



Euroption Strategic Fund

(A BVI Business Company incorporated under the laws of the British Virgin Islands)

PROSPECTUS PRIVATE AND CONFIDENTIAL

OFFERING MEMORANDUM

1st September 2005 (updated on July 17, 2009)

The securities described in this information memorandum have not been qualified for offer or sale to the public under the securities laws of any country or jurisdiction. The Fund is a recognized Professional Fund as described by the Mutual Funds Act, Act no. 6 of 1996 of the British Virgin Islands as amended (the "Act"). The Financial Services Commission as regulatory body responsible for the regulation and supervision of the Fund takes no responsibility for the financial soundness of the Fund or for the correctness of any statements or opinions expressed therein.

The Director of the Fund, whose name appears on page 10, accepts responsibility for the information contained in this document. To the best knowledge and belief of the Director (who has taken all reasonable care to ensure that such is the case) the information contained herein is in accordance with the facts and does not omit anything likely to affect the importance of such information.

EUROPTION STRATEGIC FUND

**A Recognised Professional Mutual Fund under the Mutual Funds Act
Act no. 6 of 1996 of the British Virgin Islands, as amended**

A BVI business company incorporated under the International Business Company Act ("IBC Act") and automatically reregistered as a BVI Business company under the laws of the British Virgin Islands

Isin: VGG3203E1016 - Cusip: G3203E 10 1 - Bloomberg: EOPTION VI - Valoren: CH2287562
- Sedol: B0LFYF6

Registration No 652082

Recognition Certificate No.RC/PIPO/05/3294

OFFERING OF NON-VOTING REDEEMABLE PARTICIPATING SHARES

Investment Manager: Option Strategist Ltd

Broker: Interactive Brokers

Custodian: Citigroup

Administrator: IFCE Fund Services

Auditor: KPMG

THIS OFFERING MEMORANDUM IS STRICTLY CONFIDENTIAL AND IS SUPPLIED FOR THE PERSONAL USE OF THE RECIPIENT ONLY. UNDER NO CIRCUMSTANCES SHOULD IT BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON. THIS DOCUMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE BRITISH VIRGIN ISLANDS. IMPORTANT - IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS OFFERING MEMORANDUM, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, COUNSEL AND ATTORNEY, ACCOUNTANT OR OTHER FINANCIAL ADVISOR.

THE INFORMATION CONTAINED IN THIS OFFERING MEMORANDUM MAY NOT BE DISCLOSED TO THE PUBLIC IN SWITZERLAND AND THE PUBLIC OFFERING OR THE SALE OF PARTICIPATING SHARES IN

SWITZERLAND IS NOT PERMITTED. NO AUTHORISATION HAS BEEN OBTAINED FROM THE SWISS BANKING COMMISSION FOR A PUBLIC DISTRIBUTION. THEREFORE, THE FUND IS NOT SUBJECT TO SUPERVISION BY THE SWISS SUPERVISORY AUTHORITY.

THE SHARES ARE NOT FOR DISTRIBUTION IN THE UNITED STATES OF AMERICA

THE SHARES ARE SUITABLE FOR SOPHISTICATED INVESTORS WHO DO NOT REQUIRE IMMEDIATE LIQUIDITY FOR THEIR INVESTMENT, FOR WHOM AN INVESTMENT IN THE FUND DOES NOT CONSTITUTE A COMPLETE INVESTMENT PROGRAMME AND WHO FULLY UNDERSTAND AND ARE WILLING TO ASSUME THE RISKS INVOLVED IN THE INVESTMENT PROGRAMME OF THE FUND. THE SHARES WILL NOT BE LISTED ON ANY STOCK EXCHANGE.

THE PRICE OF THE SHARES OF THE EUROPTION STRATEGIC FUND LIMITED FORMING THIS OFFER MAY GO DOWN AS WELL AS UP AFTER SUBSCRIBING.

NOTICE

Euroption Strategic Fund Limited was incorporated on 18 April, 2005, under the IBC Act and automatically reregistered as a BVI business company under the laws of the British Virgin Islands

The Company is a "Professional Fund" as defined in the Mutual Funds Act and accordingly, any invitation to subscribe for any shares must be made only to professional investors as defined by the Act. (Non-business professional investors are required to complete a declaration regarding their status as a professional investor).

This Offering Memorandum has been prepared in connection with the offer and sale of Non-Voting, Redeemable Participating Shares (the "Participating Shares") of Euroption Strategic Fund Limited, (the "Fund") to professional investors. This Offering Memorandum has been prepared in connection with the offer and sale of the Fund's shares outside of the United States, its territories or possessions and to persons or entities who are neither citizens nor residents of the United States of America.

This Offering Memorandum is intended solely for the use of the person to whom it has been delivered by the Fund for the purpose of evaluating a possible investment by the recipient in the Shares described herein. No person is authorized to make any representations concerning the Fund or its shares which are inconsistent with those contained in this Offering Memorandum.

This Offering Memorandum does not constitute an offer or solicitation by anyone in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. Purchasers should inform themselves as to the legal requirements within their own countries for the purchase of shares and to any taxation or exchange control legislation applicable to them.

Subscriptions can only be received on the basis of this Offering Memorandum. No information other than that contained in this Offering Memorandum, in periodic financial reports or in sales literature provided by the Fund may be given in this connection.

Regulation

Euroption Strategic Fund Limited was incorporated as an International Business Company in the BVI under the BVI International Business Companies Act, 1984 and recognised under the Mutual Funds Act, 1996 of the British Virgin Islands as a professional fund.

THE SHARES ARE SPECULATIVE AND INVOLVE SUBSTANTIAL RISK. AN INVESTMENT IN THE FUND IS NOT A COMPLETE INVESTMENT PROGRAM. NO GOVERNMENTAL OR REGULATORY AUTHORITY HAS EXPRESSED ANY OPINION ON THE VIABILITY OF THE FUND OR ENDORSED THE MERITS OF THIS ISSUE.

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DEFINITIONS

In this Memorandum, the following terms shall have the meanings set forth below, except as the context may otherwise require:

“Administration Agreement”	The administration agreement between the Fund and the Administrator;
“Administrator”	IFCE Fund Services or such other person as may be appointed administrator of the Fund from time to time;
“Articles”	The Articles of Association of the Fund for the time being in force and as may be modified from time to time;
“Auditors”	KPMG or such other person as may be appointed auditor of the Fund from time to time;
“Business Day”	A day (except Saturday, Sunday and the public holidays) on which banks in the United States of America or in the United Kingdom are open for normal banking business;
“Closing Day”	1 November 2005 or such later Business Day as the Director shall determinate (being no later than 90 days after such date);
"Designated Investments"	Means such investments as defined in the Articles;
“Director”	The director of the Fund for the time being and any duly constituted committee thereof;
“Derivatives”	All kind of derivatives instruments of techniques, including any form or risk transfer contract in which a gain or loss or recognised from fluctuations in market price levels which includes, but is not limited to, futures, forwards, options, swaps, swaptions, forward rate and forward exchange contracts, cross-trade or cross-rate, rolling spot contracts, deferred delivery, leverage or commodity related contracts and any other contracts (including, without limitation, margin transaction), whether traded on or off a recognised Exchange;
“Eligible Investors”	Investors who are not U.S. Persons or entities;
“Fiscal Year”	The twelve month period (or part thereof) ending on December 31 of each year;
“The Fund”	Euroption Strategic Fund Limited;

“Futures Clearer”	Citigroup/I.B. or such other entities as may be appointed futures clearer of the Fund from time to time;
“Initial Offering Period”	The period from 1 September 2005 and ending on the Closing Date;
“Initial Offer Price”	Euro 1,000 per Participating Share;
“Investment Advisors”	Such person as may be appointed from time to time as Investment Advisor to the Fund by the Investment Manager;
“Investments”	Any financial instruments of whatever kind including, without limitation, financial securities, derivatives and debt instruments, foreign exchange, cash with banks and deposits owned by the Fund;
“Investment Management Agreement”	The investment management agreement between the Investment Manager and the Fund;
“Investment Manager”	Option Strategist Asset Limited or such other person as may be appointed Investment Manager of the Fund from time to time;
“the Law”	The International Business Companies Act of the British Virgin Islands;
“Management Fee”	Shall have the meaning set forth in “Fees & Expenses” herein;
“Mutual Fund”	Shall have the meaning set forth in the Mutual Funds Act, Act no. 6 of 1996 of the British Virgin Islands;
“Mutual Funds Act”	The Mutual Funds Act, Act no. 6 of 1996 of the British Virgin Islands;
“Net Asset Value”	The Net Asset Value of the Fund calculated as described in “Net Asset Value” herein;
“Net Asset Value per Participating Share”	The total Net Asset Value of the assets of the Participating Shares divided by the number of Participating Shares in issue;
“New Net Trading Profits”	New Net Trading Profits means realised / unrealised gains and all interest earned less realised and unrealised losses, brokerage, commissions, exchange fees and interest paid;

