered directly to members of the public within the Bailiwick of Guernsey, meaning any person who is not regulated under any of the financial services regulatory laws of the Bailiwick of Guernsey.

Bailiwick of Jersey

Shares will not be offered directly to members of the public within the Bailiwick of Jersey, meaning any person who is not regulated under any of the financial services regulatory laws of the Bailiwick of Jersey.

Belgium

The Prospectus and related documents have not been approved in Belgium and are not intended to constitute, and may not be construed as, a public offering in the Kingdom of Belgium. Accordingly, these documents may not be distributed or circulated to, and the Shares may not be offered or sold to, any member of the public in the Kingdom of Belgium other than qualified investors listed in article 10 of the Belgian Law of 16 June 2006 on the public offering of investment instruments and the admission to trading of investment instruments on a regulated market, or investors subscribing for a minimum amount of €50,000 each for each separate offer and, provided any such investor qualifies as a consumer within the meaning of article 1.7 of the Law of 14 July 1991 on consumer protection and trade practices (the "Consumer Protection Law"), such offer or sale is made in compliance with the provisions of the Consumer Protection Law and its implementing legislation.

United Arab Emirates and the Dubai International Finance Centre

In relation to the United Arab Emirates ("**UAE**") excluding the Dubai International Finance Centre ("**DIFC**"), the Shares have not been and will not be registered under Federal Law No. 4 of 2000 Concerning the Emirates Securities and Commodities Authority and Market or with the UAE Central Bank, the Dubai Financial Market, the Abu Dhabi Securities Market, any other UAE exchange, the Dubai International Financial Exchange or the Dubai Financial Services Authority ("**DFSA**"). The Global Offer and the Shares have not been approved or licensed by the UAE Central Bank, the Emirates Securities and Commodities Authority, the DFSA or any other relevant licensing authorities in the UAE or the DIFC, and do not constitute a public offer of securities in the UAE in accordance with the Commercial Companies Law, Federal Law No. 8 of 1984 (as amended) or otherwise. The Prospectus is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. Neither the Shares nor any interests in the Shares may be offered, sold, promoted or advertised directly or indirectly to the public in the UAE or the DIFC.

In relation to the DIFC, this document relates to an Exempt Offer in accordance with the Offered Securities Rules of DFSA. This document is intended for distribution only to persons of a type specified in those Rules. It must not be delivered to, or relied on, by any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this document nor taken steps to verify the information set out in it, and has no responsibility for it. The Shares may be illiquid and/or subject to restrictions on their re-sale. Prospective purchasers of the Shares offered should conduct their own due diligence on the Shares. If you do not understand the contents of this document you should consult an authorised financial adviser.

France

The Prospectus and related documents have not been approved by the competent regulatory authority in France and are not intended to constitute, and may not be construed as, a public offer in France. The Shares have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France, provided that offers, sales and distributions may be made in France only to (a) providers of the investment service of portfolio management for the account of third parties; (b) qualified investors (*investisseurs qualifiés*); and/or (c) to a restricted circle of investors, all as defined in, and in accordance with, Articles L.411-1, L.411-2, D.411-1 and D.411-4 of the French *Code monétaire et financier*.

The Shares may be resold directly or indirectly only in compliance with Articles L.411-1, L.411-2, L.412-1 and L.621-8 to L.621-8-3 of the French *Code monétaire et financier*.

Germany

This document, the Shares or the placing of the Shares have not been and will not be registered or cleared by the Bundesanstalt für Finanzdienstleistungsaufsicht (the German financial regulator) or any other competent German authority under applicable German law and may therefore not be offered, distributed, sold, transferred or delivered, directly or indirectly, to the public in Germany but only to persons individually known to the offeror and addressed by him on the basis of a selected choice according to individual aspects and if they require no information by means of a prospectus as investors usually do. In line with this, the Joint Lead Managers are making this document available to individually selected members of their existing customer base only. This document is only directed to such recipients to whom it is directly addressed and may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever. Any forwarding, distribution or reproduction of this document in whole or in part is unauthorised. Failure to comply with this directive may result in a violation of German law or applicable laws of other jurisdictions.

Hong Kong

The contents of the Prospectus have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the Global Offer. If you are in any doubt about any of the contents of the Prospectus, you should obtain independent professional advice.

Please note that (1) Shares may not be offered or sold in Hong Kong by means of the Prospectus or any other document other than to professional investors within the meaning of Part I of Schedule 1 to the Securities and Futures Ordinance of Hong Kong (Cap. 571) and any rules made thereunder ("**professional investors**"), or in other circumstances which do not result in the Prospectus being a "prospectus" as defined in the Companies Ordinance of Hong Kong (Cap. 32) or which do not constitute an offer or invitation to the public for the purposes of the Companies Ordinance, and (2) no person shall issue or possess for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to Shares which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to such professional investors.

Luxembourg

In addition to the cases described in the European Economic Area selling restrictions in which the Company and the Joint Lead Managers can make an offer of Shares to the public in a Relevant Member State (including the Grand Duchy of Luxembourg), the Company and the Joint Lead Managers can also make an offer of Shares to the public in the Grand Duchy of Luxembourg:

(a) at any time, to national and regional governments, central banks, international and supranational institutions (such as the International Monetary Fund, the European Central Bank, the European Investment Bank) and other similar international organisations;

(b) at any time, to legal entities which are authorised or regulated to operate in the financial markets (including, credit institutions, investment firms, other authorised or regulated financial institutions, insurance companies, undertakings for collective investment and their management companies, pension and investment funds and their management companies, commodity dealers) as well as entities not authorised or regulated whose corporate purpose is solely to invest in securities; and

(c) at any time, to certain natural persons or small and medium-sized enterprises (as defined in the Luxembourg act dated 10 July 2005 on prospectuses for securities implementing the Prospectus Directive into Luxembourg law) recorded in the register of natural persons or small and medium-sized enterprises considered as qualified investors as held by the *Commission de Surveillance du Secteur Financier* as competent authority in Luxembourg in accordance with the Prospectus Directive.

Norway

The Prospectus has not been produced in accordance with the prospectus requirements laid down in the Norwegian Securities Trading Act 1997 nor in accordance with the requirements laid down in the Norwegian Securities Fund Act 1981. Neither the Prospectus nor the Shares presented herein have been approved or disapproved by, or registered with, the Oslo Stock Exchange, Kredittilsynet or the Norwegian Registry of Business Enterprises. The Shares may not be offered or sold, and will not be offered or sold to any persons in Norway in any way that would constitute an offer to the public, other than in circumstances where an exemption from the duty to publish a Prospectus under the Norwegian Securities Trading Act 1997 shall be applicable. The offer to participate in the subscription contained in the Prospectus is only and exclusively directed to the addressees of this offer and cannot be distributed, offered or presented, either directly or indirectly to other persons or entities domiciled in Norway without the consent of the offeror.

Portugal

No offer or sale of Shares may be made in Portugal except under circumstances that will result in compliance with the rules concerning marketing of such Shares and with the laws of Portugal generally.

No notification has been made nor has any has been requested from the Securities Market Commission (Comissão de Mercado de Valores Mobilários, "**CMVM**") for the marketing of the Shares referred to in the Prospectus of which this document forms a part, therefore the same cannot be offered to the public in Portugal.

Accordingly, no Shares have been or may be offered or sold to unidentified addressees or to 100 or more non-qualified Portuguese resident investors and no Global Offer has been preceded or followed by promotion or solicitation to unidentified investors, public advertisement, publication of any promotional material or in any similar manner.

In particular, the Prospectus and the offer of the Shares is only intended for Qualified Investors acting as final investors. Qualified Investors within the meaning of the Securities Code (Código dos Valores Mobiláios) includes credit institutions, investment firms, insurance companies, collective investment institutions and their respective managing companies, pension funds and their respective pension fund-managing companies, other authorised or regulated financial institutions, notably securitisation funds and their respective management companies and all other financial companies, securitisation companies, venture capital companies, venture capital funds and their respective management companies, financial institutions incorporated in a state that is not a member state of the EU that carry out activities similar to those previously mentioned, entities trading in financial instruments related to commodities and regional and national governments, central banks and public bodies that manage debt, supranational or international institutions, namely the European Central Bank, the European Investment Bank, the International Monetary Fund and the World Bank, as well as entities whose corporate purpose is solely to invest in securities and any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000; and (3) an annual net turnover of more than €50,000,000, all as shown in its last annual or consolidated accounts.

Singapore

This Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act, Chapter 289 of Singapore (the "**Securities and Futures Act**"). Accordingly, the Shares may not be offered or sold or made the subject of an invitation for subscription or purchase nor may this Prospectus or any other document or material in connection with the offer or sale or invitation for subscription or purchase of any Shares be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor pursuant to Section 274 of the Securities and Futures Act; (b) to a relevant person, or any person pursuant to Section 275(1A) of the Securities and Futures Act, and in accordance with the conditions specified in Section 275 of the Securities and Futures Act; or (c) pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

Each of the following relevant persons specified in Section 275 of the Securities and Futures Act who has subscribed for or purchased Shares, namely a person who is:

(a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, should note that shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for six months after that

corporation or that trust has acquired the shares under Section 275 of the Securities and Futures Act except:

(1) to an institutional investor under Section 274 of the Securities and Futures Act or to a relevant person, or any person pursuant to Section 275(1A) of the Securities and Futures Act, and in accordance with the conditions, specified in Section 275 of the Securities and Futures Act;

(2) where no consideration is given for the transfer; or

(3) by operation of law.

Spain

The Shares may not be offered, sold or distributed in the Kingdom of Spain except in accordance with the requirements of Law 24/1988, of 28 July on the Securities Market (*Ley 24/1988, de 28 de julio, del Mercado de Valores*) as amended and restated, and Royal Decree 1310/2005, of 4 November 2005 partially developing Law 24/1988, of 28 July on the Securities Market in connection with listing of securities in secondary official markets, initial purchase offers, rights issues and the prospectus required in these cases (*Real Decreto 1310/2005, de 4 de noviembre, por el que se dearrolla parcialmente la Ley 24/1988, de 28 Julio, del Mercado de Valores, en material de admision a negociación de valores en mercados secundarios oficiales, de ofertas públicas de venta o suscripción y del folleto exigible a tales efectos*) and the decrees and regulations made thereunder. Neither the Shares nor the Prospectus have been verified or registered in the administrative registries of the National Stock Exchange Commission (*Comisión Nacional de Mercado de Valores*).

Switzerland

The Prospectus may only be communicated in and from Switzerland to a limited number of investors who are qualified investors as defined in the Swiss Federal Act on Collective Investment Schemes (**"CISA"**).

The Company qualifies as a foreign closed-end collective investment scheme pursuant to art. 119 para. 2 CISA, which entered into force on 1 January 2007 and replaced the Swiss Federal Act on Investment Funds of 18 March 1994. The Shares will not be licensed for public distribution in and from Switzerland and they may only be offered and sold to so-called "qualified investors" as defined in, and in accordance with, the private placement requirements set forth by the new law (in particular art. 10 para. 3 CISA and art. 6 of the ordinance to CISA). The Shares have not been licensed for public distribution with the Swiss Federal Banking Commission (**"SFBC"**) and the Company is not subject to the supervision of the SFBC. Therefore investors in the Shares do not benefit from the specific investor protection provided by CISA and the supervision by the SFBC.

Private placements to Accredited Investors who are also Qualified Purchasers in the United States

The Company is offering and selling Shares directly to Accredited Investors who are also Qualified Purchasers, including existing investors in the Master Fund. Under the Placing Agreement, the Joint Lead Managers are entitled to a commission equal to 2.5 per cent. of the gross proceeds of the Global Offer (not including any subscription made on behalf of the Investment Manager's CEO) for their services in connection with the Global Offer.

The offer and sale of Shares in the private placement is not being registered under the US Securities Act, but rather is being privately placed by the Company pursuant to the private placement exemption from registration provided by Rule 506 of Regulation D. Each purchaser of Shares in the private placement will be required to complete and deliver to the Company a purchaser letter setting forth the purchaser's agreement to purchase the Shares for which the purchaser has subscribed and substantiating the purchaser's investor status prior to the Company's acceptance of any order from such purchaser.

PART 1

THE COMPANY

Introduction

The Company is a newly-formed Guernsey incorporated and registered closed-ended investment company. The Company is a feeder fund and has been established with the objective of providing its Shareholders with consistent long-term capital appreciation utilising the investment skills of the Investment Manager, Third Point LLC. Access to these skills will be provided by the investment of the net proceeds of the Global Offer into Third Point Offshore Fund, Ltd., an exempt company with limited liability incorporated under the laws of the Cayman Islands (the "**Master Fund**"). The Company's financial performance will depend entirely on the performance of its investment in the Master Fund.

The Company has been established with an unlimited life and has in place discount control mechanisms intended to assist in minimising any discount to NAV at which the Shares may trade from time to time. The Company's Board of Directors is independent of the Investment Manager. The costs and expenses of the Global Offer will be paid by the Investment Manager.

It is currently anticipated that, after the completion of the Global Offer and the investment of the Company's capital in the Master Fund, the Company will own Master Fund Shares representing 18.1 per cent. of the NAV of the Master Fund (calculated as at 31 May 2007, being the latest practicable date prior to the date of the Prospectus). Other than its ownership of Master Fund Shares, the Company will have no other substantial assets or business.

The Company's Investment Objective and Policy

The Company's investment objective is to provide its Shareholders with consistent long-term capital appreciation utilising the investment skills of the Investment Manager through investment of all of its capital (net of short term working capital requirements) in Third Point Class E Shares of the Master Fund. In relation to such Third Point Class E Shares, the Company has elected to participate in Special Investments from time to time, as and when identified by the Investment Manager after the investment by the Company in Third Point Class E Shares. As and when such Special Investments are made after the investment by the Company in Third Point Class E Shares, a portion of the Company's Third Point Class E Shares will be redeemed and exchanged for Third Point Class S Shares in respect of the relevant Special Investment. The Master Fund's investment objective is to seek to generate consistent long-term capital appreciation, by using an Event Driven, bottom-up, fundamental approach to evaluate various types of securities throughout companies' capital structures.

The Master Fund's fundamental approach to investing begins with analysing a company's financial performance, its management and competitive advantages, its position within its industry and the overall economy. This analysis is performed on historical and current data with the ultimate goal of producing a set of projected financial results for the company. Once the projections are established, the Master Fund's Investment Manager compares the current valuation of the company in question relative to its historical valuation range, the valuation range of its peers and the overall market in general to determine whether the markets are mis-pricing the company. The Investment Manager ultimately invests in situations where it believes mis-pricing exists because this fundamental analysis indicates that such a disconnection will correct itself over the longer term.

The Investment Manager's bottom-up approach attempts to identify individual companies that would make attractive investment targets based on their growth and profitability characteristics. This approach differs from a top-down methodology which first evaluates macro-economic, sector, industry or geographic factors to select the best sectors or industries for investment.

The Investment Manager seeks to identify "Event Driven" situations in which it can take either a long or a short investment position where it can identify a near or long-term catalyst that would unlock value.

Special Investments

Prospective investors should note that, through its investment in the Master Fund, the Company will also participate in Special Investments, being private equity or illiquid investments the market value of which may not readily be ascertained or which depends on the resolution of a special event or circumstance. For further information please refer to the section headed "Special Investments" in Part 3 of the Registration Document.

Target Return

By investing in the Master Fund the Company aims to generate a target NAV total return of 15 per cent. per annum (after all fees and expenses). The target return of the Company is calculated net of expenses of the Master Fund and returns to Shareholders will reflect the investment returns the Company receives from its investment in the Master Fund, less the Company's own fees and expenses.

Past or targeted performance is no indication of current or future performance or results. Return figures are targets only and are based over the long term.

There is no guarantee that the target return of the Company can be achieved and it should not be seen as an indication of expected or actual return. Accordingly, investors should not place any reliance on such a return target in deciding whether to invest in Shares.

Furthermore, the future performance of the Company and the Master Fund may be materially detrimentally affected by the risks discussed in the section of this Securities Note headed "Risk Factors".

Investment Highlights

The Company is a newly-formed company. It has been established with the objective of providing its Shareholders with consistent long-term capital appreciation utilising the investment skills of the Investment Manager, Third Point LLC, through investment in the Master Fund.

The Investment Manager is a US Securities and Exchange Commission registered investment adviser based in New York with over US$5 billion of assets under management. Its team of 20 investment professionals, led by Mr. Daniel S. Loeb, who founded the firm in 1995, pursues an Event Driven value investing approach, based on bottom-up fundamental analysis. The Master Fund has produced average annual returns net of fees and expenses of 23.1 per cent. over its 10-year life, while its research-driven investment process produces a low correlation of performance to overall equity markets. The Master Fund is currently closed to new investors as described below.

The Directors believe that the principal advantages of an investment in the Shares of the Company are as follows:

1. **Access to the Fund Management Skills of Third Point LLC and Daniel S. Loeb**. An investment in the Company provides new investors with a unique opportunity to participate in the investment success of Third Point LLC, the Investment Manager, led by Daniel S. Loeb. Mr. Loeb has been a successful value investor over the last twelve years. His investment process uses fundamental analysis to identify situations in which a potential event could serve as a catalyst for a significant revaluation of a company's securities. Mr. Loeb's investment process has been applied successfully to long/short equity, distressed and merger arbitrage strategies, various sectors of the market and different market cycles. The Investment Manager employs an experienced team of investment professionals to assist Mr. Loeb in identifying and selecting superior opportunities.

2. **Strong Historical Performance**. The Master Fund has achieved average annual returns net of fees and expenses of 23.1 per cent. over its 10-year life. The Master Fund has outperformed the S&P 500 in eight out of those ten years. These results have been achieved with a relatively low correlation to equity markets, and with average volatility lower than the S&P 500. The Company will have a target NAV total return of 15 per cent. per annum net of all costs and expenses. There is no guarantee that any target return can be achieved. Investors should not place any reliance on such target return in deciding whether to invest in Shares.

3. **Investment Process Based on Fundamental Analysis**. The Investment Manager applies a single investment strategy across all of its funds which is research-driven and based on fundamental analysis. The primary focus of the investment effort is to identify ''Event Driven'' situations in which a potential event could lead to a significant revaluation, up or down, in a company's securities. Positive potential events could include operational restructurings, recapitalisations, turn-arounds, spin-offs of a business or division, change in management or sale of a company. Negative potential events could include a liquidity crisis, adverse litigation outcome, or the exposure of accounting or other irregularities. The funds managed by the Investment Manager have the capacity to assume large positions in particular companies, and to influence the affairs of those companies, thereby increasing the likelihood that the envisioned catalysing event will in fact occur. This investment process has successfully been applied across investment strategies, industries and geographic regions.

4. **Experienced Investment Team**. The Investment Manager's team of twenty investment professionals have over a hundred years of collective experience in investment and finance. Eight portfolio managers support Mr. Loeb in identifying and selecting superior opportunities. The investment professionals bring exceptional academic and professional backgrounds in private equity, investment banking, industry and medicine. They have cultivated in-depth industry and/or regional expertise, with strong networks of professional relationships that facilitate research and idea generation. Each opportunity is thoroughly analysed and carefully reviewed, using detailed operating and financial models, to develop an investment thesis supporting the selection of investments for the managed portfolio. The investment team is supported by a well-developed operations, financial and technology platform. As a US Securities and Exchange Commission registered investment adviser, the Investment Manager has in place experienced legal and compliance personnel.

5. **Master Fund Closed**. Access to the prospective performance of the Master Fund by new investors is only available through the purchase of Shares in the Company. The Master Fund has been closed to new investors, other than those with whom a potential investment was pending at the commencement of this Global Offer and affiliates of the Investment Manager. The Master Fund will remain closed for at least 12 months after completion of the Global Offer. The Investment Manager has agreed not to establish any other closed-ended investment vehicles listed on a European Exchange without the prior consent of a majority of the Independent Directors.

6. **There is No Second Layer of Fees**. The Investment Manager will be paid at the Master Fund level only. The Master Fund pays the Investment Manager a management fee of 2 per cent. per annum of NAV and an incentive fee of 20 per cent. of NAV growth, subject to a high water mark and related adjustments. The Company pays no additional fees to the Investment Manager or any of its affiliates.

7. **The Investment Manager will Bear All Fees and Expenses Payable in Respect of the Global Offer**. All fees and expenses payable in respect of the Global Offer (including all costs related to the establishment of the Company) will be borne by the Investment Manager such that the gross proceeds of the Global Offer, net of the Company's short term working capital requirements, will be available to the Company for investment following Admission.

8. **Immediate Deployment of Net Proceeds from the Global Offer into the Master Fund.** The Company will invest the net proceeds of the Global Offer in Third Point Class E Shares as soon as practicable after Admission.

9. **Discount Control**. The Company, the Master Fund, the Investment Manager and its affiliates will have the ability to purchase Shares in the after-market at any time the Shares trade at a discount to NAV. In addition, each of the Company, the Master Fund and the Investment Manager will consider commencing a share buy-back programme if the Shares should trade at or below 95 per cent. of NAV.

10. **Shareholder Protection**. Shareholders of the Company have typical voting rights including the right to vote on all material changes to the Company's investment policy. The Company will have a majority of Independent Directors with a single director representing the Investment Manager. In order to address jurisdictional regulatory issues in the US, the Company will issue B Shares carrying 40 per cent. of the aggregate voting rights in the Company to VoteCo, a Guernsey company, on Admission. VoteCo has no affiliation with the Investment Manager or the Master Fund. The board of directors of VoteCo has been selected to provide both financial market expertise and a strong understanding of fiduciary responsibility. In determining how to vote the B Shares held by VoteCo in the Company, the directors of VoteCo will take into consideration the best interests of Shareholders taken as a whole.

11. **Investment by the CEO of the Investment Manager.** Third Point's CEO, Daniel S. Loeb, intends to make an investment in the Company equal to 5 per cent. of the target size of the Global Offer of €500 million on the same terms as any other investor and therefore will have interests aligned with the Company's other Shareholders and will be motivated to help ensure that the Master Fund performs well.

Data Showing Historical Performance, Sector Exposure, Geographic Exposure and Market Capitalisation Exposure of the Master Fund

The Master Fund seeks to invest in companies in accordance with its investment objective without specifying allocations to specific sectors and geographies in which those companies are engaged. On this basis, the exposure data below reflects the diversification of the Master Fund across sector, geography and investment size as at 31 May 2007 and may change on a daily basis.

Performance Statistics

Set out below is the table of historical performance statistics for the period 1 December 1996 to 31 May 2007:

	Master Fund[(1)]	*S&P 500*
Average annual return	23.1 %	8.7%
Sharpe ratio	1.5	0.3
Annual standard deviation	12.6%	15.1%
Annual downside deviation	7.2%	11.1%
Correlation to S&P	0.3	1.0

Set out below is the table of historical annual returns of the Master Fund:

Year	*Master Fund*[(1)]	*S&P 500*
2007[(2)]	16.8%	8.8%
2006	14.4%	15.8%
2005	17.9%	4.9%
2004	29.1%	10.9%
2003	53.0%	28.7%
2002	-7.8%	-22.1%
2001	12.3%	-11.9%
2000	17.4%	-9.1%
1999	41.7%	21.8%
1998	8.9%	28.6%
1997	48.8%	33.3%
1996[(3)]	2.0%	-2.0%

(1) Performance figures are net of all fees and expenses.

(2) The Master Fund and the S&P 500 returns are calculated for the period 1 January 2007 to 31 May 2007.

(3) The Master Fund and the S&P 500 returns are calculated for the period 1 December 1996 to 31 December 1996.

Sector Exposure & Performance

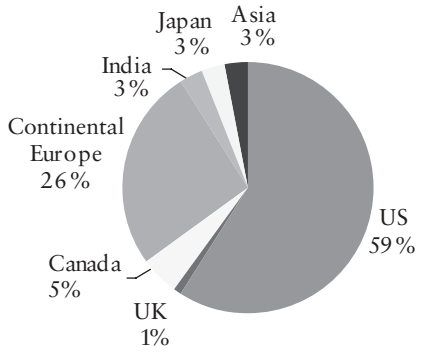
Set out below is the sector exposure of the Master Fund as at 31 May 2007 and the performance of the Master Fund for the month ended 31 May 2007:

	Exposure (%)			*P&L (%)*		
Equity	*Long*	*Short*	*Net Long*	*Long*	*Short*	*Net*
Basic materials	*8.3*	*–3.9*	*4.4*	*0.5*	*–0.2*	*0.3*
Communications	*4.7*	*–0.5*	*4.2*	*0.2*	*0.0*	*0.2*
Consumer	*29.5*	*–12.9*	*16.6*	*2.1*	*–0.5*	*1.6*
Energy	*18.9*	*–7.8*	*11.1*	*1.1*	*–0.6*	*0.5*
Financials	*30.9*	*–18.3*	*12.6*	*0.9*	*–0.7*	*0.2*
Healthcare	*18.2*	*–5.7*	*12.5*	*0.9*	*–0.2*	*0.7*
Industrials	*18.1*	*–6.0*	*12.1*	*1.4*	*–0.3*	*1.1*
Technology	*11.4*	*–10.2*	*1.2*	*0.2*	*–0.2*	*0.0*
Utilities	*3.1*	*–0.6*	*2.5*	*0.2*	*0.0*	*0.2*
Total	*143.1*	*–65.9*	*77.2*	*7.5*	*–2.7*	*4.8*
Other	*Long*	*Short*	*Net Long*	*Long*	*Short*	*Net*
Risk Arbitrage	*18.0*	*–4.5*	*13.5*	*0.6*	*–0.2*	*0.4*
Distressed/Fixed Income	*3.3*	*–1.1*	*2.2*	*0.2*	*0.0*	*0.2*
Privates	*2.4*	*0.0*	*2.4*	*0.7*	*0.0*	*0.7*

Note: Delta adjusted put options provide an additional 9% of short equity exposure. Gross short exposure is comprised of 38% individual stock shorts and 62% index shorts.

