

LOM EQUITY GROWTH FUND LTD.

Incorporated as an exempted Company under the laws of the Cayman Islands March 13, 2000.

INFORMATION MEMORANDUM

Offering of Non-Voting Redeemable Participating Shares in a Mutual Fund

Minimum Initial Subscription:

Class A US\$50,000

Class B EUR€50,000

A total of 24,999,000 non-voting, redeemable participating Class A Shares (US\$0.001 Par Value) and 25,000,000 Non-Voting, Redeemable Participating Class B shares (€0.001 Par Value) (together, "Participating Shares") are listed on the Bermuda Stock Exchange.

The Listing Sponsor is LOM Capital Limited.

This Information Memorandum includes particulars given in compliance with the Listing Regulations of the Bermuda Stock Exchange for the purpose of giving information with regard to the offering of the Participating Shares. The Directors of the Company collectively and individually accept full responsibility for the accuracy of the information contained in this document and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts, the omission of which would make any statement herein misleading.

THE BERMUDA STOCK EXCHANGE TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS DOCUMENT, MAKES NO REPRESENTATIONS AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS WHATSOEVER ARISING FROM OR IN RELIANCE UPON ANY PART OF THE CONTENTS OF THIS DOCUMENT.

The Securities described in this confidential Information Memorandum have not been approved for offer or sale to the public under the securities laws of any country or jurisdiction.

Not for use or distribution in the United States of America.

**Dated July 6th, 2006
Updated January 1st, 2008**

NOTICE TO INVESTORS

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS DOCUMENT YOU SHOULD CONSULT YOUR ACCOUNTANT, SOLICITOR, OR OTHER INDEPENDENT PROFESSIONAL ADVISOR.

This Information Memorandum has been prepared in connection with the private offering and sale of non-voting redeemable participating shares ("Shares") by LOM Equity Growth Fund Ltd (the "Company").

The Directors of the Company are responsible for the accuracy of the information contained in this Information Memorandum and confirm that to the best of their knowledge and belief, having made reasonable enquiry, there are no facts the omission of which would make any statement contained in this Information Memorandum misleading.

RELIANCE ON INFORMATION MEMORANDUM

The Shares are offered solely on the basis of the information and representations contained in this Information Memorandum and any further information given or representations made by any person may not be relied upon as having been authorised by the Company or its Directors. Neither the delivery of this Information Memorandum nor the issue of Shares implies that there has been no change to the facts and representations contained in it since the date hereof.

This Information Memorandum is based on the law and practice in force in the Cayman Islands at the date hereof.

The Company has been registered as a regulated mutual fund pursuant to Section (4) of the Mutual Funds Law (2003 Revision) with the Monetary Authority of the Cayman Islands (the "Authority"). Such registration does not imply that the Authority or any other regulatory authority in the Cayman Islands has approved this Information Memorandum or the offering of Shares hereunder nor is it intended that they will.

Persons interested in acquiring Shares should inform themselves as to:

- (i) the legal requirements within the countries of their nationality, residence, ordinary residence or domicile for such acquisition;
- (ii) any foreign exchange restrictions or exchange control requirements which they might encounter on acquisition or disposal of Participating Shares; and
- (iii) the income tax and other taxation consequences which might be relevant to the acquisition, holding or disposal of Participating Shares.

RESTRICTIONS ON DISTRIBUTION

The distribution of this Information Memorandum and the offering of Participating Shares in certain jurisdictions may be restricted and, accordingly, persons into whose possession this Information Memorandum may come must inform themselves about and observe any such restrictions. This Information Memorandum does not constitute, and may not be used for the purposes of, an offer or solicitation by any person in any jurisdiction:-

- (i) in which such offer or solicitation is not authorised; or
- (ii) in which the person making such offer or solicitation is not qualified to do so; or
- (iii) to any person to whom it is unlawful to make such offer or solicitation.

Applicants for Participating Shares are required to declare that they are Eligible Investors (as defined herein) and the Directors may, in their discretion, reject any application. Holders of Participating Shares who cease to be Eligible Investors will be required to dispose of such shares either through redemption or by transfer to an Eligible Investor.

United Kingdom**United States**

The Company has not been and will not be registered under the Investment Company Act of 1940 of the United States and the Participating Shares have not been and will not be registered under the Securities Act of 1933 of the United States (as amended) (the "1933 Act") or the securities laws of any State of the United States. The Participating Shares may not be directly or indirectly offered, sold or delivered to any person in the United States or to or for the account or benefit of any "US Person" as defined herein, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the 1933 Act and any applicable State laws. Applicants for Participating Shares will be required to declare that they are not a US Person and are not applying for Shares on behalf of any US Person.

Cayman Islands

No invitation may be made to the public in the Cayman Islands to subscribe for the Participating Shares.

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DIRECTORY

ADMINISTRATOR	INTERNATIONAL CORPORATE MANAGEMENT OF BERMUDA Bermuda Commercial Bank 19 Par-la-Ville Road Hamilton HM11 Bermuda
AUDITORS	MARCUM & KLEIGMAN LLP Cayman Corporate Centre 27 Hospital Road P.O. Box 1748 George Town, Grand Cayman Cayman Islands, B.W.I.
CUSTODIAN	LINES OVERSEAS MANAGEMENT LIMITED The LOM Building 27 Reid St. Hamilton, HM11 Bermuda
INVESTMENT MANAGER	LOM ASSET MANAGEMENT LIMITED The LOM Building 27 Reid St. Hamilton, HM11 Bermuda
LEGAL COUNSEL (as to Cayman Law)	CHARLES ADAMS RITCHIE & DUCKWORTH P.O. Box 709 Zephyr House George Town, Grand Cayman KY1-1107 Cayman Islands, B.W.I.
PRIMARY EXCHANGE	BERMUDA STOCK EXCHANGE Washington Mall Church Street Hamilton, HMTX Bermuda
PRINCIPAL BANKER	BANK OF BUTTERFIELD 65 Front Street Hamilton, HMAX Bermuda
SECRETARY (Company Registered Office)	WATERSTREET CORPORATE SERVICES The Marquee Place Suite 300 Grand Cayman Cayman Islands, B.W.I.
SUB-CUSTODIAN	UBS AG Bahnhofstrasse 45 8098 Zurich, Switzerland
WEB SITE	http://www.lom.com

DEFINITIONS

“Alternative Investments”	Futures, options, forwards, swaps, hedge funds, derivatives;
“Articles of Association”	the Articles of Association of the Company;
“Business Day”	any day on which The Principal Banker (as defined herein) is open for cash transactions;
“Class A”	United States Dollar denominated shares for the Global Equity Class.
“Class B”	Euro denominated shares for the Euro Equity Class.
“Dealing Day”	Class A USD the last Business Day of each week, or if on such day US Banks are closed, the following Business Day. Class B EURO the last Business Day of each week, or if on such day European Banks are closed, the following Business Day.
“Directors”	the members of the Board of Directors of the Company for the time being and any duly constituted committee thereof and any successors to such members as they may be appointed from time to time;
“Eligible Investor”	an investor who satisfies the criteria for being eligible to subscribe for, or to hold, Participating Shares as set out on page 21;
“Investment Policy Committee”	a group of LOM Investment Professionals that meet regularly to determine the investment strategy of the fund.
“LOM Mutual Funds”	collectively and individually, the LOM Money Market Fund Ltd, the LOM Fixed Income Fund Ltd., the LOM Balanced Fund Ltd., the LOM Equity Growth Fund Ltd. (Class A, LOM Global Equity Fund and Class B, LOM Global Equity (Ex US) Fund)and such other funds as may be designated by the Investment Manager from time to time;
“Management Fee”	the management fee payable by the Company to the Investment Manager, as described on page 19;
“Management Shares”	Management Shares of par value US\$0.001 in the Company;
“Mutual Funds Law”	The Mutual Funds Law, as revised, of the Cayman Islands.
“Net Asset Value”	the net asset value of each class of Participating Shares in the Company as determined in accordance with the Articles;
“Net Asset Value per Share”	the Net Asset Value of the relevant class divided by the number of Participating Shares in issue or deemed to be in issue of that class;
“Participating Shares”	non-voting, redeemable participating shares of par value US\$0.001(Class A) and €0.001(Class B);
“Redemption Fee”	the fee, if any, payable to the Company by the shareholder calculated in the manner described on Page 24;