“Offering Memorandum”	This document and the Fund’s most recent annual report and accounts or, if more recent, its interim report and accounts;
“Ordinary Shares”	Voting ordinary shares of US\$ 0,1 per value each in the capital of the Fund and “Ordinary Share” means any one of them;
“Ordinary Shareholder”	A holder of Ordinary Shares;
“Ordinary Resolution”	A resolution of the Fund passed by a simple majority of the Ordinary Shareholders voting in person or by proxy or approved in writing by all of such Ordinary Shareholders;
“Participating Shares”	Non-voting, redeemable, profit participating shares in the capital of the Company of a nominal value of US\$ 0.10 each, issued subject to and in accordance with the provisions of the Articles and Participating Share means any one of them;
“Professional Fund”	As defined in the Mutual Funds Act, Act no. 6 of 1996 of the British Virgin Islands), as amended;
“Recognised Exchange”	‘Recognised Investment Exchanges’ as defined by the Financial Services Authority, (FSA), of the United Kingdom;
“Redemption Request Notice”	A redemption request notice in the form, which accompanies this Offering Memorandum;
“Regulated Mutual Fund”	Shall have the meaning set forth as defined in the Mutual Funds Act, Act no. 6 of 1996 of the British Virgin Islands;
“Sales Fee”	Shall have the meaning set forth under “Fees & Expenses” herein;
“Shares” or “Participating Shares”	Means non-voting, redeemable, participating shares;
“Shareholder”	A holder of Participating Shares;
“Special Resolution”	A resolution of the Fund passed by a two-thirds majority of Ordinary Shareholders voting in person or by proxy or approved in writing by all of such Ordinary Shareholders;
“Sponsor”	SEC Asset Management Limited or such other person or entity as may be appointed by the Fund from time to time to promote the Fund;

“Subscription Agreement”	A subscription agreement in the form which accompanies this Offering Memorandum;
“Trading Advisor”	Option Strategist Asset Management Limited or such person or entity as may be appointed by the Investment Manager from time to time;
“U.S.”	The United States of America, its territories and possessions including the States and the District of Columbia;
“U.S. Person”	Any citizen or resident of the U.S., any corporation, partnership or other entity created or organised in or under the laws of the U.S. or any person falling within the definition of the term “U.S. Person” under regulations promulgated under the U.S. Securities Act of 1933;
“Valuation Day”	the close of business in the third Friday of each calendar month, regarding the previous month activity or such other Business Day or days of the year as the Director may from time to time designate. If such a day is not a Business Day, the relevant day will be the nearest preceding Business Day.

OFFERING SUMMARY

The information on the Fund set out below should be read in conjunction with the full text of this document from which it is derived:

Investment Objectives and Policy

The principal investment objective of the Fund is to achieve capital appreciation on funds under management while actively managing the risk associated with the trading strategy of the Fund. The return target follows the volatility of the main European equity markets. The annual objective is a triple digit percentage return.

Trading Strategy

The Fund will invest exclusively in derivative financial instruments, options and futures contracts, quoted in the most important Stock Exchanges; in the beginning the Fund will invest on Milan SP-Mib, Xetra Dax, Eurostoxx 50, and then on the English Liffe and CME.

Minimum Subscription

The first minimum investment to the Fund is the US equivalent of 100,000.

Valuation Period

The valuation period for the Fund will be monthly, on the third Friday of each calendar month, regarding the previous month activity or such other Business Day or days of the year as the Director may from time to time designate. If such a day is not a Business Day, the relevant day will be the nearest preceding Business Day. (the "Valuation Day"), unless such a day is a public holiday in the United Kingdom, in which case the determination will be made on the nearest preceding day that is not a holiday .

Management Fee

The Investment Manager will not receive any management fee, all the interest received by the fund in all its bank or broker accounts will be paid to the investment manager as sponsor fee. These interests are not sure in their ammount, because there could be also negative interests.

Performance Fee

A Performance Fee equal to 30% per month on all New Net Trading Profits attributable to the Investment Manager or appointed Trading Advisor(s). The Performance Fee will be calculated and accrued monthly and paid monthly in arrears. (See "Fees & Expenses"). The Performance Fee will be not be paid until the fund has an asset valuing at least € 500,000.

THE DIRECTORY

Registered office and Agent

Euroption Strategic Fund Limited
Maples Corporate Services (BVI) Limited
Sea Meadow House
P.O. Box 173
Road Town, Tortola,
British Virgin Islands

Investment Manager/Director

Option Strategist Limited
Walkers Chambers
171 Main Street
PO Box 92
Road Town
Tortola
British Virgin Islands

Sponsor

SEC Asset Management Limited
Dixcart House
Fort Charles, Charlestown
Nevis, St. Kitts and Nevis

Administrator

IFCE Fund Services
Ara Hill Top Building
Pletterijweg Oost 1
Curacao, Netherlands Antilles

Broker

Interactive Brokers
Gotthardstrasse 3
CH-6300 Zug
Switzerland

Banker

Credit Suisse
Paradeplatz 8
8001 Zürich
Switzerland

Auditor

KPMG
Emancipatie Boulevard 18
P.O. Box 3082
Curaçao
Netherlands Antilles

THE ISSUE

Authorized Capital

The authorized share capital of the Fund is divided into Three Hundred and Ninety Nine Thousand Nine Hundred and Ninety, (399,990) non-voting, participating redeemable shares (the "Participating Shares") at a par value of US\$ 0.10 per Share, 100,000 non-voting participating designated investment shares (the "Class DS Shares") and Ten, (10) voting, non-participating non-redeemable shares at a par value of US\$ 0.10 per Share (The "Ordinary Shares"). The Director is authorized to issue Participating Shares up to the authorized share capital of the Fund.

Authorised Shares

The maximum number of shares the Fund is authorised to issue is five million (5,000,000) shares (the "Participating Shares") and divided into two share classes of Four Hundred and Ninety Nine Thousand Nine Hundred and Ninety (499,990) shares at a par value of US\$0.10 and Ten (1) voting, non-participating, non-redeemable shares at a par value of US\$0.10 per Share.

The Participating Shares

The initial offering price per Participating Share is Euro 1,000 at the time of the offering and, thereafter at the Net Asset value per Share, see "Subscriptions" and "Redemptions". Following the first closing of this Offering, the purchase price of the Shares will fluctuate based on the performance of the Fund and will be equal to the Fund's Net Asset Value per Share, as determined monthly. See "Net Asset Value". The minimum subscription to the Fund is as defined in the Offering Summary, at least the US equivalent of 100,000. Subsequent investments may be made in increments of Euro 5,000. Each transferee is required to satisfy the same eligibility requirements and furnish the same information that is required in connection with a direct subscription in order for a transfer application to be considered by the Fund.

The Participating Shares carry no voting or pre-emption rights and rank in priority to the Ordinary Shares on liquidation. The directors may declare dividends on the Participating Shares at such time or from time to time as the directors may, at their discretion, determine.

The Class DS Shares shall not be redeemable by the Fund at the election of the holder but shall be redeemable by the Fund as per the Articles of Association of the Fund and the holders shall be entitled to participate in the profits of the Fund and (subject to a return of capital to the holders of the Ordinary Shares) in the surplus assets of the Company on a winding up or otherwise.

In the event of the liquidation, dissolution or winding up of the Fund or any other distribution of its property or assets amongst its shareholders for the purpose of winding up its affairs, whether voluntary or involuntary, the holders of the Participating Shares and Class DS Shares shall be entitled to receive out of the property or assets of the Company, an amount equal to the Net Asset Value per share of all the Participating shares held by them.

Listing

The Director currently does not intend to seek a listing for the Fund's Participating Shares. However he reserves the right to seek a listing in the future, if he determines that it is in the best interest of the Fund and its Shareholders.

The Ordinary Shares

The holders of the Ordinary Shares have the exclusive right to vote on all matters. The Ordinary Shares may not be redeemed. Subject to the priority of the Participating shareholders, in the event of liquidation, the holders of the Ordinary shares shall be entitled to receive the remaining property of the Company.

THE DIRECTOR

Option Strategist Limited is a company incorporated in the British Virgin Islands in accordance with the commercial law of the BVI and is an admitted and regulated investment manager under the Mutual Funds Act, Act no. 6 of 1996 of the British Virgin Islands.

The Directors are responsible for the overall management and control of the Fund. No Director may have: (i) any unspent convictions in relation to indictable offences; or (ii) been bankrupt or the subject of an involuntary arrangement, or has had a receiver appointed to any asset of such Director; or (iii) been a director of any company which, while he was a director with an executive function or within 12 months after he ceased to be a director with an executive function, had a receiver appointed or went into compulsory liquidation, creditors' voluntary liquidation, administration or company voluntary arrangements, or made any composition or arrangements with its creditors generally or with any class of its creditors; or (iv) been a partner of any partnership, which while he was a partner or within 12 months after he ceased to be a partner, went into compulsory liquidation, administration or partnership voluntary arrangement, or had a receiver appointed to any partnership asset; (v) had any public criticism by statutory or regulatory authorities (including recognised professional bodies); or (vi) been disqualified by a court from acting as a director or from acting in the management or conduct of affairs of any company.