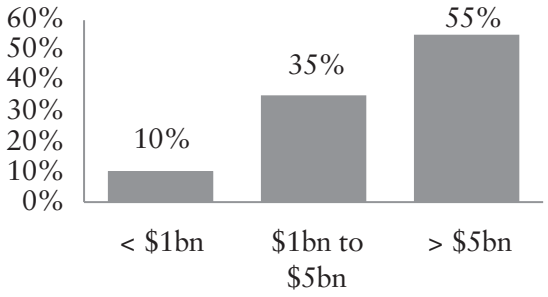
Geographic Exposure (Net)

Set out below is the geographic exposure of the Master Fund as at 31 May 2007:



Exposure by Market Capitalisation

Set out below is the market capitalisation exposure of the Master Fund as at 31 May 2007:



Note: The graph above reflects the Master Fund's long equity position exposure by market capitalisation of the listed companies in which it is invested.

Top 5 positions of the Master Fund

Set out below are the top five positions of the Master Fund as at 31 May 2007:

NYSE Group Inc.	7.47%
Daimler Chrysler	6.78%
PDL BioPharma Inc.	5.83%
Philips Electronics	5.97%
Mastercard Inc.	5.23%

Note: Top positions are long equities only and expressed as a percentage of assets under management by the Master Fund.

Position Concentration

Set out below is the Position Concentration of the Master Fund as at 31 May 2007:

	Top 10	*Top 20*
Long	*54%*	*83%*
Short	*8%*	*12%*

Note: Top (long or short) individual equities exposure excluding indices and other market hedges, divided by assets under management.

Fees and Expenses

Formation and Initial Expenses

All of the formation and initial expenses of the Company and the fees and expenses incurred in connection with the Global Offer (including all fees, commission and expenses paid to the Banks) will be paid by the Investment Manager. In aggregate, such fees and expenses are not expected to exceed 3.5 per cent. of the gross proceeds of the Global Offer assuming the target size for the Global Offer of €500 million is achieved. Where the Company Investment Management Agreement is terminated on certain grounds during the period ending on the seventh anniversary of Admission, a proportion of such fees and expenses will be reimbursed to the Investment Manager by the Company. The provisions for such reimbursement are summarised in the section headed "Withdrawal from the Master Fund" below and in section 6.2 of Part 8 of the Registration Document.

Management and Incentive Fees

The only management and incentive fees payable are the Management and Incentive Fees payable by the Master Fund under the Master Fund Investment Management Agreement. No fees are payable by the Company under the Company's Investment Management Agreement. However, the Company Investment Management Agreement is terminable on 24 months' notice. Accordingly, in the circumstances described in the section headed "Withdrawal from the Master Fund" below and in section 6.2 of Part 8 of the Registration Document compensation is payable to the Investment Manager upon the termination of the Company Management Investment Agreement.

The Management Fee is a fixed fee equal to an annual rate of 2 per cent. of the NAV of the Third Point Class E Shares and Third Point Class S Shares held by the Company (accrued monthly in respect of Third Point Class S Shares and paid without interest if the relevant special investment is realised during the fiscal year or at the end of the year by redemption of a number of Third Point Class E Shares sufficient to pay the accrued Management Fee).

The Incentive Fee is equal to 20 per cent. of the net realised and unrealised appreciation in the NAV of the Third Point Class E Shares held by the Company (adjusted, on a dollar-for-dollar basis, for any issuance or redemption of Master Fund Shares in the applicable series made during the fiscal year). Further, if the NAV of the Third Point Class E Shares held by the Company depreciates in value over a financial year of the Master Fund to a lower amount (the "**Base NAV**"), the high water mark for calculation of the appreciation in NAV in future years above which a full Incentive Fee will be payable will be increased by an amount equal to 150 per cent.

of the net depreciation to a higher amount (the "**Adjusted Prior High NAV**"). A reduced Incentive Fee will nevertheless be payable in respect of all net realised and unrealised appreciation between the Base NAV and the Adjusted Prior High NAV at the rate of 10 per cent. (adjusted as referred to above). No Incentive Fee is payable generally in respect of Third Point Class S Shares, but any appreciation or depreciation of a Special Investment on realisation is taken into account in determining the Incentive Fee payable on the Third Point Class E Shares. The basis for payment of any Incentive Fee is more fully set out in Part 3 of the Registration Document.

Leverage

The Company itself does not intend to employ permanent leverage. However it may borrow up to 15 per cent. of the NAV of the Company in order to fund ongoing working capital requirements and share buy-backs.

The Master Fund may, at times, employ leverage in order to enhance returns. Long exposure is a percentage equal to total long market value divided by NAV before accrued incentive and deferred incentive fees payable. Short exposure is a percentage equal to total short market value divided by NAV (expressed as a positive or absolute value). Gross exposure is equal to the sum of long exposure and short exposure. Net exposure is equal to the difference between long exposure and short exposure. As at 12 June 2007, the Master Fund's gross exposure was 247.1 per cent. From 31 January 2007 to 12 June 2007 the Master Fund's gross exposure has ranged between 191.4 per cent. and 247.1 per cent. As at 12 June 2007, the Master Fund's net exposure was 97.1 per cent. From 31 January 2007 to 12 June 2007, the Master Fund's net exposure has ranged between 85.7 per cent. and 98.4 per cent. For further information please refer to the section entitled "Investment Strategy of the Master Fund" in Part 3 of the Registration Document.

Dividend Policy

The Master Fund is not expected to make any distributions to its shareholders. The Investment Manager intends that all income received by the Master Fund from its investments will be used first to meet the Master Fund's expenses, with the balance being reinvested in accordance with the Master Fund's investment programme. Consequently, the Company is not expected to declare any dividends with respect to the Shares in the foreseeable future. This does not, however, prevent the Directors of the Company from declaring a dividend at any time in the future if the Directors consider payment of a dividend to be appropriate in the circumstances. If the Directors declare a dividend, such dividend will be paid on a pro rata basis across the classes of Shares then in issue.

NAV Publication and Calculation

Publication

The Company intends to publish the NAV per Share as at each month-end as calculated by the Administrator based in part on information provided by the Master Fund Administrator. Weekly estimates of the NAV per Share, as calculated by the Administrator based in part on information provided by the Master Fund Administrator, will also be published. In normal circumstances, the NAV per Share for a given month will be published within 20 Business Days after the month end through a Regulatory Information Services provider. Weekly estimates will in normal circumstances, also be published through a Regulatory Information Services provider within three Business Days after the end of the relevant week.

Calculation

The NAV of the Company is equal to the value of its total assets less its total liabilities calculated in accordance with the Company's normal accounting policies.

In respect of each class of Shares (which are expected to be Euro Shares, US Dollar Shares and Sterling Shares) a separate class account has been established in the books of the Company. An amount equal to the aggregate proceeds of issue of each Share class will be credited to the relevant class account. Any increase or decrease in the NAV of the Master Fund Euro Shares, Master Fund US Dollar Shares and Master Fund Sterling Shares as calculated by the Master Fund Administrator (details of which are described in Part 3 of the Registration Document) will be allocated to the relevant class account. There will then be allocated to each class account the ''designated adjustments'' being those costs, pre-paid expenses, profits, gains and income which the Directors determine in their sole discretion relate to a particular class. Expenses which relate to the Company as a whole rather than specific classes will be allocated to each class in the proportion that its NAV bears to the NAV of the Company as a whole.

The NAV per Share of each class will be calculated as at the last Business Day of each month by dividing the NAV of the relevant class account by the number of Shares of the relevant class in issue as at the close of business on that day.

The Directors may temporarily suspend the calculation and publication of NAV per Share in circumstances where the Master Fund has suspended the calculation and publication of the Master Fund NAV per Share. These circumstances are described in Part 3 of the Registration Document.

Further Issues of Shares

Under the Articles of the Company, the Directors have the power to issue further Shares on a non pre-emptive basis. If the Directors issue further Shares, the issue price will be not less than the then-prevailing estimated weekly NAV per Share of the relevant class of Shares. The Investment Manager will invest the proceeds (net of short term working capital requirements) of any further Share issues in Master Fund Shares.

Under the Articles the Directors have the right to issue further classes of shares in the Company, including shares or other securities convertible into the existing classes of Shares, without Shareholder approval, provided that such shares or securities are issued on terms which do not adversely affect the interests of existing Shareholders.

Share Repurchases and Discount Control

The Directors have general shareholder authority to purchase in the market up to 14.99 per cent. of each class of Shares in issue immediately following Admission and the Directors intend to seek annual renewal of this authority from Shareholders.

The Company may purchase Shares in the market on an ongoing basis with a view to addressing any imbalance between the supply of and demand for any class of Shares, thereby increasing the NAV per Share (on the basis described below) and assisting in controlling the discount to NAV per Share in relation to the price at which such Shares may be trading.

The Company, the Master Fund, the Investment Manager and its affiliates will have the ability to purchase Shares in the after-market at any time the Shares trade at a discount to NAV. In addition, each of the Company, the Master Fund, the Investment Manager and its affiliates will consider commencing a share buy-back programme if the Shares should trade at or below 95 per cent. of NAV.

Purchases will only be made in the market at prices below the estimated prevailing NAV per Share where the Directors believe such purchases will result in an increase in the NAV per Share of the remaining Shares of a particular class or as a means of addressing any imbalance between the supply of, and demand for, such Shares. Such purchases will only be made in accordance with the Companies (Purchase of Own Shares) Ordinance, 1998, Listing Rules 12.4.1 and 12.4.2 (on a voluntary basis) and the Disclosure and Transparency Rules. Shares purchased by the Company may be cancelled or held in treasury.

Listing Rule 12.4.1 provides that, unless a tender offer is made to all the holders of the relevant class of Shares, the maximum price to be paid per Share pursuant to a general authority granted by Shareholders (excluding any Shares of that class held in treasury by the Company) must not be more than the higher of (i) 5 per cent. above the average market value of the Shares for the five Business Days before the purchase is made; and (ii) the higher of the price of the last independent trade and the highest current independent bid on the regulated market where the purchase is carried out. Listing Rule 12.4.2 requires any repurchase by the Company of 15 per cent. or more of any class of its Shares (excluding Shares of that class held in treasury) to be effected by way of a tender offer to all Shareholders of that class.

The Company may borrow in order to finance such Share purchases. The Company intends, however, to finance the repurchase of Shares by redeeming Master Fund Shares of the same currency held by the Company. Investors should note that any such redemptions will be made in accordance with the Master Fund redemption procedures described in the section headed "Withdrawal from the Master Fund" below.

The Company proposes (subject to approval from the Royal Court of Guernsey) to reduce the share premium account arising on the issue of Shares pursuant to the Global Offer, thereby creating a special distributable reserve which, following compliance with any undertaking required by the Royal Court of Guernsey, may be treated as distributable profits for all purposes, including making purchases of Shares in the market. Court approval will only be granted once it is clear that the interests of the creditors of the Company are not adversely affected. The Company will put in place any creditor protection arrangements that it is advised are appropriate. The reduction of the share premium account will become effective upon registration of the order of the Royal Court approving such cancellation with the Registrar of Companies in Guernsey.

Subscriptions and Purchases of Shares by the Master Fund or Other Funds Managed by the Investment Manager or its Affiliates

The Investment Manager's CEO, Daniel S. Loeb, intends to make an investment in the Company equal to 5 per cent. of the target size of the Global Offer of €500 million on the same terms as any other investor.

Mr. Loeb, the Investment Manager, and the Master Fund, all have the ability to purchase Shares in the open market and may do so should a discount to the NAV of the Shares arise. Any such purchases would be immediately disclosed to the markets by means of a RIS announcement.

The Investment Manager may, from time to time at its discretion, enter into transactions in relation to Shares and/or derivatives of Shares in the Company as principal and/or on behalf of the Master Fund or other funds managed by the Investment Manager or its affiliates.

Any such transactions would only be carried out to the extent permissible under, and in accordance with, all relevant law and regulations and the Company's share dealing code.

Withdrawal from the Master Fund

Under the terms of its Subscription Agreement with the Master Fund, the Company has the right to request redemption of all or part of the Company's holding of Master Fund Shares in the same manner as other holders of Third Point Class E Shares, (subject to the terms as regards timing, restrictions on aggregate redemptions and redemption fees payable contained in the constitutional documents of the Master Fund and summarised below and in Part 3 of the Registration Document).

The principal circumstances in which the Directors would expect to consider the redemption of Master Fund Shares are as follows:

(a) to the extent required to enable the Company to satisfy the costs of its buy-back and discount management policy;

(b) to the extent required to enable the Company to meet its operating expenses or interest, principal or other payment obligations under any credit facility taken out for the purpose of funding share purchases or buybacks or satisfying working capital requirements;

(c) on termination of the Company Investment Management Agreement: (i) with cause, (ii) without cause or (iii) upon winding-up of the Company;

(d) to the extent required to enable the Company to fund any liabilities it may incur, including any costs incurred in respect of such liabilities, in connection with any claim that is made against it pursuant to the Placing Agreement;

(e) if there is introduced by the Master Fund any new material fee payable to the Investment Manager, which is not payable at the date of the Prospectus or where any existing fee is increased;

(f) in circumstances where there is a material change to the investment policy of the Master Fund;

(g) if the NAV of any Master Fund Share on any Master Fund NAV Valuation Date is more than 25 per cent. lower than the highest NAV of such Master Fund Share on any of the previous 12 Master Fund NAV Valuation Dates; and

(h) if the portion of the NAV of the Master Fund that is attributable to Master Fund Shares held by the Company amounts to 40 per cent. or more of the total Master Fund NAV. For the purposes of calculating the portion of the Master Fund NAV that is attributable to Master Fund Shares held by the Company, any Shares issued by the Company and any Shares issued by the Master Fund (other than issues of new Master Fund Shares to match redemptions) following the date of Admission will be disregarded.

Where redemption of the Company's entire holding of Master Fund Shares occurs in the circumstances described in paragraphs (c)(iii), (g) or (h) above the Investment Manager will be entitled to treat the Company as having terminated the Company Investment Management Agreement without cause.

In circumstances where the Company Investment Management Agreement is, or is deemed to be, terminated without cause and without notice, the Investment Manager is entitled to be paid compensation equivalent to the Management Fee that would have been payable in respect of the Master Fund Shares owned by the Company in the 24 months following the date of the resulting request for the redemption of such shares (calculated by reference to the most recently published quarterly NAV of the Master Fund). In addition, any accrued Incentive Fee in respect of such Master Fund Shares will become payable upon redemption. Any redemption fee payable to the Master Fund will reduce the compensation otherwise payable to the Investment Manager as described further below.

Where termination of the Company Investment Management Agreement occurs prior to the seventh anniversary of Admission in the circumstances described in paragraphs (c)(ii), (c)(iii), (g) or (h) above the Investment Manager will be entitled to reimbursement of the unamortised portion of the costs and expenses of the Company's establishment and of the Global Offer (including the fees, commissions and expenses payable to the Banks) which it has agreed to pay under the terms of this Company Investment Management Agreement, as further described in section 6.2 of Part 8 of the Registration Document. Any compensation payable to the Investment Manager shall be deemed to include an amount in respect of up to two years' amortisation of such costs and expenses.

Under the Articles of Association of the Master Fund, redemption of Master Fund Shares is subject to 60 days' notice, certain lock up arrangements and the application of a Gate, all as further described in the section of Part 3 of the Registration Document headed "Redemption of Master Fund Shares". The operation of these provisions may result in a material delay between

the decision of the Directors to redeem Master Fund Shares and receipt of the proceeds of such redemption.

As described in Part 3 of the Registration Document, in the section headed ''Redemption of Master Fund Shares'', the Company may be required to pay a redemption fee of up to 3 per cent. of the relevant redemption proceeds in circumstances where redemption occurs on a quarter date other than the quarter date in each year closest following the anniversary of the date of subscription of the relevant Master Fund Shares.

The Master Fund's Articles of Association provide that the Master Fund will terminate automatically in certain circumstances including: the passing by its shareholders of a winding-up resolution, a change of control of the Investment Manager or circumstances where Daniel S. Loeb is no longer actively engaged in formulating the investment policy of the Investment Manager, the existence of the Master Fund becoming unlawful or the directors of the Master Fund passing a winding-up resolution. In such circumstances the Master Fund is required to begin to liquidate its portfolio immediately and will distribute the proceeds to its shareholders as quickly as practically possible. In such circumstances no compensation nor any reimbursement of costs and expenses will be payable to the Investment Manager.

The Company has the right to transfer Master Fund Shares to another person subject to the consent of the Board of Directors of the Master Fund.

PART 2

THE GLOBAL OFFER

Overview

The Company is targeting a raising of €500 million (subject to increase) through the Global Offer (excluding sums raised pursuant to any exercise of the Over-allotment Option). The quantum of the amount to be raised is indicative only is indicative only and will not exceed €700 million (including the Over-allotment Option). The actual number of Shares of each class issued pursuant to the Global Offer will only be determined by the Company, the Investment Manager and the Global Co-ordinator after taking into account the demand for the Shares and the prevailing economic market conditions. If the amount to be raised does change, the Company does not envisage making an announcement until determination of the number of Shares of each class to be issued and allotted has been made, unless required to do so by law. It is expected that the Global Offer Placing Statement containing the number of Euro Shares, US Dollar Shares and Sterling Shares which are the subject of the Global Offer will be published, on or about 18 July 2007. Simultaneously with the closing of the Global Offer, the Investment Manager's CEO, Daniel S. Loeb, intends to make an investment equal to 5 per cent. of the target size of the Global Offer of €500 million in the Company.

The Offer Price for the Shares is US$10 per US Dollar Share, £10 per Sterling Share and €10 per Euro Share.

The ISIN for the Euro Shares is GG00B1YQ6Y64. The ISIN for the Dollar Shares is GG00B1YQ7219. The ISIN for the Sterling Shares is GG00B1YQ6R97.

The Global Offer consists of the Offer for Subscription in the United Kingdom, the Placing involving private placement in other countries to both professional investors and in some jurisdictions to high net worth individuals and the subscription for Shares by the Investment Manager's CEO. In the United States, Shares will be offered in certificated form only in a private placement to certain persons reasonably believed to be both (a) Qualified Purchasers, AND (b) either (i) Qualified Institutional Buyers or (ii) Accredited Investors. Additionally, as part of the Placing, the Company will directly offer Shares in a private placement, with the Joint Lead Managers acting as placement agents, to certain Accredited Investors that are existing investors in the Master Fund prior to the Global Offer. The Shares are not being offered to and are not eligible for investment by any plan or other "Plan investor" that is subject to Title I of ERISA or Section 4975 of the US Internal Revenue Code.

The expected date of issuance of the Shares will be on or about 23 July 2007, which is expected to be three Business Days after the date of commencement of conditional dealings in the Shares being offered in the Global Offer.

The Offer for Subscription

Shares are available to the public in the United Kingdom only under the Offer for Subscription. The Offer for Subscription is only being made in the United Kingdom but, subject to applicable laws, the Company may allot and issue Shares on a private placement basis to applicants in other jurisdictions. The Offer for Subscription will open on 2 July 2007 and the latest time for receipt of Application Forms under the Offer for Subscription will be at 5.00 pm on 16 July 2007. Multiple applications under the Offer for Subscription will be permitted.

Applications under the Offer for Subscription must be for a minimum of 200 Shares of the respective currency class and applications should not be submitted for less than this amount. The Directors may, at their absolute discretion after taking into account the demand for Shares under the Global Offer and economic and market conditions, waive the minimum application requirements in respect of any particular applications under the Offer for Subscription, although they currently have no intention of doing so. Subscriptions above the minimum subscription amount are to be in multiples of 100 shares of the relevant currency class thereafter, unless the Directors, in their absolute discretion, determine otherwise in respect of any particular application.

The terms and conditions of application under the Offer for Subscription and an Application Form are set out at the end of this Securities Note. These terms and conditions should be read carefully before an application is made. Investors should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser if they are in doubt.

The Placing

The Company, the Investment Manager, the Directors and the Banks have entered into the Placing Agreement, pursuant to which the Banks have agreed, subject to certain conditions, to use reasonable endeavours to procure subscribers for the Shares made available in the Placing.

The Global Offer will lapse if the Placing Agreement is terminated in accordance with its terms prior to Admission, and any funds received in respect of the Global Offer will be returned to the applicants without interest.

Commitments under the Placing must be for a minimum subscription amount of €50,000 (or the equivalent in Dollars or Sterling) and commitments should not be submitted for less than this amount. The Directors may, at their absolute discretion after taking into account the demand for Shares under the Global Offer and economic and market conditions, waive the minimum commitment requirements in respect of any particular commitment under the Placing, although they currently have no intention of doing so. Subscriptions above the minimum subscription amount are to be in multiples of €50,000, £50,000 and US$50,000 of the relevant currency class thereafter, unless the Directors, in their absolute discretion, determine otherwise in respect of any particular application.

Under the Placing Agreement, the Joint Lead Managers are entitled to a commission equal to 2.5 per cent. of the gross proceeds of the Global Offer (not including any subscription made on behalf of the Investment Manager's CEO) for their services in connection with the Global Offer.

Further details of the Placing Agreement are set out in section 6 of Part 5 of this Securities Note.

Bookbuilding

Pursuant to the Placing, indications of interest in acquiring Shares will be solicited by the Joint Lead Managers from institutional and other sophisticated investors. Based on indications and Application Forms received, the Global Co-ordinator will conduct a bookbuilding process pursuant to which they will endeavour to establish investor demand for the Shares and the number of Shares which may be sold under the Global Offer.

The latest time and date for receipt of Application Forms is 5.00 pm GMT on 16 July 2007, and for other indications of interest in the Global Offer is 5.00 pm GMT, on 17 July 2007, but that time may be accelerated or extended at the discretion of the Global Co-ordinator (with the agreement of the Company).

Completion of the Global Offer will be subject, among other things, to the Global Co-ordinator's decision to proceed with the Global Offer. It will also be subject to the satisfaction of conditions contained in the Placing Agreement, including Admission occurring and becoming effective by 8.00 am GMT on 23 July 2007, and to the Placing Agreement not having been terminated.

The Directors and the Global Co-ordinator reserve the right to reject any application for Shares or scale back any or all applications for Shares in the Offer for Subscription and/or the Placing, in such manner as they, in their absolute discretion, consider appropriate. Subscription monies received will be returned without interest at the risk of the applicant.

Transfer of Shares

The transfer of Shares outside the CREST system following the Global Offer should be arranged directly through Capita Registrars (Guernsey) Limited, as registrar. However, an investor's beneficial holding held through the CREST system may be exchanged, in whole or in part, only upon the specific request of a beneficial owner to Capita Registrars (Guernsey) Limited as registrar for share certificates or an uncertificated holding in definitive registered form. If a Shareholder or transferee requests Shares to be issued in certificated form and is holding such Shares outside CREST, a share certificate will be dispatched either to him or his nominated agent (at his risk) within 21 days of completion of the registration process or transfer, as the case may be, of the Shares. Shareholders holding definitive certificates may elect at a later date to hold such Shares through CREST or in uncertificated form provided they surrender their definitive certificates and comply with the applicable restrictions, set out in "Investment Restrictions, Transfer Restrictions and Certain ERISA Considerations — Transfer Restrictions" in Part 4 of this Securities Note.

Listing and Trading of the Shares

The Company has applied for the admission of all of its Shares to the Official List of the UK Listing Authority and for trading of the Shares on the London Stock Exchange's main market for listed securities under the symbol "TPOI". The Company expects that admission to the Official List and trading of its Shares on the London Stock Exchange's main market will commence on or about 18 July 2007 on a "when-issued" basis. The Settlement Date, on which the closing of the Global Offer and delivery of the Shares is scheduled to take place, is expected to be on or about 23 July 2007.

Investors that wish to enter into transactions in the Shares prior to the Settlement Date, whether such transactions are effected on the London Stock Exchange's main market or otherwise, should be aware that the closing of the Global Offer may not take place on the Settlement Date or at all if certain conditions or events referred to in the Placing Agreement are not satisfied or waived or occur on or prior to such date. Such conditions include the receipt of officers' certificates and legal opinions and such events include the absence of a suspension of trading on the London Stock Exchange's main market or a material adverse change in the Company's financial condition or business affairs or in the financial markets. If closing of the Global Offer does not take place on the Settlement Date or at all, all transactions in the Shares on the London Stock Exchange's main market conducted between the announcement of the Global Offer and the Settlement Date are subject to cancellation by the UK Listing Authority. All dealings in the Shares on the London Stock Exchange's main market prior to settlement and delivery are at the sole risk of the parties concerned.