“Redemption Price”	the price per share at which Participating Shares are redeemed, calculated in the manner described on page 23;
“Shareholder”	a person recorded as a holder of shares of any class in the register of members of the Company;
“Special Situations Committee”	means the committee appointed by the Directors to carry out the functions more specifically set out on page 18;
“Subscription Price”	the price per Share at which Participating Shares are issued calculated in the manner described on page 21;
“US Person”	(a) any natural person who is a resident or citizen of the United States of America; (b) any partnership or corporation organised or incorporated under the laws of the United States or a state of the United States of America; (c) any estate of which any executor or administrator is a U.S. Person as defined in sub-paragraphs (a) and (b) herein; (d) any trust of which any trustee is a U.S. Person as defined in sub-paragraphs (a) and (b) herein; (e) any agency or branch of a foreign entity located in the United States of America; (f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person; (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or, if an individual, resident in the United States of America; or (h) any partnership or corporation if (i) organised or incorporated under the laws of any foreign jurisdiction and (ii) formed by a U.S. Person principally for the purpose of investing in securities not registered under the United States Securities Act 1933, as amended (the “Act”), unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the Act) who are not natural persons, estates or trustees (whenever such term is used in this document it shall have the meaning given in the Act).
“United States”	the United States of America (including the States and District of Columbia) and any of its territories, possessions and other areas subject to its jurisdiction;
“Valuation Day”	the Business Day on which the Net Asset Value is calculated (see Dealing Day).

In this Information Memorandum:

references to “US Dollars” and “US\$” are to dollars of the United States of America.

references to “CA Dollars” and “CA\$” are to dollars of Canada.

Reference to “Euros” and “€”, are to Euros of the European Union.

SUMMARY

The information set forth below should be read in conjunction with, and is qualified in its entirety by, the full text of this Information Memorandum and the documents referred to herein.

The Company	LOM Equity Growth Fund Ltd. is structured as an open-ended mutual fund designed to permit investors to participate in a professionally managed portfolio. The Company was incorporated under the laws of the Cayman Islands as an exempted company on March 13, 2000.
The Shares	This Information Memorandum relates to the issue of non-voting, redeemable participating shares by the Company. At the date of this Information Memorandum the Shares are divided into 2 classes, Class A and Class B.
Investment Objective	The Equity Growth Fund aims to maximise capital growth while taking account of risk. Class A: expressed in US dollars by investing primarily in the quoted equities of larger capitalisation companies worldwide. Class B: expressed in Euros by investing primarily in the quoted equities of larger capitalisation companies in Europe, the Far East and Australasia, excluding the US.
Investment Policy	The Company will seek to achieve its investment objective by purchasing equity securities whilst maintaining disciplined and effective money management strategies.
Offering of Shares	The Participating Shares are offered on a continuing basis on each Dealing Day at a price based on the Net Asset Value per Share.
Minimum Subscription	The minimum initial subscription is US\$50,000 (or equivalent of) and the minimum additional subscription by the same subscriber is US\$1 or, in either case, such lesser amount as the Directors may in any particular case determine.
Redemptions	Participating Shares are redeemable at the option of the Shareholder on any Dealing Day, upon at least one Business Day prior written notice to the Administrator, at the relevant Redemption Price.
Subscription/ Redemption Cut-off Time	17.00 (Bermuda time)
Eligible Investors	Subscribers for Participating Shares must be, and continue to be, Eligible Investors (as defined herein) and the Directors may reject any application at their discretion.
Investment Manager	LOM Asset Management Limited has been appointed as Investment Manager with responsibility to develop the investment strategy of the Company, to select and monitor the performance of the other service providers and for day to day management of the investment portfolio of the Company. LOM Asset Management is licensed to conduct investment business by the Bermuda Monetary Authority.
Custodian	Lines Overseas Management Limited has been appointed as Custodian of the investments of the Company.
Fees and Expenses	The Investment Manager will receive a Management Fee of 1.50% per annum of the Company's weekly Net Asset Value as described

on page 19. The Company will also pay its marketing and operating expenses including the fees of the Custodian and the Administrator.

Administrator

International Corporate Management of Bermuda Limited has been appointed as Administrator with responsibility for the day-to-day administration of the affairs of the Company including the processing of subscriptions and redemptions (share registration) and the calculation of Net Asset Values.

Auditors

Marcum & Kliegman LLP have been appointed auditors of the Company.

Reporting Currency

The Company will maintain its accounting records in class currency. Subscriptions and redemptions will be maintained in the designated class currency.

Financial Reports

The annual audited financial statements of the company are available on request as soon as they are completed after the financial year-end of the company, December 31.

THE COMPANY

INCORPORATION

The Company was incorporated as an exempted company under the laws of the Cayman Islands on March 13, 2000 and has its registered office at 2nd Floor, Waterfront Centre, 28 N. Church Street, George Town, Grand Cayman, Cayman Islands, BWI.

The Company is structured as an open-ended investment company limited by shares, having the power to issue or redeem non-voting redeemable participating shares (the "Participating Shares") at the relevant Subscription or Redemption Price based on their underlying Net Asset Value. The financial year-end of the Company is the 31st December and the Company has retained Marcum & Kliegman LLP to independently audit its annual financial statements.

The currency of designation of the Participating Shares shall be United States Dollars for Class A and Euros for Class B.

INVESTMENT OBJECTIVES, POLICIES AND RESTRICTIONS

The primary investment objective of the Company is to achieve above-average long-term capital appreciation and dividend income while controlling risk through diversification by company, industry, region and currency. Accordingly, the Fund will pursue a global asset allocation strategy with an emphasis on larger capitalisation companies. The benchmark for the portfolio will be the MSCI World Equity \$USD Index (MSCI World) for Class A and the MSCI EAFE index: Europe, Australasia and the Far East for Class B. It is the opinion of the Investment Manager that these indices most accurately represents the risk profile and base allocation of the Fund.

Geographic and sector allocations will be made relative to the indices quoted.. The Investment Manager will attempt to overweight countries and sectors that offer superior growth opportunities and underweight those that may under perform. While the main focus of the Company will be on developed stock markets, the Investment Manager may also invest a portion in Emerging Markets. Individual companies for investment will be selected based on a rigorous quantitative and qualitative research process. The ultimate goal of the Investment Manager is to select individual securities that offer capital growth at a reasonable price. In addition to equities, the Investment Manager may invest a portion of the portfolio in mutual funds, convertible fixed income securities and Alternative Investments. The currency exposure of the Company may be hedged if the Investment Manager feels it is warranted given current market conditions.

LOM EQUITY GROWTH FUND LTD. (Aggressive)	
Minimum Initial Subscription	US \$50,000 (or equivalent in euros)
Minimum Subsequent Subscriptions	\$1
Minimum Redemption	None
Dealing	Weekly (Friday, 17:30 AST)
Early Redemption Fee & Bank Fee	1% for first 12 months Wire fee may apply
Switching Fee	0.50% for first 12 months (unless transferring from class to class)
Management Fees	Up to 1.50% (currently 1.50%)
Administrator Fees	An annual fee of X/Y multiplied by Z, where: X = the net assets of the Company Y = the combined net assets of the LOM Money Market Fund Ltd., LOM Fixed Income Fund Ltd., LOM Equity Growth Fund Ltd., and LOM Balanced Fund Ltd. Z = the higher of US\$100,000 or 5 basis points multiplied by Y
Custodial Fees	Larger of \$3000 or 0.05%
Director Fees	An annual fee of X/Y multiplied by Z, where: X = the net assets of the Company Y = the combined net assets of the LOM Money Market Fund Ltd., LOM Fixed Income Fund Ltd., LOM Equity Growth Fund Ltd., and LOM Balanced Fund Ltd. Z = \$15,000
Other Fees	See section "FEES AND EXPENSES"
Lead Manager	Iraj Pouyandeh
Bloomberg Ticker	Class A = LOMEQGA KY Class B = LOMEQGB KY
Currency	Class A = USD Class B = EUR

INVESTMENT RESTRICTIONS

The investment policies of the Company include the following restrictions on investments that the Investment Manager is permitted to make:

- 1) The Company may not directly invest more than 5% of its Net Asset Value in an individual equity security.
- 2) The Company may not invest more than 25% of its Net Asset Value in Emerging Markets.
- 3) The Company's direct and indirect equity investments shall not be less than 65% of its net asset value nor shall equity investments exceed 125% of the Company's Net Asset Value.
- 4) The Company will not invest more than 10% of its Net Asset Value in cash and money market funds.
- 5) The Company's convertible fixed income allocation may not exceed 15%.
- 6) The Company may not invest more than 25% of its Net Asset Value in Alternative Investments.
- 7) The Company will not take legal or management control of any of the entities in which its underlying investments are made or acquire any securities carrying voting rights which would enable it to exercise significant influence over the management of any issuing body.
- 8) The limits on investment set forth above are deemed to apply at the time of purchase of the investments. If the limits set forth are subsequently exceeded as a result of market fluctuations or as a result of the exercise of subscription and redemption rights, the Company must adopt as a priority objective the remedying of that situation, taking due account of the interests of the Participating Shareholders.
- 9) The company may borrow up to 10% of its Net Asset Value to fund redemptions if necessary.
- 10) The company may invest in derivative instruments to manage risk and currency exposure.
- 11) The company may enter into short positions.