INVESTMENT MANAGEMENT

Investment Objective

The principal investment objective of the Fund is to achieve capital appreciation on funds under management while actively managing the risk associated with the trading strategy of the Fund. The return target follows the volatility of the main European equity markets. Annually, the objective is a triple digit percentage return.

Investment Strategy

The Fund will invest exclusively in derivatives financial instruments, through structured strategies, which utilize options and futures contracts traded on the principal European Stock Exchanges. In the beginning the investments will be done on the Italian Stock Exchange, also feasibly be made on the in German Dax or in the English Liffe.

When the Fund's assets amount to less than 10 Million Euros, the choice between Italian or other European derivatives markets will be free of constraints. When the asset of the fund reaches the 10 million euros mark, it may not invest on the Italian Idem anymore, but it will switch to the English LIFFE (or another markets, such as CME) in order to find a more liquid market. This is because the principal strategy of the Fund is aimed at optimizing the efficiency of the investments in order to maximize the overall returns to investors.

The trading strategy applies by the Investment Manager is dynamic and involves the structuring of investments in futures and options strategies in order to maximize yields. Primarily, the structured trading strategies will have expiry dates of approximately one month, however where opportunities arise, the Investment Manager may make short-term structured

investments with expiry scenarios of days or possibly hours.

The Investment Manager applies an extremely technical and analytical approach in determining the investment strategies, which are adopted. In particular, the Investment Manager utilizes the principle of technical analysis theories, and software applications (such as Metastock). The study of individual options involves two processes: the first requires the verification of the fundamental parameters (Delta, Gamma, Theta and Vega); the second is directed at analysing the differences between the 'fair price' in the market, which is calculated by the Investment Manager's propriety software, and the price offered by the market-makers.

The analysis of the implicit volatility of options is of particular importance. In periods of high volatility, (such as occurred in mid-2002), the Fund will tend to be only a 'writer' of options, and sometimes the Fund will tend to cover its position with future contracts or through the purchase of Put options at the money with expiry date relatively far into the future (for example, purchasing Put options in February which expire the following December). Conversely, during periods of low volatility, (such as occurred in the last part of 2004 and in the first part of 2005), the Fund will attempt to adopt trading strategies in which it is both a buyer and a seller of options, in order to exploit both the time decay and the possible explosion of the volatility. The adoption of this strategy could result in the Fund being short on volatility in a given period, however long on volatility at a future time.

The overall trading strategy is not static but dynamic and requires constant monitoring and analysis in order to react to sudden changes in market conditions.

Under the Investment Management Agreement between the Fund and the Investment Manager, the Investment Manager will make all decisions and affect the purchase and disposition of securities on behalf of the Fund, acting with full discretion but in accordance with the Fund's investment objectives and policies.

The Investment Manager may select and appoint trading advisors to invest the Fund's assets. Trading Advisors chosen by the Investment Manager will have proven success records in a wide variety of market conditions.

INVESTMENT TECHNIQUES

The Fund will invest in a diversified portfolio of Derivatives using the investment techniques developed by Option Strategist Limited. The investment management strategies and methodology is guided by Option Strategist Limited's commitment to research, diversification, risk management and efficiency.

Research Approach

A key aspect of this strategy is a scientific and mathematical approach to investment. We believe that the behaviour of the international security markets is not 100% random and that there are statistically predictable movements, which can be identified and acted upon. Central to identifying these movements is rigorous research. We have an established an extensive database of prices for the major international securities markets and have tested its trading theories using proprietary technology and statistical and mathematical research processes.

Disciplined Risk Management

Our approach of conducting extensive research on a range of market conditions, together with a high degree of diversification provides a solid foundation for the control of risk. This together with a range of in-house risk monitoring systems, ensures that risk is effectively managed at market and portfolio level. In order to effectively manage and respond to market risks, we will only invest in liquid markets with real-time pricing. This enables the risks associated with each market comprising the investment portfolio, and their correlations, to be measured on a continuous basis, thus enabling portfolio positions to be varied in accordance with changing risk profiles associated with market movements.

Efficient Implementation of Investment Decisions

We will minimize the cost of accessing the international markets, thus maximizing returns for the Fund. The mathematical research and trading models developed will provide the manager with clear and concise investment decisions, which can be efficiently and economically executed through the Fund's Futures Clearer.

THERE CAN BE NO ASSURANCES THAT THE EUROPTION STRATEGY FUND LIMITED WILL ACHIEVE ITS INVESTMENT OBJECTIVE.

THE PRICE OF THE SHARES OF THE FUND FORMING THIS OFFER MAY GO DOWN AS WELL AS UP AFTER SUBSCRIBING.

The Directors may, in their discretion, classify certain of the Company's investments which are deemed by the Directors or the Investment Manager to be illiquid or the value of which is not readily or reliably ascertainable or which may have a relatively long-term investment horizon as "Designated Investments". Once so classified, Designated Investments shall be represented by a separate series of Class DS Shares which, unless otherwise determined by the Directors, shall be allotted only to those Members who are holders of Participating Shares at the time of such designation. The gains and losses attributable to Designated Investments shall be segregated and separately calculated and attributed amongst Members holding Class DS Shares of the relevant series in such manner as the Directors, in their absolute discretion, consider fair and equitable. Class DS Shares of any such series may be issued by way of exchange of all or part of a Member's holding of Participating Shares. Similarly, Class DS Shares of series may be converted or exchanged back into Participating Shares upon the Directors making a determination that the relevant investment no longer qualifies as a Designated Investment. The power to exchange the Participating Shares into Participating Shares of another class and/or series may be effected by the Directors in any manner permitted by the Articles, including the compulsory redemption of Participating Shares of one class and/or series and the application of the proceeds of redemption in subscribing for Participating Shares of the other class and/or series or by redesignating a portion of the Participating Shares of any existing class and/or series as thereafter belonging to a new class and/or series. Class DS Shares of series of Shares which represent Designated Investments shall not, unless the Directors otherwise determine, be redeemable at the option of the Members holding such Participating Shares.

INVESTMENT RESTRICTIONS

Investments

The Fund will invest exclusively in Derivative Instruments quoted in a fully international regulated exchanges as Eurex and CME.

The Fund will not invest in Over the Counter (OTC) securities.

Borrowing

The Fund may borrow money for organisational and administrative purposes, including the payment of redemptions up to a maximum of 20% of the Net Asset Value of the Fund, after providing for redemptions.

Margin / Equity Ratio

The trading strategy of the Fund dictates that it will make extensive use of exchange traded futures and options, which are inherently leveraged products. Trading in these products requires the deposit of a collateral margin with the broker, with such a margin fluctuating according to market movements.

CERTAIN RISKS

Prospective investors should be aware that an investment in the Fund involves a very high degree of risk, including the risk of loss of the entire amount invested. There can be no assurance that the Fund's investment policy will be successful or the investment objectives of the Fund will be achieved.

In evaluating the merits and suitability of an investment in the Participating Shares of the Fund prospective investors should give careful consideration to the following factors, among others (including other risks discussed elsewhere in the Offering Memorandum).

Derivatives

Investing in derivative instruments involves varying levels of exposure to risk and when deciding whether to invest in the Fund subscribers should be aware of the following risks:

1). Futures

A futures contract provides an investor the opportunity to contract to buy or sell an asset or security at a specified price and settlement date in the future. To buy or sell a futures contract is a commitment to buy or sell the underlying asset or security at the specified price and settlement date. Investing in futures contracts carries high exposure to risk. Futures contracts are highly leveraged instruments and the low margin deposits normally required in futures transactions allow for an extremely high degree of leverage in comparison with investments in other assets. Because of the leverage associated with trading futures, a relatively small movement in the market price of traded instruments may result in a disproportionately large profit or loss and may result in a loss.

2). Options

By writing an option an investor enters into a legal obligation to buy or sell the underlying asset if the option is exercised. By purchasing an option the Fund acquires the right, but not the obligation to buy or sell an underlying asset. The risks involved in writing options are therefore considerably greater than buying options. When buying an option the maximum loss is limited to the premium plus transaction charges, when writing an option the loss is unlimited unless the option is covered by the underlying securities. The Fund may from time to time write uncovered options.

3). Foreign Exchange Fluctuation

The Fund will be investing in futures and options denominated in currencies other than Euro and therefore the assets of the Fund will also be subject to fluctuations in foreign currency exchange rates.

4). Suspension of Trading

Under certain trading conditions it may be difficult or impossible for the Fund to liquidate a position. This may occur for example at times of rapid price movements and when trading is suspended by a relevant Exchange. In these circumstances it may be impossible for the Fund to liquidate or limit a loss by placing a 'stop-loss' order.

5). Insolvency

Default or insolvency of a broker may result in positions being liquidated or closed out.