Over-allotment and Stabilisation

In connection with the Global Offer, UBS, as the Stabilising Manager, or any of its agents, may, to the extent permitted by applicable law, over-allot Shares with a value of up to a maximum of 15 per cent. of the total amount to be raised in the Global Offer and effect other transactions with a view to stabilising or maintaining the market price of the Shares at a level higher than that which might otherwise prevail in the open market.

For the purposes of allowing the Stabilising Manager to cover short positions resulting from any such over-allotments by it during the stabilising period, the Company has granted the Stabilising Manager an over-allotment option (the "**Over-allotment Option**"), pursuant to which the Stabilising Manager may require the Company to issue additional Shares with a value of up to a maximum of 15 per cent. of the total amount to be raised in the Global Offer (before exercise of the Over-allotment Option) at the Offer Price. The Over-allotment Option is exercisable, in whole or in part, upon notice by the Stabilising Manager, at any time on or after the date of commencement of conditional dealings, on the London Stock Exchange and will expire no more than 30 days thereafter. Any Shares issued by the Company pursuant to the Over-allotment Option will be issued on the same terms and conditions as the other Shares being issued under the Global Offer and will form the same classes for all purposes with all Shares issued under the Global Offer.

The Stabilising Manager is not required to enter into such stabilising transactions. Such stabilising measures, if commenced, may be discontinued at any time, may only be taken up at any time on or after the date of commencement of conditional dealings in the Shares, and will end no more than 30 days thereafter. Save as required by law or regulation, neither the Stabilising Manager nor any of its agents intend to disclose the extent of any over-allotments and/or stabilisation transactions under the Global Offer.

Short sales involve the sale by the Stabilising Manager of a greater number of Shares than the Joint Lead Managers are required to purchase in the Global Offer. "Covered" short sales are sales made in an amount not greater than the Stabilising Manager's option to purchase additional Shares pursuant to the Over-allotment Option. UBS, as Stabilising Manager, may close out any covered short position by either exercising their option to purchase additional Shares or purchasing Shares in the open market. In determining the source of Shares to close out the covered short position, UBS, as Stabilising Manager, will consider, among other things, the price of Shares available for purchase in the open market as compared to the price at which they may purchase additional Shares pursuant to the Over-allotment Option. "Naked" short sales are any sales of Shares by the Global Co-ordinator in excess of the number of additional Shares which may be purchased from the Company pursuant to the Over-allotment Option. The Stabilising Manager may sell Shares in excess of the Over-allotment Option creating a naked short position. UBS, as Stabilising Manager, must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the Stabilising Manager is concerned that there may be downward pressure on the price of the Shares in the open market after pricing that could adversely affect investors who purchase Shares in the Global Offer. Stabilising transactions consist of various bids for or purchases of Shares made by the Stabilising Manager in the open market during the stabilisation period.

Purchases to cover a short position and stabilising transactions, as well as other purchases by the Stabilising Manager for its own account, may have the effect of preventing or retarding a decline in the market price of the Shares, and may stabilise, maintain or otherwise affect the market price of the Shares. As a result, the price of the Shares may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued at any time. UBS, as Stabilising Manager, is not required to engage in these activities, and may end any of these activities at any time. Neither the Company nor the Stabilising Manager make any representation or prediction as to the direction or magnitude of any effect that the stabilization transactions described above may have on the price of the Shares. In addition, neither the Company nor the Stabilising Manager make any representations that the Stabilising Manager will engage in such transactions or that such transactions will not be discontinued without notice, once they are commenced.

Costs and Expenses of the Global Offer

The costs and expenses of the Global Offer (including all fees, commissions and expenses payable to the Banks, placing discounts and management commissions) will be paid by the

Investment Manager and in aggregate, such fees and expenses are not expected to exceed 3.5 per cent. of the gross proceeds of the Global Offer assuming the target size of €500 million is achieved. The Company will not be responsible for such costs and expenses associated with the Global Offer.

Other Services Provided by the Banks

The Banks and/or their respective affiliates may from time to time provide products, advisory or other services to the Company, the Master Fund, the Investment Manager or other Related Parties. From time to time, the Banks and/or their respective affiliates may also engage in other transactions with the Investment Manager or its affiliates and other funds managed by the Investment Manager or its affiliates in the ordinary course of their businesses, including, without limitation, transactions involving the purchase and sale of securities, loans and other investments, derivative transactions including hedging transactions, valuation services and other transactions (for example, leverage against investments).

The Banks and/or their affiliates may from time to time sell assets to, or acquire assets from, the Company or other funds managed by the Investment Manager or its affiliates. From time to time, the Banks and/or their affiliates may also hold securities of other Related Parties.

Investors should note that one or more of the Banks and/or their respective affiliates may have acted, may currently act, and may in the future act in various capacities in relation to the issuers of certain securities in which the Company invests or may invest, including as manager, servicer, security trustee, equity holder and/or secured lender to the issuer or affiliates of the issuer of the relevant securities. Each such role would confer specific rights to and obligations on the Banks and/or their affiliates. In carrying out these rights and obligations, the interests of the Banks and/or their affiliates may not be aligned with the interests of a potential investor in the Shares.

PART 3

CERTAIN TAX CONSIDERATIONS

The following summary discusses certain Guernsey, United Kingdom, United States, Cayman Islands and German tax considerations related to the purchase, ownership and disposition of the Shares based on the applicable law as in effect on the date hereof and current published revenue practice. This summary is intended as a general guide only and does not address all the considerations that may be relevant to purchasers of the Shares. Certain Shareholders, such as dealers in securities, collective investment schemes, insurance companies and persons acquiring their shares in connection with their employment may be taxed differently and are not considered. **Prospective purchasers of the Shares are advised to consult with their own tax advisers concerning the consequences of an investment in the Shares under the tax laws of the country in which they are resident and other relevant jurisdictions.**

Guernsey Taxation

The Company

The Company has applied to the Administrator of Income Tax for confirmation that the Company will be eligible for exempt status under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989. Once the exemption is granted, the Company will need to reapply annually, incurring a fee which is currently £600 per annum.

The conditions of exemption are:

(i) that the Company be deemed to be an ''investment company'';

(ii) that the Company contracted on an arm's length basis with a person resident in Guernsey for the provision of managerial and secretarial services and, where appropriate, custodian services in respect of its affairs, unless the Administrator is satisfied that in the circumstances of a particular case it would be unreasonable to require that custodian services are contracted with a person resident in Guernsey; and

(iii) that no investment or other property situated in Guernsey, other than a relevant bank deposit or an interest in another body to which an exemption from tax has been granted under the Ordinance, be acquired or held.

If the exemption is granted, the Company will not be resident in Guernsey for the purposes of liability to Guernsey income tax. Under current law and practice in Guernsey, the Company will only be liable to tax in Guernsey in respect of income arising in Guernsey, other than bank deposit interest. The Company will not therefore incur any additional liability to Guernsey tax, provided that the Company is not in receipt of any Guernsey sourced income, other than interest on bank deposits maintained in Guernsey.

In the absence of an exemption, the Company will be treated as resident in Guernsey for tax purposes and will be liable to income tax at the standard rate on its total taxable income.

On 25 November 2002, the Advisory & Finance Committee (now the Policy Council) of the States of Guernsey announced the proposed framework for a structure of corporate tax reform within an indicative timescale. In the announcement, it was stated that any specific recommendations for change would only be placed before the Guernsey States after further consultation with local businesses and review of taxation in other financial centres.

The relevant parts of the announcement are as follows:

(a) the general rate of income tax paid by Guernsey companies will be reduced to 0 per cent. in respect of the tax year 2008 and subsequent years. Exempt company status is to be abolished;

(b) it is intended that personal income tax will be maintained at 20 per cent. and VAT will not be introduced; and

(c) there is no intention to introduce capital gains tax, inheritance, gift or wealth tax or other form of capital taxation.

In September 2005, the Fiscal and Economic Policy Steering Group published detailed proposals on Guernsey's future economic and taxation strategy. In March 2006 an independent Working Group set up at the request of the Treasury and Resources Department confirmed the earlier recommendation that the general rate of income tax to be paid by all Guernsey companies (other than certain regulated banking entities) would be reduced to 0 per cent. in respect of tax year 2008 and subsequent years. This recommendation was approved by the States of Guernsey in June 2006. The changes are not expected to have any material impact on the Company, as it is intended that the regime for granting exempt tax status, as it applies to the Company, will continue regardless of the proposed changes to the general corporate tax regime.

Guernsey does not levy taxes upon capital inheritances, capital gains (with the exception of a dwellings profit tax), gifts, sales or turnover, nor are there any estate duties, save for an ad valorem fee for the grant of probate or letters of administration. Document duty is payable on the creation or increase of authorised share capital at the rate of 0.5 per cent. of the authorised share capital of a company incorporated in Guernsey up to a maximum of £5,000 in the lifetime of the company. No stamp duty is chargeable in Guernsey on the issue, transfer, switching or redemption of shares.

Shareholders

Shareholders resident outside Guernsey will not be subject to any tax in Guernsey in respect of or in connection with the acquisition, holding or disposal of any Shares owned by them. Should any dividends be paid, Shareholders will receive dividends without deduction of Guernsey Income Tax.

Whilst the Company is not required to deduct Guernsey income tax from dividends on any Share (if applicable) paid to Guernsey residents, the Company is required to make a return to the Administrator of Income Tax, on an annual basis, when renewing the Company's exempt tax status, as described above, of the names, addresses and gross amounts of income distributions paid to Guernsey resident shareholders during the previous year.

Shareholders resident in Guernsey who hold their Shares to redemption will not, subject to the general provisions on legal avoidance, be liable to Guernsey income tax on the redemption price. Shareholders resident outside Guernsey will not be subject to any tax in Guernsey in respect of any Shares owned by them.

With regard to the proposals for the restructuring of the corporate tax regime in Guernsey from 2008, discussed above under the heading "The Company", other than those changes mentioned, no further changes are proposed that would impact upon the position of non-Guernsey resident holders of Shares. Such holders will not be subject to Guernsey tax on the redemption or disposal of their holding of Shares.

Although not a Member State of the European Union, Guernsey, in common with certain other jurisdictions, has agreed to apply equivalent measures to those contained in the EU Savings Tax Directive (2003/48/EC), with the exception that the EU resident individual to whom interest is paid will incur a retention tax on such payment (currently set at a rate of 15 per cent.) where they have not agreed to exchange certain information about their identity, residence and savings income with the tax authorities in their Member State of residence. However, no retentions or exchanges of information under the EU Savings Tax Directive as implemented in Guernsey are expected to apply to holdings of Shares where payment in respect of such holdings are made by a Guernsey paying agent.

United Kingdom Taxation

The Company

The Directors intend to manage the affairs of the Company so that for United Kingdom corporation tax purposes, the central management and control of the Company is not exercised in the United Kingdom, and so that the Company does not carry on a trade in the United Kingdom (whether or not through a permanent establishment situated therein). Accordingly, the Company should not be subject to UK corporation tax on income and capital gains arising to it other than on any United Kingdom source income.

Shareholders

(i) *Disposal of Shares*

The Directors have been advised that the offshore fund rules in Chapter V Part XVII of the Income and Corporation Taxes Act 1988 (the "**Taxes Act**") should not apply to Shareholders who subscribe for shares in the Company. Accordingly, any disposal of Shares by a Shareholder might, depending on their circumstances, give rise to a chargeable gain for UK tax purposes, as described below.

(a) UK Resident Shareholders

A disposal of Shares by a Shareholder who is resident or, in the case of an individual, ordinarily resident in the United Kingdom for United Kingdom tax purposes may give rise to a chargeable gain or an allowable loss for the purposes of UK taxation on chargeable gains depending on the Shareholder's circumstances and subject to any available exemption or relief.

On a subsequent disposal (which includes a redemption) by an individual Shareholder who is resident or ordinarily resident in the United Kingdom for taxation purposes, the Shares may attract taper relief which reduces the amount of chargeable gain according to how long, measured in years, the Shares have been held. Holders of Shares who are bodies corporate resident in the United Kingdom for taxation purposes will benefit from indexation allowance which, in general terms, increases the capital gains tax base cost of an asset in accordance with the rise in the retail prices index.

The conversion of Shares of one Currency Class into Shares of another Currency Class will not result in a disposal for the purposes of UK taxation of chargeable gains. Instead, the redesignated Shares will be treated as the same asset as the original holding of Shares, acquired at the same time and for the same chargeable gains tax base cost as the original holding.

(b) Non-UK Resident Shareholders

An individual Shareholder who is not resident in the United Kingdom for tax purposes but who carries on a trade in the United Kingdom through a branch or agency may be subject to UK taxation on chargeable gains on a disposal of Shares which are acquired for use by or for the purposes of the branch or agency. A Shareholder who is an individual who has ceased to be resident or ordinarily resident in the United Kingdom for tax purposes for a period of less than five years of assessment and who disposes of Shares during that period may also be liable, on his return to the United Kingdom, to UK taxation on chargeable gains (subject to any available exemption or relief).

(ii) *Distributions by the Company*

Shareholders resident in the United Kingdom for tax purposes will be liable to UK income tax or corporation tax, as applicable, in respect of dividend or other income distributions of the Company. Where investments of the Company are distributed in specie to Shareholders other

than by way of dividend, such distributions may represent a part-disposal of Shares for UK tax purposes.

(iii) *Anti-Avoidance*

The attention of individuals ordinarily resident in the United Kingdom for UK tax purposes is drawn to the provisions of Chapter 11 of Part XIII of the Income Tax Act 2007. Those provisions are aimed at preventing the avoidance of income tax by individuals through transactions resulting in the transfer of assets or income to persons (including companies) resident or domiciled abroad and may render them liable to taxation in respect of undistributed income and profits of the Company on an annual basis.

More generally, the attention of Shareholders is also drawn to the provisions of Sections 703 to 709 of the Taxes Act, which give powers to HM Revenue & Customs to cancel tax advantages derived from certain transactions in shares.

The Taxes Act also contains provisions in Sections 747 to 756, that may subject certain UK resident companies under the "controlled foreign companies" rules, to UK corporation tax on the undistributed income and profits of the Company. The provisions may affect UK resident companies which have an interest (together with any connected or associated companies) such that at least 25 per cent. of the Company's profits for an accounting period could be apportioned to them if, at the time, the Company is controlled by residents of the United Kingdom.

If the ownership of the Company were to be such that it would be a closed company if it were resident in the United Kingdom, certain adverse tax consequences could result including the chargeable gains accruing to it may be apportioned to a Shareholder who is resident or ordinarily resident and, if an individual, domiciled in the United Kingdom who holds, alone or together with associated persons, more than ten per cent. of the Shares as a result of the provisions of Section 13 of the Taxation of Chargeable Gains Act 1992.

(iv) *Stamp Duty and Stamp Duty Reserve Tax ("***SDRT***")*

The following comments are intended as a guide to the general stamp duty and SDRT position and do not relate to persons such as market makers, brokers, dealers or intermediaries or where the Shares are issued to a depositary, or clearing system, or nominees or agents. No UK stamp duty or SDRT will be payable on the issue of the Shares. No UK stamp duty will be payable on the transfer of the Shares, provided that all instruments effecting or evidencing the transfer (or all matters or things done in relation to the transfer) are not executed in the United Kingdom and no matters or actions relating to the transfer are performed in the United Kingdom. Provided that the Shares are not registered in any register kept in the United Kingdom by or on behalf of the Company and that the Shares are not paired with Shares issued by a company incorporated in the United Kingdom, any agreement to transfer the Shares will not be subject to UK SDRT.

(v) *ISAs/PEPs and SIPPs/SSASs*

Investors resident in the United Kingdom are recommended to consult their tax and/or investment advisers in relation to the eligibility of the Shares for savings schemes (for example, PEPs, ISAs, SIPPs and SSASs).

Shares allotted under the Offer for Subscription or subsequently acquired in the secondary market may be eligible for inclusion in an ISA although the account manager should be asked to confirm ISA eligibility. Eligibility for inclusion of the Shares in an ISA is subject to the usual subscription limits applicable (for the tax year 2007/08 an individual may invest £7,000 worth of stocks and shares in a maxi ISA or £4,000 for the stocks and shares component of a mini ISA).

Although no new PEPs may be opened and no further subscriptions made to existing PEPs, the Shares may be qualifying investments for existing PEPs provided that the PEP manager has

acquired such Shares under the Offer for Subscription or by purchase in the market and is satisfied on the subject of eligibility.

The Shares acquired under the Offer for Subscription are expected to be eligible for inclusion in SIPPs and SSAS, although this should be confirmed independently by investors with their professional tax or financial advisers before investment.

Cayman Islands Taxation

There is, at present, no direct taxation in the Cayman Islands and interest, dividends and gains payable to the Master Fund will be received free of all Cayman Islands taxes. The Master Fund is registered as an ''exempted company'' pursuant to the Companies Law (as amended). The Master Fund has received an undertaking from the Governor in Council of the Cayman Islands to the effect that, for a period of 20 years from the date of such undertaking, no law that thereafter is enacted in the Cayman Islands imposing any tax or duty to be levied on profits, income or on gains or appreciation, or any tax in the nature of estate duty or inheritance tax, will apply to any property comprised in or any income arising under the Master Fund, or to the shareholders thereof (including the Company), in respect of any such property or income.

Germany

The following information is intended only as a general guide to certain German income tax considerations and does not purport to be a complete analysis of all potential German tax consequences of holding Shares. The information is in no case intended to replace individual professional tax advice. The description is limited to the German taxation of German Shareholders with unrestricted tax liability in Germany (hereinafter referred to as the ''German Shareholders''). The tax position of certain categories of Shareholders who are subject to special rules (such as banks or insurance companies) is not considered. The information is based on an interpretation of the tax laws in effect as of January 11, 2007. Current law and taxation practices may change at any time, even retroactively, as the case may be. German Shareholders and prospective investors are strongly advised to seek advice from their tax advisers regarding the tax consequences of their investment in Shares in the Company.

Taxation of German Shareholders

The Company intends to comply with the tax calculation and reporting requirements for taxation of German Shareholders pursuant to §§ 2, 3, 4, 5 and 8 of the German Investment Tax Act (''**InvStG**'').

Furthermore, the Company intends to comply with these requirements also with regard to the Master Fund to the extent necessary in order to ensure that income and gains/losses derived by the Master Fund are attributed to the Company pursuant to §§ 2, 3, 4, 5 and 8 InvStG. The Company can, however, not guarantee that such requirements will be met in practice, which may result in negative tax consequences (deviating from the tax consequences explained in the following). The following tax information is valid only if and to the extent the requirements for an application of §§ 2, 3, 4, 5 and 8 InvStG are met with respect to the Company and the Master Fund. To the extent that the Master Fund invests into further investment funds, additional reporting requirements would apply and if such additional reporting requirements are not met, which cannot be guaranteed, the taxation would adversely deviate from the following information.

Ongoing taxation

German Shareholders will be subject to tax on any distributions and undistributed net income of the Company, comprising the distributions and undistributed net income derived by the Company from the Master Fund. For tax purposes, the undistributed net income (so-called deemed distributions) will be deemed to have accrued to the German Shareholders at the end of the relevant fiscal year of the Company. For German individual Shareholders holding their

Shares as private assets (hereinafter referred to as "**Private Investors**"), distributions and deemed distributions will be deemed to be income from investment of capital within the meaning of Section 20 paragraph 1 No. 1 of the German Income Tax Act (Einkommensteuergesetz, "**EStG**"). If the Shares are held by German Shareholders as part of business assets (hereinafter referred to as "**Business Investors**"), the distributions and deemed distributions will be deemed to be business income.

The deemed distributions of the Master Fund are attributed to the Company at the end of the fiscal year of the Master Fund.

Exemptions

Among others, the following exemptions from the aforementioned taxation are available:

Capital gains derived by the Company or the Master Fund on the acquisition and later sale of securities and subscription rights to shares in corporations, and also gains from derivative transactions (Termingeschäfte) by which the Company or the Master Fund generate a cash settlement or an amount or benefit determined by reference to a variable underlying will, whether distributed or retained, remain exempted from taxation for Private Investors.

Such capital gains derived from sales and derivative transactions are generally deemed to be business income of Business Investors if actually distributed to them (but not if capitalised by the Company). There are exemptions available if gains derived from the sale of shares in corporations are distributed. In this case, the income is halved for tax purposes (Halbeinkünfteverfahren) pursuant to Section 3 No. 40 lit. a) EStG or the privilege granted to German Shareholders being subject to corporation tax pursuant to Section 8b paragraph German Corporate Income Tax Act (Koerperschaftsteuergesetz, "**KStG**") (subject to the restriction set forth in section 8b paragraph 3 KStG) provided that the Company has published the required information on the distributed capital gains derived from the sale of shares in corporations in compliance with Section 5 paragraph 1 sentence 1 lit. c) ee) and ff) InvStG.

With regard to dividends which are received by the Company and the Master Fund, respectively, and paid to the German Shareholders as part of a distribution or are attributed to the German Shareholders as part of a deemed distribution, the aforementioned procedure (Halbeinkünfteverfahren) pursuant to Section 3 no. 40 lit. d) EStG or the privilege granted to corporation tax entities pursuant to Section 8b paragraph 1 KStG (subject to the restriction set forth in section 8b paragraph 5 KStG) are applicable if the Company has published the required information in compliance with Section 5 paragraph 1 sentence 1 lit. c) cc) and dd) InvStG. This will not apply for the purpose of trade tax (Gewerbesteuer).

Sale of Shares

If Shares are held by a Private Investor, the gains on the sale are taxable, inter alia, if the sale occurs within one year of their acquisition (so-called "**Private Sales Transaction**"). Business Investors must always pay tax on all capital gains without regard to the number of Shares held or the duration of the investment. Any capital gains derived from a sale by Business Investors may, however, be partially exempted from taxation, any loss suffered from the sale may be partially insignificant for tax purposes. The relevant extent of such effects will be determined pursuant to the so-called Aktiengewinn ("**gains from shares**"). The Aktiengewinn includes dividend income as well as both realised and unrealised capital gains from shares held by the Company if and to the extent that such earnings have not yet been distributed to the German Shareholders or attributed to them as part of deemed distributions. The Aktiengewinn of the Company includes the Aktiengewinn of the Master Fund on a pro-rata basis. The privilege is subject to certain reporting requirements which are intended to be complied with.

Private Investors (and possible also Business Investors) are not subject to tax with the so-called Zwischengewinn ("**interim profit**") in case of a disposal of Shares, irrespective of the duration of

their participation. The Zwischengewinn was abolished for hedge funds in 2006. From a German tax law perspective, the master feeder structure at hand qualifies as a hedge fund because the articles of association enable the hedge fund to employ leverage and short selling.

Withholding tax (Kapitalertragsteuer)

In case a payment or credit of distributions of the Company or of proceeds from a sale of Shares is carried out through a credit institution acting within Germany (or an equivalent institution) which acts as custodian or administers shares ("**custodian case**") or which pays out or credits the distributions or proceeds against surrender of the share certificates ("**over-the-counter transaction case**"), such institution, in general, has to retain German withholding tax.

In case of distributions the withholding tax is levied from the distribution and the deemed distribution, excluding dividend income, gains on the sale of securities and subscription rights to shares incorporations and gains from derivative transactions (Termingeschäfte).

In case of a sale of a Share, withholding tax is levied on earnings deemed to be distributed per Share to German Shareholders of the Company for German tax purposes since the Company was established. As a general rule, this is the sum of the (positive) deemed distributions of the Company (less deemed distributed dividend income) unless they were, upon a distribution, subject to withholding tax. If the disbursing credit institution had purchased the Share (or sold the Share) and kept the Share as custodian since then, withholding tax will be withheld only on such earnings which are deemed to have accrued during the period of custody (less deemed distributed dividend income), and which were not yet subjected to withholding tax upon a distribution. The withholding tax amounts to 31.65 per cent. (custodian case) or 36.925 per cent. (over-the-counter transaction case) (both including solidarity surcharge). The tax withheld can generally be credited against the relevant German Shareholder's personal or corporate income tax, as the case may be, or be refunded in the course of the relevant German Shareholder's tax assessment. Proposals of the Federal Ministry of Finance have been published that contemplate a reform of the Investment Act as well as a reform of the taxation of income from capital investments. These changes may or may not have an impact on the taxation of Shareholders.

Outlook (German draft tax legislation)

Draft bill on Flat Taxation (Abgeltungsteuer)

A draft bill which as of June 2007 is in the legislative process would introduce a flat tax (Abgeltungsteuer) on investment income and private capital gains as elements of a corporate tax reform. The flat tax would be levied by a German withholding agent as a withholding tax on interest income, dividend income and capital gains from the disposal of securities, if the income is generated from assets held as non-business assets. The flat tax would be levied irrespective of any holding period. Payment of the flat tax would replace any income tax on such investment income or private capital gains. The envisaged flat tax would be levied at a rate of 25 per cent. (plus 5.5 per cent. solidarity surcharge thereon and, if applicable, church tax) on the relevant gross income. Tax payers would be entitled to apply for a tax assessment if that would be more favourable. According to the draft law, the flat tax would become effective on 1 January 2009. It would be levied on capital gains from assets acquired after 31 December 2008.

If the flat tax was introduced as proposed, proceeds from the sale of the shares could be subject to withholding obligations as described if the Shares are held through a German credit institution as custodian (including a German permanent establishment of a foreign institution).