RISK FACTORS

The value of Participating Shares is subject to the performance of the investments of the Company and, accordingly, may fall as well as rise. There can be no assurance that the investment objective of the Company will be achieved and past performance is not necessarily a guide to performance in the future. Investment in the Company is not intended to be a complete investment programme for any investor. Prospective investors should carefully consider whether an investment in Participating Shares is suitable for them in light of their circumstances and financial resources.

Investors in the Company are warned that any investment in securities markets involves risk. Prospective investors should consider, amongst others, the following factors before subscribing for Participating Shares. This list is not exhaustive and there may be other risk factors not included below.

General Considerations. An investment in the Company involves some risk and may not be suitable for all investors. There is no guarantee that the Company will achieve its investment objective and Investors should recognise that investing in the Company involves special considerations not typically associated with investing in other securities.

Possible Limitations on Redemptions. Under certain circumstances the Directors of the Company may find it necessary to limit the right of Shareholders to have their Participating Shares redeemed (see “Redemptions” and “Suspension of Valuations”).

Liquidity and Market Characteristics. In some circumstances the securities in which the Company invests can be illiquid thereby making it difficult to acquire or dispose of these investments. In addition, the suspension by a fund of redemptions could make it impossible for positions to be realised and could thereby expose the Company to losses.

Lack of Independent Representatives. The Investment Manager has consulted with counsel, accountants and other experts regarding the formation of the Company. Such personnel are accountable to the Company only and not to the Shareholders. Each prospective investor should consult his own legal, tax and financial advisers regarding the desirability of an investment in the Participating Shares.

Liquidity Risks. Although, subject to certain restrictions and to the approval of the Directors, and subject to the holder’s right to redeem, the Participating Shares are transferable, there is no recognised market for the Participating Shares and any investment in the Participating Shares will have limited liquidity.

Conflict of Interest. Instances may arise where the interests of the Investment Manager or its principals or affiliates conflict with interests of the Company and its Shareholders. Such conflicts include the fact that the principals of the Investment Manager may be engaged in other substantial activities apart from the activities with respect to the Investment Manager or the Company and may therefore devote to the Investment Manager or the Company only as much time as is reasonably necessary, in their judgement, for their respective management. Prospective investors should also understand that the Investment Management Agreement and the Custodian Agreement have not been negotiated at arm’s length and that it is unlikely that the Investment Manager nor Custodian will be replaced or that additional advisers will be retained. Each of the above parties are closely associated with The LOM Group. Directors will seek to resolve all conflicts in a fair and reasonable manner.

The Company may invest in other funds managed by Lines Overseas Management Limited.

The Directors, officers and the various agents of the Company have substantial conflicts of interest which increase the risks of an investment in the Company. Such conflicts include the following:

- a) The Investment Manager may provide investment advisory and management services to other clients and entities whose interests may compete with or be different from those of the Company. The Investment Manager may also give advice or make investment for its own account or for other clients which may differ from the timing and nature of the investment services for the Company. Such activities may have an effect on the price of investments owned for the Company or which may be purchased for the Company. Furthermore, the Investment Manager may be in receipt of information through other activities which it will have no obligation to use, or may be prohibited from using, for the benefit of the Company. There may be insufficient investments of

any one type available for purchase by all entities for whom the Investment Manager provides investment services, in which case the investments available may have to be allocated pro-rata or otherwise fairly amongst such entities as determined by the Investment Manager.

- b) The Investment Manager will earn a fee based on the Net Asset Value of the Company. Such fee will be earned in respect of unrealised gains and a subsequent reduction in the Net Asset Value may mean that such fee would not otherwise have been earned. Such fee may also create an incentive to make investments that are more speculative than would be the case without such value-based fees.
- c) Certain Directors and officers of the Company are also directors, officers and/or employees of the Investment Manager and the Custodian. The fiduciary duty of the Directors to the Company may conflict with or be different from the interests of the Investment Manager or the Custodian. Excepting for these interests, no Director or officer of the Company has any interest in any contract material to the Company. These same parties hold or control the voting shares of the Company.
- d) Only the Management Shares owned by the Investment Manager have voting rights. Only the holders of the Management Shares can appoint and remove the Directors of the Company. Only the Directors of the Company may terminate the services of the Investment Manager, the Administrator, the Custodian and other agents of the Company.

Except for the contracts with agents of and service providers to the Company described herein there are no such contracts in which the Company is otherwise interested which are significant in relation to the business of the Company.

Currency Risk. The Net Asset Value of the Company will be calculated in U.S. Dollars (Class A) and Euros (Class B) for all purposes, including redemptions.

Absence of U.S. Regulation. The Company is not currently registered with, or regulated by, any securities or other governmental authority in the United States of America or any other jurisdiction. Thus, the benefits of such registration or regulation are not, and will not be, available to the Shareholders.

Amortisation of Organisational Costs. The financial statements of the Company will be prepared in accordance with generally accepted accounting principles in Bermuda and Canada, which permit the amortisation of organisational costs.

MANAGEMENT OF THE COMPANY

There is no litigation or claims of material importance pending or threatened against the Company.

BOARD OF DIRECTORS

The function of the Board of Directors (the “Directors”) is to manage and conduct the Company’s business operations, and review and be responsible for the activities of the Company. The Directors will supervise and determine the overall investment profile of the Company and will work in close association with the Investment Manager, calling upon the Investment Manager’s extensive knowledge to supply timely market information and advice.

The Directors will usually meet twice a year to review the investment and administrative affairs of the Company. The Directors are elected by the holders of voting shares of the Company to serve for an indefinite term in accordance with the Articles of Association until their resignation, death or removal. For all board meetings, four Directors will constitute a quorum. A 4/7 majority resolution of a quorum is required to change the investment policies of the Company.

There is no mandatory retirement date for Directors. Directors are not required to hold any qualification shares, and they are not permitted to borrow from the Company. In addition, there are no other contacts in which a Director has a material interest.

The following persons are Directors of the Company at the date of this Information Memorandum:

Donald P. Lines

Position: Chairman, LOM Group

Nationality: British (Bermudian)

Business Address: LOM Group, The LOM Building, 27 Reid Street, Hamilton, HM 11 Bermuda

Donald Lines is Chairman of the LOM Group of Companies and President of Millpoint Limited. Prior to forming Millpoint Limited, Mr. Lines was President and Chief Executive Officer of The Bank of Bermuda Limited until he retired in 1994 after 25 years of service. He is a Director and board member of several Bermuda-based investment and trading companies as well as a director of several companies listed on the London and Dublin Stock Exchanges. Mr. Lines has a distinguished record of community service and in 1989 was awarded an OBE by Her Majesty Queen Elizabeth II in recognition of his service to Bermuda.

Scott G. S. Lines

Position: Managing Director, LOM Group

Nationality: British (Bermudian)

Business Address: LOM Group, The LOM Building, 27 Reid Street, Hamilton, HM11, Bermuda

Scott Lines is Managing Director of the LOM Group of Companies and responsible for overall management of the LOM group. Mr. Lines has 18 years experience in the global financial markets. Prior to co-founding Lines Overseas Management Limited in 1992 he worked for The Bank of Bermuda Limited in fund management. Mr. Lines is on the Board of Directors of the Bermuda International Business Association. He is a member of the governing council of the Bermuda Stock Exchange and sits on the Executive Committee. He is also a director of the Financial Planning Association of Bermuda.

Christopher A. Rowlandson

Position: Retired

Nationality: British

Business Address: Websters Drive, P.O. Box 920 GT, Grand Cayman.

Christopher Rowlandson is an Associate of the Chartered Institute of Bankers. Born and educated in England, he has lived in the Cayman Islands since 1971 and has Caymanian Status. From 1980 until his retirement in 1999 he was Managing Director of Julius Baer Bank and Trust Company Ltd in Grand Cayman. He was also a Director of several institutional and private investment companies, from which he has gained experience in the management of funds and international investments. Prior to settling in the Cayman Islands his career was in international banking.