General

Investors should note that the Fund will utilise investment techniques with significant risk characteristics such as leverage, short selling, and hedging. Accordingly, investment results may vary substantially over time and the value of an investor's investment may substantially decline as well as substantially appreciate. There can be no assurance that the Fund will be able to achieve its objective. The price of the Participating Shares may go down as well as up, reflecting changes in the Net Asset Value of the Fund. Investors may receive less than the amount invested upon redemption of their Participating Shares or the termination of the Fund. Accordingly only those persons who could sustain a loss of their entire investment should make an investment. Investors should carefully consider the investment objectives and Investment Restrictions of the Fund as set out in this Offering Memorandum.

Currency Exposure

The assets of the Fund will be valued in Euro (€). However the assets of the Fund may be invested in securities and other investments, which are denominated in currencies other than Euro. Accordingly, the value of such assets may be affected favourably or unfavourably by fluctuations in currency exchange rates. Currency exchange rates are generally determined by the forces of supply and demand in the currency exchange markets and the relative merits of investment in different countries, actual or anticipated changes in interest rates and other complex factors as seen from an international perspective. Currency exchange rates can also be affected unpredictably by intervention or failure to intervene by governments or central banks or by currency controls or political developments throughout the world.

Option Strategist Asset Management Limited

The success of the Fund is largely dependent upon Option Strategist Limited and there can be no assurance that the managing company or its employees by will remain willing or able to provide advice to and trade on behalf of the Fund or that their trading will be profitable in the future. Whilst Option Strategist Limited is responsible for monitoring the trading activities of the Fund, Option Strategist Limited is not liable for, and shall not accept any liability for, any losses sustained by the Fund (and hence investors) as a result of any default by Option Strategist Limited, except for bad faith, gross negligence and wilful default on the part of Option Strategist Limited.

The success or failure of the Fund will depend upon the ability of the Investment Manager to trade profitably. There can be no assurance that the Investment Manager or the appointed Trading Advisors will be able to accurately predict price movements. Past performance does not guarantee future results.

Level of redemptions

Substantial redemptions of Participating Shares within a limited period of time could require the Fund to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the value of both the Participating Shares being redeemed and the outstanding Participating Shares. In addition, regardless of the period of time in which redemptions occur, the resulting reduction of the Fund's Net Asset Value could make it more difficult for the Fund to generate profits or recover losses.

Redemption Proceeds

Redemption proceeds paid by the Fund to a Shareholder electing to redeem his/her Participating Shares may be less than the Net Asset Value of such Participating Shares at the time a Redemption Request is made due to fluctuations in the Fund's Net Asset Value between the date of the request and the applicable Valuation Day, payment of Early Redemption Fees, or if there remain any unamortized preliminary expenses.

Volatile Markets

Price movements in the capital markets can be volatile and are influenced by, among other things, national and international political and economic events, changes in exchange and interest rates, Governmental fiscal policies.

Market Risks

The profitability of a significant portion of the Fund's investment programme depends to a great extent upon correctly assessing the future course of price movements of the securities and other investments.

Conflict of Interest

The Manager may act as Investment Manager to other clients or funds and may give advice or take action with respect to them which may be the same or different from the advice given or action taken with respect to the Fund and the Fund's investments. The Manager shall ensure the fair allocation of investment opportunities between the Fund and their other clients. However, the Manager shall not be obligated to present to the Fund any particular investment opportunity, even if such opportunity is of a character, which, if presented to the Fund, could be taken by the Fund, and the Manager shall have the right to take for its own account, or recommend to others, any particular investment opportunity. The Fund understands that material, non-public information regarding an issuer may come into the possession of the Manager and that the Manager shall not disclose such information to the Fund or make use of such information in effecting transactions on behalf of the Fund. In the event that a conflict of interest does arise between any of the Funds service providers and the Fund, the Directors shall ensure that it is resolved fairly.

Trading

The Fund may not attain its objectives. The Investment Manager intends to effectuate the strategies described above and will generally follow these strategies for as long as they are in accordance with the Fund's objectives. However, the Investment Manager reserves the right to modify the Fund's investment approaches or to formulate new approaches to carry out the objectives of the Fund, subject to the Manager informing all investors and providing them with the opportunity to redeem prior to any changes in the investment strategy of the Fund.

Specific Risk Factors in making Short Sales

The Fund may make short sales of any of the securities or other investments described herein. A short sale is a transaction in which the Fund sells a security it does not own in anticipation that the price of that security will decline. The Fund may make short sales to offset potential declines in long positions in similar securities, to maintain flexibility, to profit from market inefficiencies or to benefit from anticipated movements in the price of such securities. When the Fund makes a short sale, it may either borrow the security sold short and deliver it to the broker to which it made the short sale as collateral for its obligation to deliver the security upon conclusion of the sale, or effect the short sale as a sale of the security in the forward market. The Fund may have to pay a fee to borrow particular securities and it is typically obligated to remit any payments received on such borrowed securities to the related lender.

The Fund's obligation to replace the borrowed security typically will be secured by collateral deposited with the broker, usually cash, government securities or other liquid securities to those borrowed. Depending on arrangements made with the broker from which it borrowed the security regarding any payments received by the Fund on such security, the Fund may

not receive any payments (including interest) on its collateral deposited with such broker.

If the price of the security sold short increases between the time of the short sale and the time the Fund replaces the borrowed security, the Fund will incur a loss; conversely, if the price declines, the Fund will realise a gain. Any gain will be decreased, and any loss increased by the cost of the transaction described above. Although the Fund's gain is limited to the price at which it sold the security short, its potential loss is theoretically unlimited.

Counterparty

If a bank or Future Clearer defaults or becomes insolvent, the Fund's assets may be at risk. Assets held with the Future Clearer, Citigroup Bank, are segregated.

INVESTMENT MANAGER

Option Strategist Limited is a company incorporated under the laws of the British Virgin Islands as a BVI Business Company, and has obtained a licence to act as a manager to a BVI fund under the Mutual Funds Act by the Financial Services Commission.

Management Agreement

Under the Investment Management Agreement between the Fund and the Investment Manager the Investment Manager will make all decisions and effect the purchase and disposition of securities on behalf of the Fund, acting with full discretion but in accordance with the Fund's investment objectives and policies.

The Investment Manager may also select and appoint independent trading advisors to assist in the management of the Fund's assets in order to ensure that the investment strategies of the Fund are met.

Under the terms of the agreement between the Fund and the Investment Manager, the Investment Manager is empowered, at its discretion, to open and close accounts in the name of the Fund with registered brokers and banks and enter into agreements with the trading advisors.

The Investment Manager is authorised to select the broker/dealer accounts with whom it executes and clears transactions. In this selection process the Investment Manager will not solicit competitive bids and The Investment Manager may accept additional services such as research which may benefit the Fund.

Either party may terminate the agreement, without cause, with notice in writing to the other party of not less than three months prior to the date of termination.

If the Fund terminates, it shall give notice to the Investment Manager on whether it wishes the Investment Manager to liquidate open account positions. In that event, the Investment Manager shall liquidate the positions in a manner it deems orderly, or in such manner as the Fund reasonably specifies. If the Fund does not give notice to the Investment Manager regarding liquidation, the Investment Manager shall have no responsibility with respect to the positions.

If the Investment Manager terminates this agreement, it shall consult and receive instruction from the Fund regarding action to be taken on any open Account positions. If the Fund does not give notice to the Investment Manager regarding liquidation, the Investment Manager shall have no responsibility with respect to the positions.

In rendering services to the Fund, the Investment Manager shall exercise its best judgment and efforts on behalf of the Fund. The Fund agrees that to the fullest extent permitted under applicable law the Investment Manager shall not be liable for damages or otherwise to the Fund for any act, omission or error in judgment, or for any loss suffered by the Fund, in connection with the matters to which this agreement relates, if the Investment Manager acted in good faith and in a manner it reasonably believed to be within the scope of the Offering Memorandum. However the Investment Manager shall not be

relieved of liability in respect of any claim, issue or matter arising out of its gross negligence or wilful misconduct in the performance of its duties to the Fund. Due to administrative reasons, all the account interests received by the fund in all its bank accounts will be paid in favor of Option Strategist Asset Management.

ADMINISTRATOR

IFCE is incorporated and has its operational facilities in Curacao, Netherlands Antilles. Curacao is one of the oldest and most established jurisdictions for international financial services, serving many of today's leading global financial institutions. As one of five Caribbean islands comprising the Netherlands Antilles, Curacao is an integral part of the Kingdom of the Netherlands. As such, Curacao offers a high degree of political and economic stability, and an efficient and reliable legal system based upon Dutch law. Curacao's financial system is overseen by the Central Bank of the Netherlands Antilles in an environment respected for its security, confidentiality and stability.

Administration Agreement

Pursuant to the Administration Agreement, the Administrator provides services to the Fund including providing the registered office of the Fund, maintaining the register of shareholders of the Fund, receiving and processing subscription agreements or applications, submitting to shareholders a statement of their holdings in the Fund at the latest valuation date upon request, calculation of net asset value, maintenance of accounting reports, preparation of financial statements for audit purposes and liaison with auditors.