As of June 2007, it remains unclear whether the envisaged legislative change will become effective.

Revision of German fund regulatory law (Investmentgesetz)

As of June 2007, a draft of German fund regulatory law is in the legislative process. If enacted, the bill would alter the scope of application of the German fund tax rules substantially. Under the draft, fund units that the investor cannot redeem and that are not subject to investment supervision in their country of domicile would not be treated as fund units any longer. This would also apply for German tax purposes. As the investor cannot redeem Shares in the Company and as the Company is domiciled in Guernsey and the Master Fund is domiciled in the Cayman Islands, it is likely that the German fund tax rules would not be applicable to a German investor in Shares of the Company. It is unclear whether the draft bill will become effective.

United States Taxation

TO ENSURE COMPLIANCE WITH TREASURY DEPARTMENT CIRCULAR 230, SHAREHOLDERS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF FEDERAL TAX ISSUES IN THIS PROSPECTUS IS NOT INTENDED OR WRITTEN TO BE RELIED UPON, AND CANNOT BE RELIED UPON, BY SHAREHOLDERS FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON SHAREHOLDERS UNDER THE INTERNAL REVENUE CODE; (B) SUCH DISCUSSION IS INCLUDED HEREIN BY THE COMPANY IN CONNECTION WITH THE PROMOTION OR MARKETING (WITHIN THE MEANING OF CIRCULAR 230) BY THE COMPANY OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) SHAREHOLDERS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.

The Company

The following is a summary of the US federal income tax treatment of the Company. This summary is based on the tax laws of the United States, including the US Internal Revenue Code, its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, all as currently in effect and all subject to change at any time, possibly with retroactive effect.

For US federal income tax purposes, the Company and the Master Fund are treated as corporations. The Company and the Master Fund intend to conduct their affairs such that no material amount of income realised by the Company or the Master Fund will not be effectively connected with the conduct of a US trade or business or otherwise subject to regular US federal income taxation on a net income basis. As a result, it is anticipated that no material portion of the gains realised by the Company or the Master Fund (other than gains, if any, realised on the disposition of US real property interests) will be subject to US federal income taxation, but generally dividend and interest income will be subject to US Federal withholding tax as discussed further below. To the extent, if any, that the Company or the Master Fund is considered to be engaged in a US trade or business, the Company's share of any income that is effectively connected with such US trade or business will be subject to regular US Federal income taxation (currently imposed at a maximum rate of 35 per cent.) on a net income basis and an additional 30 per cent. US ''branch profits'' tax. In addition, it is possible that the Company or the Master Fund would be subject to taxation on a net income basis by state or local jurisdictions within the United States. Any such taxation would adversely affect the Company's ability to make payments in respect of the Shares.

Because the Company is organised under the laws of Guernsey and the Master Fund is organised under the laws of the Cayman Islands, each of them will be considered to be a non-US person for purposes of US tax laws. As a result, any dividends received by the Company or the Master Fund from US sources will be subject to US withholding tax at a rate of 30 per cent. However, US source interest income received by the Company generally will be exempt from US federal income and withholding tax under the exemption for ''portfolio interest'' or under another statutory exemption. Interest on corporate obligations will not qualify as ''portfolio interest'' to

a non-US person that owns (directly and under certain constructive ownership rules) 10 per cent. or more of the total combined voting power of the corporation paying the interest, or, with respect to certain obligations issued after 7 April 1993, if and to the extent the interest is determined by reference to certain economic attributes of the debtor (or a person related thereto). In addition, interest on US bank deposits, certificates of deposit and certain obligations with maturities of 183 days or less (from original issuance) will not be subject to withholding tax. Any, interest (including original issue discount) derived by the Company from US sources not qualifying as "portfolio interest" or not otherwise exempt under US law will be subject to US withholding tax at a rate of 30 per cent.

Because of the composition of its assets and nature of its income the Company is a PFIC for US federal income tax purposes. A non-US corporation is treated as a PFIC for US federal income tax purposes in any taxable year in which either (a) at least 75 per cent. of its gross income is "passive income" (as defined below) or (b) on average at least 50 per cent. of the value of its assets is attributable to assets that produce passive income or are held for the production of passive income. Passive income for this purpose generally includes, among other things, dividends, interest, certain royalties, rents and gains from commodities and securities transactions. In determining whether a non-US corporation is a PFIC, a pro rata portion of the income and assets of each corporation in which it owns, directly or indirectly, at least a 25 per cent. interest (by value) is taken into account. The Company's status as a PFIC will subject US Holders (as defined below) to certain adverse US federal income tax consequences, as described below.

US Holders

The following is a summary of the material US federal income tax consequences of the purchase, ownership and disposition of the Shares by a US Holder (as defined below). This summary deals only with initial purchasers of the Shares by US Holders that will hold the Shares as capital assets. The discussion will not cover all aspects of US federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the acquisition, ownership or disposition of the Shares by particular investors, and does not address state or local tax laws. In particular, this summary does not address tax considerations relevant to certain types of investors that are subject to special treatment under the US federal income tax laws (such as financial institutions, insurance companies, investors liable for the alternative minimum tax, individual retirement accounts and other tax-deferred accounts, tax-exempt organisations, dealers in securities or currencies, investors that will hold the Shares as part of straddles, hedging transactions or conversion transactions for US federal income tax purposes or investors whose functional currency is not the US Dollar).

As used herein, the term "US Holder" means a beneficial owner of the Shares that is, for US federal income tax purposes, (i) a citizen or resident of the US, (ii) a corporation created or organised under the laws of the United States or any State thereof, (iii) an estate the income of which is subject to US federal income tax without regard to its source or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more US persons have the authority to control all substantial decisions of the trust, or the trust has elected to be treated as a domestic trust for US federal income tax purposes.

The US federal income tax treatment of a partner in a partnership that holds the Shares will depend on the status of the partner and the activities of the partnership. Prospective purchasers that are partnerships should consult their tax advisers concerning the US federal income tax consequences to their partners of the acquisition, ownership and disposition of the Shares by the partnership.

THE SUMMARY OF US FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. ALL PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR TAX ADVISERS AS TO THE PARTICULAR TAX CONSEQUENCES TO

THEM OF OWNING THE SHARES, INCLUDING TAX CONSEQUENCES UNDER THE PFIC RULES THE APPLICABILITY AND EFFECT OF STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

Dividends

Dividends paid out of current or accumulated earnings and profits (as determined for US federal income tax purposes) of the Company, if any, will generally be taxable to a US Holder as foreign source dividend income, and will not be eligible for the dividends received deduction allowed to corporations or for the preferential 15 per cent. tax rate applicable to qualified dividend income of individuals and certain other non-corporate taxpayers. Dividends in excess of current and accumulated earnings and profits will be treated as a non-taxable return of capital to the extent of the US Holder's basis in the Shares and thereafter as capital gain. However, the Company is not required to maintain calculations of its earnings and profits in accordance with US federal income tax accounting principles. US Holders should therefore assume that any distribution by the Company with respect to its Shares will constitute ordinary dividend income. In addition, a portion of certain dividends may constitute ''excess distributions'' subject to the special rules described under ''Passive Foreign Investment Company Considerations'' below. US Holders should consult their own tax advisers with respect to the appropriate US federal income tax treatment of any distribution received from the Company.

Sale or Other Disposition

Upon a sale or other disposition of the Shares, a US Holder generally will recognise gain or loss for US federal income tax purposes equal to the difference, if any, between the amount realised on the sale or other disposition and the US Holder's adjusted tax basis in the Shares. However, any sale or disposition of the Shares will be subject to special tax treatment under the PFIC rules described below, which could have an adverse effect, including requiring the recognition of additional income. Unless a mark to market election or a qualified electing fund (**''QEF''**) election is made as described below, any loss will be a capital loss, and will be a long-term capital loss if the Shares have been held for more than one year. Any gain or loss will generally be US source for foreign tax credit purposes. Generally, a redemption of the Shares held by a US Holder will be treated as a sale, exchange or other disposition for US federal income tax purposes only if the redemption is not ''essentially equivalent to a dividend'' or is ''substantially disproportionate'' with respect to the US Holder or results in a complete termination of the US Holder's interest in the Company, in each case after taking into account applicable attribution rules. If a redemption of the Shares is not treated as a sale, exchange or other disposition, it will be treated as a distribution from the Company for US federal income tax purposes (see ''Dividends'' above).

Foreign Currency

A US Holder's tax basis in the Shares will generally be its US Dollar cost. The US Dollar cost of the Shares purchased with foreign currency will generally be the US Dollar value of the purchase price on the date of purchase or, in the case of the Shares traded on an established securities market, as defined in the applicable Treasury Regulations, that are purchased by a cash basis US Holder (or an accrual basis US Holder that so elects), on the settlement date for the purchase. Such an election by an accrual basis US Holder must be applied consistently from year to year and cannot be revoked without the consent of the IRS.

Any foreign currency received on the sale or other disposition of Shares will have a tax basis equal to its US Dollar value on the settlement date. Foreign currency that is purchased will generally have a tax basis equal to the US Dollar value of the foreign currency on the date of purchase. Any gain or loss recognised on a sale or other disposition of a foreign currency (including its use to purchase the Shares or upon exchange for US Dollars) will be US source ordinary income or loss.

The amount realised on a sale or other disposition of the Shares for an amount in foreign currency will be the US Dollar value of this amount on the date of sale or disposition. On the Settlement Date, the US Holder will recognise US source foreign currency gain or loss (taxable as ordinary income or loss) equal to the difference (if any) between the US Dollar value of the amount received based on the exchange rates in effect on the date of sale or other disposition and the settlement date. However, in the case of the Shares traded on an established securities market that are sold by a cash basis US Holder (or an accrual basis US Holder that so elects), the amount realised will be based on the exchange rate in effect on the Settlement Date for the sale, and no exchange gain or loss will be recognised at that time.

Passive Foreign Investment Company Considerations

Under the PFIC regime, a US Holder will generally be subject to special rules with respect to (i) any "excess distribution" (generally, any distributions received by the US Holder on the Shares in a taxable year that are greater than 125 per cent. of the average annual distributions received by the US Holder in the three preceding taxable years or, if shorter, the US Holder's holding period for the Shares), and (ii) any gain realised on the sale or other disposition of the Shares. Under these rules (a) the excess distribution or gain will be allocated ratably over the US Holder's holding period, (b) the amount allocated to the current taxable year and any taxable year prior to the first taxable year in which the Company is a PFIC will be taxed as ordinary income, and (c) the amount allocated to each of the other taxable years will be subject to tax at the highest rate of tax in effect for the applicable class of taxpayer for that year and an interest charge for the deemed deferral benefit will be imposed with respect to the resulting tax attributable to each such other taxable year. A US Holder will be subject to similar rules with respect to distributions to the Company by the Master Fund (which itself is a PFIC), dispositions by the Company of all or any part of its investment in the Master Fund, distributions to the Master Fund from companies in which it invests which themselves are PFICs and dispositions by the Master Fund of such investments in PFICs. Some of the Master Fund's investments will be treated as investments in equity interests in PFICs for US federal income tax purposes. While the effect of the PFIC rules in the context of such a tiered PFIC ownership structure are not entirely clear, the foregoing rules may cause a US Holder to recognise ordinary income in excess of its actual economic income from its investment in the Shares.

A US Holder may avoid the interest charge and certain other adverse PFIC consequences described above by making a QEF election to be taxed currently on its share of the PFIC's undistributed income. A US Holder that makes a valid QEF election must report for US federal income tax purposes its pro rata share of such QEF's ordinary earnings and net capital gain, if any, for each taxable year for which the Company is a PFIC, regardless of whether or not any distributions are made. No portion of any such inclusions of ordinary earnings will be eligible to be treated as "qualified dividend income." For non-corporate US Holders, any such net capital gain inclusions would be eligible for taxation at the preferential capital gains tax rates. A US Holder's adjusted tax basis in the shares would be increased to reflect any taxed but undistributed earnings and profits. Notwithstanding the discussion set forth above under "Dividends," any distribution of earnings and profits that previously had been taxed would not be taxed again when a Shareholder receives such distribution, but would result in a corresponding reduction in the adjusted tax basis in the shares. US Holders would not, however, be entitled to a deduction for their pro rata share of any net losses that the QEF incurs with respect to any year. The ordinary earnings and capital gains of each QEF any potential investor owns or is deemed to own will be determined in the QEF's functional currency and, when deemed distributed, will be translated into US Dollars using the average exchange rate for the QEF's taxable year. If exchange rates move between the time of deemed distribution and the time of actual distribution, distributions of previously taxed amounts will result in the recognition of ordinary gains or losses.

US Holders may make a timely QEF election with respect to each PFIC whose stock they own, or are deemed to own through ownership of the Shares, by filing a copy of IRS Form 8621 for

each such PFIC with their US federal income tax return for the first year in which they hold the Shares. The Company will use reasonable efforts to inform Shareholders of the PFIC status of any underlying portfolio company in which it holds an interest through the Master Fund. However, the Company may not be able to determine the status of a portfolio company without obtaining information that is available only to the management of such company. Because the Company will not control the management of any portfolio company in which it holds an interest through the Master Fund, it may be difficult for the Company to obtain such information, and any information that it does obtain may not be accurate or complete. The Company will use reasonable efforts to prepare and send to Shareholders information necessary to satisfy the US federal income tax obligations of a US Holder who has made a QEF election. As described above, however, it may be difficult to obtain such information regarding portfolio companies that are PFICs and any information that the Company does obtain may not be accurate or complete. The potential benefit of a QEF election will be reduced to the extent accurate information regarding such PFICs is not obtained.

Alternatively, US Holders may possibly avoid some of the adverse tax consequences described above by making a mark to market election with respect to the Shares, provided that the Company's Shares are "marketable". The Shares will be treated as marketable if they are regularly traded. The Shares will be considered regularly traded during any calendar year during which they are traded, other than in de minimis quantities, on at least 15 days during each calendar quarter. Any trades that have as their principal purpose meeting this requirement will be disregarded. There can be no assurance that actual trading volumes of the Company's Shares will be sufficient to permit a mark to market election. Moreover, because a mark to market election with respect to the Company would not apply to the Company's interest in the Master Fund and any equity interests in lower-tier PFICs owned by the Master Fund, it appears that a US Holder generally will continue to be subject to the PFIC rules with respect to all such direct and indirect PFIC interests. As a result, a mark to market election may not be desirable (and possibly could be undesirable). US Holders should consult their tax advisers regarding the availability and desirability of a mark to market election in view of the nature of the investments of the Company.

A US Holder that makes a mark to market election must include in ordinary income for each year an amount equal to the excess, if any, of the fair market value of the Shares at the close of the taxable year over the US Holder's adjusted basis in the Shares. An electing Shareholder may also claim an ordinary loss deduction for the excess, if any, of the US Holder's adjusted basis in the Shares over the fair market value of the Shares at the close of the taxable year, but this deduction is allowable only to the extent of any net mark to market gains for prior years. Gains from an actual sale or other disposition of the Shares will be treated as ordinary income, and any losses incurred on a sale or other disposition of the Shares will be treated as an ordinary loss to the extent of any net mark to market gains for prior years. Once made, the election may not be revoked without the consent of the IRS unless the Shares cease to be marketable. If the Company is a PFIC for any year in which the US Holder owns its Shares but before a mark to market election is made, the interest charge rules described above will apply to any mark to market gain recognised in the year the election is made.

A US Holder must file an annual return on Internal Revenue Service Form 8621, reporting distributions received and gains realised with respect to each PFIC in which it holds a direct or indirect interest.

Potential US investors should consult their own tax advisers regarding the application of the PFIC regime to an investment in the Shares, including the need to make one of the above described special elections to avoid some of the potential adverse tax effects of the PFIC regime.

Controlled Foreign Corporations Considerations

The Company will not be treated as a controlled foreign corporation (a "**CFC**") for US federal income tax purposes since less than 50 per cent. of its total voting power will be held by US citizens or residents.

US Tax-Exempt Entities

US tax-exempt investors generally are subject to US income tax on their "unrelated business taxable income" ("**UBTI**"). UBTI is generally defined as the excess of the amount of gross income from any unrelated trade or business conducted by a tax-exempt entity over the deductions attributable to such trade or business, subject to certain modifications. Those modifications provide that UBTI generally does not include interest, dividends, or gains from the sale of securities not held as either inventory or primarily for sale to customers in the ordinary course of business, except to the extent that any such income is generated by an asset financed with "acquisition indebtedness" within the meaning of Section 514 of the US Internal Revenue Code. Accordingly, the income that a US tax-exempt entity derives from an investment in the Shares generally should not give rise to UBTI under Section 511 of the US Internal Revenue Code, except to the extent that such entity's acquisition of the Shares is debt financed.

The Company constitutes a PFIC for US federal income tax purposes. Under Treasury Regulations, a tax-exempt entity is not considered to be a shareholder in a PFIC. Therefore, the tax-exempt entity would not be subject to the PFIC tax rules, except to the extent that a dividend paid by such PFIC would be taxable under UBTI provisions of the US Internal Revenue Code. Hence, a tax-exempt entity would only be subject to tax under the PFIC regime in respect of an excess distribution from, or any gain realised on the sale of the shares of a PFIC, in limited circumstances. Additionally, these Treasury Regulations provide that a tax-exempt entity that is not taxable under the PFIC rules may not make a "qualifying electing fund" election under Section 1295 of the US Internal Revenue Code. Moreover, different rules may apply to certain types of tax-exempt entities, such as charitable remainder trusts. Accordingly, potential tax-exempt investors are urged to consult their own tax advisers regarding the tax consequences of an investment in the Shares.

Backup Withholding and Information Reporting

Payments of dividends and other proceeds with respect to the Shares by a US paying agent or other US intermediary to a US Holder may be reported to the US Internal Revenue Service and to the US Holder as may be required under applicable regulations. Backup withholding may apply to reportable payments if the US Holder fails to provide an accurate taxpayer identification number or certification of exempt status or fails to report all interest and dividends required to be shown on its US federal income tax returns. The US Holder may credit amounts withheld against its US federal income tax liability and claim a refund for amounts in excess of its tax liability if the required information is provided to the US Internal Revenue Service. Certain US Holders (including, among others, corporations) are not subject to backup withholding. US Holders should consult their tax advisers as to their qualification for exemption from backup withholding and the procedure for obtaining an exemption.

Transfer Reporting Requirements

A US Holder who purchases the Shares may be required to file Form 926 (or similar form) with the IRS if the purchase, when aggregated with all transfers of cash or other property made by the US Holder (or any related person) to the Company within the preceding 12 month period, exceeds US$100,000 (or its equivalent). A US Holder who fails to file any such required form could be required to pay a penalty equal to 10 per cent. of the gross amount paid for the Company's Shares (subject to a maximum penalty of US$100,000, except in cases of intentional disregard). US Holders should consult their tax advisers with respect to this or any other reporting requirement that may apply to an acquisition of the Shares.

Taxation of Non-US Holders

For US federal income tax purposes, a Shareholder of the Company who is a Non-US Holder (as defined below) will not be subject to US federal income taxation on amounts paid by the Company in respect of the Shares or gains recognised on the sale, exchange or redemption of the Shares, provided that such income and gains are not considered to be effectively connected with the conduct of a trade or business carried on by the Shareholder in the United States. In limited circumstances, an individual holder who is present in the United States for 183 days or more during a taxable year may be subject to US income tax at a flat rate of 30 per cent. on gains realised on a disposition of the Shares in such year. Individual Shareholders who at the time of their death are not citizens, former citizens or residents of the United States should not be subject, by reason of the ownership of Shares, to any US federal gift or estate taxes.

For these purposes, the term "Non-US Holder" means any person that is not a US Holder.

Special rules may apply in the case of Non-US Holders (i) that conduct a trade or business in the United States or that have an office or fixed place of business in the United States, (ii) that have a "tax home" in the United States or (iii) that are former citizens or long-term residents of the United States.

In the case of Shares held in the United States by a custodian or nominee for a non-US person, US "backup" withholding taxes may apply to distributions in respect of Shares held by such Shareholder unless such Shareholder properly certifies as to its non-US status or otherwise establishes an exemption from "backup" withholding.

Taxation of Residents of Other Countries

The receipt of dividends by Shareholders, the redemption or transfer of Shares and any distribution on a winding-up of the Company or the Master 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 Company or the Master Fund. The Directors, the Company and each of the Company's agents shall have no liability in respect of the individual tax affairs of Shareholders. Shareholders are urged to consult with their tax advisers about the implications of an investment in the Company in their home countries.

PART 4

INVESTMENT RESTRICTIONS, TRANSFER RESTRICTIONS AND CERTAIN ERISA CONSIDERATIONS

The Company has elected to impose the restrictions described below on the Global Offer and on the future trading of the Shares so that it will not be required to register the offer and sale of the Shares in the Global Offer under the US Securities Act, so that it will not have an obligation to register as an investment company under the US Investment Company Act and related rules and to address certain ERISA, US Internal Revenue Code and other considerations. The transfer restrictions, which will remain in effect until the Company determines in its sole discretion to remove them, may adversely affect the ability of holders of the Shares to trade such securities. Due to the restrictions described below, investors in the Shares are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the Shares. The Company and its agents will not be obligated to recognise any resale or other transfer of Shares made other than in compliance with the restrictions described below.

INVESTMENT RESTRICTIONS

US Investors

Each US person, and each person in the United States, who acquires Shares in the Global Offer will be required to deliver to the Company a duly executed purchaser letter (in a form acceptable to the Company) (a "**Purchaser Letter**"). The form of Purchaser Letter for Accredited Investors may be obtained from the Company. In the Purchaser Letter, each person will be required to represent:

Qualified Institutional Buyer and Qualified Purchaser Status

It is a "qualified institutional buyer" (a "**QIB**") as defined in Rule 144A, (ii) it is purchasing the Shares from the Joint Lead Managers only for its account or for the account of another entity that is a QIB, (iii) it is not a broker-dealer which owns and invests on a discretionary basis less than US$25 million in securities of unaffiliated issuers and (iv) it is not a participant-directed employee plan, such as a plan described in subsections (a)(l)(i)(D), (E) or (F) of Rule 144A.

It is a "qualified purchaser" (a "**QP**") within the meaning of Section 2(a)(51) and related rules of the US Investment Company Act.

It understands that, subject to certain exceptions, to be a QP, it must have US$25 million in "investments" as defined in Rule 2a51-l of the US Investment Company Act.

Transfer Restrictions

It understands and agrees that the Shares are being offered in a transaction not involving any public offering within the United States within the meaning of the US Securities Act and that the Shares have not been and will not be registered under the US Securities Act, that the Company has not been and will not be registered as an investment company under the US Investment Company Act and that the Shares are subject to the transfer restrictions (the "**Transfer Restrictions**") set forth in this Prospectus and in the Transferee Letter (defined below). It agrees that, if in the future it decides to offer, resell, pledge or otherwise transfer the Shares, such Shares will be offered, resold, pledged or otherwise transferred only in compliance with such transfer restrictions.

It understands that any certificates representing Shares acquired by it will bear a legend reflecting, among other things, the transfer restrictions.

It agrees that, prior to any transfer of the Shares or any interest therein (other than in the case of an offshore transfer in accordance with Regulation S (a "**Regulation S Transfer**"), the transferee must sign and deliver a letter to the Company a duly executed transferee letter (in a form acceptable to the Company) (a "**Transferee Letter**"). The form of Transferee Letter may be

obtained from the Company. In the case of a Regulation S transfer, it must sign and deliver to the Company a duly executed surrender letter (in a form acceptable to the Company) (a "**Surrender Letter**"). The form of Surrender Letter may be obtained from the Company.

US Investment Company Act

It understands and acknowledges that the Company has not registered, and does not intend to register, as an "investment company" (as such term is defined in the US Investment Company Act and related rules) and that the Company has elected to impose the transfer and offering restrictions with respect to persons in the United States and US persons described herein so that the Company will qualify for the exemption provided under Sections 3(c)(7) and 7(d) of the US Investment Company Act and will have no obligation to register as an investment company even if it were otherwise determined to be an investment company.

It understands and acknowledges that (i) the Company will not be required to accept for registration of transfer any Shares in the United States or to a US person that are not being acquired by a QP, (ii) the Company may require any person who is required to be a QP, but is not, to transfer the Shares immediately in a manner consistent with the restrictions set forth in this Prospectus, (iii) pending such transfer, the Company is authorised to suspend the exercise of the meeting and consent rights relating to the relevant Shares and the right to receive distributions in respect of the relevant Shares and (iv) if the obligation to transfer is not met, the Company is irrevocably authorised, without any obligation, to transfer the Shares represented thereby, as applicable, in a manner consistent with the restrictions set forth in this Prospectus and, if such Shares are sold, the Company shall be obliged to distribute the net proceeds to the entitled party.