William D. Thomson

Position: Retired

Nationality: British (Bermudian)

Address: “North Winds” 10 Burgess Point Road, Warwick, WK04, Bermuda

Educated in Bermuda and Canada, Mr. Thomson retired as Executive Vice President of The Bank of Bermuda Limited in October 1994 after 40 years of service. Prior to joining the Bank of Bermuda, he was associated with the investment banking firm of Dominion Securities Corporation in Montreal, Canada and England. Mr. Thomson was appointed an Officer of the Bank of Bermuda in 1964 and Executive Vice President in 1990. He was responsible for the Bank’s investment division, international activities both in Bermuda and abroad, as well as for developing and maintaining relations with the Bank’s major customers, correspondent banks and regulatory authorities. He is a director of a number of insurance, shipping, investment and mutual fund companies. He is a past Chairman of the Bermuda International Business Association, a former Director of the Bermuda Monetary Authority, and a Fellow of the Institute of Directors.

Michael J. Mello, Q.C.,J.P.

Position: Senior Partner, Mello Jones and Martin

Nationality: British (Bermudian)

Address: 31 Pitts Bay Road, Pembroke, Bermuda.

Educated in Canada and England, Mr Mello was called to the bar of England and Wales in 1972, enrolling as a Barrister and Attorney in Bermuda in 1973. He was later appointed Justice of the Peace in 1987 followed by Queen’s Counsel in 1990. He has held many professional appointments of great standing during his career incorporating Magistrate, Arbitrator for the Bermuda Government, Chairman of the Price Control Commission and he was the Expert witness in several cases of note, one being on the law of Bermuda in the Federal Court of Canada in the case of Indalex Limited v Her Majesty The Queen in 1985. His career has led him also to be appointed on the Board of Directors for Bermuda Commercial Bank and The Bermuda Telephone Company (now Keytech) together with Chairman of the Commission for Unity and Racial Equality (C.U.R.E.) in 1995 and 1996. Mr Mello has been a senior partner in the firm of Mello Jones and Martin since inception in 1990.

INVESTMENT MANAGER

The Company has appointed LOM Asset Management Limited (a "local" company incorporated under and subject to the laws of Bermuda) as its Investment Manager. The responsibilities of the Investment Manager include the selection of suitable investments, the recommendation and monitoring of professional service providers and the promotion of the Company. The Investment Manager does not carry on mutual fund administration for the purposes of the Mutual Funds law and is not licensed under that law. LOM Asset Management Limited has never been subject to any criminal convictions or disciplinary action taken by a securities supervisory or other regulatory body.

The Investment Manager is experienced in the research and recommendation of leading offshore money managers. LOM Asset Management Limited and its team of professionals have been managing portfolios on a discretionary basis since 1998.

Directors and Management of LOM Asset Management Limited include Donald Lines, Scott Lines, Malcolm Moseley CFO, as well as the following:

Jonathan Heckscher

Position: Executive Vice President and Senior Portfolio Manager, LOM Asset Management Limited

Nationality: American

Business Address: LOM Asset Management Limited, The LOM Building, 27 Reid Street, Hamilton, HM11, Bermuda

Educated in The United States and England, Jon Heckscher is the Executive Vice President and Senior Portfolio Manager for LOM Asset Management Limited, the investment subsidiary of LOM (Holdings) Limited. As head of the portfolio management team, he is responsible for management of the LOM Fixed Income Fund, the LOM Balanced Fund, the LOM Money Market Fund as well as fixed income discretionary accounts. Prior to joining the LOM Group in 2000, Mr. Heckscher was in charge of cash management at STW Fixed Income Management, in Bermuda. He also gained experience while working as a Trust Specialist at The Mellon Trust Company, in Boston, Massachusetts. Mr. Heckscher is member of LOM Group's Investment Policy Committee.

Iraj Pouyandeh

Position: Portfolio Manager, Research & Senior Economist

Nationality: Canadian

Business Address: LOM Asset Management Limited, The LOM Building, 27 Reid Street, Hamilton, HM11, Bermuda

Iraj Pouyandeh is Portfolio Manager, Research and Senior Economist for the LOM Group of Companies. He is responsible for management of LOM's equity funds, equity portfolios, forecasting and analyzing financial market conditions as well as monitoring global economic developments and advising on asset allocation strategies. Prior to joining the LOM Group, Mr. Pouyandeh worked in Corporate Investments at Sun Life Assurance Company of Canada in Toronto advising on economic and financial outlook and strategy. He gained experience while working for the Ontario Ministry of Finance where he held the position of Research Officer and Senior Economist.

ADMINISTRATOR

The Fund has entered into an Administration Agreement (the “Administration Agreement”) with International Corporate Management of Bermuda Limited (the “Administrator”), a company incorporated under the laws of the Cayman Islands, to perform certain financial, accounting, corporate, administrative, registrar and transfer agency and other services on behalf of the fund. Certain personnel associated with the Administrator may serve as Directors of the Fund.

Pursuant to the Administration Agreement, it is the Administrator’s responsibility to administer and to account for the Fund’s day-to-day activities, to calculate the value of the Shares as of the last Business Day of each month, to inform the Shareholders of such value and to communicate to the Shareholders all other changes of substance. As Registrar and Transfer Agent for the Fund, the Administrator is responsible for the recording and processing of subscriptions, transfers and redemptions from Shareholders and for recording the pertinent Shareholder information in the Fund’s shareholder register. The Administrator may sub-contract some or all of these duties subject to prior approval by the Board.

The Administration Agreement shall continue in force until terminated by either party thereto on 90 days notice in writing to the other party and may be terminated by either party immediately by notice in writing to the other party (the “Defaulting Party”) if such other party at any time during the continuance of the Administration Agreement (i) commits any material breach of the Administration Agreement that is either incapable of remedy or has not been remedied within 30 days of the other party’s serving notice upon the Defaulting Party requiring it to remedy same; (ii) becomes unable to pay its debts as they fall due or otherwise becomes insolvent or enters into any composition or arrangement with or for the benefit of its creditors or any class thereof; (iii) becomes the subject of any petition for the appointment of a liquidator or similar officer to it; (iv) has a receiver appointed over all or any substantial part of its undertaking, assets or revenues; (v) becomes the subject of an effective resolution for its winding up except in relation to a voluntary winding up for the purposes of reconstruction or amalgamation upon terms previously approved in writing by the other party; or (vi) becomes the subject of a court order for its winding up.

In the absence of gross negligence, wilful default or fraud on the part of the Administrator or an agent thereof, the Administrator will not be liable for any loss arising as a result of the performance by the Administrator of its obligations and duties under the Administration Agreement. The Fund has agreed to indemnify the Administrator against losses suffered by the Administrator in the proper performance of its obligations and duties under the Administration Agreement, except for losses arising out of the gross negligence, wilful default, fraud or bad faith of the Administrator or an agent thereof in the performance or non-performance of its obligations and duties under the Administration Agreement.

The Fund pays fees to the Administrator for various administrative support services. Such fees are based on the standard schedule of fees charged by the Administrator for similar services. The Fund will also reimburse the Administrator out of the assets of the Fund for reasonable out-of-pocket expenses incurred by the Administrator. It should be noted that in relying on information furnished by other persons in performing services for the Fund, the Administrator is not responsible or liable for the accuracy of the underlying data. The Administrator in no way acts as guarantor or offeror of the investment described herein and is not responsible for the actions of the sales agents, trading advisors and clearing brokers the Board may select. The Administrator is not a sponsor or promoter of the Fund or this offering.

CUSTODIAN AND PAYING AGENT

Lines Overseas Management Limited has been appointed Custodian and paying agent of the Company and may appoint sub-custodians or other delegates to perform in whole or in part any of its duties. All investments and cash held in custody are the property of the Company and do not form part of the assets of the Custodian. The Custodian will not be responsible for valuing the investments or ensuring that the investment transactions comply with the investment objectives and policies set out in this Information Memorandum.

AUDITORS

The Company has appointed Marcum and Kliegman LLP as its auditor. Marcum and Kliegman LLP is an independent auditor approved by the Cayman Islands Monetary Authority. Marcum and Kliegman LLP have confirmed their acceptance as auditor of the Company and have given and not withdrawn their consent to the issue of this Information Memorandum with the references to them in the form and context in which they appear.