The Administration Agreement provides for the indemnification of the Administrator and its directors, officers and employees under certain circumstances. The Fund shall indemnify the Administrator and prevent it from incurring any expense, loss, liability or damage arising out of any claim asserted or threatened to be asserted by any third party in connection with the Administrator's serving or having served as such pursuant to the Administration Agreement; provided, however, that the Administrator shall not be entitled to such indemnification with respect to any expense, loss, liability or damage which was caused by the Administrator's own negligence, wilful misconduct or reckless disregard of its duties in accordance with the Administration Agreement. Subject to receiving a written undertaking from the Administrator to repay any amounts advanced to it to investigate and/or defend any such claim in the event of a subsequent determination that indemnification hereunder is not required or permitted, the Fund shall advance to the Administrator the reasonable costs of investigating and/or defending any such claim. In the event that the Administrator is or becomes party to any action or proceeding in respect of which indemnification may be sought, the Administrator shall promptly inform the Board of Directors of the Fund. Following such notice, the Fund shall be entitled to participate therein (if so determined by resolution of its Directors) and, to the extent that the Fund may wish, to assume the defence. After notice from the Directors of an election so to assume the defense thereof, the Fund will not be liable to the Administrator in connection with the defense thereof other than the reasonable cost of investigation. The Fund shall not be liable hereunder for any settlement of any action or claim effected without the consent thereto approved by resolution of a majority of the Directors of the Fund who are not employees of, or otherwise affiliated with, the Administrator. The Fund or the Administrator may terminate the Administration Agreement upon 60 business days' written notice.

The Administrator is entitled to the fees set out under the heading "Fees & Expenses" in respect of its services under the Administration Agreement. The Administration Agreement is governed by the laws of the British Virgin Islands.

AUDITOR

The Fund has appointed KPMG to audit its financial statements. KPMG is a member of a global international professional services firm. The annual audited financial statements of the Fund will be prepared in accordance with

International Accounting Standards. The first set of audited financial statements, which will be made available to shareholders, will cover the inaugural period of trading until 31 December 2006.

CUSTODIAN

The Fund has appointed Citigroup, Reuterweg 16, Westend-Süd, Frankfurt am Main, Germany as its custodian.

Citi is today's pre-eminent financial services company and was built to create a highly diversified financial services company that could act as one to deliver solutions to clients throughout the world.

With the most diverse array of products and the greatest distribution capacity of any financial firm in the world, 350,000 employees manage 200 million customer accounts across six continents in more than 100 countries.

THE SPONSOR - SEC Asset Management Limited

The Fund has entered into an agreement with SEC Asset Management Limited to act as Sponsor to the Fund. Under the terms of the agreement between the Fund and the Sponsor, the Sponsor shall have the responsibility and discretion to appoint the Investment Manager to the Fund.

Under the terms of the Agreement between the Fund and the Sponsor, the Agreement may be terminated by three months written notice given by either party to the other.

Under the terms of the Agreement between the Fund and the Sponsor, the Sponsor confirms to the Fund that it has obtained all necessary authorisations, licenses or consents from all appropriate regulatory authorities to enable the Sponsor to promote, market and introduce potential investors to the Fund under the terms of the Agreement and undertakes to maintain such authorisations, licenses and consents in full force and effect during the duration of this Agreement. The Sponsor will notify the Fund immediately of any actual or threatened contravention of any such legal or regulatory requirement and, notwithstanding any termination of this Agreement, will indemnify the Fund against any loss or liability suffered by the Fund as a result of such contravention.

The activities of the Sponsor in introducing potential investors to the Fund will not require the Fund to obtain any authorisation, license or consent from any regulatory authority in any relevant jurisdiction in order for the Fund to promote itself to such potential investors. The Sponsor will notify the Fund immediately of any actual or threatened contravention of any such legal or regulatory requirement and, notwithstanding any termination of the Agreement, will indemnify the Fund against any loss or liability suffered by the Fund as a result of such contravention.

FUTURES CLEARER

The Fund has appointed Citigroup as Custodian and Interactive Brokers as Broker, through which the Fund may execute, clear and settle transactions in securities, futures and options.

Interactive Brokers conducts its broker/dealer and proprietary trading businesses on over 70 market destinations worldwide. In its broker dealer agency business, IB provides direct access ("on line") trade execution and clearing services to institutional and professional traders for a wide variety of electronically traded products including stocks, options, futures, forex, bonds and funds worldwide. In its proprietary trading business IB engages in market making for its own account in about 6,500 different electronically traded products.

Interactive Brokers' headquarters are in Greenwich Connecticut, and it has about 650 employees in its offices in the USA,

Switzerland, Canada, Hong Kong, UK, Australia, Hungary, Russia and Estonia. IB is regulated by the SEC, FINRA, NYSE, SFA and other regulatory agencies around the world.

NET ASSET VALUE

The Administrator will determine the Net Asset Value of the Participating Shares on the close of business, the third Friday of each calendar month. The NAV calculation could be delayed until the end of the month. For all purposes of the Fund, including the determination of subscription and redemption prices, the Net Asset Value per Participating Share on any Valuation Day shall be determined in accordance with Swiss Accounting Standards and shall take into account the following:

- (i) the value of its portfolio securities, namely the value of the Fund's accounts with its Futures Clearer which consists of cash balances and any open positions valued at market on closing and other assets, determined by the settlement price of all securities on the Valuation Day;
- (ii) the value of its liabilities, including all accrued expenses, brokerage commissions and interest expenses; all the interests received by the Fund in its accounts (bank and broker accounts) will not be part of the NAV, because are used as sponsor fee.
- (iii) both realized capital gains and losses;
- (iv) accrual for the Investment Manager's compensation and other accruing expenses, (see "Fees & Expenses");
- (v) Cash in the Fund's bank and Futures Clearer accounts.

In valuing the Fund's assets for this purpose, each investment will be valued at the last reported closing price on the representative exchange on which it is traded. If a closing price is not available on such date, however, the value of such investments will be the last reported bid quotation therefore on such date, or if a bid quotation is not available for such date, at the most recent bid quotation available for such investments.

The Net Asset Value per Participating Share shall be calculated by dividing (a) the total asset value of the Fund Share minus the total liability value of the Fund divided by (b) the total number of outstanding Participating Shares.

If such quotations are not readily available or if the Directors determine that they do not fairly represent the value of an investment, an investment will be valued using methods determined in good faith by the Directors, after consultation with the Investment Manager. Certain short-term investments having a maturity of 90 days or less, which the Directors deem to be cash equivalents, will be valued at cost, plus accrued interest or discount earned.

The books of the Fund will be expressed in Euro The value of assets and liabilities denominated in currencies other than Euro will be converted in Euro at rates quoted by independent sources.

In calculating the Net Asset Value for futures contracts and exchange traded options the Administrator relies upon the quotations provided by the relevant broker. In determining the Net Asset Value per Participating Share the Administrator is entitled to rely upon the information provided to it by the broker to the Fund. If such quotations are not readily available to the Administrator or if the Directors determine that they do not fairly represent the value of an investment, an investment will be valued using methods determined in good faith by the Directors, after consultation with the Investment Manager. Certain short-term investments having a maturity of 90 days or less, which the Directors deem to be cash equivalents, will be valued at cost, plus accrued interest or discount earned.

In determining the Net Asset Value per Participating Share the Directors, the Administrator or any authorised agent may

consult with, and are entitled to rely upon the advice of the Futures Clearer and Option Strategist Asset Management Ltd. Under no circumstances will the Director, the Administrator, the Futures Clearer, any authorised agent of any of them, or any individual associated with any of them, incur any liability or responsibility for any determination made or other action taken or omitted by them in good faith.

Valuation Day

The Valuation Day for the Fund will be the close of business on the third Friday of each calendar month, or such other business day or days of a month as the Directors may from time to time designate. If such a day is a public holiday in the E.U., the Valuation Day will be the nearest preceding day that is not a public holiday.

The Administrator will prepare a valuation within five business days of each valuation date.

Price

The subscription and redemption price per Share for the Participating Shares will be the Net Asset Value per Share determined on the Valuation Day, except during the period to the first Closing Date of the Offering, when the Initial Offering Price applies.

FEES & EXPENSES

Management Fee

The fund will not pay any management fee to the investment manager. The Investment Manager will be responsible for all fees payable to appointed Trading Advisors. All the interests received by the Fund in its accounts (bank and broker accounts) will not be part of the NAV, because are used as sponsor fees.

Performance Fee

The Investment Manager will receive a Performance Fee equal to 30% per month on the total “New Net Trading Profits” attributable to the Investment Manager or appointed Trading Advisor(s) in any valuation period. New Net Trading Profits” means realised / unrealised gains and all interest earned minus realised and unrealised losses, brokerage, commissions, exchange fees and interest paid. If the New Net Trading Profit during any financial accounting period is negative, that negative amount will be a carry forward loss and must be recouped before a Performance Fee is payable.