ERISA

No purchase or other acquisition of Shares may be made by any entity that is (i) an "employee benefit plan" (within the meaning of Section 3(3) of ERISA that is subject to Part 4 of Title 1 of ERISA, (ii) a plan, individual retirement account or other arrangement that is subject to Section 4975 of the US Internal Revenue Code or any other state or local laws or regulations that would have the same effect as regulations promulgated under ERISA by the US Department of Labor and codified at 29 C.F.R. Section 2510.3-101 to cause the underlying assets of the Company to be treated as assets of that investing entity by virtue of its investment (or any beneficial interest) in the Company and thereby subject the Company and its general partner (or other persons responsible for the investment and operation of the Company's assets) to laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions contained in Title I of ERISA or Section 4975 of the US Internal Revenue Code, or (iii) an entity whose underlying assets are considered to include "plan assets" of any such plan, account or arrangement (each of (i), (ii) and (iii), a "**Plan**"). The Board of Directors may refuse to register a transfer of Shares to any person they believe to be a Non-Qualified Holder or a Plan investor. If any Shares are owned directly or beneficially by a person believed by the Board of Directors to be a Non-Qualified Holder or a Plan investor, the Board of Directors may give notice to such person requiring him either (i) to provide the Board of Directors within 30 days of receipt of such notice with sufficient satisfactory documentary evidence to satisfy the Board of Directors that such person is not a Non-Qualified Holder or a Plan investor or (ii) to sell or transfer his Shares to a person qualified to own the same within 30 days and within such 30 days to provide the Board of Directors with satisfactory evidence of such sale or transfer. Where condition (i) or (ii) is not satisfied within 30 days after the serving of the notice, the person will be deemed, upon the expiration of such 30 days, to have forfeited his Shares.

The Global Offer

It has received a copy of this Prospectus. It understands and agrees that this Prospectus speaks only as of its date and that the information contained therein may not be correct or complete as of any time subsequent to that date.

It is not purchasing the Shares with a view to, or for offer or sale in connection with, any distribution thereof (within the meaning of the US Securities Act) that would be in violation of the securities laws of the United States or any state thereof.

It became aware of the Global Offer of the Shares and the Shares were offered to the investor (i) solely by means of this Prospectus, (ii) by direct contact between it and the Company or (iii) by direct contact between it and the Joint Lead Managers. It did not become aware of, nor were the Shares offered to it by any other means, including, in each case, by any form of general solicitation or general advertising. In making the decision to purchase the Shares, it relied solely on the information set forth in this Prospectus and other information obtained by it directly from the Company or from one or more initial purchasers as a result of any inquiries by the investor or one or more of the investor's advisors.

General

It understands that there is no established market for the Shares in certificated form and that it is unlikely that such a public market will develop.

It acknowledges that the Joint Lead Managers have each acted as agent for the Company in connection with the sale. It consents to the actions of each Joint Lead Manager in this regard and hereby waives any and all claims, actions, liabilities, damages or demands it may have against the Joint Lead Managers in connection with any alleged conflict of interest arising from the engagement of the Joint Lead Managers as agents of the Company with respect to the sale by the initial purchaser of the Shares to it.

It acknowledges that the Joint Lead Managers, the Company and their respective affiliates and others will rely on the acknowledgments, representations and warranties contained in its Purchaser Letter as a basis for exemption of the sale of the Shares under the US Securities Act, the US Investment Company Act, under the securities laws of all applicable states, for compliance with ERISA and for other purposes. It agrees to promptly notify the Company if any of the acknowledgments, representations or warranties set forth herein are no longer accurate.

It understands and acknowledges that no agency of the United States or any state thereof has made any finding or determination as to the fairness of the terms of, or any recommendation or endorsement in respect of, the Shares.

It agrees to provide, together with a completed and signed Purchaser Letter, a completed and signed Substitute IRS Form W-9. The Substitute IRS Form W-9 is attached to the form of Purchaser Letter.

It has received, carefully read and understands this Prospectus, and has not distributed, forwarded, transferred or otherwise transmitted this Prospectus or any other presentation or offering materials concerning the Shares to any persons within the United States or to any US persons, nor will it do any of the foregoing. It understands that this Prospectus is subject to the requirements of the Prospectus Rules and the Listing Rules and the information herein, including any financial information, may be materially different from any disclosure that would be provided in a registered US offering.

It understands and acknowledges that none of the Company, the Master Fund, the Joint Lead Managers nor any of their respective affiliates, makes any representation as to the availability of any exemption under the US Securities Act for the re-offer, re-sale, pledge or transfer of the Shares. It understands that the Shares to be purchased by it are "restricted securities" as defined in Rule 144(a)(3) under the US Securities Act.

In making the investment decision with respect to the Shares, it has:

A. not relied on the Company, the Master Fund, the Joint Lead Managers or any of their respective affiliates (except, where the Shares are acquired under the Global Offer, to the extent of the information in this Prospectus);

B. had access to such financial and other information concerning the Company and the Shares as it deems necessary in connection with its decision to purchase the Shares; and

C. investigated the potential US tax consequences, including applicable Federal, state and local consequences, affecting it in connection with its purchase and any subsequent disposal of the Shares (including in particular the potential consequences under the PFIC rules).

It acknowledges that the Company, the Master Fund, the Investment Manager, the Joint Lead Managers and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of the acknowledgements, representations or agreements made by it are no longer accurate or have not been complied with, it will immediately notify the Company and, if it is acquiring any Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make such foregoing acknowledgements, representations and agreements on behalf of each such account.

Non-US Investors

Each non-US purchaser of the Shares in the Global Offer will be deemed to have represented, acknowledged and agreed as follows (terms used below that are defined in Regulation S have the meanings given to them in Regulation S):

It and the person, if any, for whose account it is acquiring the Shares are not US persons (as defined in Rule 902 of Regulation S) and are purchasing the Shares outside the United States in an offshore transaction meeting the requirements of Regulation S.

It and the person, if any, for whose account it is acquiring the Shares are Non-United States persons as defined in CFTC Rule 4.7(a)(1)(iv). Under CFTC Rule 4.7(a)(1)(iv) "Non-United States person" means:

A. a natural person who is not a resident of the United States;

B. a partnership, corporation or other entity, other than an entity organised principally for passive investment, organised under the laws of a foreign jurisdiction and which has its principal place of business in a foreign jurisdiction;

C. an estate or trust, the income of which is not subject to United States income tax regardless of source;

D. an entity organised principally for passive investment such as a pool, investment company or other similar entity; provided, that units of participation in the entity held by persons who do not qualify as Non-United States persons or otherwise as qualified eligible persons represent in the aggregate less than 10 per cent. of the beneficial interest in the entity, and that such entity was not formed principally for the purpose of facilitating investment by persons who do not qualify as Non-US persons in a pool with respect to which the operator is exempt from certain requirements of Part 4 of the Commission's regulations by virtue of its participants being Non-United States persons; or

E. a pension plan for the employees, officers or principals of an entity organised and with its principal place of business outside the United States.

The Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state of the United States and may not be offered or sold in the United States or to US persons absent registration or an exemption from registration under the US Securities Act.

The Company has not registered and will not register under the US Investment Company Act and that the Company has put in place restrictions for transactions not involving any public offering in the United States, and to ensure that the Company is not required and will not be required to be registered under the US Investment Company Act.

It understands that each global certificate for Shares offered and sold in the Global Offer pursuant to Regulation S will contain a legend substantially in the form set forth in this Prospectus.

No portion of the assets used by it to acquire, and no portion of the assets used by it to hold, an interest in the Shares or beneficial interest therein constitutes or will constitute the assets of (i) an "employee benefit plan" (within the meaning of Section 3(3) of ERISA that is subject to Part 4 of Title I of ERISA, (ii) a plan, individual retirement account or other arrangement that is subject to Section 4975 of the US Internal Revenue Code or any other state or local laws or regulations that would have the same effect as regulations promulgated under ERISA by the US Department of Labor and codified at 29 C.F.R. Section 2510.3-101 to cause the underlying assets of the Company to be treated as assets of that investing entity by virtue of its investment (or any beneficial interest) in the Company and thereby subject the Company and its general partner (or other persons responsible for the investment and operation of the Company's assets) to laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions contained in Title I of ERISA or Section 4975 of the US Internal Revenue Code), or (iii) an entity whose underlying assets are considered to include "plan assets" of any such plan, account or arrangement.

It has received, carefully read and understands this Prospectus, and has not distributed, forwarded, transferred or otherwise transmitted this Prospectus or any other presentation or offering materials concerning the Shares to any persons within the United States or to any US persons, nor will it do any of the foregoing. It understands that this Prospectus is subject to the requirements of the Prospectus Rules and the Listing Rules and the information therein, including any financial information, may be materially different from the disclosure that would be provided in a US offering.

It acknowledges that the Company reserves the right to make inquiries of any holder of the Shares or interests therein at any time as to such person's status under the US securities laws, including without limitation whether it is a qualified purchaser as defined in Section 2(a)(51) of the US Investment Company Act and related rules, and to require any such person that has not satisfied the Company that such person is holding appropriately under the US securities laws to transfer such Shares or interests immediately under the direction of the Company.

It acknowledges that the Company may receive a list of participants holding positions in its securities from one or more book-entry depositories.

In respect of each person in a Relevant Member State who receives any communication in respect of, or who acquires any Shares under, the Global Offer that (a) it is a qualified investor within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive and (b) in the case of any Shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive (i) the Shares acquired by it in the Global Offer have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the Prospectus Directive or (ii) where Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Shares to it is not treated under the Prospectus Directive as having been made to such persons.

If applicable, it is entitled to subscribe for the Shares comprised in the Global Offer under the laws of all relevant jurisdictions which apply to it, that it has fully observed such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and it has paid any issue, transfer or other taxes due in connection with its acceptance in any jurisdiction and that it has not taken any action or omitted to take any action which will or may result in any of the Joint Lead Managers or the Company or any of their respective directors, officers, agents, employees or advisers acting in breach of the legal and regulatory requirements of any jurisdiction in connection with the Global Offer or its acceptance of participation in the Global Offer.

It acknowledges that the Company, the Master Fund, the Investment Manager and the Joint Lead Managers and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of the acknowledgements, representations or agreements made by it are no longer accurate or have not been complied with, it will immediately notify the Company and, if it is acquiring any Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make such foregoing acknowledgements, representations and agreements on behalf of each such account.

TRANSFER RESTRICTIONS

Shares in Certificated Form

Shares in certificated form can only be transferred:

- to a transferee that delivers to the Company a duly executed Transferee Letter in a form acceptable to the Company; or
- in an offshore transfer in accordance with Regulation S in connection with which the transferor delivers to the Company a duly executed Surrender Letter in a form acceptable to the Company.

Certificated Share Legend

Shares in certificated form will bear the following legend:

*The shares evidenced hereby (the "**Shares**") of Third Point Offshore Investors Limited (the "**Company**") have not been and will not be registered under the US Securities Act of 1933, as amended (the "**US Securities Act**"), or any state securities laws in the United States, and the Company has not been and will not be registered as an investment company under the US Investment Company Act of 1940, as amended (the "**US Investment Company Act**"). These securities and any beneficial interest therein may not be reoffered, resold, pledged or otherwise transferred, except:*

*(1) in an offshore transaction in accordance with Regulation S under the US Securities Act ("**Regulation S**") to a person outside the United States and not known by the transferor to be a US person, by pre-arrangement or otherwise, upon surrender of this share certificate and delivery of a written certification that such transferor is in compliance with the requirements of this clause (1). The terms "US person" and "offshore transaction" shall have the meanings set forth in Regulation S;*

(2) in a transaction, that is exempt from the registration requirements of the US Securities Act to a transferee who is within the United States or a US person and who delivers a written certification that:

a. such transferee is (i) all of the following: (a) a qualified institutional buyer (as defined in Rule 144A under the US Securities Act) or an Accredited Investor (as defined in Rule 501(a) under the US Securities Act), (b) not a broker-dealer that owns and invests on a discretionary basis less than US$25 million in securities of unaffiliated issuers and (c) not a participant directed employee plan, such as a plan described in subsections (a)(1)(i)(d), (e) or (f) of Rule 144A under the US Securities Act; or (ii) acquiring such securities pursuant to another available exemption from the registration requirements of the US Securities Act, subject to the right of the Company to require delivery of an opinion of counsel and to require delivery of other information satisfactory to the Company as to the availability of such exemption;

*b. such transferee is a qualified purchaser (as defined in the US Investment Company Act and related rules, a "**Qualified Purchaser**");*

*c. no portion of the assets used by such transferee to purchase, and no portion of the assets used by such transferee to hold, the Shares or any beneficial interest therein constitutes or will constitute the assets of (1) an ''employee benefit plan'' (within the meaning of Section 3(3) of the US Employee Retirement Income Security Act of 1974, as amended (**"ERISA"**))that is subject to Title 1 of ERISA, (2) a plan, individual retirement account or other arrangement that is subject to Section 4975 of the US Internal Revenue Code of 1986, as amended (the **"US Internal Revenue Code"**) or any other state or local laws or regulations that would have the same effect as regulations promulgated under ERISA by the US Department of Labor and codified at 29 C.F.R. Section 2510.3-101 (as modified by Section 3(42) of ERISA) to cause the underlying assets of the Company to be treated as assets of that investing entity by virtue of its investment (or any beneficial interest) in the Company and thereby subject the Company (or other persons responsible for the investment and operation of the Company's assets) to laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions contained in Title 1 of ERISA or Section 4975 of the US Internal Revenue Code or (3) an entity whose underlying assets are considered to include ''plan assets'' of any such plan, account or arrangement (each of (1), (2), (3) a **"Plan"**); and*

d. such transferee is acquiring the Shares and any beneficial interest therein for its own account as principal, or for the account of another person who is able to and shall be deemed to make the representations, warranties and agreements in this clause (2); or

(3) to the Company or a subsidiary thereof.

Each of the foregoing restrictions is subject to any requirement of law that the disposition of the property of the holder of these securities or the property of any investor account or accounts on behalf of which such holder holds these securities be at all times within the control of such holder or of such accounts and subject to compliance with any applicable state securities laws.

The Company and its agents shall not be obligated to recognise any resale or other transfer of these securities or any beneficial interest therein made other than in compliance with these restrictions. The Company may require any US person or any person within the United States who is required by these restrictions to be a Qualified Purchaser, but is not, to transfer these securities or such beneficial interest either (i) to a person or entity that is in the United States or a US person and who is a Qualified Purchaser or (ii) to a non-US person in an offshore transaction. Pending such transfer, the Company is authorised to suspend the exercise of the meeting and consent rights relating to the Shares and the right to receive distributions in respect of the Shares. If the obligation to transfer is not met, the Company is irrevocably authorised, without any obligation, to transfer the Shares in a manner consistent with these restrictions and, if such Shares are sold, the Company shall be obliged to distribute the net proceeds to the entitled party.

Transfers of these securities or any interest therein to a person using assets of a Plan to purchase or hold such securities or any interest therein will be void and of no force and effect and will not operate to transfer any rights to such person notwithstanding any instruction to the contrary to the Company or its agents. If any such transfer is not treated as being void for any reason, these securities or such interest therein will automatically be transferred to a charitable trust for the benefit of a charitable beneficiary and the purported holder will acquire no right in these securities.

Shares in Non-Certificated Form

Shares in non-certificated or book-entry form, held by depositaries may be freely transferred through the facilities of the London Stock Exchange, or of another designated offshore securities

market (as defined in Regulation S). Any person acquiring Shares in non-certificated form will be deemed to have represented, acknowledged and agreed as follows:

- The Shares have not been, and will not be, registered under the US Securities Act and accordingly, may not be offered or sold or otherwise transferred in the United States or to, or for the account or benefit of, US persons unless registered or an exemption from registration is available.
- The Company has not registered and will not register under the US Investment Company Act and the Company has put in place restrictions to ensure that the Company is not required and will not be required to be registered under the US Investment Company Act.
- If it is a US person it is, and each account for which it is purchasing is, a "Qualified Purchaser" within the meaning of Section 3(c)(7) of the US Investment Company Act.
- No portion of the assets used by it to acquire, and no portion of the assets used by it to hold, an interest in the Shares or beneficial interest therein constitutes or will constitute the assets of (i) an "employee benefit plan" (within the meaning of Section 3(3) of ERISA that is subject to Part 4 of Title I of ERISA, (ii) a plan, individual retirement account or other arrangement that is subject to Section 4975 of the US Internal Revenue Code or any other state or local laws or regulations that would have the same effect as regulations promulgated under ERISA by the US Department of Labor and codified at 29 C.F.R. Section 2510.3-101 to cause the underlying assets of the Company to be treated as assets of that investing entity by virtue of its investment (or any beneficial interest) in the Company and thereby subject the Company and its general partner (or other persons responsible for the investment and operation of the Company's assets) to laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions contained in Title I of ERISA or Section 4975 of the US Internal Revenue Code), or (iii) an entity whose underlying assets are considered to include "plan assets" of any such plan, account or arrangement.

Global Certificate Legend

The global certificates representing the Shares held in non-certificated form will each contain the following legend:

*Third Point Offshore Investors Limited (the **"Company"**) has not been and will not be registered under the US Investment Company Act of 1940, as amended (the "US Investment Company Act"). This security and any beneficial interest herein may not be reoffered, resold, pledged or otherwise transferred in the United States or to US persons, except to persons who are qualified purchasers (as defined in the US Investment Company Act and related rules, a **"Qualified Purchaser"**). By acquiring this security or a beneficial interest herein, each acquirer shall be deemed to represent, warrant and agree with the Company that: (1) it is either: (A) outside the United States and not a US person or (B) a Qualified Purchaser; (2) it will not offer, resell, pledge or otherwise transfer this security or a beneficial interest herein in the United States or to a US person other than to a Qualified Purchaser; and (3) no portion of the assets used by it to purchase, and no portion of the assets used by it to hold, this security or a beneficial interest herein constitutes or will constitute the assets of (1) an "employee benefit plan" (within the meaning of Section 3(3) of the US Employee Retirement Income Security Act of 1974, as amended (**"ERISA"**)) that is subject to Title 1 of ERISA, (2) a plan, individual retirement account or other arrangement that is subject to Section 4975 of the US Internal Revenue Code of 1986, as amended (the **"US Internal Revenue Code"**) or any other state or local laws or regulations that would have the same effect as regulations promulgated under ERISA by the US Department of Labor and codified at 29 C.F.R. Section 2510.3-101 to cause the underlying assets of the Company to be treated as assets of that investing entity by virtue of its investment (or any beneficial interest) in the Company and thereby subject the Company (or other persons responsible for the investment and operation of the Company's assets) to laws or regulations*

that are similar to the fiduciary responsibility or prohibited transaction provisions contained in Title I of ERISA or Section 4975 of the US Internal Revenue Code or (3) an entity whose underlying assets are considered to include ''plan assets'' of any such plan, account or arrangement (each, a ***"Plan"****). The Company and its agents shall not be obligated to recognise any resale or other transfer of this security or any beneficial interest herein made other than in compliance with these restrictions.*

The Company and its agents may require any person within the United States or any US person who is required under these restrictions to be a Qualified Purchaser but who is not a Qualified Purchaser at the time it acquires this security or a beneficial interest herein to transfer this security or such beneficial interest either (A) to a person or entity that is in the United States or a US person and who is a Qualified Purchaser or (B) to a non-US person in an offshore transaction.

Transfers of this security or any interest herein to a person using assets of a Plan to purchase or hold this security or any interest herein will be void and of no force and effect and will not operate to transfer any rights to such person notwithstanding any instruction to the contrary to the Company or any of its agents. If any such transfer is not treated as being void for any reason, this security or such interest herein will automatically be transferred to a charitable trust for the benefit of a charitable beneficiary and the purported holder will acquire no right in this security.

The terms ''US person'' and ''offshore transaction'' shall have the meanings set forth in Regulation S under US Securities Act of 1933, as amended.

Each US person purchasing Shares at any time that is not required to execute the above letter will be deemed to have represented, acknowledged and agreed as follows:

- The Shares have not been, and will not be, registered under the US Securities Act and accordingly, may not be offered or sold or otherwise transferred in the United States or to, or for the account or benefit of, US persons unless registered or an exemption from registration is available.
- The Company has not registered and will not register under the US Investment Company Act and that the Company has put in place restrictions to ensure that the Company is not required and will not be required to be registered under the US Investment Company Act.
- It is, and each account for which it is purchasing is, a ''Qualified Purchaser'' within the meaning of Section 3(c)(7) of the US Investment Company Act.
- No portion of the assets used by it to acquire, and no portion of the assets used by it to hold, an interest in the Shares or beneficial interest therein constitutes or will constitute the assets of (i) an ''employee benefit plan'' (within the meaning of Section 3(3) of ERISA that is subject to Part 4 of Title I of ERISA, (ii) a plan, individual retirement account or other arrangement that is subject to Section 4975 of the US Internal Revenue Code or any other state or local laws or regulations that would have the same effect as regulations promulgated under ERISA by the US Department of Labor and codified at 29 C.F.R. Section 2510.3-101 to cause the underlying assets of the Company to be treated as assets of that investing entity by virtue of its investment (or any beneficial interest) in the Company and thereby subject the Company and its general partner (or other persons responsible for the investment and operation of the Company's assets) to laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions contained in Title I of ERISA or Section 4975 of the US Internal Revenue Code), or (iii) an entity whose underlying assets are considered to include ''plan assets'' of any such plan, account or arrangement.

CERTAIN ERISA CONSIDERATIONS

General

The following is a summary of certain considerations associated with the purchase of the Shares by (i) an "employee benefit plan" (within the meaning of Section 3(3) of ERISA) that is subject to part 4 of Title I of ERISA, (ii) a plan, individual retirement account or other arrangement that is subject to Section 4975 of the US Internal Revenue Code or provisions under any Similar Law, and (iii) entities whose underlying assets are considered to include "plan assets" of any such plan, account or arrangement (each of (i), (ii) and (iii), a "**Plan**"). This summary is general in nature and is not intended to be all-inclusive. Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries, or other persons considering purchasing the Shares on behalf of, or with the assets of, any employee benefit plan, consult with their counsel to determine whether such employee benefit plan is subject to part 4 of Title I of ERISA, Section 4975 of US Internal Revenue Code or any similar laws.

ERISA and the US Internal Revenue Code do not define "plan assets". However, the Plan Asset Regulations generally provide that when a Plan subject to Part 4 of Title I of ERISA or Section 4975 of the US Internal Revenue Code (an "**ERISA Plan**") acquires an equity interest in an entity that is neither a "publicly offered security" (as defined in the Plan Asset Regulations) nor a security issued by an investment company registered under the US Investment Company Act, the ERISA Plan's assets include both the equity interest and an undivided interest in each of the underlying assets of the entity unless it is established either that equity participation in the entity by "benefit plan investors" is not significant or that the entity is an "operating company," in each case as defined in the Plan Asset Regulations. For purposes of the Plan Asset Regulations, equity participation in an entity by "benefit plan investors" will not be significant if they hold, in the aggregate, less than 25 per cent. of the value of each class of equity interests of such entity, excluding equity interests held by any person (other than a "benefit plan investor") who has discretionary authority or control with respect to the assets of the entity or who provides investment advice for a fee (direct or indirect) with respect to such assets, and any affiliates of such person. For purposes of this 25 per cent. test, "benefit plan investors" include employee benefit plans subject to Part 4 of Title I of ERISA or Section 4975 of the US Internal Revenue Code, including "Keogh" plans, individual retirement accounts and pension plans maintained by US corporations, as well as any entity whose underlying assets are deemed to include "plan assets" under the Plan Asset Regulations (for example, an entity 25 per cent. or more of the value of any class of equity interests of which is held by "benefit plan investors" and which does not satisfy another exception under the Plan Asset Regulations).

It is anticipated that (i) the Shares will not constitute "publicly offered securities" for purposes of the Plan Asset Regulations, (ii) the Company will not be an investment company registered under the US Investment Company Act and (iii) the Company will not qualify as an operating company within the meaning of the Plan Asset Regulations.

Plan Asset Consequences

If the Company's assets were deemed to be "plan assets" of an ERISA Plan whose assets were invested in the Company, this would result, among other things, in (i) the application of the prudence and other fiduciary responsibility standards of ERISA to investments made by the Company, and (ii) the possibility that certain transactions that the Company, the Master Fund or any of its subsidiaries might enter into, or may have entered into, in the ordinary course of business might constitute or result in non-exempt prohibited transactions under Section 406 of ERISA and/or Section 4975 of the US Internal Revenue Code and might have to be rescinded. A non-exempt prohibited transaction, in addition to imposing potential liability upon fiduciaries of the ERISA Plan, may also result in the imposition of an excise tax under the US Internal Revenue Code upon a "party in interest" (as defined in ERISA), or "disqualified person" (as defined in the US Internal Revenue Code), with whom the ERISA Plan engages in the transaction.

Fiduciaries of such plans should consult with their counsel before purchasing or holding the Shares.

Because of the foregoing, the Shares may not be purchased or held by any person investing ''plan assets'' of any Plan.

Representation and Warranty

In light of the foregoing, by accepting an interest in the Shares, each Shareholder will be deemed to have represented and warranted, or will be required to represent and warrant in writing, that no portion of the assets used to purchase or hold the Shares constitute or will constitute the assets of any Plan. Any purported purchase or holding of the Shares in violation of the requirement described in the foregoing representation will be void. If such purchase is not treated as being void for any reason, the Shares will automatically be transferred to a charitable trust for the benefit of a charitable beneficiary and the purported holder will acquire no right in the Shares.