LEGAL COUNSEL

The Company is advised as to matters of Cayman Islands law by Charles Adams Ritchie and Duckworth.

INVESTMENT POLICY COMMITTEE

The LOM Investment Policy Committee is a team of investment experts that provides high-level, strategic guidance on individual investing. The committee does not recommend specific investments, but rather identifies areas of investment opportunity and risk created by current market and economic conditions. The committee meets each month or more frequently as market conditions dictate.

In case of emergence of extraordinary situations such as; war, economic crisis, crash-down of communication systems, closing of markets concerning the securities, collapse of computer systems, with regard to these situations, the investment policy committee may temporarily suspend dealing of the fund. Communication of these events will be published on the investment manager's web page and notice given to the Bermuda Stock Exchange.

Committee members are appointed by the Board of Directors of the Investment Manager. For information on the individual members, please contact the Investment Manager.

FEES AND EXPENSES

Unless stated, all operating costs are pro-rated according to the Net Asset Value of each class (if applicable).

ADMINISTRATION FEE

The Administrator is entitled to a annual administration fee for the administration services it provides to all of the LOM Mutual Funds as defined. The Company's portion of this fee is calculated as the higher of: the Net Asset Value of the Company at the end of each month divided by the combined Net asset Value of all of the LOM Mutual funds, multiplied by the fixed fee of \$100,000 per year or 5 basis points. The Administrator reserves the right to change its fee with the agreement of the Investment Manager.

Formula:

An annual fee of X/Y multiplied by Z, where:

X = the net assets of the Company

Y = the combined net assets of the LOM Money Market Fund Ltd., LOM Fixed Income Fund Ltd., LOM Equity Growth Fund Ltd., and the LOM Balanced Fund

Z = the higher of US\$100,000 or 5 basis points multiplied by Y

CUSTODIAN FEE

The Custodian is entitled to a custodial fee of 0.05% of the Net Asset Value at each Dealing Day, subject to a minimum of US\$3,000 per annum. In addition, the Custodian will be reimbursed for all properly incurred expenses.

DIRECTORS FEE

The Articles provide that the remuneration of the Directors in respect of services provided to the Company shall be determined by a resolution of the Directors. Each of the non-executive Directors (Messrs. Rowlandson, Thomson and Mello) is currently entitled to a per annum fee \$15,000.

An annual fee of X/Y multiplied by Z, where:

X = the net assets of the Company

Y = the combined net assets of the LOM Money Market Fund Ltd., LOM Fixed Income Fund Ltd., LOM Equity Growth Fund Ltd., and the LOM Balanced Fund

Z = \$15,000

There are no directors fees paid to Directors who are also Directors of LOM Asset Management Limited or LOM Limited. Each of the Directors are entitled to the reimbursement of expenses incurred in carrying out their duties.

INVESTMENT MANAGEMENT FEE

The Company pays the Investment Manager all properly vouched expenses plus an investment management fee not to exceed 1.50%.

MUTUAL FUND FEES

The Company may invest in other mutual funds, and as a result, will be subject to fees and expenses of the underlying funds.

OPERATING FEES

In addition to the fees referred to above, the Company will bear all other expenses incidental to its operations and business, including: (i) banking charges; (ii) brokerage commissions; (iii) fees of legal advisers and independent auditors; (iv) any income tax, withholding taxes, transfer taxes and other governmental charges and duties occurring for the Company; (v) the costs of printing and distributing any prospectuses, information memorandum reports as well as notices to the Shareholders; (vi) licensing, registration and other fees payable to the Cayman Islands government, and (vii) listing on the Bermuda Stock Exchange or other exchanges.

The total expenses incurred in connection with the incorporation of the Company and the initial offering of the Participating Shares (including the preparation and distribution of this Information Memorandum and some marketing costs) were US\$30,000. These organisational expenses are being amortized over a five-year period from the date of commencement of business, or such shorter period as they may determine.

PUBLISHING FEES

The company will pay publishing fees not to exceed 0.01%. The purpose of which is dissemination of information on the fund to shareholders as well as the general public.

REDEMPTION FEE

The Company reserves the right to charge a fee upon a redemption of Participating Shares by an investor during the first twelve months subsequent to purchase. This fee accrues to the Investment Manager. The redemption fee is 1% if the assets are redeemed in the twelve months of investment, and thereafter there is no redemption charge.

Investors are entitled to redeem up to 10% of their holdings in the first twelve months subsequent to purchase without incurring a redemption fee.

Thereafter any portion or the whole amount can be redeemed without penalty.

SWITCHING FEE

The Company reserves the right to charge a switching fee of 0.5% of the gross redemption proceeds upon the conversion of Participating Shares from one LOM Mutual Fund to any other LOM Mutual Fund during the first year, and thereafter there is no switching fee (see the heading "Switching Between Funds" below).

SHARES OF THE COMPANY

SHARE CAPITAL

The authorised share capital of the Company is divided into classes of Participating Shares expressed in different currencies. It consists of US\$25,000 and EUR 25,000 divided into 24,999,000 Class A Participating Shares (US\$0.001 Par Value), 1,000 Management Shares (US\$0.001 Par Value) and 25,000,000 Class B Participating Shares (EUR 0.001 par value). The rights attached to each class of shares pursuant to the Articles of Association are summarised below. There are no provisions with regard to Shareholders' pre-emptive rights, and no options have been granted to any party.

Participating Shares (Redeemable Non-Voting)

Class A shares have a par value expressed in United States dollars (\$0.001). Class B shares have a par value expressed in Euros (EUR 0.001). Each Participating Share, when issued, will be fully paid and non-assessable. The Participating Shares have no voting rights (except in connection with the variation of class rights, as noted below) and the holder of a Participating Share is not entitled to receive notice of, attend or vote at meetings of Shareholders. The Participating Shares have the right to participate equally in any dividends declared by the Company and are redeemable at the option of the holder. In the event of a winding-up of the Company, each holder of a Participating Share has a preferential right of return of the paid-up par value and a right to a pro-rata share in surplus assets of the Company after return of the paid-up par value of the Management Shares. However, no Class of Shares may be created by the Fund which will have priority over the Participating Shares or that will participate with the Participating Shares in the profits of the Fund without the requisite consent of the holders of the Participating Shares. No Participating Shares will be issued to U.S. Persons and no Participating Shares will be accepted for redemption at the option of U.S. Persons.

Management Shares (Voting, Non-Participating, Non-Redeemable)

All of the Management Shares were issued at par value to the Investment Manager. Management Shares do not carry any right to participate in dividends declared by the Company and are not redeemable. The holder of a Management Share has the right to receive notice of, attend and vote at general meetings of the Company. In the event of a winding-up of the Company, the holder of a Management Share is entitled only to the return of its paid-up par value after the paid-up par value of Participating Shares has been returned.

Variation of Class Rights

The rights attached to any existing class may, be varied only with the consent in writing of the holders of not less than three-fourths of the issued shares of any class of shares which may be affected by such variation or by a special resolution passed at a separate class meeting of the holders of the shares of such class. The creation or issue of further Shares ranking pari passu with any particular Class of Shares shall not be deemed to be a variation of the rights attaching to any such class.

SUBSCRIPTIONS

Subscriptions

Participating Shares are available for subscription at the discretion of the Directors on each Dealing Day at the Subscription Price calculated at the close of business on each Dealing Day. The Dealing Day will be the last Business Day of each week, or such other days as the Directors may determine. The Subscription Price will equal the Net Asset Value per Participating Share as at the close of business on the Dealing Day. All subscriptions will be dealt on a forward pricing basis.

Subscription monies representing less than the Subscription Price for a Participating Share will not be returned to the Applicant. Fractions of Participating Shares will be issued where any part of the subscription monies for Participating Shares represents less than the Subscription Price for one Participating Share, provided however, that fractions shall not be less than .001 of a Participating Share. Subscription monies representing less than .001 of a Participating Share will not be returned to the Applicant but will be retained by the Company for the benefit of the Company.

Minimum Subscription

The minimum initial subscription that will be accepted from a new investor is US\$50,000 for Class A and EUR50,000 for Class B and the minimum amount of any additional subscription by the same investor is US\$1 and EUR, respectively, or such lesser amount as the Directors may in any particular case determine. The Directors reserve the right to increase the above-mentioned minimum subscription requirements at their absolute discretion.