If the New Net Trading Profit is negative, that negative amount will be a carry forward loss and must be recouped before an Incentive Fee is payable. The system used by the administrator to calculate the Performance Fee is the Relative High Water Mark. The Performance Fee will be calculated and accrued monthly and paid monthly in arrears. The Performance Fee payment will represent the accrued fee at the end of every month.

The fund pays 20.000€ monthly for structural costs.

Under the terms of the Investment Management Agreement, the services of the Investment Manager to the Fund are not deemed to be exclusive and the Investment Manager is free to render similar services to others.

Under the Management Agreement, the Fund will Indemnify the Investment Manager against expenses, including legal fees, and against all judgments, fines and amounts paid in settlement and reasonably incurred in connection with legal, administrative or investigative proceedings, except that the Investment Manager will not be indemnified against any liability to which it would otherwise be subject to by reason of wilful misfeasance, bad faith or gross negligence in the performance of its duties, or reckless disregard of its obligation and duties under the Management Agreement.

Administration Fee

The Administration Fee will be 60.000\$ per annum, calculated on each Valuation Day and paid monthly. This fee could change if the administrator change in the future, and its costs will be determined by market prices.

The Administrator shall also receive all reasonable expenses incurred in carrying out its duties as administrator to the Fund.

Audit Fee

The Auditor will receive an annual fee to be negotiated by the Directors on the basis of current market fees for similar work.

Intermediary / Sales Fee

Investors who are introduced to the Fund through an intermediary may be charged a sales fee up to 5%, which will be deducted from the subscription. This is not to influence the Fund's NAV.

Expenses

The Fund will bear reasonable expenses attributable to it including, but not limited to, the following where applicable:

- (i) Standard bank and broker fees incurred for business transactions.
- (ii) Interest on financing and all applicable taxes.
- (iii) Futures Clearer and depository charges.

SUBSCRIPTIONS**The Shares**

The minimum subscription to the Fund is as defined in the Offering Summary for the US equivalent of 100,000. Subsequent investments may be made in increments, which are equal to € 5,000.

The Shares are being offered, and the Fund's Directors reserve the right to reject any subscription, in whole or in part, or to the withdrawal of the Offering, in whole or in part, at any time.

There is no minimum number of Shares which must be sold in order to activate the Fund. Shares will continue to be offered and sold for an indefinite period. Participating Shares will not be available to United States of America persons or entities.

The Shares carry no voting rights nor right to receive notice of or attend any general meeting of the Shareholders.

The Fund will not issue share certificates in respect of the shares, although the Directors of the Fund have discretion to issue registered share certificates under special circumstances. Shares will be issued in registered form.

The Administrator will acknowledge and confirm an investment by mailing an acknowledgment on receipt of the Subscription Agreement and confirmation of receipt of the Subscription monies. On confirmation of the Net Asset Value of the Shares following subscription, conversion or redemption, a confirmation will be mailed detailing the number of shares purchased or redeemed, the Share's Net Asset Value on the date of purchase or redemption and the reference number relating to the purchase or redemption. Acknowledgments can be mailed, faxed or held on behalf of the investor.

Cash Subscriptions

Cash subscriptions are payable in Euro only and must be wired by telegraphic transfer to the Fund's bank account, as per the wire details provided in the 'Subscription Agreement'. Subscriptions will be accepted into the Fund, subject to the approval of the Directors, on the Valuation Day following the date of receipt of subscription monies into the Fund's bank account. Subscription monies must be received into the Fund's bank account THREE (3) business days prior to the requested Valuation Date.

No registration statement has been filed with any regulatory body.

Investors may not otherwise transfer shares without prior written consent of the Fund (see “Transfer of Shares”).

Minimum Period of Investment

Investors may redeem Shares in the Fund on a monthly basis and on an applicable Valuation Day. All redemptions are subject to the discretion of the Directors to suspend redemption rights. (See “Redemptions”).

Private Placement, Restrictions on Transfer

The Shares are only being offered to professional investors, as set out on page 11. In addition to the prohibition on transfers to United States of America persons or entities, Shareholders may not otherwise transfer Shares without the prior written consent of the Fund (see “Transfer of Shares”).

Transfer of Shares

A Shareholder who desires to transfer Shares must provide the Administrator with a detailed explanation of the proposed transfer. The proposed transferee is required to sign a copy of the Subscription Agreement, whereby such transferee will furnish representations to the Fund with respect to the Shares transferred. Each transferee is required to satisfy the same eligibility requirements and furnish the same information that is required in connection with a direct subscription in order for a transfer application to be considered by the Fund.

A transfer is not subject to any early redemption fee.

The Directors of the Fund will not permit a transfer of Shares that would result in Shares being held by (a) any person in breach of the law or requirements of any country or governmental authority, or the requirements imposed by the NASD or any securities brokers with which the Fund conducts business, or (b) any other circumstance appearing to the directors to be relevant and that in the opinion of the directors might result in the Fund or the Shareholders as a whole being subjected to adverse pecuniary, legal, material administrative, tax or regulatory consequences under the laws of any country or other jurisdiction.

Anti-Money Laundering Procedures

Measures aimed towards the prevention of money laundering may require a subscriber to the Fund to verify his identity to the Administrator. This obligation is absolute unless (i) the subscriber is being introduced via a recognised financial intermediary or (ii) payment is made through a banking institution, which in either case is in a country with equivalent money laundering regulations.

The Administrator will notify a subscriber if proof of identity is required. By way of example, an individual may be required to produce a copy of a passport or identification card duly certified by a public authority, such as a notary public, the police or the ambassador in his country of residence, together with evidence of his address, such as a utility bill or bank statement. In the case of corporate subscribers, this will require the production of a certified copy of the Certificate of Incorporation (and any change of name), By-Laws, Memorandum and Articles of Association (or equivalent), the names and addresses of the directors and beneficial owners.

The Administrator reserves the right to request such information and documentation as is necessary to verify the identity of a subscriber to ensure compliance with the anti-money laundering provisions of the British Virgin Islands. This may result in a subscriber being issued Participating Shares on a Dealing Day subsequent to the Dealing Day on which the subscriber initially wished to have the Participating Shares issued to him.

By applying for the Participating Shares an investor acknowledges that the Administrator will not be held responsible by the investor for any loss arising as a result of a failure to process the subscription application if such information as has been requested by the Administrator has not been provided by the investor.

REDEMPTIONS

Investors can redeem Shares in the Fund on a monthly basis.

Subject to the following restrictions, investors may redeem Shares as of any Valuation Day (as defined above).

Minimum Redemption

The minimum number of Shares, which will be accepted for redemption, must be equal to a net redemption value of not less than € 5,000. In the circumstances where the net redemption value of an investors entire holding of shares in the Fund is less than € 5,000 the total holding must be redeemed.

The Investment Manager may however, at his sole discretion and for reasons relating to liquidity, negotiate with large investors a longer redemption notice period. The prices for the Shares on any redemption will be the Net Asset Value per Share as of such Valuation Day multiplied by the number of Shares being redeemed. See section "Net Asset Value", above. A Redemption Notice must be received at least 10 business days prior to the redemption date requested. Redemption payments will be made within 15 business days of the applicable Valuation Day being declared.

All redemption proceeds will be paid to Shareholders in Euro.

Shareholders wishing to have their Shares redeemed should deliver to the Administrator, by completing and mailing or faxing, a written Redemption Request Notice.

Suspension or Delay of Payment

The Directors anticipate always having sufficient cash and marketable securities on hand to enable it to pay the redemption price for all shares for which redemption has been requested, but the Directors may, in their sole discretion and judgment, suspend the payment of, or from time to time delay the date fixed for payment with respect to, redeemed shares under the following circumstances:

- (a) If the Fund's banks are closed (other than weekend and holiday closings in the normal course of business), in which case the suspension or delay shall only be for that period of time during which such banks are closed; or
- (b) When circumstances exist as a result of which in the opinion of the Directors it is not reasonably practicable for the Fund to dispose of investments owned by it or as a result of which any such disposal would be materially prejudicial to shareholders.