PART 5

ADDITIONAL INFORMATION ABOUT THE COMPANY

1 Incorporation and Administration

1.1 The Company is a registered closed-ended investment company incorporated in Guernsey with limited liability on 19 June 2007 under the provisions of the Companies Law, with registered number 47161. The Company continues to be registered and domiciled in Guernsey. Its registered office is at PO Box 255, Trafalgar Court, Les Banques, St Peter Port, Guernsey, GY1 3QL and its telephone number is +44 (0) 1481 745 000. The Company operates under the Companies Laws and ordinances and regulations made thereunder and has no subsidiaries or employees.

1.2 The Directors confirm that the Company has not traded and that no accounts of the Company have been made up since its incorporation on 19 June 2007. The Company's accounting period will end on 31 December of each year, with the first year end on 31 December 2007.

1.3 Save for its entry into the material contracts summarised in paragraph 6 of Part 8 of the Registration Document and certain non-material contracts, since its incorporation the Company has not carried on business nor incurred borrowings. The Company has applied for a certificate from HM Greffier in Guernsey entitling it to commence business and exercise borrowing powers.

1.4 Changes in the authorised and issued share capital of the Company since incorporation are summarised in section 2 below.

1.5 Ernst & Young LLP has been the only auditor of the Company since its incorporation. Ernst & Young LLP is a member of the Institute of Chartered Accountants in England and Wales. The annual report and accounts will be prepared according to US GAAP.

1.6 There has been no significant change in the trading or financial position of the Company since its incorporation.

2 Share Capital

2.1 Share Capital

The description below of the Company's share capital is set out in fuller detail in Part 8 of the Registration Document.

At the date of this Securities Note, the authorised share capital of the Company is an unlimited number of Shares of no par value (which upon issue the Directors may classify as Euro Shares, US Dollar Shares and Sterling Shares) and an unlimited number of unlisted B Shares of no par value. Shares will be issued to investors subscribing in the Global Offer. All B Shares will be held at all times by VoteCo. The B Shares carry no right to distribution of profits or in the winding-up of the Company. Shareholders and VoteCo have the right to receive notice of and to attend and vote at general meetings of the Company.

The Shares which are successfully subscribed under the Global Offer will be allotted and issued immediately prior to the Settlement Date, conditional upon Admission, in accordance with the power granted to the Directors by the Articles. There will be a simultaneous allotment and issue to VoteCo of the proportionate number of B Shares.

Any unallotted Shares will remain authorised but unissued.

In accordance with the powers granted to the Directors by the Articles of Association, it is expected that the Shares will be allotted (conditional upon Admission) pursuant to a resolution of the Board of Directors to be passed shortly before Admission.

2.2 Ratio of Shares to B Shares

The Articles provide that, at all times, the aggregate issued number of B Shares shall be 40 per cent. of the aggregate number of issued Shares and B Shares, rounded up to the nearest whole number of B Shares where necessary, so that for every three new Shares issued, two new B Shares will be issued to VoteCo and for every three Shares cancelled, two B Shares held by VoteCo will be cancelled. Where three Shares are held in treasury; two B Shares will be held in treasury.

The Articles further provide that the ratio of issued US Dollar B Shares to Euro B Shares to Sterling B Shares shall at all times approximate as closely as possible the ratio of issued US Dollar Shares to Euro Shares to Sterling Shares, so that whenever a number of Shares is converted from one currency class to another, a corresponding number of B Shares shall be converted so as to maintain the ratio as described above. Please refer to the summary of the Company's Memorandum and Articles of Association in this Part 5 of the Securities Note for further information about the rights attaching to Shares.

2.3 Conversion of Shares

The Company's Articles of Association incorporate provisions to enable Shareholders of any one Currency Class of Shares to convert all or part of their holding into any other Currency Class of Share on a monthly basis (commencing in August 2007) in accordance with the detailed provisions of the Articles. If the aggregate NAV of any Currency Class at any month-end falls below the equivalent of US$50 million, the Shares of that class may be converted compulsorily into Shares of the Currency Class with the greatest aggregate value in US Dollar terms at the time. A summary of the Company's Memorandum and Articles of Association is contained in this Part 5 of this Securities Note and includes a description of the mechanism for conversion of Shares from one currency class to another.

2.4 Pre-emption Rights

There are no provisions of Guernsey law which confer rights of pre-emption in respect of the allotment of shares and no pre-emption rights have been introduced in the Articles in respect of the Shares. The Articles do, however, confer rights of pre-emption in respect of the B Shares in favour of the existing holder of B Shares.

2.5 Dividends

Shareholders are entitled to receive, and participate in, any dividends or other distributions out of the profits of the Company available for dividend and resolved to be distributed in respect of any accounting period or other income or right to participate therein. VoteCo, as holder of the B Shares, shall have no such entitlement.

2.6 Winding-up

On a winding-up, the Shareholders will be entitled to the surplus assets of the relevant class remaining after payment of all the creditors of the Company attributable to such class. VoteCo, as holder of the B Shares, shall have no such entitlement.

2.7 Variation of Share Rights

The rights attaching to the Shares may be varied with the consent in writing of the holders of three-fourths of the issued Shares of the relevant class or within the sanction of a special resolution of Shareholders of the relevant class passed at a general meeting of that class.

3 VoteCo

VoteCo is a limited liability company incorporated in Guernsey. In order to address jurisdictional regulatory issues in the US, the Company will, on Admission, issue B Shares carrying 40 per cent. of the aggregate voting rights in the Company to VoteCo. The sole object

of VoteCo is to hold the issued B Shares which according to the Articles will at all times represent approximately 40 per cent. of the aggregate issued number of Shares and B Shares. The B Shares will be unlisted and carry no economic interest. See "Share Capital and Rights" above.

VoteCo has no affiliation with the Investment Manager or the Master Fund. The board of directors of VoteCo has been selected to provide both financial market expertise and a strong understanding of fiduciary responsibility.

3.1 Directors

The three independent directors of VoteCo are Talmai Morgan (Chairman), Richard Hotchkis and Shelagh Mason.

3.2 Voting

Following receipt of notice of each general meeting of the Company, the board of directors of VoteCo will meet to decide how to vote on each resolution to be proposed at such general meeting.

Under the VoteCo articles, the directors of VoteCo are obliged to determine if and how to exercise the voting rights attached to the B Shares held by VoteCo in the interests of the Shareholders as a whole. The directors of VoteCo may take advice from an investment bank of international repute and/or a law firm of international repute in order to determine the best interests of the Shareholders as a whole in respect of each resolution to be proposed at a general meeting. The directors of VoteCo are under no obligation to follow any advice so obtained. At general meetings of the Company, VoteCo will participate in votes along with the Shareholders by show of hands or by poll as appropriate.

3.3 VoteCo Support and Custody Agreement with the Company

VoteCo has entered into an agreement with the Company, under which the Company agrees, in return for the services provided by VoteCo, to provide VoteCo with funds from time to time in order to enable VoteCo to meet its obligations as they fall due. Under the agreement the Company has also agreed to pay all the expenses of VoteCo, including the fees of the directors of VoteCo, the fees of all advisers engaged by the directors of VoteCo and premiums for directors' and officers' insurance.

The Company has agreed to indemnify the directors of VoteCo in respect of all liability that they may incur in their capacity as directors of VoteCo.

4 Summary of the Company's Memorandum and Articles of Association

The Articles of Association of the Company provides that the objects of the Company include carrying on business as an investment company. The objects of the Company are set out in full in Memorandum of Association, copies of which are available for inspection at the addresses specified in section 13 of this Part 5 of this Securities Note.

The Articles contain provisions, inter alia, to the following effect:

4.1 Shares generally

The share capital is represented by an unlimited number of Shares of no par value and an unlimited number of B Shares of no par value. All B Shares are to be unlisted and held at all times by VoteCo. The B Shares carry no right to distribution of profits or in the winding up of the Company. The Shares may be divided into at least three classes denominated in Sterling, Euros and US Dollars having the rights hereinafter described.

The Articles provide that, at all times, the aggregate issued number of B Shares shall be 40 per cent. of the aggregate issued number of Shares and B Shares, rounded up to the nearest whole number of B Shares where necessary, so that for every three new Shares issued, two new B Shares will be issued to VoteCo and for every three Shares cancelled, two B Shares held by

VoteCo will be cancelled. Where three Shares are held in treasury; two B Shares will be held in treasury.

The Articles further provide that the ratio of issued US Dollar B Shares to Euro B Shares to Sterling B Shares shall at all times approximate as closely as possible the ratio of issued US Dollar Shares to Euro Shares to Sterling Shares, so that whenever a number of Shares is converted from one Currency Class to another as set out under "Conversion of Shares" below, a corresponding number of B Shares shall be converted so as to maintain the ratio as described above.

Shareholders shall have the following rights:

4.2 Voting

Shareholders and holders of B Shares shall have the right to receive notice of and to attend and vote at general meetings of the Company. Each holder of Shares and B Shares being present in person or by proxy or by a duly authorised representative (if a corporation) at a meeting shall upon a show of hands have one vote and upon a poll each such holder present in person or by proxy or by a duly authorised representative (if a corporation) shall, in the case of a separate class meeting, have one vote in respect of each Share or B Share held by him and, in the case of a general meeting of all Shareholders, have one vote in respect of each US Dollar Share or US Dollar B Share held by him, one and a half votes in respect of each Euro Share or Euro B Share held by him and two votes in respect of each Sterling Share or Sterling B Share held by him. Fluctuation in currency exchange rates will not affect the relative voting rights applicable to the Shares and B Shares. In addition all of the Company's shareholders will have the right to vote on all material changes to the Company's investment policy.

4.3 Dividends

(a) Although the Board of Directors does not expect to declare any dividends, the Company may, by ordinary resolution, declare dividends but no dividend is to exceed the amount recommended by the Board of Directors. No dividend will be paid other than out of the profits of the business of the Company.

(b) The Board of Directors may at any time declare and pay such interim dividends as appear to be justified by the position of the Company.

(c) All unclaimed dividends may be invested or otherwise used by the Board of Directors for the benefit of the Company until claimed and the Company will not be constituted a trustee in respect thereof. No dividend will bear interest against the Company. Any dividend unclaimed after a period of 12 years from the date of declaration of such dividend will be forfeited and revert to the Company.

(d) The Board of Directors is empowered to create reserves which will be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Board of Directors may also carry forward any profits.

(e) Holders of B Shares have no entitlement to receive dividends.

4.4 Capital

On a winding-up of the Company, after paying all the debts attributable to and satisfying all the liabilities of the Company, Shareholders will be entitled to receive by way of capital any surplus assets of the Company attributable to the Shares as a class in proportion to their holdings. Holders of B Shares have no such entitlement. See "Distribution on winding-up" below for further details.

4.5 Distribution on winding-up

(a) On a winding up the surplus assets remaining after payment of all creditors will be divided among the classes of Shares then in issue (if more than one) in the same proportions as capital is attributable to them at the relevant winding up date as calculated by the Board of Directors or the liquidator in their discretion. Holders of B Shares have no entitlement to the surplus assets remaining after payment of all the creditors of the Company.

Within each such class, such assets will be divided pari passu among the Shareholders of that class in proportion to the number of Shares of that class held at the commencement of the winding up, subject in any such case to the rights of any Shares which may be issued with special rights or privileges. Holders of B Shares have no such entitlement.

(b) On a winding up the liquidator may, with the authority of a special resolution, divide amongst the Shareholders or different classes of Shareholders in specie the whole or any part of the assets of the Company and may set such value as they deem fair upon any one or more class or classes of property and may determine the method of division of such assets between Shareholders or different classes of Shareholders. The liquidator may with like authority vest any part of the assets in trustees upon such trusts for the benefit of Shareholders as they deem fit but no Shareholder will be compelled to accept any assets in respect of which there is any outstanding liability.

(c) Where the Company is proposed to be or is in the course of being wound-up and the whole or part of its business or property is proposed to be transferred or sold to another company the liquidator may, with the sanction of an ordinary resolution, receive in compensation or part compensation for the transfer or sale of assets, shares, policies or other like interests for distribution among the Shareholders or may enter into any other arrangements whereby the Shareholders may, in lieu of receiving cash, shares, policies, or other like interests in the transferee, participate in the profits of or receive any other benefit from the transferee.

4.6 Conversion of Shares

The Articles incorporate provisions to enable Shareholders of any one Currency Class of Shares to convert all or part of their holding into any other Currency Class of Shares on a monthly basis (commencing in August 2007) in accordance with the detailed provisions of the Articles summarised below:

(a) On the last day of each calendar month (or, where such day is not a NAV Calculation Date, the immediately preceding NAV Calculation Date) (each a "**Conversion Calculation Date**") in each year a Shareholder may elect to convert some or all of their Shares of one class into Shares of any other class (of which Shares are in issue at the relevant time) by giving at least 10 Business Days' notice before the relevant Conversion Calculation Date, specifying the number and Currency Class of Shares to be converted from and the Currency Class of Shares into which they are to be converted, either through submission of the relevant instruction mechanism (for Shareholders holding Shares in uncertificated form in CREST or any other relevant system) or through the return of the relevant Share certificate to the Registrar in the case of Shares held in certificated form.

The Board of Directors may amend the process for conversion (including the frequency of Currency Class conversions in any one year and the procedure for giving notice of conversion) in such manner as they see fit for the purposes of facilitating conversions of Shares in uncertificated or certificated form or to facilitate electronic communications. Any conversion notice once given shall be irrevocable without the consent of the Directors. The date on which conversion shall take place shall be a date determined by the Board of Directors being not more than 20 Business Days after the relevant Conversion Calculation Date.

(b) Conversion shall be effected by way of redesignation of Shares of one Currency Class into Shares of another Currency Class or in any such other manner as the Board of Directors may

determine. Fractions of Shares arising on such conversion will be rounded down to the nearest whole Share.

(c) Conversion will be on the basis of the ratio of the last reported NAV per Share of the Currency Class of Shares to be converted from (less the costs of effecting such conversion), to the last reported NAV per Share of the Currency Class of Shares to be converted to (each as at the relevant NAV Calculation Date).

(d) Should the aggregate NAV of any Currency Class of Shares fall below the US Dollar equivalent of $50 million NAV, the Directors in accordance with the Articles, have the right to compulsorily convert such Currency Class of Shares into the Currency Class of Shares then in issue with the greatest aggregate value in US Dollar terms as at the corresponding Conversion Calculation Date. Any such compulsory conversion will take place in substantially the same manner specified for voluntary conversion in paragraphs (a) to (c) above.

(e) Upon conversion a corresponding number of B Shares shall be converted in a similar manner as described in this paragraph 4.6 above.

4.7 Variation of Share Rights

The rights attaching to the Shares of each class may be varied with the consent in writing of the holders of three-quarters of the issued Shares of the relevant class or with the sanction of a special resolution of Shareholders of the relevant class passed at a general meeting at which at least one third of the issued Shares of that class are represented (or, if adjourned due to lack of quorum, at which two Shareholders of the relevant class are represented).

4.8 Notice requiring disclosure of interests in Shares

(a) The Board of Directors has power by notice in writing to require any Shareholder to disclose to the Company the identity of any person other than the Shareholder (an "**Interested Party**") who has any interest in the Shares held by such Shareholder and the nature of such interest. Such notice will require any information in response to the notice to be given in writing within such reasonable time as the Board of Directors shall determine.

(b) The Board of Directors may be required to exercise their power to require disclosure of interested parties on a requisition of Shareholders holding not less than 1/10th of the paid up capital of the Company as at that date, calculated on a class by class basis. If any Shareholder is in default in supplying to the Company the information required by the Company within the prescribed period, the Board of Directors in their absolute discretion may serve a direction notice on that Shareholder.

The direction notice may direct that in relation to the Shares in respect of which the default has occurred ("**default shares**") and any other Shares held by such Shareholder, the Shareholder will not be entitled to vote in general meetings or class meetings. Where the default shares represent at least 0.25 per cent. of the class of Shares concerned, the direction notice may additionally direct that dividends on such Shares be retained by the Company (without interest) and that no transfer of the default shares (other than a transfer authorised under the Articles) will be registered until the default is rectified.

4.9 Commission

The Company may pay commission in money or Shares to any person in consideration for his subscribing or agreeing to subscribe whether absolutely or conditionally for any Shares in the Company or procuring or agreeing to procure subscriptions whether absolute or conditional for any Shares in the Company provided that the rate or amount of commission will be fixed by the Board of Directors. The Company may also pay brokerage fees.

4.10 Transfer of Shares

(a) The Articles provide that the Board of Directors may implement such arrangements as they, in their absolute discretion, think fit in order for any class of Shares to be admitted to settlement by means of the CREST system. If the Board of Directors implement any such arrangements, no provision of the Articles will apply or have effect to the extent that it is in any respect inconsistent with:

(i) the holding of Shares of that class in uncertificated form;

(ii) the transfer of title to Shares of that class by means of the CREST system; or

(iii) the CREST Guernsey Requirements.

(b) Where any class of Shares is, for the time being, admitted to settlement by means of the CREST system such securities may be issued in uncertificated form in accordance with and subject to the CREST Guernsey Requirements. Unless the Board of Directors otherwise determine, Shares held by the same Shareholder or joint Shareholders in certificated form and uncertificated form will be treated as separate holdings. Shares may be changed from uncertificated to certificated form, and from certificated to uncertificated form, in accordance with and subject to the CREST Guernsey Requirements. Title to such of the Shares as are recorded on the register as being held in uncertificated form may be transferred only by means of the CREST system and as provided in the CREST Guernsey Requirements. Every transfer of Shares from a CREST account of a CREST member to a CREST account of another CREST member will vest in the transferee a beneficial interest in the Shares transferred, notwithstanding any agreements or arrangements to the contrary however and whenever arising and however expressed.

(c) Subject to such of the restrictions of the Articles as may be applicable, any Shareholder may transfer all or any of his certificated Shares by an instrument of transfer in any usual form or in any other form which the Board of Directors may approve. The instrument of transfer of a certificated Share must be signed by or on behalf of the transferor and, unless the Share is fully paid, by or on behalf of the transferee. The Board of Directors may refuse to register a transfer of any Share in certificated form or uncertifcated form which is not fully paid up or on which the Company has a lien provided that this would not prevent dealings from taking place on an open and proper basis on the London Stock Exchange. The Board of Directors may also refuse to register any transfer of certificated Shares unless such transfer is in respect of only one class of Shares, is in favour of a single transferee or no more than four joint transferees, is delivered for registration to the registered office or such other place as the Board of Directors may decide, and is accompanied by the relevant share certificate(s) and such other evidence as the Board of Directors may reasonably require to evidence the right of the transferor to make the transfer.

(d) Subject to such of the restrictions of the Articles as may be applicable, any Shareholder may transfer all or any of their uncertificated Shares by means of a relevant system authorised by the Board of Directors in such manner provided for, and subject to any regulations issued for this purpose under the Companies Law or such as may otherwise from time to time be adopted by the Board of Directors on behalf of the Company and the rules of any relevant system and accordingly no provision of the Articles will apply in respect of an uncertificated Share to the extent that it requires or contemplates the effecting of a transfer by an instrument in writing or the production of a certificate for the Shares to be transferred.

(e) The Board of Directors may only decline to register a transfer of an uncertificated Share in the circumstances set out in regulations issued for this purpose under the Companies Law or under the Articles such as may from time to time be adopted or as provided in the Listing Rules or the CREST Guernsey Requirements and where, in the case of a transfer to joint Shareholders, the number of joint Shareholders to whom the uncertificated Share is being transferred exceeds four.

(f) The registration of transfers may be suspended at such times and for such periods (not exceeding 30 days in any one year) as the Board of Directors may decide and either generally or in respect of a particular class of Share except that, in respect of any Shares which are participating securities, the register must not be closed without the consent of CRESTCo.

(g) No purchase or other acquisition of Shares may be made by any entity that is (i) an "employee benefit plan" (within the meaning of Section 3(3) of ERISA) that is subject to Part 4 of Title 1 of ERISA, (ii) a plan, individual retirement account or other arrangement that is subject to Section 4975 of the US Internal Revenue Code or any other state or local laws or regulations that would have the same effect as regulations promulgated under ERISA by the US Department of Labor and codified at 29 C.F.R. Section 2510.3-101 to cause the underlying assets of the Company to be treated as assets of that investing entity by virtue of its investment (or any beneficial interest) in the Company and thereby subject the Company and its general partner (or other persons responsible for the investment and operation of the Company's assets) to laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions contained in Title I of ERISA or Section 4975 of the US Internal Revenue Code, or (iii) an entity whose underlying assets are considered to include "plan assets" of any such plan, account or arrangement (each of (i), (ii) and (iii), a **"Plan"**). If any Shares are owned directly or beneficially by a person believed by the Board of Directors to be a Non-Qualified Holder or a Plan investor, the Board of Directors may give notice to such person requiring him either (i) to provide the Board of Directors within 30 days of receipt of such notice with sufficient satisfactory documentary evidence to satisfy the Board of Directors that such person is not a Non-Qualified Holder or a Plan investor or (ii) to sell or transfer his Shares to a person qualified to own the same within 30 days and within such 30 days to provide the Board of Directors with satisfactory evidence of such sale or transfer. Where condition (i) or (ii) is not satisfied within 30 days after the serving of the notice, the person will be deemed, upon the expiration of such 30 days, to have forfeited his Shares.

(h) The Board of Directors may, in its absolute discretion, refuse to register a transfer of any Share (a) to any person it has reason to believe is a Non-Qualified Holder or Plan investor or (b) that is not permitted under the US Securities Act and any state securities laws in the United States, provided that the Board of Directors will not exercise this discretion if to do so would prevent dealings in Shares from taking place on an open and proper basis on the London Stock Exchange.

(i) A forfeited Share will be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of on such terms as the Board of Directors thinks fit, including (if applicable) with or without all or any part of the amount previously paid on the Share being credited as paid. At any time before such a sale or disposition the forfeiture process may be cancelled. No proceeds of any forfeiture will be paid to any person whose Shares have been forfeited.

(j) A person whose Shares have been forfeited will cease to be a Shareholder in respect of the forfeited Shares but will, notwithstanding the forfeiture and if applicable, remain liable to pay to the Company all monies which at the date of the forfeiture were payable by them to the Company in respect of the Shares with interest thereon from the date of forfeiture until payment at such rate (not exceeding 15 per cent. per annum) as the Board of Directors determines and the Board of Directors may enforce payment without any allowance for the value of the Shares at the time of forfeiture.

(k) The Board of Directors may accept from any Shareholder on such terms as agreed a surrender of any Shares in respect of which there is a liability for calls or in circumstances where a Non-Qualified Holder determines that they are not qualified to hold the Shares. Any surrendered Share may be disposed of in the same manner as a forfeited Share.

4.11 Alteration of capital and purchase of Shares

The Company at any time may by ordinary resolution resolve to raise share capital of such amount to be divided into Shares and B Shares as the resolution shall prescribe from time to time.

The Company may by special resolution reduce its share capital, share premium account, and any capital redemption reserve fund in any manner and with and subject to any authority and consent required by the Companies Laws.

4.12 Notices

(a) A notice may be given by the Company to any Shareholder either personally or by sending it by post in a pre-paid envelope addressed to the Shareholder at his registered address. A notice sent by post will be deemed to have been served 24 hours after the time when the notice was posted. Any document or notice that may be sent by the Company by electronic communication will be deemed to be received 24 hours after the time at which it was sent.

(b) A notice may be given by the Company to the joint Shareholders of a Share by giving the notice to the joint Shareholder first named in respect of the Share in the register of members.

(c) Notice for any general meeting must be sent not less than ten days before the meeting provided that, with the written consent of Shareholders entitled to receive notice of such meetings, a meeting may be convened by shorter notice or no notice at all and in any manner they think fit.

(d) The notice must specify the time and place of the general meeting and, in the case of any special business, the general nature of the business to be transacted. The accidental omission to give notice of any meeting or the non-receipt of such notice by any Shareholder will not invalidate any resolution, or any proposed resolution otherwise duly approved, passed or proceeding at any meeting.

4.13 Pre-emption Rights

There are no provisions of Guernsey law which confer rights of pre-emption in respect of the allotment of Shares and no pre-emption rights have been introduced in the Articles in respect of the Shares. The Articles do, however, confer rights of pre-emption in respect of the B Shares in favour of the existing holder of B Shares.

5 Board of Directors

The Company's Articles of Association provide that the Board of Directors shall be composed of any number of directors, a majority of whom must be Independent Directors. The Directors meet on a regular basis to review and assess the investment policy and performance of the Company and generally to supervise the conduct of its affairs.

5.1 Board Structure, Practices and Committees

The structure, practices and committees of the Company 's Board of Directors, including matters relating to the size, independence and composition of the Board of Directors, the election and removal of directors, requirements relating to Board action, and the powers delegated to Board committees are governed by the Company 's Articles of Association. The following is a summary of certain provisions of those Articles of Association that affect the Company's corporate governance. This summary is qualified in its entirety by reference to all of the provisions of the Articles of Association. Because this description is only a summary of the Articles of Association, it does not necessarily contain all of the information that potential investors may find useful. The Company therefore urges potential investors to review the Articles of Association in their entirety.

5.2 Size, Independence and Composition of the Board of Directors

The Company's Board of Directors, which upon completion of the Global Offer will have five members, shall not be subject to any maximum or minimum unless otherwise determined by a resolution of Shareholders. At least a majority of the Directors holding office must be independent of the Investment Manager and its affiliates, as determined by the full Board of Directors in light of the Association of Investment Companies Code of Corporate Governance, itself based on the Combined Code. If the death, resignation or removal of an Independent Director results in the Board of Directors having less than a majority of Independent Directors, the remaining Directors will endeavour to ensure that the vacancy is filled promptly. Pending the filling of such vacancy, the Board of Directors may temporarily consist of less than a majority of Independent Directors and those Directors who do not meet the standards for independence may continue to hold office.