Procedure

Applicants for Participating Shares must complete and return the Subscription Agreement (available from the administrator) to the Administrator so that it is received no later than 5:30 p.m. (Bermuda time) on the Business Day preceding the relevant Dealing Day. Facsimile copies are acceptable; however, the Administrator must receive the original copies within 5 Business Days of the relevant subscription deadline. Confirmation of investor subscription will be faxed to the investor within 5 Business Days of the relevant Dealing Day, or receipt of the original Subscription Agreement, whichever is the latter.

The acceptance of subscriptions is subject to confirmation of the prior receipt of cleared funds credited to the subscription account of the Company at the Custodian (details of which are set out in the Subscription Agreement) by 5:30 p.m. on the Business Day preceding the relevant Dealing Day. Any delay in receipt of a completed Subscription Agreement or of cleared funds will result in the relevant application being deferred until the first Dealing Day following their receipt and, in such event, the Participating Shares will be issued at the Subscription Price prevailing at that Dealing Day. The Directors reserve the right, in their absolute discretion, without assigning any reason therefore, to reject applications for Participating Shares at the expense of the investor.

ELIGIBLE INVESTORS

Only persons who satisfy the requirements of this Information Memorandum including this section (referred to herein as “Eligible Investors”) may subscribe for or hold Participating Shares in the Company. The Directors have the right to request the compulsory redemption of all Participating Shares held by a Shareholder who is not an Eligible Investor (see “Compulsory Redemptions”).

For these purposes an Eligible Investor is a person to whom the issue, holding or transfer of Participating Shares would not constitute a breach of the laws of any jurisdiction or be contrary to the regulations of any government authority or would not give rise to circumstances (whether taken alone or in conjunction with other persons or any other circumstances appearing to the Directors to be relevant) which, in the opinion of the Directors, might result in the Company and/or its Shareholders as a whole incurring any liability to taxation or suffering any other regulatory, pecuniary, legal or material administrative disadvantage that the Company might not otherwise have suffered or incurred. For the avoidance of doubt, a U.S. person is not an Eligible Investor unless expressly approved by the Directors.

ANTI-MONEY LAUNDERING

As part of its responsibility for the prevention of money laundering, the Company will require verification of the identity of each prospective investor to be provided with their application in a form satisfactory to the Company.

An individual will be required to produce a certified copy of his passport or passports and driver’s license, together with a character reference letter, a banking reference letter and any other documentation of identity providing detailed verification of the Subscriber’s identity as requested by the Company in order that it might comply with legislation for the prevention of money laundering from time to time in force. Corporate applicants will be required to produce a certified copy of (i) their certificate of incorporation and any change of name (or other document evidencing the existence of the legal entity), (ii) their Memorandum and Articles of Association (or equivalent governing documents), and (iii) their register of directors or an excerpt from the trade register held at the relevant chamber of commerce and the signatory card verifying the authority of officers to sign on behalf of the corporate entity. Trusts, partnerships (or entities which are not a separate legal body) which subscribe for Participating Shares must demonstrate organisational documents which verify both their existence and the authority of one or more signatories to sign subscriptions on their behalf, in a form satisfactory to the Company.

The Company may request such further information as it deems necessary to verify the identity of an applicant. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Company may refuse to accept the application whereupon the subscription monies relating thereto will be returned at the expense of the applicant and without interest.

Depending on the circumstances of each applicant, a detailed verification may not be required where: -

- (a) the applicant makes the payment from an account held in the applicant's name at a recognised financial institution; or
- (b) the application is made through a recognised intermediary,

The above exceptions will only apply if the financial institution or intermediary is operating in a country recognised as having sufficient anti-money laundering legislation as determined by the Administrator in its absolute discretion.

REDEMPTIONS

Every investor will have the right to require the Company to redeem his Participating Shares on any Dealing Day (except during any period when the calculation of the Net Asset Value is suspended in the circumstances set out under the heading "Suspension of Valuations" below) on furnishing to the Administrator a redemption request.

Minimum Redemption

The minimum redemption that will be accepted from an investor will be US\$1 for Class A and EUR1 for Class B. The Directors reserve the right to alter the above-mentioned minimum subscription requirements at their absolute discretion.

Procedure

Participating Shares may be redeemed at the option of the holder on any Dealing Day. Shareholders wishing to redeem all or part of their holding of Participating Shares must send a completed Redemption Request (available from the administrator) to the Administrator to be received no later than 5:30 p.m. on the Business Day preceding the relevant Dealing Day. Facsimiles will be accepted; however, redemption proceeds will not be paid until the original Redemption Request Form and share certificates (if any) are received by the Administrator. Any delay in receipt of the Redemption Request Form will result in the request being deferred until the next Dealing Day and, in such event, the Participating Shares will be redeemed at the Redemption Price prevailing on that Dealing Day.

A request for the redemption of part of a holding of Participating Shares may be refused, or the holding redeemed in its entirety, if, as a result of such partial redemption, the Net Asset Value of the Participating Shares retained by the holder would be less than US\$50,000 for Class A and EUR50,000 for Class B. All redemption requests will be dealt with on a forward pricing basis. Confirmation of investor redemption will be faxed within 5 Business Days of the relevant Dealing Day.

Redemption Price

The Redemption Price for each Participating Share is equal to the Net Asset Value per Participating Share on the relevant Dealing Day. The Net Asset Value per Participating Share is determined as of the close of business on each Dealing Day in accordance with the provisions set out under "Net Asset Valuation" in this Information Memorandum.

The latest Redemption Price for Participating Shares will be available during normal Business Hours at the office of the Administrator.

Redemption Fee

A redemption fee of 1% of the Redemption Price will be payable on Participating Shares that are redeemed within twelve months of the Dealing Day on which they were issued. The redemption proceeds will be reduced by the amount of the redemption fee (if any) and the net proceeds remitted to the Shareholder. The Directors may waive the payment of a redemption fee at their discretion.

Investors are entitled to redeem up to 10% of their holdings in the first twelve months subsequent to purchase without incurring a redemption fee. Thereafter any portion (in excess of US\$1000 in respect of Class A or €1,000 in respect of Class B) or the whole amount can be redeemed without penalty.

Payment of Redemption Proceeds

The Redemption proceeds are normally remitted within 5 Business Days after the Dealing Day on which Participating Shares are redeemed. No interest on the redemption proceeds shall be paid to the redeeming shareholder for any period after the Dealing Day on which they were redeemed. Redemption proceeds will be paid in U.S. dollars and will be remitted to the Shareholder by wire transfer (at the expense and risk of the Shareholder) to an account as specified by the Shareholder in his Redemption Request.

Deferred Redemptions

In the event that redemption requests on a particular Dealing Day exceed in aggregate 10% of the total number of Participating Shares then in issue, the Directors may reduce the requests rateably amongst all Shareholders seeking to redeem Participating Shares on the relevant Dealing Day and effect only sufficient redemptions which in aggregate equal 10% of the number of Participating Shares then in issue. Participating Shares which are not thereby redeemed will be redeemed on the next Dealing Day (subject to further deferral if the deferred requests themselves exceed 10% of the number of Participating Shares then in issue) in priority to any later redemption requests that may have been received. All Participating Shares will be redeemed at the Dealing Price prevailing on the Dealing Day on which they are redeemed.

Fractions:

Apart from circumstances in which a Shareholder is redeeming his entire holding of Participating Shares:

- a) fractions of Participating Shares will be redeemed where any part of the redemption monies for Participating Shares represents less than the Redemption Price for one Participating Share, provided however that fractions shall not be less than .001 of a Participating Share.
- b) redemption monies, representing less than .001 of a Participating Share will not be returned to a Shareholder but will be retained by the Company for the benefit of the Company.

COMPULSORY REDEMPTION

The Company may compulsorily redeem all of the Participating Shares held by a Shareholder if:

- (a) as a result of a redemption request the value of Participating Shares held by a Shareholder is reduced to less than US\$50,000 for Class A and EUR50,000 for Class B;
- (b) Participating Shares are acquired by, or on behalf of, a person who is not an Eligible investor;
- (c) the Net Asset Value in respect of Class A is less than \$300,000 or less than €300,000 in respect of Class B for four consecutive Dealing Days, treating each class as a separate fund;
- (d) the Investment Manager notifies the Company that the investment objective is no longer reasonably achievable in accordance with the investment policies and restrictions set out in this Information Memorandum; or
- (e) any law is passed which renders it illegal or impracticable for the Company to continue its operations.

In any event, the Participating Shares will be compulsorily redeemed at the Redemption Price prevailing on the Valuation Day next following the issuance of a notice of compulsory redemption to the relevant Shareholder. Any redemption fee applicable will be charged in the event of a compulsory redemption.

