

Dear Investor,

The continuing turbulence in financial markets has led to reduced demand for high yielding credits and structured credits. The combination of deleveraging, write-downs, closed structured credit markets, balance sheet constraints and unsold inventory are all contributing to the continuing uncertainty in the financial system. These severe market uncertainties have given rise to a significant decrease in the available liquidity of the holdings in the Fund.

To protect the interest of the shareholders in the Fund, the management of the Fund has decided to suspend until further notice the purchasing and issuing of its own shares as set out in the General Notice (which is also published on our website) as redemptions could only be honored by way of selling holdings in a dysfunctional market.

We are disappointed that we cannot maintain the liquidity option normally available to investors, but hopefully you concur with us that this has been the right measure to take under the circumstances.

As always we are available for any questions you might have about the current state of the market or about the Fund specifically.

Best regards,
Faxtor Asset Management
26 January 2009