In addition, the Company's Articles of Association prohibit the Board of Directors from consisting of a majority of Directors who are citizens or residents of the United States, and if, as a result of the relocation, removal, death or resignation of a Director, a majority of the Directors would be citizens or residents of the United States, one or more Directors who is a US citizen or resident shall be deemed to have resigned concurrently with such relocation, death or resignation in order to maintain the majority of the Directors as non-US citizens or residents.

5.3 Election and Removal of Directors

At the first annual general meeting and at each annual general meeting thereafter (a) any Director who is not an Independent Director must retire, (b) any Director, other than a Director who is not an Independent Director, who was elected or last re-elected a Director at or before the annual general meeting held in the third calendar year before the current year must retire by rotation; and (c) such further Directors (if any) must retire by rotation as would bring the number retiring by rotation up to one-third of the number of Directors in office at the date of the notice of the meeting. Retiring Directors may be presented for re-election at the same annual general meeting. Vacancies on the Board of Directors may be filled and additional Directors may be added, by a resolution of Shareholders or a vote of the Directors then in office, provided that the appointment of any new Directors would not cause the Board of Directors to exceed its authorised size and that any new Directors satisfy certain eligibility requirements. Those eligibility requirements generally provide, among other things, that:

- a person may not be appointed to the office of Director by the sitting members of the Board of Directors unless they have been recommended by the nominating and governance committee; and
- Shareholders may not nominate a person for election to the Board of Directors unless they comply with certain advance notice requirements.

A Director may be removed from office for any reason by a written resolution requesting resignation signed by all other Directors then holding office or by a resolution duly passed by Shareholders. A Director will be automatically removed from the Board of Directors if he or she becomes bankrupt, insolvent or suspends payments to his or her creditors, if he or she becomes a citizen or resident of the United States and such residency or citizenship results in a majority of the Board of Directors being citizens or residents of the United States or if he or she becomes prohibited by law from acting as a Director.

5.4 Action by the Board of Directors

The Company's Board of Directors may take action in a duly convened meeting in which a quorum is present or by a written resolution signed by all Directors then holding office. When action is to be taken at a meeting of the Board of Directors, the affirmative vote of a majority of the Directors then holding office is required for any action to be taken. In the event that an equal number of votes is cast, the Chairman will have the casting vote. The Directors may exercise all

the powers of the Company to borrow money, to give guarantees and to mortgage, pledge or charge all or part of its property or assets as security for any liability or obligation of the Company or any third party.

5.5 Transactions in which a Director has an Interest

A Director who, directly or indirectly, has an interest in a contract, transaction or arrangement with the Company or the Master Fund is required to disclose the nature of his or her interest to the full Board of Directors. Such disclosure may generally take the form of a general notice given to the Board of Directors to the effect that the Director has an interest in a specified company or firm and is to be regarded as interested in any contract, transaction or arrangement which may after the date of the notice be made with that company, firm or its affiliates. A Director may participate in any meeting called to discuss or any vote called to approve the transaction in which the Director has an interest and any transaction approved by the Board of Directors will not be void or voidable solely because the Director was present at or participates or votes in the meeting in which the approval was given; provided that the Board of Directors or a board committee authorises the transaction in good faith after the Director's interest has been disclosed or the transaction is fair to the Company at the time it is approved.

Where proposals are under consideration concerning the appointment of two or more Directors to offices or employment with the Company or any company in which the Company is interested, such proposals shall be divided and considered in relation to each Director separately, and in such case each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment. None of the Directors has, or has had since incorporation, any interest, direct or indirect, in any transactions which are unusual in their nature or significant to the business of the Company. See ''Potential Conflicts of Interest'' in Part 2 of the Registration Document.

5.6 Directors' Remuneration

The annual remuneration for Directors shall not exceed £30,000 per Director, £35,000 for the chairman of the Audit Committee and £50,000 for the Chairman or such higher amount as may be approved by ordinary resolution of Shareholders. The Third Point Director has waived his entitlement to a fee. The Directors are entitled to be repaid by the Company all reasonable out-of-pocket expenses properly incurred by them in or with a view to the performance of their duties or in attending meetings of the Directors or of committees of the Directors or general meetings of the Company's Shareholders. If any Director, having been requested, shall render or perform extra or special services, he may be paid such remuneration as the Directors think fit either as a lump sum or as a salary or by way of commission or otherwise in addition to, or in substitution for, his ordinary remuneration as Director. A Director is not required to retire upon reaching a certain age.

5.7 Borrowing Powers

The Directors may exercise all the powers of the Company to borrow money and to give guarantees, mortgage, hypothecate, pledge or charge all or part of its undertaking, property or assets (present and future) and uncalled capital, to enter into options, futures, options on futures, swaps and other synthetic or derivative financial instruments and/or to issue debentures, loan stock and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party, provided always that the aggregate principal amount outstanding of all borrowings by the Company shall not at the time of borrowing exceed 15 per cent. of NAV. Notwithstanding the foregoing and without prejudice to the power of the Company to invest in transferable securities, the Company may not lend to or act as guarantor on behalf of third parties.

6 Placing Agreement

The Company, the Directors, Daniel S. Loeb and the Investment Manager have entered into a placing agreement dated 2 July 2007 with the Joint Lead Managers (**"Placing Agreement"**). Under the terms of the Placing Agreement, subject to certain conditions, the Joint Lead Managers have severally agreed to use reasonable endeavours to procure purchasers for, failing which to purchase, the Shares, in each case at the Offer Price.

The Placing Agreement contains, amongst others, the following provisions:

- The Company has appointed UBS as Global Co-ordinator and Bookrunner to the Global Offer.

- The Company has appointed UBS and Société Générale as Joint Lead Managers to the Global Offer.

- The obligation of the Company to issue the Shares and the obligation of the Joint Lead Managers to procure subscribers for, or failing which to subscribe for, the Shares is conditional upon certain conditions that are typical for an agreement of this nature. These conditions include, amongst others, (i) the execution of a purchase memorandum between the Joint Lead Managers, the Investment Manager and the Company setting out the number of Shares of each class to be issued pursuant to the Global Offer and (ii) that Admission occurs on or before 8.00 am on 23 July 2007 or such other time or date as the Company and the Global Co-ordinator may agree in writing.

- The Investment Manager has agreed to pay or cause to be paid (together with any applicable value added tax) certain costs, charges, fees and expenses of, or in connection with, or incidental to, amongst other things, the admission of the Shares to the Official List of the UK Listing Authority and admission to trading on the London Stock Exchange, all of the Joint Lead Managers' properly incurred out of pocket expenses and the fees and disbursements of the Joint Lead Managers' counsel in connection with the transactions contemplated in the Placing Agreement. In addition, the Company has, in certain circumstances and subject to certain exceptions, agreed to pay to and reimburse the Joint Lead Managers in respect of all and any SDRT and any other similar tax charge or duty and any related costs, fines, penalties or interest.

- The Company, its Directors and the Investment Manager have given certain customary warranties to the Joint Lead Managers including, amongst others, warranties in relation to the business, the accounting records and the legal compliance of the Company, the Investment Manager and the Master Fund and in relation to the information contained in the Prospectus. The Company and, in certain circumstances and subject to certain limitations, the Investment Manager have agreed to indemnify the Joint Lead Managers against certain liabilities, including in respect of the accuracy of the information contained in this Prospectus, losses arising from a breach of the Placing Agreement and in respect of certain other losses suffered or incurred in connection with the Global Offer.

- Under the Placing Agreement, the Investment Manager's CEO, Daniel S. Loeb, intends to subscribe for 5 per cent. of the target size of the Global Offer of €500 million on the same terms as any other investor, either directly or through an investment vehicle.

- In connection with this subscription, Mr. Loeb has agreed with the Global Co-ordinator not to sell any such Shares subscribed for under the Placing Agreement before the expiry of 12 months from the closing of the Global Offer without the prior consent of the Global Co-ordinator. This undertaking is subject to customary exceptions, including acceptance of an unconditional or recommended general offer to all holders of Shares made in accordance with the City Code and a disposal pursuant to an offer by the Company purchase its own Shares made on identical terms to all Shareholders.

- Neither Bank will be entitled to any commission of any form in connection with the investment by Mr. Loeb in the Company.

The Placing Agreement is governed by English law.

7 Subscription Agreement

The Company has agreed to subscribe for Third Point Class E Shares and the Master Fund has undertaken to allot such shares by means of a subscription agreement entered into between the Master Fund and the Company on 2 July 2007 (the "**Subscription Agreement**"). The Subscription Agreement is conditional, among other things, on Admission and receipt of funds by IFS, as administrator of the Master Fund and the Master Fund Administrator's satisfaction that anti-money laundering laws and regulations have been complied with.

In the Subscription Agreement, which is governed by the law of the Cayman Islands, the Company has provided certain indemnities to the Master Fund and others and made certain representations including that it has the power and authority to subscribe for the Third Point Class E Shares in the Master Fund and is otherwise eligible to subscribe pursuant to relevant laws and regulations.

8 Effect of the Global Offer on the Company and the Master Fund

As at the date hereof the Company's issued and fully paid share capital is £2 representing the issue of two subscriber shares of £1 each. The Company is targeting a raising of €500 million (subject to increase) through the Global Offer (excluding the Over-allotment Option), but in any event the total amount raised under the Global Offer will not exceed €700 million (including the Over-allotment Option). The net proceeds of the Global Offer will be invested immediately into Third Point Class E Shares, with the effect that the Master Fund's cash and its shareholders equity will each increase by the amount of the proceeds of the Global Offer less the Company's short term working capital requirements.

9 Working Capital

The Company is of the opinion that it has sufficient working capital for its present requirements, that is for at least the next 12 months from the date of the Prospectus.

10 Taxation

Information concerning the tax status of the Company is set out in Part 3 of this Securities Note entitled "Certain Tax Considerations". If any potential investor is in any doubt about the taxation consequences of acquiring, holding or disposing of Shares, he should seek advice from his own independent professional adviser.

11 City Code on Mergers and Takeovers

The City Code on Takeovers and Mergers applies to the Company.

12 Consents

Ernst & Young LLP has given and not withdrawn its written consent to the inclusion of the Accountant's Report in Part 10 of the Registration Document, in the form and context in which it appears.

Each of the Banks has given and not withdrawn its consent to the issue of the Prospectus with references to its name in the form and context in which such references appear.

13 Documents Available for Inspection

Copies of the following documents will be available for inspection at the offices of Herbert Smith LLP, legal counsel to the Company, during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) until the date of Admission:

(a) the Memorandum and Articles of Association of the Company;

(b) the Memorandum and Articles of the Master Fund; and

(c) the Prospectus.

In addition, copies of the Prospectus are available free of charge from the registered office of the Company and the offices of the Administrator. Copies of the Prospectus are also available from the Document Viewing Facility, UK Listing Authority, The Financial Services Authority, 25 The North Colonnade, Canary Wharf, London E14 5HS.

Dated 2 July 2007

PART 6

DEFINITIONS AND GLOSSARY

Administrator	Northern Trust International Fund Administration Services (Guernsey) Limited
Admission	Admission of the Shares to the Official List of the UK Listing Authority and to trading on the London Stock Exchange's main market for listed securities becoming effective, which is expected to occur on 23 July 2007
AI or Accredited Investor	An accredited investor as defined in Regulation D under the US Securities Act
AICPA	The American Institute of Chartered Public Accountants
Application Form	The application form accompanying this Securities Note, where permissible, for use in connection with the Offer for Subscription
Articles or Articles of Association	The Memorandum and Articles of Association of the Company or the Master Fund in force from time to time, as the context requires
Banks	UBS and Société Générale, and Bank shall be construed accordingly
Board of Directors or Board	The board of directors of the Master Fund or the Company, as the context requires
British Pounds, Sterling or £	Refers to the lawful currency of the United Kingdom
B Shares	The unlimited number of shares of no par value, comprising 40 per cent. of the total number of issued Shares and B Shares, which are at all times held by VoteCo and that together with the Shares constitute the authorised capital of the Company
Business Day	Any day on which banks are open for normal banking business in Guernsey, London and New York
Capita Registrars	A trading name of Capita IRG Plc
City Code	The City Code on Takeovers and Mergers
Combined Code	The Principles of Good Governance and Code of Best Practice as published by the Financial Reporting Council
Companies Law	The Companies (Guernsey) Law, 1994 and the Companies (Enabling Provisions) (Guernsey) Law, 1996, in each case as amended, extended or replaced and any Ordinance, statutory instrument or regulation made thereunder
Company Investment Management Agreement	The investment management agreement entered into between the Company and the Investment Manager to manage the Company's interest in the Master Fund, brief details of which are contained in section 6.2 of Part 8 of the Registration Document
Conversion Calculation Date	The last Business Day of each month commencing in August 2007
CREST	The facilities and procedures for the time being of the relevant system of which CRESTCo Limited has been approved as operator pursuant to the Uncertificated Securities Regulations 2001 (SI 2001 No. 2001/3755)

CREST Guernsey Requirements	Rule 8 and such other rules and requirements of CrestCo Limited as may be applicable to issuers as from time to time specified in the CrestCo Limited Manual
Currency Class	Each of the entire class of issued Euro Shares, US Dollar Shares and Sterling Shares
Director	A member of the Company or the Master Fund's Board of Directors as the context requires
Disclosure and Transparency Rules	The disclosure and transparency rules made by the FSA under Part VI of the FSMA
ERISA	The US Employee Retirement Income Security Act of 1974, as amended
Euro or €	Refers to the lawful single currency introduced at the start of the third stage of the Economic and Monetary Union, pursuant to the Treaty establishing the European Economic Community, as amended by the Treaty on the European Union
European Exchange	A stock or investment exchange within the European Economic Area or Switzerland
Euro Shares	Shares of the Company denominated in Euro
Event Driven	Refers to the investment strategy of the Investment Manager. Under its event driven value investing strategy, the Investment Manager seeks to identify companies for which it anticipates a catalyst event that will unlock value. A catalyst event in relation to a corporate entity includes recapitalisation, spin-off, corporate and financial restructuring, litigation or other liability impairment, turnaround, management change, consolidating of industry and other similar situations
FASB	The Financial Accounting Standards Board
Fiscal Year	Each year to 31 December
FSMA	The UK Financial Services and Markets Act 2000, as amended
Gate	The aggregate redemptions from the Master Fund (including all outstanding classes of the Master Fund other than Third-Point Class S Shares) during any calendar quarter (not to exceed two consecutive calendar quarters) is limited, at the Master Fund's Board of Directors' discretion, to 20 per cent. of the Master Fund's net assets (excluding assets held in Special Investment accounts) as of the first day of the calendar quarter
Global Co-ordinator	UBS
Global Offer	The Placing, the Offer for Subscription and the investment which the Investment Manager's CEO intends to make
Global Offer Placing Statement	A statement detailing the number of shares which are to be issued pursuant to the Global Offer (excluding the Over-allotment Option) expected to be published on or around 18 July 2007
IFRS	International Financial Reporting Standards
Incentive Fee	The fee paid to the Investment Manager by the Master Fund, based upon the appreciation in the net assets of the Master Fund as described in Part 3 of the Registration Document
Independent Directors	Members of the Board of Directors not affiliated with Third Point

Investment Manager	Third Point, being the investment manager of the Company and the Master Fund and, where context requires, includes the Investment Manager's group
ISA	Individual savings account
Joint Lead Managers	UBS and Société Générale
Listing Rules	The listing rules made by the UK Listing Authority under section 73(A) of FSMA
London Stock Exchange	London Stock Exchange plc
Management Fee	The fee paid to the Investment Manager, based on the net assets of the Master Fund, as described in Part 3 of the Registration Document
Master Fund	Third Point Offshore Fund, Ltd., an exempt company with limited liability incorporated under the laws of the Cayman Islands and an affiliate of the Company and Third Point
Master Fund Administrator or IFS	International Fund Services (Ireland) Limited, a company incorporated under the laws of Ireland, or any successor or replacement administrator
Master Fund Euro Shares	Third Point Class E Shares denominated in Euro
Master Fund Investment Management Agreement	The investment management agreement entered into between the Master Fund and the Investment Manager to manage the Master Fund's portfolio investments
Master Fund NAV Calculation Date	Has the meaning set out in Part 3 of the Registration Document
Master Fund Redemption Date	Has the meaning set out in Part 3 of the Registration Document
Master Fund Shares	Third Point Class E Shares and Third Point Class S Shares
Master Fund Sterling Shares	Third Point Class E Shares denominated in Sterling
Master Fund US Dollar Shares	Third Point Class E Shares denominated in US Dollars
Model Code	The model code on directors' dealings in securities as set out in Annex I of rule 9 of the Listing Rules
NAV or Net Asset Value	In the case of the Company the value of the assets of the Company less its liabilities determined in accordance with Part 1 of the Registration Document in the section entitled ''NAV Publication and Calculation'' and, in the case of the Master Fund, the value of the assets of the Master Fund less its liabilities determined in accordance with the paragraphs set out in Part 1 of this Securities Note in the section entitled ''NAV Publication and Calculation''
NAV Calculation Date	The NAV per Share of each Share class which is calculated as at the last Business Day of each month by dividing the NAV of the relevant class account by the number of Shares of the relevant class in issue as at the close of business on that day

Non-Qualified Holder	A prospective investor who, in the sole opinion of the Directors, is not permitted to acquire Shares because: a) the prospective investor is not eligible to acquire shares pursuant to applicable restrictions contained in Rule 144A, Regulation D, Regulation S, or the US Investment Company Act; b) the acquisition of Shares by the prospective investor would not permit the Company to qualify for exemptions provided under Sections 3(c)(7) and 7(d) of the US Investment Company Act; or c) the prospective investor's proposed Purchaser Letter, Transferee Letter, or similar representation is not acceptable for any other reason pursuant to US securities laws
OECD	Organisation for Economic Co-operation and Development
Offer for Subscription	The offer for subscription to the public in the United Kingdom of Shares in the terms set out in the Prospectus and Application Form
Offer Price	€10 per Euro Share, US$10 per Dollar Share and £10 per Sterling Share
OTC	Privately negotiated transactions that may not be registered under the relevant securities law; also called ''over-the-counter'' transactions
PEP	Personal equity plan
Placing	The placing of Shares pursuant to the Placing Agreement, on the terms set out in the Prospectus
Placing Agreement	The placing agreement entered into between the Company, the Directors of the Company, Daniel S. Loeb, the Investment Manager and the Banks in relation to the Placing, brief details of which are contained in Part 5 of this Securities Note
Plan	As defined under ''ERISA'' in Part 7 of the Registration Document
Plan Asset Regulations	US Department of Labor regulations promulgated under ERISA by the US Department of Labor and codified at 29 C.F.R. Section 2510.3-101
Prime Broker	Each of Bear Stearns Securities Corp., 383 Madison Avenue, New York, NY 10179, Goldman Sachs & Co, Global Securities Services, Prime Brokerage, One New York Plaza, New York, NY 10004, Citigroup Global Markets Inc., Prime Finance, Citi Markets and Banking, 390 Greenwich Street, New York, NY 10013, and UBS Securities LLC, 1285 Avenue of the Americas, New York, NY 10019 who are custodians of the Master Fund's assets, as at the date of this Securities Note
Prospectus	A prospectus relating to the Company prepared in accordance with the Prospectus Rules and which comprises the Summary Note, this Securities Note and the Registration Document
Prospectus Directive	Directive 2003/71/EC of the European Parliament and of the Council of the European Union and any relevant implementing measure in each Relevant Member State
Prospectus Rules	The prospectus rules made by the UK Listing Authority under section 73(A) of the FSMA
QIB or Qualified Institutional Buyer	A qualified institutional buyer as defined in Rule 144A under the US Securities Act

QP or Qualified Purchaser	A qualified purchaser within the meaning of Section 2(a)(51) of the US Investment Company Act and related rules
QSPE	A qualifying special-purpose entity for purposes of transfers of financial assets under US GAAP
Receiving Agent	Capita Registrars, a trading division of Capita IRG plc and/or the Administrator as the context requires
Registration Document	The registration document, which together with this Securities Note and the Summary Note, comprises the Prospectus
Regulation D	Regulation D under the US Securities Act
Regulation S	Regulation S under the US Securities Act
Regulatory Information Service or RIS	A regulatory information service that is approved by the FSA as meeting the primary information provider criteria and that is on the list of regulatory information services maintained by the FSA
Related Party	The Investment Manager and its respective affiliates, clients, directors, officers, employees and agents
Relevant Member State	Each Member State of the European Economic Area which has implemented the Prospectus Directive or where the Prospectus Directive is applied by the regulator
Rule 144A	Rule 144A under the US Securities Act
SSASs	Small self-administered schemes
Securities Note	This securities note, which together with the Summary Note and Registration Document, comprises the Prospectus
Settlement Date	23 July 2007
Société Générale or Société Générale Corporate & Investment Banking	Société Générale S.A.
Shareholders	The holders of Shares
Shares	The unlimited number of shares of no par value, whether denominated in Euros, US Dollars or Sterling, which together with the B Shares constitute the authorised and issued capital of the Company
SIPPs	A self-invested personal pension as defined in Regulation 3 of the Retirement Benefits Schemes (Restriction on Discretion to Approve) (Permitted Investments) Regulations 2001 of the United Kingdom
Similar Loans	Laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions contained in Title I of ERISA or Section 4975 of the US Internal Revenue Code
Special Investments	Private equity or illiquid investments that the Investment Manager (in its absolute discretion) believes either lack a readily ascertainable market value or should be held until the resolution of a special event or circumstance, along with corresponding hedge positions, if any
SSASs	A small self administered scheme as defined in Regulation 2 of the Retirement Benefits Schemes (Restriction on Discretion to Approve) (Small Self-Administered Schemes) Regulations 1991 of the United Kingdom
Stabilising Manager	UBS

Sterling Shares	Shares of the Company denominated in Sterling
Summary Note	The summary note which, together with this Securities Note and the Registration Document, comprises the Prospectus
Taxes Act	The UK Income and Corporation Taxes Act 1988, as amended
Third Point	Third Point LLC
Third Point Class E Shares	The E class shares in the capital of the Master Fund to be acquired by the Company with the net proceeds of the Global Offer
Third Point Class S Shares	The S class shares in the capital of the Master Fund to be issued from time to time in respect of Special Investments
Third Point Directors	The members of the Board of Directors who are affiliates of Third Point
UBS or UBS Investment Bank	UBS Limited, UBS Investment Bank being a business unit of UBS Limited
UK	The United Kingdom of Great Britain and Northern Ireland
UK Listing Authority	The FSA as the competent authority for Listing in the United Kingdom
Uncertificated form or in uncertificated form	Recorded on the register as being held in uncertificated form in CREST and title to which may be transferred by means of CREST
United States or US	The United States of America, its territories and possessions, any state of the United States of America and the district of Columbia
US Dollar Shares	Shares of the Company denominated in US Dollars
US Dollars, Dollars or $	Refers to the lawful currency of the United States
US Exchange Act	The US Securities Exchange Act of 1934, as amended
US GAAP	Generally Accepted Accounting Principles in the United States
US Internal Revenue Code	The US Internal Revenue Code of 1986, as amended
US Investment Company Act	The US Investment Company Act of 1940, as amended
US Person	A person who is either (a) a "US person" within the meaning of Regulation S, or (b) not a "Non-United States person" within the meaning of the United States Commodity Futures Trading Commission Rule 4.7(a)(I)(iv)
US Securities Act	The US Securities Act of 1933, as amended
Valuation Date	The date on which the Master Fund's NAV is calculated as of the close of business on the last Business Day of each fiscal period determined in accordance with the paragraphs set out in Part 3 of the Registration Document in the section entitled "Determination of NAV of the Master Fund".
VoteCo	Third Point Offshore Independent Voting Company Limited

31 May 2007 is used in this Securities Note as the latest practicable date prior to its publication

TERMS AND CONDITIONS OF APPLICATION UNDER THE OFFER FOR SUBSCRIPTION

The Shares are only suitable for investors who understand that there is a potential risk of capital loss, that there may be limited liquidity in the underlying investments of the Company, for whom an investment in the Shares is part of a diversified investment programme and who fully understand and are willing to assume the risks involved in such an investment programme. In the case of a joint Application, references to you in these terms and conditions of Application are to each of you, and your liability is joint and several. Please ensure you read the Prospectus, including these terms and conditions in full, before completing the Application Form.

Words defined in the Securities Note shall have the same meaning in these terms and conditions and in the notes on how to complete the Application Form, and:

"**Applicant**" means a person or persons (in the case of joint applicants) whose name(s) appear(s) on the registration details (Box 2A) of an Application Form;

"**Application**" means the offer made by an Applicant by completing an Application Form and posting (or delivering) it to the Receiving Agent as specified in the Securities Note;

"**Money Laundering Regulations**" means the Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) Regulations 2002 and, where appropriate, the Money Laundering Regulations 2003;

"**Prospectus**" means the prospectus comprising the Summary Note, the Securities Note and the Registration Document dated 2 July 2007 published by the Company;

"**Receiving Agent**" means Capita Registrars, a trading division of Capita IRG Plc and/or the Administrator, as the context permits;

"**Securities Note**" means the securities note, of which these terms and conditions of application under the Offer for Subscription form part, which together with the Summary Note and the Registration Document, comprises the Prospectus; and

"**US Person**" has the meaning given in Regulation S.