SWITCHING BETWEEN FUNDS

Shareholders may switch between LOM Mutual Funds. Conversion will be effected by way of a regular redemption (sale) of Participating Shares in one LOM Mutual Fund (the “Original Fund”) and a subscription (purchase) for Participating Shares in any other LOM Mutual Fund being offered at that time (the “New Fund”). Shareholders will be able to apply to convert on any Dealing Day an amount equal in value to part or all of their holding of Participating Shares in the Original Fund. Unless the Directors otherwise determine, the amount to be converted must be at least equal to the initial Minimum Subscription (in the case of initial purchase of a New Fund) or subsequent Minimum Subscription (in the case of purchases in a New Fund in which Shares are already held) for the relevant Shares of the New Fund. Shareholders will be required to complete such conversion request forms as may be prescribed by the Directors in relation to any Fund (the “Conversion Request Form”). Conversion Request Forms must be signed by all joint Shareholders and may be sent to the Administrator by facsimile at the risk of the sending Shareholder.

A Conversion Request Form will not be processed unless the Shares referred to in the Conversion Request Form have been fully paid up and unless any other supporting documents as may be required by the Company have been received.

If the conversion would result in the Shareholder holding a number of Participating Shares in the Original Fund of a value which is less than the Minimum Holding, the Company may, at its discretion, convert the whole of the applicant’s holding of Participating Shares of the Original Fund to Participating Shares of the New Fund or refuse to effect any conversion from the Original Fund. No conversion will be made during any period when the right of the Shareholders to require the redemption of their Participating Shares is suspended. The general provisions on procedures relating to redemption will apply equally to conversion.

Notice of conversion on a duly completed Conversion Request Form must be received by the Administrator not later than 5:30 p.m. on the Business Day prior to the relevant Dealing Day. Any delay in receipt of the Conversion Request Form will result in the request being deferred until the next Dealing Day.

There will be no Initial Fee payable in respect of an issue of Participating Shares in the New Fund in conjunction with a conversion but a switching fee of 0.5% may be payable if such conversion occurs within twelve months of the Dealing Day in which the shares in the original Fund were issued. There is not a fee to switch between Class A and Class B.

NET ASSET VALUATION

The Net Asset Value of the Participating Shares is expressed in United States Dollars in respect of Class A Shares and Euros in respect of Class B Shares. The assets of the Company will be valued by the Administrator as of the close of business on each Dealing Day in accordance with the Articles of Association. The Net Asset Value of the Company comprises its total assets less total liabilities, determined on the basis of generally accepted accounting principles in Bermuda and Canada.

The assets within each class are valued on the basis of standard industry practice as set out in the Articles of Association.

In certain circumstances the Directors may suspend valuations (see “Suspension of Valuations”) and, during any such period of suspension, no Participating Shares may be redeemed or new subscriptions accepted.

SUSPENSION OF VALUATIONS

The Directors and/ or Investment Policy Committee may suspend the calculation of the Net Asset Value of the Participating Shares and consequently may suspend the acceptance of new subscriptions and the right to redeem any Participating Share if, in their opinion, any of the following events has occurred:

- (a) any securities exchange or organised inter-dealer market on which a significant portion of the Company’s assets is regularly quoted or traded is closed (other than for holidays) or trading thereon has been restricted or suspended;
- (b) trading in securities which form a significant portion of the Company’s assets has been restricted or suspended by the issuing company or a securities regulator;

- (c) as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Company, disposal of the assets of the Company is not reasonable or normally practicable without being seriously detrimental to Shareholders' interests as a whole;
- (d) it is not reasonably practicable to determine the Net Asset Value of the Participating Shares on an accurate and timely basis;
- (e) as a result of exchange restrictions or other restrictions affecting the transfer of funds, transactions on behalf of the Company are rendered impracticable or if purchases and sales of the Company's assets cannot be effected at normal exchange rates; or
- (f) upon the passing of a special resolution to wind-up the Company.

If total requests for redemptions on any Dealing Day for an individual class exceed 10% of the total number of Participating Shares outstanding in the Company in respect of that class, each redemption request in respect of Participating Shares in the Company in respect of that class may, at the sole discretion of the Directors, be reduced "pro rata". Any redemption request so reduced shall be effected in priority to subsequent redemption requests on the following Dealing Day. If redemption requests are so carried forward, the Directors shall procure that the Shareholders of such class affected thereby are promptly informed.

REGISTRATION AND TRANSFER OF SHARES

Participating Shares of the Company will be issued in registered form and share certificates will normally not be issued unless specifically requested by a Shareholder at the time of application. The Company maintains a register of the names and addresses of the Shareholders at the offices of the Administrator and an entry in such register is conclusive evidence of ownership.

Participating Shares may be freely transferred to Eligible Investors (see "Eligible Investors") provided the transfer does not result in the transferee or transferor holding Participating Shares of an amount less than the minimum stipulated in this Information Memorandum. Transfers must be made in writing using the draft form of share transfer that may be obtained on request from the Administrator.

The share transfer form must be signed by the transferor and returned to the Administrator together with the share certificates, if any, representing the Participating Shares to be transferred.

The transferee must complete, sign and submit to the Administrator a Subscription Agreement furnishing the same information as would be required in connection with a direct subscription before the Administrator will consider a transfer application. Violation of applicable ownership and transfer restrictions may at the discretion of the Directors result in compulsory redemption (see "Redemptions") of the Participating Shares to be transferred.

DIVIDEND POLICY

The Company does not anticipate that any dividends will be paid to Shareholders out of the profits of the Company and it is the present intention of the Directors that all earnings of the Company will be reinvested. In the event any dividend or capital distribution is paid and remains unclaimed after a period of six years, such amount shall become property of the Company.

TAXATION

COMPANY

The following comments are based on advice received by the Company. The tax position of the Company may change at any time.

Cayman Islands Tax Considerations. Under current legislation in the Cayman Islands, no taxes will be imposed upon the Company or its Shareholders by the Cayman Islands Government and there are no exchange control laws or regulations in effect. The Company has been incorporated under the laws of the Cayman Islands as an exempted company and, as such, has obtained an undertaking from the Governor-in-Council of the Cayman Islands that, for a period of 20 years from the date of the undertaking, no law which is enacted in the Cayman Islands imposing any tax to be levied on profits or interests or gains or appreciation shall apply to the Company or its operations and that no such tax or any tax in the nature of estate duty or inheritance tax shall be payable on the Participating Shares, debentures or other obligations of the Company. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax. The annual filing fee and mutual fund registration fee payable each year by the Company to the Government of the Cayman Islands is currently US\$2,400 and US\$3,050 respectively.

U.S. Tax Considerations. The U.S. income taxation of the Company depends on whether the Company is engaged in the conduct of a trade or business within the United States. However, under a specific safe harbour contained in Section 864 (b) (2) (A) (ii) of the Internal Revenue Code of 1986, as amended (the "Code"), the Company should not be considered engaged in a trade or business in the United States. Consequently, capital gains realised by the Company as a result of the sale or exchange of securities by the Company will not be subject to any U.S. income taxes except to the extent such securities qualify as U.S. real property interests for U.S. federal income tax purposes. The Company presently does not expect to acquire securities that will so qualify.

Dividend and interest income realised by the Company from U.S. sources is generally subject to U.S. withholding taxes at a 30% statutory rate. Because the Company is formed in the Cayman Islands, and because the Cayman Islands does not have an income tax treaty with the United States, there is no reduction in the U.S. 30% withholding taxes, where applicable.

However, no withholding tax is imposed on (i) interest received as original issue discount on obligations payable within 183 days or less from the date of original issue; (ii) portfolio interest as defined by Section 871 (h) of the Code; (iii) interest on certain deposits including bank deposits described in Section 871 (i) (2) (A) of the Code; or (iv) interest on tax exempt obligations as described in Section 103 of the Code. In order for interest to qualify as portfolio interest to the Company, and therefore be exempt from the U.S. 30% withholding tax, the Company must own less than 10% of the voting power of the issuer of the underlying note, after taking into account any conversion rights or options to acquire shares in the issuer.

In addition, no withholding tax will apply to interest received from a U.S. resident alien or corporation if 80% or more of that person's gross income from all sources is derived from non-U.S. sources in the active conduct of a trade or business outside of the United States. Income from debt securities deposited by the Company with brokers or others in connection with short sales of securities will not be subject to U.S. income or withholding taxes to the extent that such income would not be subject to income tax or withholding if such securities were held directly by the Company. Payments by brokers or others with whom the Company has deposited cash collateral in connection with short sales of securities, including the proceeds of such sales, will not be subject to U.S. income or withholding taxes to the extent that such payments constitute portfolio interest, as defined above.