In addition, should the total request for redemptions exceed the current liquidity of the Fund, such requests for redemption will be honoured on a pro-rata basis, up to such current liquidity. Requests for redemptions beyond the current liquidity of the Fund subject to suspension or delay of further payments will be carried forward, and honoured as soon as the liquidity position of the Fund permits. As redemption requests are met, the appropriate number of shares will be deducted from the total number of shares held by each shareholder on the share register, and the remaining shares shall remain recorded thereon. If the Directors decide to suspend or delay payment with respect to redeemed shares, the Directors shall within ten days of such a decision send notice of the decision to every shareholder who has given notice of redemption. No such suspension of payment or delay of the date of payment shall continue for more than 6 months beyond the date on which such redeemed shares are otherwise payable unless prior to such a three month period, a suspension or delay has been approved by an 80% majority of the Shareholders. No such suspension or delay in payment shall continue for more than twelve months beyond the date on which such redeemed shares are otherwise payable, unless prior to the expiry of such a twelve month period, the continuation of such a suspension or delay has been approved by 80% of the Shareholders. In the event that approval for suspension or delay of redemption payment is not achieved by the appropriate majority, the Directors shall inform the Investment Manager and Administrator of their intention to terminate the Fund in accordance with the Articles of Association. The Fund may enter into an agreement with any Shareholder or prospective Shareholder at

the time of subscription to restrict redemption, where the Shareholder or prospective Shareholder would become the holder of such number of Shares that, in the opinion of the Directors, a demand for redemption of all Shares at any one time could place the overall Fund, and remaining Shareholders, in a position of undue risk. In the event that redemption of Shares is suspended or that payment for redeemed shares is delayed:

- i. Shareholders shall retain all rights with respect to their Shares, including the right to vote, if applicable, and to receive distribution; and
- ii. In the event that Redemption Requests are not accepted by the Administrator on a Dealing Day because the Directors have suspended the right of holders of the Participating Shares to redeem them, those earlier Redemption Requests will have priority over subsequent Redemption Requests. On reinstatement of the redemption rights of the holders of the Participating Shares the Administrator will process unsatisfied Redemption Requests received in order of receipt. The payment of redemption proceeds will be made in accordance with the procedures applicable to Participating Shares, as detailed above.

The Fund shall inform Shareholders as soon as possible of any suspension of redemption rights in such a manner as it deems appropriate. Where possible all reasonable steps will be taken to bring any period of suspension to an end as soon as possible. Shareholders having requested redemption of their Shares shall be notified in writing of any such suspension of their Redemption Request and will be promptly notified upon termination of such suspension.

Compulsory redemption

Shareholders are required to notify the Administrator immediately if at any time they become US Persons or hold Shares for the account or benefit of US Persons. When the Directors become aware that a Shareholder is a US Person or holds Shares for the account or benefit of US Persons, the Directors may either (i) direct such Shareholder to transfer the relevant Participating Shares to a person who is qualified or entitled to own or hold such Shares or (ii) redeem the relevant Participating Shares.

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

TAX CONSEQUENCES

Under current British Virgin Islands law, no income tax should be imposed on the Fund or on investors in the Fund (who are not resident in the British Virgin Islands, and for these purposes a company incorporated under the International Business Companies Act (Cap 291) is not considered resident in the British Virgin Islands). There are currently no withholding, capital gains, estate or inheritance taxes imposed by British Virgin Islands law.

THE PROCEEDING DISCUSSION IS A SUMMARY OF SOME OF THE IMPORTANT TAX CONSIDERATIONS RELEVANT TO AN INVESTMENT IN THE FUND. IT DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OF ALL RELEVANT TAX CONSIDERATIONS OR A COMPLETE LISTING OF ALL POTENTIAL TAX RISKS INHERENT IN PURCHASING OR HOLDING SHARES. THIS DISCUSSION DOES NOT ADDRESS TAX CONSIDERATIONS AFFECTING INVESTORS ARISING IN THEIR HOME

JURISDICTIONS. PROSPECTIVE INVESTORS ARE URGED TO CONSULT WITH THEIR LOCAL TAX ADVISORS WITH REGARD TO THE TAX CONSEQUENCES IN THEIR HOME COUNTRIES OF AN INVESTMENT IN THE FUND.

REPORTS

The Fund will not issue share certificates in respect of the Shares. On confirmation of the Net Asset Value of the Shares following subscription, conversion or redemption a confirmation will be posted detailing the number of Shares purchased or redeemed, the Share's Net Asset Value on the date of purchase or redemption and a reference number relating to the purchase or redemption. Acknowledgments can be posted, faxed or held on behalf of the investor.

WARNINGS

IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS OFFERING DOCUMENT YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, COUNSEL AND ATTORNEY, ACCOUNTANT OR OTHER FINANCIAL ADVISER. THE PRICE OF THE SHARES MAY DECREASE AS WELL AS INCREASE.

CONSTITUTIVE DOCUMENTS

Variation of Class Rights & Changes to Share Capital

If at any time the authorised capital is divided into different classes or series of shares, the rights attached to any class or series (unless otherwise provided by the terms of issue of that class or series) may, whether or not the Fund is being wound up, be varied with the consent in writing of the holders of not less than two-thirds of the issued shares of that class or series and of the holders of not less than two-thirds of the issued shares of any other class or series of shares which may be affected by such variation.

The Fund may change the share capital by dividing the shares, including issued shares, of a class or series into a larger number of shares of the same class or series; or combining the shares, including issued shares, of a class or series into a smaller number of shares of the same class or series, provided, however, that where shares are divided or combined, the aggregate par value of the new shares must be equal to the aggregate par value of the original shares.

Documents Available for Inspection

The following documents may be inspected free of charge, during normal business hours, at the registered office of the Fund and for a period of fourteen days from the date of this document or for the duration of any offer to which this document relates, at the offices of Euroption Strategic Fund Limited, Trust Offices, P.O. Box 3540, Road Town, Tortola, British Virgin Islands:

- i) Certificate of Incorporation of Fund;
- ii) Memorandum and Articles of Association of the Fund;
- iii) Audited Financial Accounts;
- iv) Offering Memorandum to the Fund;
- v) Material Contracts as referred to herein;

- vi) Auditor's letter of consent;
- vii) International Business Companies Act of the British Virgin Islands.

Miscellaneous

No share or loan capital of the Fund is under option or has been agreed conditionally or unconditionally to be put under option. The Fund is not, and has not been since its incorporation, engaged in any litigation or arbitration and the Directors are not aware of any litigation, arbitration or claims pending or threatened against the Fund. Clause 4 of the Fund's Memorandum of Association states that the object for which the Fund is established is to engage in any act or activity that is not prohibited under any law for the time being in force in the British Virgin Islands.

Additional Information

The business and affairs of the Fund shall be managed by the directors and the directors may exercise such powers as are not by the International Business Companies Act (Cap 291) or under the Companies Act (Cap 285) or by the Memorandum and Articles of Association of the Fund, required to be exercised by the holders of the Ordinary Shares.

Resolutions approved at a duly convened and constituted meeting of the directors can be passed by a majority vote of the directors present at the meeting who voted.

In accordance with their responsibilities as directors for managing the business and affairs of the Fund, the directors may borrow money for organisational and administrative purposes, including the payment of redemptions up to a maximum of 20% of the Net Asset Value of the Fund, after providing for redemptions.

Each director shall hold office until his successor takes office or until his earlier death, resignation or removal. A director may be removed from office, with or without cause, by a resolution of members or a resolution of directors.

The Fund does not distribute any kind of fixed return or dividends because the results of the Fund are solely reflected in the value development of the NAV per share

SUBSCRIPTION AGREEMENT

Investors should be aware that in signing this subscription agreement they are confirming that they have read and understood the Offering Memorandum. The Fund will not distribute a subscription agreement to an investor (that is not an existing investor) unless accompanied by the Offering Memorandum.

To IFCE Fund Services, Ara Hill Top Building, Pletterijweg Oost 1, Curaçao, Netherlands Antilles.

fax : +1 (786) 228 0258

Name of Purchaser

This will confirm our understanding pursuant to which you have agreed to purchase Non-voting Participating Shares (the “Participating Shares”) of the Euroption Strategic Fund Ltd, (the “Fund”). Capitalized terms used in this Agreement which are not defined herein have the meanings given to them in the Offering Memorandum of the Fund (the “Memorandum”), which accompanies this Agreement.

1. Subscription and Sale

1.1 Subscription

Subject to the terms and conditions of this Agreement and the Offering Memorandum and the provisions of the Memorandum and Articles of Association of the Fund, you irrevocably subscribe for, and agree to purchase, the number of Investor Shares which your investment indicated on the Signature Page of this Agreement at a purchase price equal to the share’s net asset value per share on the first Valuation Day following the Fund’s receipt of your subscription. With your submission to the Fund of this Agreement, you are concurrently wiring the amount of your investment, payable in Euro, to the Fund’s account as noted below. In all instances the exact name of the Shareholder should be indicated:

1.2 Acceptance or Rejection of Subscription

This Agreement will either be accepted, in whole or in part, or rejected by the Fund as promptly as is practicable. If this Agreement is rejected for any reason, including, without limitation, the termination of this Offering by the Fund, this Agreement and all funds tendered with it promptly will be returned to you, without interest or deduction, and this Agreement will be void and of no further force or effect. Receipt of funds wired with this Agreement will not constitute acceptance of this Agreement.

1.3 Purchase and Sale

The Directors will have complete discretion in determining the Acceptance Date which will be no earlier than satisfactory receipt of a properly completed and executed Subscription Agreement and clearance of the subscription monies. The Administrator will confirm your investment by returning to you a subscription confirmation report indicating the number of Investor Shares purchased, the Fund’s Net Asset Value per share on the date of purchase and your account number.