The Terms and Conditions

(a) The contract created by the acceptance of an Application under the Offer for Subscription will be conditional on:

  (i) Admission becoming effective by not later than 8.00 am GMT on 23 July 2007 (or such later date as may be provided for in accordance with the terms of the Placing Agreement); and

  (ii) the Placing Agreement becoming otherwise unconditional in all respects, and not being terminated in accordance with its terms before Admission becomes effective.

(b) The right is reserved by the Company to present all cheques and banker's drafts for payment on receipt and to retain application monies and refrain from delivering an Applicant's Shares into CREST or issuing an Applicant's Shares in certificated form (as the case may be), pending clearance of the successful Applicant's cheques and banker's drafts. The Company also reserves the right to reject in whole or part, or to scale back or limit, any Application. The Company may treat Applications as valid and binding if made in accordance with the prescribed instructions and the Company may, at its discretion, accept an Application in respect of which payment is not received by the Company prior to the closing of the Offer for Subscription. If any Application is not accepted in full or if any contract created by acceptance does not become unconditional, the application monies or, as the case may be, the balance thereof will be returned (without interest) by returning each relevant Applicant's cheque or banker's draft or by crossed cheque in favour of the first-

named Applicant, through the post at the risk of the person(s) entitled thereto. In the meantime, application monies will be retained by the Receiving Agent in a separate account.

(c) To ensure compliance with the Money Laundering Regulations the Receiving Agent, at its absolute discretion, may require verification of identity from any Applicant and, without prejudice to the generality of the foregoing, in particular from any person who either (i) tenders payment by way of a cheque, building society cheque or banker's draft drawn on an account in the name of a person or persons other than the Applicant or (ii) appears to the Receiving Agent to be acting on behalf of some other person. This may involve verification of his/her name and address through a reputable agency. The Company is entitled to treat as invalid and reject an Application Form if the Receiving Agent determines pursuant to procedures maintained under the Money Laundering Regulations that satisfactory evidence as to identity has not been and is unlikely to be received within a reasonable period of time in respect of the Application Form in question.

The following is provided by way of guidance to reduce the likelihood of difficulties, delays and potential rejection of an Application Form (but without limiting the Receiving Agent's right to require verification of identity as indicated above):

(i) Applicants should make payment by a cheque drawn on an account in their own name and write their name and address on the back of the banker's draft or cheque and, in the case of an individual, record his date of birth against their name; and

(ii) if an Applicant makes the application as agent for one or more persons, he should indicate on the Application Form whether he is a UK or EU regulated person or institution (for example a bank or stockbroker) and specify his status. If an Applicant is not a UK or EU regulated person or institution, they should contact the Receiving Agent.

(d) By completing and delivering an Application Form, you, as the Applicant (and, if you sign the Application Form on behalf of somebody else or a corporation, that person or corporation, except as referred to in paragraph (viii) below):

(i) offer to subscribe for the number of Shares specified in your Application Form (or such lesser number for which your Application is accepted) on the terms of and subject to the Prospectus, including these terms and conditions, and subject to the Articles of Association of the Company;

(ii) agree that, in consideration of the Company agreeing to process your Application, your Application cannot be revoked until after 2 July 2007 (or such later time and date as the Directors may determine if they postpone the closing of the Offer for Subscription) and that this paragraph shall constitute a collateral contract between you and the Company which will become binding upon despatch by post to, or (in the case of delivery by hand) on receipt by, the Receiving Agent of your Application Form;

(iii) agree and warrant that your cheque or banker's draft may be presented for payment on receipt and will be honoured on first presentation and agree that if it is not so honoured you will not be entitled to receive the Shares until you make payment in cleared funds for the Shares and such payment is accepted by the Company in its absolute discretion (which acceptance shall be on the basis that you indemnify it, and the Receiving Agent against all costs, damages, losses, expenses and liabilities arising out of or in connection with the failure of your remittance to be honoured on first presentation) and you agree that, at any time prior to the unconditional acceptance by the Company of such late payment, the Company may (without prejudice to its other rights) avoid the agreement to subscribe such Shares and may issue or allot such Shares to some other person, in which case you will not be entitled to any payment in

respect of such Shares other than the refund to you at your risk of the proceeds (if any) of the cheque or banker's draft accompanying your application, without interest;

(iv) agree that (A) any monies returnable to you may be retained pending clearance of your remittance and the completion of any verification of identity required by the Money Laundering Regulations; and (B) monies pending allocation will be retained in a separate account and that such monies will not bear interest;

(v) undertake to provide satisfactory evidence of your identity within such reasonable time (in each case to be determined in the absolute discretion of the Company and the Receiving Agent) to ensure compliance with Money Laundering Regulations;

(vi) agree that, in respect of those Shares for which your Application has been received and is not rejected, acceptance of your Application shall be constituted, at the election of the Company, either (i) by notification to the UK Listing Authority and the London Stock Exchange of the basis of allocation (in which case acceptance shall be on that basis) or (ii) by notification of acceptance thereof to the Receiving Agent;

(vii) authorise the Receiving Agent to procure that your name (together with the name(s) of any other joint Applicant(s)) or your nominee (e.g. CREST) is/are placed on the register of members of the Company in Guernsey in respect of such Shares and to send a crossed cheque for any monies returnable by post without interest, at the risk of the persons entitled thereto to the address of the person (or in the case of joint holders, the first-named person) named as an applicant in the Application Form;

(viii) warrant that, if you sign the Application Form on behalf of somebody else or on behalf of a corporation, you have due authority to do so on behalf of that other person or corporation, and such person or corporation will also be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained herein and undertake to enclose your power of attorney or a copy thereof duly certified by a solicitor or bank with the Application Form;

(ix) agree that all Applications, acceptances of Applications and contracts resulting therefrom shall be governed by and construed in accordance with Guernsey law, and that you submit to the jurisdiction of the Guernsey Courts and agree that nothing shall limit the right of the Company to bring any action, suit or proceeding arising out of or in connection with any such Applications, acceptances of Applications and contracts in any other manner permitted by law or in any court of competent jurisdiction;

(x) confirm that, in making such Application, neither you nor any person on whose behalf you are applying are relying on any information or representation in relation to the Company other than the information contained in the Prospectus and, accordingly, you agree that no person responsible solely or jointly for the Prospectus or any part thereof or involved in the preparation thereof shall have any liability for any such information or representation;

(xi) irrevocably authorise the Company or any person authorised by it, as your agent, to do all things necessary to effect registration of any Shares subscribed by or issued to you into your name(s) or into the name(s) of any person(s) in whose favour the entitlement to any such Shares has been transferred and authorise any representative of the Company to execute any document required therefor;

(xii) agree that, having had the opportunity to read the Prospectus, you shall be deemed to have had notice of all information and representations concerning the Company and the Shares contained therein;

(xiii) confirm that you have reviewed the restrictions contained in these terms and conditions;

(xiv) warrant that, if you are an individual, you are not under the age of 18;

(xv) agree that all documents and cheques sent by post to, by or on behalf of the Company or the Receiving Agent, will be sent at the risk of the person(s) entitled thereto;

(xvi) warrant that in connection with your application you have observed the laws of all relevant territories, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue or transfer or other taxes due in connection with your application in any territory and that you have not taken any action which will or may result in the Company acting in breach of the regulatory or legal requirements of any territory in connection with the Offer for Subscription or your application;

(xvii) save where you have satisfied the Company that an appropriate exemption applies so as to permit you to subscribe, represent and agree that you are not (i) a US Person (meaning any person who is a US Person within the meaning of Regulation S) and are not acting on behalf of a US Person, that you are not purchasing with a view to re-sale in the US or to or for the account of a US Person and that you are not an employee benefit plan as defined in section 3(3) of ERISA (whether or not subject to the provisions of Title 1 of ERISA) or an individual retirement account as defined in section 408 of the US Internal Revenue Code or (ii) a resident of Canada, Australia or Japan;

(xviii) agree, on request by the Company, or the Receiving Agent on behalf of the Company to disclose promptly in writing to the Company or the Receiving Agent any information which the Company, or the Receiving Agent, may reasonably request in connection with your Application and authorise the Company or the Receiving Agent on behalf of the Company, to disclose any information relating to your Application as it considers appropriate; and

(xiv) warrant that in connection with your application that (i) you are not a resident in the Bailiwick of Guernsey to whom the Company has offered Shares directly or (ii) a business regulated under the financial services regulatory laws of the Bailiwick of Guernsey.

(e) No person receiving a copy of this document and/or an Application Form in any territory other than the UK may treat the same as constituting an invitation or an offer to them; nor should he in any event use an Application Form unless, in the relevant territory, such an invitation or offer could lawfully be made to him or the Application Form could lawfully be used without contravention of any, or compliance with any unfulfilled registration or other legal or regulatory requirements. It is the responsibility of any person outside the UK wishing to apply for Shares under the Offer for Subscription to satisfy themselves as to full observance of the laws of any relevant territory in connection with any such application, including obtaining any requisite governmental or other consents, observing any other formalities requiring to be observed in any such territory and paying any issue, transfer or other taxes required to be paid in any such territory.

(f) The Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any State or other jurisdiction of the United States and, subject to certain exceptions, may not be offered or sold within the United States or to, or for the account or benefit of, US Persons. The Company has not been and will not be registered as an "investment company" under the US Investment Company Act, and investors will not be entitled to the benefits of the Act. In addition, relevant clearances have not been, and will not be, obtained from the US Securities and Exchange Commission of any province of Canada, Australia or Japan and, accordingly, unless an exemption under any relevant legislation or regulations is applicable, none of the Shares may be offered, sold, renounced, transferred or delivered, directly or indirectly, in Canada, Australia or Japan. Unless the Company has expressly agreed otherwise in writing or unless as

exemption under relevant legislation or regulation is applicable (the applicability of which you hereby represent and warrant, you represent and warrant to the Company that you are not a US Person or a resident of Canada, Australia or Japan and that you are not subscribing for such Shares for the account of any US Person or resident of Canada, Australia or Japan and that you will not offer, sell, renounce, transfer or deliver, directly or indirectly Shares subscribed for by you in the United States, Canada, Australia or Japan or to any US Person or resident of Canada, Australia or Japan. No Application will be accepted if it bears an address in the United States, Canada, Australia or Japan unless an appropriate exemption is available as referred to above.

(g) Pursuant to The Data Protection (Bailiwick of Guernsey) Law 2001 (the **"DP Law"**), the Company the Administrator and/or the Registrar may hold personal data (as defined in the DP Law) relating to past and present Shareholders.

(h) Such personal data held is used by the Administrator and the Registrar to maintain the Company's register of shareholders and mailing lists and this may include sharing such data with third parties in one or more of the countries mentioned below when (i) effecting the payment of dividends and redemption proceeds to shareholders and the payment of commissions to third parties and (ii) filing returns of shareholders and their respective transactions in shares with statutory bodies and regulatory authorities. Personal data may be retained on record for a period exceeding six years after it is no longer used.

(i) The countries referred to above include, but need not be limited to, those in the European Economic Area and any of their respective dependent territories overseas, Argentina, Australia, Brazil, Canada, Hong Kong, Hungary, Japan, New Zealand, Singapore, South Africa, Switzerland and the United States of America.

(j) By becoming registered as a holder of Shares in the Company, a person becomes a data subject (as defined in the DP Law) and is deemed to have consented to the processing by the Company the Administrator or the Registrar of any personal data relating to them in the manner described above.

(k) The basis of allocation will be determined by the Directors after consultation with the Investment Manager and the Global Co-ordinator at their absolute discretion. The right is reserved to reject in whole or in part and/or scale down and/or ballot any Application or any part thereof. The right is reserved to treat as valid any Application not in all respects completed in accordance with the instructions relating to the Application Form, including if the accompanying cheque or banker's draft is for the wrong amount.

(l) Save where the context otherwise requires, words and expressions defined in the Securities Note have the same meanings when used in these terms and conditions and in the Application Form and explanatory notes in relation thereto.

NOTES ON HOW TO COMPLETE THE APPLICATION FORM

Applications should be returned so as to be received no later than 5.00 pm on 16 July 2007.

HELP DESK: If you have a query concerning completion of this Application Form please call Capita Registrars on 0870 162 3121 or from outside the UK +44 20 8639 2157. For legal reasons Capita Registrars will not be able to give advice on the merits of the Global Offer or to provide legal, financial or taxation advice, and accordingly for such advice you should consult your stockbroker, solicitor, accountant, bank manager or other independent professional adviser. Please note that calls may be monitored or recorded.

1A. Application

Fill in (in figures) in Box 1A the number of Shares being subscribed for. The number being subscribed must be a minimum of 200 Shares and thereafter in multiples of 100 Shares. Financial intermediaries who are investing on behalf of clients should make separate applications for each client.

1B. Subscription Monies

Fill in (in figures) in Box 1B, 1C or 1D, as applicabale, the amount of subscription monies accompanying this application being the number of Shares inserted in Box 1A multiplied in each case by €10 per Euro Share, $10 per US Dollar Share and £10 per Sterling Share, as applicable.

2A. Holder Details

Fill in (in block capitals) the full name and address of the first holder and the names only of any joint holders. Applications may only be made by persons aged 18 or over. In the case of joint holders only the first named may bear a designation reference. A maximum of four joint holders is permitted. All holders named must sign the Application Form in box 3.

2B. CREST

If you wish your Shares to be deposited in a CREST account in the name of the holders given in box 2A, enter in box 2B the details of that CREST account. Where it is requested that Shares be deposited into a CREST account please note that payment for such Shares must be made prior to the day such Shares might be allotted and issued. It is not possible for an applicant to request that Shares be deposited in their CREST account on a delivery against payment basis. Any Application Form received containing such a request will be rejected.

3. Signature

All holders named in box 2A must sign box 3 and insert the date. The Application Form may be signed by another person on behalf of each holder if that person is duly authorised to do so under a power of attorney. The power of attorney (or a copy duly certified by a solicitor or a bank) must be enclosed for inspection (which originals will be returned by post at the addressee's risk). A corporation should sign under the hand of a duly authorised official whose representative capacity should be stated and a copy of a notice issued by the corporation authorising such person to sign should accompany the Application Form.

4. Cheque/Banker's Draft, Payment Details

Payment must be made by a cheque or banker's draft accompanying your application. Payment by cheque or banker's draft must accompany your Application Form and be for the exact amount and the currency shown in box 1B, 1C or 1D of your Application Form. Your cheque or banker's draft must be made payable to Capita IRG Plc a/c Third Point Offshore Investors Limited and crossed ''A/C Payee''. If you use a banker's draft or a building society cheque you should ensure that the bank or building society issuing the payment enters the name, address and account number of the person whose account is being debited on the reverse of the banker's

draft or cheque and adds its stamp. Your cheque or banker's draft must be drawn in Sterling, Euros or US Dollars on an account at a bank branch in the UK or the Channel Islands and must bear a UK bank sort code number in the top right hand corner. Where an application is accompanied by a cheque or banker's draft drawn by someone other than the holder(s), any monies returned will be sent by the Receiving Agent to the person named as holder in box 2A. Your payment must relate solely to this application. No receipt will be issued.

5. Reliable Introducer Declaration

Applications with a value greater than £9,000 (or £9,000 Sterling equivalent) will be subject to Guernsey's verification of identity requirements. This will involve you providing the verification of identity documents listed below unless you can have the declaration provided at section 5 of the Application Form given and signed by a firm acceptable to the Receiving Agent. In order to ensure your application is processed timely and efficiently all applicants are strongly advised to have the declaration provided in section 5 of the Application Form completed and signed by a suitable firm.

If the declaration in section 5 cannot be completed and the value of the application is greater than £9,000, in accordance with internationally recognised standards for the prevention of money laundering, the documents listed below must be provided with the completed application form as appropriate. Notwithstanding that the declaration in section 5 has been completed and signed, the Receiving Agent reserves the right to request of you the identity documents listed below and/or to seek verification of identity of each holder and payor (if necessary) from you or their bankers or from another reputable institution, agency or professional adviser in the applicable country of residence. If satisfactory evidence of identity has not been obtained within a reasonable time your application may be rejected or revoked. Where certified copies of documents are requested below, such copy documents should be certified by a senior signatory of a firm which is either a governmental approved bank, stockbroker or investment firm, financial services firm or an established law firm or accountancy firm which is itself subject to regulation in the conduct of its business in its own country of operation and the name of the firm should be clearly identified on each document certified.

A. For each holder being an individual enclose:

   (1) a certified clear photocopy of one of the following identification documents which bear both a photograph and the signature of the person: current passport — Government or Armed Forces identity card — driving licence; and

   (2) certified copies of at least two of the following documents which purport to confirm that the address given in box 2A is that person's residential address: a recent gas, electricity, water or telephone (not mobile) bill — a recent bank statement — a council rates bill — or similar document issued by a recognised authority; and

   (3) if none of the above documents show the date and place of birth of the Applicant, enclose a note of such information; and

   (4) details of the name and address of their personal bankers from which the Registrar or the Receiving Agent may request a reference, if necessary.

B. For each holder being a company (a "**Holder Company**") enclose:

   (1) a certified copy of the certificate of incorporation of the Holder Company; and

   (2) the name and address of the Holder Company's principal bankers from which the Registrar or the Receiving Agent may request a reference, if necessary; and

   (3) a statement as to the nature of the Holder Company's business, signed by a director; and

(4) a list of the names and residential addresses of each director of the Holder Company; and

(5) for each director provide documents and information similar to that mentioned in A. above; and

(6) a copy of the authorised signatory list for the Holder Company; and

(7) a list of the names and residential/registered address of each ultimate beneficial owner interested in more than 5 per cent. of the issued share capital of the holder company and, where a person is named, also complete C. below and, if another company is named (hereinafter a "**beneficiary company**"), also complete D. below.

If the beneficial owner(s) named do not directly own the holder company but do so indirectly via nominee(s) or intermediary entities, provide details of the relationship between the beneficial owner(s) and the Holder Company.

C. For each person named in B.(7) as a beneficial owner of a Holder Company enclose for each such person documents and information similar to that mentioned in A.(1) to (4).

D. For each beneficiary company named in B.(7) as a beneficial owner of a Holder Company enclose:

(1) a certified copy of the certificate of incorporation of that beneficiary company; and

(2) a statement as to the nature of that beneficiary company's business signed by a director; and

(3) the name and address of that beneficiary company's principal bankers from which the Registrar or the Receiving Agent may request a reference, if necessary; and

(4) enclose a list of the names and residential/registered address of each beneficial owner owning more than 5 per cent. of the issued share capital of that beneficiary company.

E. If the payor is not the Applicant and is not a bank providing its own cheque or banker's payment on the reverse of which is shown details of the account being debited with such payment (see Note 4 on how to complete this form) enclose:

(1) if the payor is a person, for that person the documents mentioned in A.(1) to (4); or

(2) if the payor is a company, for that company the documents mentioned in B.(1) to (7); and

(3) an explanation of the relationship between the payor and the holder(s).

The Receiving Agent reserves the right to ask for additional documents and information.

6. Contact Details

To ensure the efficient and timely processing of your Application Form, please provide contact details of a person that the Registrar or Receiving Agent may contact with all enquiries concerning your application. Ordinarily this contact person should be the person signing in box 3 on behalf of the first named holder. If no details are entered here and the Registrar or Receiving Agent requires further information, any delay in obtaining that additional information may result in your application being rejected or revoked.

APPLICATION FORM FOR OFFER FOR SUBSCRIPTION

INSTRUCTIONS FOR DELIVERY OF COMPLETED APPLICATION FORMS

Completed Application Forms should be returned, by post or by hand (during normal Business Hours only), to Capita Registrars, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, so as to be received no later than 5.00 pm on 16 July 2007, together in each case with payment in full in respect of the application. If you post your Application Form, you are recommended to use first class post and to allow at least two days for delivery. Application Forms received after this date may be returned.

FOR OFFICE USE ONLY

Log No.

Important.
Before completing this form, you should read the accompanying notes.

To: Capita Registrars, acting as agent for Third Point Offshore Investors Limited

1. APPLICATION

I/We the person(s) detailed in box 2A below offer to subscribe the amount shown in Box 1 for Shares subject to the Terms and Conditions set out in the Prospectus dated 2 July 2007 and subject to the Articles of Association of the Company.

Box 1A Number of Shares (minimum 200 and thereafter in multiples of 100)	
Box 1B Subscription monies (number in Box 1A multiplied by £10 Sterling per Sterling Share)	
Box 1C Subscription Monies (number in Box 1A multiplied by €10 per Euro Share)	
Box 1D Subscription Monies (number in Box 1A multiplied by $10 per US Dollar Share)	

2A. DETAILS OF HOLDER(S) IN WHOSE NAME(S) SHARES WILL BE ISSUED (BLOCK CAPITALS)

Mr, Mrs, Miss or Title	Forenames (in full):	
Surname/Company Name:		
Address (in Full):		
	Postcode:	
	Designation (if any):	
Mr, Mrs, Miss or Title	Forenames (in full):	
Surname/Company Name:		
Mr, Mrs, Miss or Title	Forenames (in full):	
Surname/Company Name:		
Mr, Mrs, Miss or Title	Forenames (in full):	
Surname/Company Name:		
Mr, Mrs, Miss or Title	Forenames (in full):	
Surname/Company Name:		

2B. CREST DETAILS

(Only complete this box if Shares allotted are to be deposited in a CREST account which must be in the same name as the holder(s) given in box 2A).

CREST Participant ID:

CREST Member Account ID:

3. SIGNATURE(S) — ALL HOLDERS MUST SIGN

First holder signature: Name (Print): Dated:	Second holder signature: Name (Print): Dated:
Third holder signature: Name (Print): Dated:	Fourth holder signature: Name (Print): Dated:

4. CHEQUES/BANKER'S DRAFT DETAILS

Pin or staple to this form your cheque or banker's draft for the exact amount shown in box 1 made payable to "Capita IRG Plc a/c Third Point Offshore Investors Limited". Cheques and banker's payments must be drawn in Euros, US Dollars or Sterling on an account at a bank branch in the UK or the Channel Islands and must bear a UK bank sort code number in the top right hand corner.

5. RELIABLE INTRODUCER DECLARATION

Completion and signing of this declaration by a suitable person or institution may avoid presentation being requested of the identity documents detailed in section 6 of this form. The declaration below may only be signed by a person or institution (such as a governmental approved bank, stockbroker or investment firm, financial services firm or an established law firm or accountancy firm) (the "**firm**") which is itself subject in its own country to operation of "know your customer" and anti-money laundering regulations no less stringent than those which prevail in Guernsey. Acceptable countries include Austria, Belgium, Canada, Denmark, Finland, France, Germany, Gibraltar, Greece, Hong Kong, Iceland, Ireland, Isle of Man, Italy, Japan, Jersey, Luxembourg, Netherlands, New Zealand, Norway, Portugal, Singapore, South Africa, Spain, Sweden, Switzerland, the UK and the United States of America.

DECLARATION: To the Company and the Receiving Agent

With reference to the holder(s) detailed in section 2A, all persons signing at section 3 and the payor identified in section 6 if not also the Applicant (collectively the "**subjects**") **WE HEREBY DECLARE:**

1. we operate in one of the above mentioned countries and our firm is subject to money laundering regulations under the laws of that country which, to the best of our knowledge, are no less stringent than those which prevail in Guernsey;

2. we are regulated in the conduct of our business and in the prevention of money laundering by the regulatory authority identified below;

3. each of the subjects is known to us in a business capacity and we hold valid identity documentation on each of them and we undertake to immediately provide to you copies thereof on demand;

4. we confirm the accuracy of the names and residential/business address(es) of the holder(s) given at box 2A and if a CREST account is cited at box 2B that the owner thereof is named in box 2A;

5. having regard to all local money laundering regulations we are, after enquiry, satisfied as to the source and legitimacy of the monies being used to subscribe for the Shares mentioned; and

6. where the payor and holder(s) are different persons we are satisfied as to the relationship between them and reason for the payor being different to the holder(s).

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

Signed: _____

Name: _____

Position: _____
having authority to bind the firm.
Name of regulatory authority: _____

Firm's Licence number: _____

Website address or telephone number of regulatory authority: _____

STAMP of firm giving full name and business address: _____

6. CONTACT DETAILS

To ensure the efficient and timely processing of this application please enter below the contact details of a person the Receiving Agent may contact with all enquiries concerning this application. Ordinarily this contact person should be the (or one of the) person(s) signing in box 3. If no details are entered here and the Receiving Agent requires further information, any delay in obtaining that additional information may result in your application being rejected or revoked.

<table>
<tr><td>Contact name:</td><td>E-mail address:</td></tr>
<tr><td rowspan="3">Contact address:</td><td>Postcode:</td></tr>
<tr><td>Telephone No:</td></tr>
<tr><td>Fax No:</td></tr>
<tr><td>Name of Company:</td><td></td></tr>
<tr><td>Company stamp/Signature of Authorised Representative:</td><td></td></tr>
</table>