Dividend and interest income received by the Company from sources outside the United States will not be subject to U.S. income or withholding tax. Also, the Company will not be subject to any U.S. income, capital gains, or withholding taxes on investment income derived by the Company from sources outside the United States.

Bermuda Tax Considerations. It is the Company's intention to market the Participating Shares in Bermuda to Bermudian shareholders. At the date of this prospectus, there is no Bermuda income tax, withholding tax, capital gains tax, capital transfer tax, estate duty or inheritance tax payable by the Company or its members in respect of their investment in the Company. The Company may be liable to pay foreign (i.e. non-Bermudian) taxes with respect to (i) the purchases or sale of, or other dealings in, assets held by the Company and (ii) capital, interest and dividends related to assets held by the Company in those countries which impose such taxes.

SHAREHOLDERS

Distributions by the Company to a Shareholder who is neither a citizen nor a resident of the United States will not be subject to any U.S. income or withholding taxes. A shareholder who is neither a citizen nor a resident of the United States will not be subject to any U.S. income or withholding taxes as a result of the sale or other disposition outside the United States of Participating Shares in the Company.

Shareholders and potential investors should inform themselves as to any tax consequences particular to their circumstances arising in the jurisdiction in which they are resident or domiciled for tax purposes in connection with the acquisition, ownership, redemption or disposition of Participating Shares.

Each Shareholder or potential investor should consult a tax adviser as to his own tax position.

ADDITIONAL INFORMATION

LITIGATION

There is no litigation or claims of material importance pending or threatened against the Company.

REPORTING

The Company produces unaudited semi-annual Shareholder reports which will be sent to each Shareholder within 30 days of the relevant quarter end. The Company also produces annual reports containing the audited financial statements of the Company which will be sent on request to each Shareholder no later than three months after each financial year-end. All financial reports of the Company will be prepared in accordance with generally accepted accounting principles in Bermuda and Canada.

All notices and reports will be sent by the Administrator to the Shareholders whose names are recorded in the register of Shareholders on the Business Day immediately preceding the date the notices are sent out and will be sent to the address provided in the Subscription Information Form (available from the administrator) submitted by each Shareholder or such other address as the Shareholder may notify to the Administrator in writing from time to time. In addition, such reports will be available at the registered office of the Company.

REGULATION

The Company is a “mutual fund” for the purposes of the Mutual Funds Law of the Cayman Islands and will be regulated in accordance with the provisions of that law. However, the Company is not required to be licensed or to employ a licensed mutual fund administrator since the minimum interest purchasable by a prospective investor in the Company is equal to or exceeds US\$50,000 or its equivalent in any other currency. Accordingly, the obligations of the Company under the Mutual Funds Law are (a) to register with the Cayman Islands Monetary Authority (“CIMA”) in the prescribed manner, (b) to file with CIMA prescribed details of this Information Memorandum and any changes to it, (c) to file annually with CIMA accounts audited by an approved auditor and (d) to pay a prescribed registration fee.

As a regulated mutual fund, the Company will be subject to the supervision of CIMA which may at any time instruct the Company to have its accounts audited and to submit them to CIMA within such time as CIMA specifies. In addition, CIMA may ask the Directors of the Company to give CIMA such information or such explanation in respect of the Company and its subsidiaries, if any, as CIMA may reasonably require to carry out its duties under the Mutual Funds Law. The Directors on request must also give CIMA access to or provide at any reasonable time all records relating to the Company and CIMA may copy or take an extract of a record it is given access to or is provided. Failure to comply with any of these requests by CIMA may result in substantial fines being imposed on the Company and may result in CIMA applying to the court to have the Company wound up.

CIMA is prohibited by the Mutual Fund Law from disclosing any information relating to the affairs of a mutual fund it has acquired in the course of its duties or in the exercise of its functions other than disclosure required for the effective regulation of a mutual fund or when required or permitted to do so by a court or under any other Law.

CIMA may take certain actions if it believes that a regulated mutual fund is or is likely to become unable to meet its obligations as they fall due or is carrying on or is attempting to carry on business or is winding up its business voluntarily in a manner that is prejudicial to its investors or creditors. The powers of CIMA include, inter alia, the power to require the substitution of any Director of the Company, to appoint a person to advise the Company on the proper conduct of its affairs or to appoint a person to assume control of the affairs of the Company. There are also other remedies available to CIMA including the ability to apply to the Grand Court of the Cayman Islands for an order to take such other action as it considers necessary to protect the interests of investors in, and creditors of, the Company and, subsequently, to take any other action provided for under the Mutual Funds Law.

TRANSACTIONS WITH DIRECTORS

The Articles of Association of the Company provide, inter alia, that:

- (a) A Director may hold any other executive or non-executive office in the Company (other than the office of auditor) on such terms as to tenure, remuneration, indemnity and otherwise as the Directors may determine;
- (b) A Director may act by himself or through his firm in a professional capacity for the Company and shall be entitled to the same remuneration, indemnity and other privileges as if he were not a Director;
- (c) A Director may be a member or director or hold any other executive or non-executive office in any company or association promoted by the Company or in which the Company may be interested or associated, and may exercise and enjoy the rights, privileges and benefits of any such position without being accountable in any way to the Company;
- (d) No person is disqualified from the office of Director by, or prevented by such office from, contracting with the Company, either as vendor, purchaser or otherwise, nor shall any such contract be liable to be avoided, nor shall any such Director be liable to account to the Company for any profit realised by such contract or arrangement;
- (e) A Director may vote in respect of any contract or arrangement including his remuneration or other matter which may be proposed, notwithstanding he has an interest in it, provided that the nature of the interest is disclosed to the Directors prior to the Directors' resolution dealing with such matter.

MATERIAL CONTRACTS

The contracts described below which are or may be material have been entered into by the Company otherwise than in the ordinary course of business. In each case the Company has agreed to indemnify the service provider against all claims and demands which may be made against it in the performance of its duties otherwise than by reason of its own negligence or wilful default.

- (a) Investment Management Agreement dated March 2000 under which the Investment Manager is appointed to manage the investments of the Company and promote the Company, and is entitled to receive the payments detailed under "Fees and Charges". The Investment Management Agreement may not be terminated during an initial three year period and will continue thereafter until terminated by either party giving to the other not less than 90 days' written notice.
- (b) Custodian Agreement dated March 2000 under which the Custodian was appointed custodian of the Company's assets and is paid a fee detailed under "Fees and Charges". The Agreement may be terminated by either the Company or the Custodian on 90 days' written notice.
- (c) Administration Agreement dated December 2005, whereby administrative, secretarial and registration functions are provided by the Administrator, for which it is paid a fee detailed under "Fees and Charges". The Agreement may be terminated by either the Company or the Administrator on 90 days' written notice.

INDEMNITY

The Fund has agreed to indemnify the Manager and every Director, Officer and employee of the Fund and of the Manager against all costs, losses and expenses which any such indemnified person may incur or for which he or she may become liable by reason of any contract entered into, or act or thing done by him or her in such capacity, or in any way in the discharge of his or her duties, except in the event of his or her own fraud or dishonesty. The amount for which such indemnity is provided shall immediately attach as a lien on the property of the Fund, and have priority as between the Shareholders over all other claims. The Investment Management Agreement provides for the indemnity of the Manager and its Directors and Officers.

DOCUMENTS AVAILABLE FOR INSPECTION

This Information Memorandum is not intended to provide a complete description of the Memorandum and Articles of Association of the Company or of the agreements with its Investment Manager, Custodian and Administrator. Copies of all such documents are available for inspection by Shareholders during normal business hours at the office of the Administrator.

INQUIRIES

Inquiries concerning the Company should be directed to the Administrator at:

**International Corporate Management of Bermuda Limited
Bermuda Commercial Bank
19 Par-la-Ville Road
Hamilton HM11
Bermuda**

E-Mail: ICMOB-LOM@bcb.bm

Tel: (441) 299-2864 Fax: (441) 292-2898

Inquiries concerning marketing of the Fund should be directed to the Investment Manager at:

**LOM Asset Management Limited
27 Reid Street
Hamilton, HM11
Bermuda**

E-Mail: mutualfunds@lom.com

Tel: (441)292-5000 Fax 441-295-0135