1.4 Acceptance to be treated as a Professional Investor

You hereby declare that in subscribing for Shares in the Fund you are a Professional Investor within the meaning of the Mutual Funds Act, Act No. 6 of 1996 of the British Virgin Islands (as amended) in that:

- My/our ordinary business involves, whether for my/our own account or the account(s) of an other(s), the acquisition or disposal of securities of the same kind as the securities, or a substantial part of the securities which is (or will be) owned by the Fund, as detailed in the Offering Memorandum; or
- My/our net worth (in the case of a natural person, whether individually or jointly with my spouse) exceeds one million dollars in United States currency (U.S. \$1,000,000) or its equivalent in any other lawfully recognized currency, and we consent to being treated as a Professional Investor for the purposes of investment in the Fund.

2. Representations and Warranties of the Purchaser

You represent and warrant to the Fund as follows:

2.1 Non-Registration

You acknowledge that the Shares to be acquired by you are not and will not be registered under the Securities Act of 1933 (the “Act”) of the United States or the securities laws of any other jurisdiction in reliance on exemptions from such registration, and that such reliance is based in part on your representation, warranties and agreements set forth in this Agreement.

2.2 Information

You have received, carefully read and understood the Offering Memorandum. You have had an opportunity to ask questions of and receive satisfactory answers from the Fund concerning the terms and conditions of an investment in the Investor Shares and all such questions have been answered to your full satisfaction. You have received no representations about the Fund other than those contained in the Offering Memorandum.

2.3 Investment Intent; Limitations on Resale

You are acquiring shares solely for your own account, for investment and not with a view to, or for resale in connection with, any distribution. No application has presently been made for listing on any stock exchange. The Investor Shares may not be sold, transferred or otherwise disposed of (other than by redemption by the Fund) except with the prior written consent of the Fund and in compliance with any applicable securities laws (see “Section 3”).

2.4 Nature of Investment

You understand that your investment in the Fund is subject to certain risks and that no government agency has reviewed, made any recommendation or endorsement, or guaranteed, directly or indirectly, the return of capital or income with respect to the Investor Shares.

2.5 Not a United States Person

You are not a national, citizen, resident or domiciliary of the United States of America or, if you are not a natural person, you are not a corporation, partnership, trust or other entity chartered or organized under the law of such jurisdiction. The address set forth on the Signature Page of this Agreement is your true address. If any of the foregoing ceases to be true, you will promptly notify the Fund of the facts pertaining to such changed circumstances.

2.6 Experience; Financial Ability

You, or if you are a corporation, partnership, trust or other entity, you and through your officers, directors, trustees, employees or other advisors, (i) are experienced in evaluating companies such as the Fund, (ii) have determined that the Shares are a suitable investment for you and (iii) have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of your investment in the Fund. You have the financial ability to bear the economic risks of your entire investment for an indefinite period.

2.7 Due Authority, Etc.

If you are a corporation, partnership, trust or other entity: (a) you are duly organized, validly existing and in good standing under the laws of the jurisdiction of your formation and have all requisite power and authority to own your properties and assets and to carry on your business, (b) you have the requisite power and authority to execute this agreement and to carry out the transactions contemplated hereby, (c) your execution and performance of this Agreement does not and will not result in any violation of, or conflict with, any term of your charter, by-laws, partnership agreement or indenture of trust, as the case may be, or any instrument to which you are a party or by which you are bound or any law or regulation applicable to you, (d) your execution and performance of this Agreement has been duly authorized by all necessary corporate and other action and (e) the individual who has executed this Agreement on your behalf was duly authorized to do so by all requisite corporate or other action and, on request of the Fund, you will furnish appropriate evidence of the authority of such individual to act on your behalf.

2.8 Reliance on Own Advisors

You confirm that, in making your decision to invest in the Fund, you have relied, as to legal and tax-related matters concerning the investment, on independent investigations made by you and any advisor or representative that you may have consulted, including your own legal, tax and other advisors, and that you and your advisors or representatives have investigated your investment in the Fund to the extent you and they have deemed advisable.

3. Restrictions on Transfer

You agree that no sale, assignment, pledge, transfer or other disposition of any Shares (a “Transfer”) may be made without the prior written consent of the Fund, except, if you are a natural person, by will or the laws of descent and distribution, or if you are a corporation or other business organization, by operation of law pursuant to reorganization, and with the following conditions being satisfied:

(a) counsel for the Fund is of the opinion that the Transfer would not be in violation of the securities laws of any relevant jurisdiction or would not require the Fund to register or to seek an exemption from registration as an investment company.

(b) the transferee executes an instrument in form and substance satisfactory to the Fund whereby the transferee agrees to be bound by all of the provision of this Agreement and makes appropriate investment representations.

4. Redemptions

The Fund is open for redemption of all or part of your investment in accordance with the terms of the Offering Memorandum 02.

5. Miscellaneous

5.1 Entire Agreement

This Agreement sets forth our entire understanding with respect to its subject matter, merges and supersedes any prior or contemporaneous understanding among us with respect to its subject matter, and will not be modified, amended or terminated except by another agreement in writing executed by you and the Fund. Failure of a party to enforce one or more of the provisions of this Agreement or to require at any time performance of any obligations hereof will not be construed to be a waiver of such provisions by such party nor to in any way affect the validity of this Agreement or such party's right thereafter to enforce each and every provision of this Agreement, nor to preclude such party from taking any other action at any time which it would legally be entitled to take.

5.2 Binding Effect

This Agreement will be binding on the parties and their respective successors and permissible assigns.

5.3 Construction

References to Sections herein are to the sections of this Agreement. Headings used in this Agreement are for convenience only and will not be used in the construction of this Agreement.

5.4 Governing Law

This Agreement will in all respects be governed by and construed in accordance with the laws of the British Virgin Islands applicable to agreements made and fully performed in such jurisdiction. The parties hereto submit to the jurisdiction of the Supreme Court of the British Virgin Islands and every Competent Court of Appeal thereof to preclude such party from taking any other action at any time, which it would legally be entitled to.

SIGNATURE PAGE

INVESTORS COPY

NAME:

ADDRESS:

TELEPHONE N.:

FACSIMILE N.:

SIGNATURE (*1):

NAME & TITLE (*2):

SIGNATURE (*1):

NAME & TITLE (*2):

*1: To be completed if joint tenants in Common (if an individual) or where a second director/officer must sign

*2: To be completed only where an entity is investing

Please affix seal of the Company here:

Please complete details of your subscription:

Amount Remitted: Euro

Sales Fee: (%) Euro

Net subscription: Euro

Agreed and accepted by:

EUROPTION STRATEGIC FUND LIMITED

Administrator: Date:

Additional Information:

In order to facilitate any requests for redemption, please complete your specific mandate and banking instructions below: Persons authorized to request redemption of your investment from the Company (you may alternatively enclose a copy of your company resolution):

Name: Signature:

Name: Signature:

Name: Signature:

Banking Instructions

Name of Bank

Address of Bank

Bank Code

Account Name

Account Number

Euroption Strategic Fund account details:

Name of Bank: Credit Suisse

Address of Bank: Bahnhofstrasse 17 - Zug (CH) 6301

BIC code: CRESCHZZ63A

IBAN: CH9704835009419542000

BY SIGNING THIS AGREEMENT I/WE CONFIRM THAT WE HAVE READ AND FULLY UNDERSTAND THE PLACEMENT OFFERING MEMORANDUM RELATING TO EUROPTION STRATEGIC FUND.

SIGNATURE PAGE

ADMINISTRATORS COPY

NAME

ADDRESS

TELEPHONE N.

FACSIMILE N.

SIGNATURE (*1)

NAME & TITLE (*2)

SIGNATURE (*1)

NAME & TITLE (*2)

*1: To be completed if joint tenants in Common (if an individual) or where a second director/officer must sign

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Name:	Signature:
Name:	Signature:
Name:	Signature:

Banking Instructions:

Name of Bank
Address of Bank
Bank Code
Account Name
Account Number

Euroption Strategic Fund account details:

Name of Bank: Credit Suisse

Address of Bank: Bahnhofstrasse 17 - Zug (CH) 6301

BIC code: CRESCHZZ63A

IBAN: CH9704835009419542000

BY SIGNING THIS AGREEMENT I/WE CONFIRM THAT WE HAVE READ AND FULLY UNDERSTAND THE PLACEMENT OFFERING MEMORANDUM RELATING TO EUROPTION STRATEGIC FUND LIMITED

To be signed and sent to the administrator at the following fax number: +1 (786) 228 0258

REDEMPTION REQUEST NOTICE

Request for Redemption

Date:

I/We hereby request redemption of all or a portion of my/our Participating Shares in accordance with the instructions provided below and subject to the terms and conditions of the Placement Memorandum of the Fund.

Redemption details.

Please complete Participating Share Class 'A' Euro

Number of Shares

or Amount

Banking Particulars

Proceeds in respect of this redemption are to be remitted to:

NAME OF BANK

ADDRESS

ABA NUMBER

ACCOUNT NAME

ACCOUNT NUMBER

Signatories - Persons authorised to request a redemption:

Name, (title if necessary) and Address of Shareholder Signatories of Shareholder(s)

To be signed and sent to the administrator at the following fax number: +1 (786) 228 0258