

INVESTMENT MANAGEMENT

CREDIT & LIQUIDITY DUE DILIGENCE DOCUMENT

Please complete all questions using additional pages if required to fully articulate your answers.

Insured Entity:

Principal Address:

1. Does the Entity invest any of its customer's assets in RMBS, CDOs, ABSs, CLOs, CDSs or any other credit derivative instruments?

YES NO

If "Yes", does the entity provide any type of disclosure letter, or make any specific statement to clients advising them of these types of investments in their portfolio other than the "Risk Factors" disclosed in a fund offering document?

YES NO

If "Yes" then please provide full details by attachment.

Please identify the amounts invested in each type of instrument detailed above:

2. Please describe the process followed to calculate the value of these instruments?

3. How regularly are these instruments re-valued?

4. Is an independent third party used to verify the values every time?

5. Has any fund or investment vehicle managed by the Entity suffered a reduction in NAV of 20% or more in the last 12 months?

If "yes", please provide detail:

6. Have any of the funds or strategies managed by the Entity suffered redemptions of greater than 15% of the funds under management from the individual fund or strategy in the past 12 months?

If "yes", please provide the detail as both an amount and a proportion of the assets in the fund or strategy affected.

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7. Do any of the funds the entity has responsibility for contain variable "lock-up" periods for redemption?

YES NO

If "Yes", please explain the process for valuation and equitable redemption between investors.

8. Do any funds the entity is responsible for contain redemption gates?

YES NO

If "Yes", please explain how you manage the tension between an investor's right to redeem his investment and the gate being triggered?

9. Has the Entity liquidated any funds, frozen any funds, or suspended redemptions on any funds?

YES NO

If "Yes" then please provide brief details:

10. Please confirm the following in respect of each fund managed by the Entity:-

- a. The current level of leverage in each fund:
- b. The maximum level of leverage allowed in each fund:
- c. The "normal" or "average" level of leverage in each fund:

11. a. How does the Entity finance the leverage detailed in 10. above?

b. When are the credit facilities due for renewal?

c. Have any loan covenants been breached? If "yes", please provide summary detail including the lenders response and the resulting implication(s) for the investment strategy?

d. Have any lenders withdrawn, refused to renew, or made material amendment to the terms of any credit facility offered to the Entity or any fund it manages? If "yes" please provide summary detail.

12. What is the liquidity of the assets in the portfolio's managed? Specifically:

a. What proportion of assets are held as cash or near cash?

b. Are any assets held that would take longer than 30 days to liquidate?

c. Have any assets been sold in the last 12 months to fund redemption requests rather than for investment purposes?

Claims/Circumstances:

1. Have there been or are there now pending, any claim(s), suit(s) or action(s) (including but not limited to any investigation) against any person or Entity proposed for insurance under the proposed policy in connection with any sub-prime products, practices or activities or relating to the ensuing credit crisis and/or liquidity issues?

YES NO

If "Yes" then please attach full details.

2. Does any person or Entity proposed for insurance under the proposed policy have knowledge or information of any act, error or omission which might give rise to any claim(s), suit(s) or action(s) under the proposed policy in connection with any sub-prime products, practices or activities or relating to the ensuing credit crisis and/or liquidity issues?

YES NO

If "Yes" then please attach full details.

WE HEREBY DECLARE THAT the above statements and particulars are true and complete to the best of our knowledge and that we have not suppressed or misstated any material facts and we agree that this application shall be the basis of any contract subsequently effected between the Proposer and the Underwriters.

Date

Signature

(Director)

Signing this document does not bind the Proposer to complete this insurance.