

The DQS Absolute Return Fund (the "**Fund**") is not supervised by the Authority for the Financial Markets (*Autoriteit Financiële Markten*, "**AFM**") as it is exempt from the licence requirement under the Dutch Act on the Supervision of Investment Institutions (*Wet toezicht beleggingsinstellingen*). This leaflet follows the Further Regulations on financial services (*Nadere Regeling financiële dienstverlening*, the "**Further Regulations**") concerning financial information leaflets (*financiële bijsluifers*) for as far as possible. Its purpose is to provide you with an overview of the DQS Absolute Return Fund (the "**Fund**") and to allow a better comparison with other financial products.

A: Brief description of the collective investment scheme (investment fund)

The Fund is a semi open-ended investment fund (*beleggingsfonds*) established for an indeterminate period of time on 1 August 2006 (the date of the first participation in the Fund).

The manager of the Fund is DQS Investment Management B.V (the "**Fund Manager**"), and the custodian of (the assets of) the Fund is Stichting DQS Custodian (the "**Custodian**"), both having their statutory seat at Park Vronesteyn 24A, 2271 HS te Voorburg, The Netherlands. The management board (*bestuur*) of the Custodian consists of IMFC Bewaarder B.V. with statutory seat in Amsterdam, The Netherlands, which is a 100% subsidiary of IMFC Nederland BV and part of the IMFC Groep.

The Custodian acts solely in the interests of the participants and monitors the activities of the Fund Manager based on the prospectus of the Fund dated 1 July 2006 (the "**Prospectus**").

The auditor of the Fund is KPMG Accountants N.V..

B: Investment Details

The Fund seeks to achieve positive returns regardless of market conditions at a high level of return for participants of 30% per year net of costs and fees, with a risk adjusted return and Sharpe ratio being significantly higher (i.e. better) in comparison to equities and with a low level of correlation with the stock markets.

The Fund does not use a benchmark index as it has a focus on absolute returns.

The Fund has an active investment policy and aims to invest in equity, futures and options traded on exchanges in the United States of America and Europe. The Fund uses statistical models developed and practised by the Fund Manager. These models continuously analyse the markets on a quantitative basis.

The Fund Manager may use a wide range of financial instruments to achieve its objectives using long and short positions and combinations thereof.

The high target returns will be achieved with the use of leverage, resulting in an increase in return and also in risk; which risk will be reduced significantly by a disciplined risk management policy (developed by the Fund Manager). Also portfolio risk will be reduced by diversification across instruments, strategies, countries and sectors.

Risks

The value development of participations in the Fund depends on developments on the capital, securities, currency and commodity markets. There is a possibility that your investment will increase in value; however, it is also possible that your investment will generate little to no income and that your investment will be wholly or partially lost in the event of an unfavourable price trend. The prospectus contains an extensive description of the risks involved. The Fund Manager advises you to take notice thereof.

Financial risks

- yield risk; the return on investment may be positive or negative. There are no guarantees;
- risk of changes in value of the capital; mainly due to the yield risk;
- the Fund may invest in listed derivatives which may be highly volatile and may expose the Fund to a high risk of loss;
- the market or an asset class may decrease in value, which may have a negative impact on asset values;
- a large part of investments of the Fund may be made in assets denominated in other currencies than the Euro resulting in a currency risk;
- inflation risk; the purchasing power of Euros invested may decrease in the future;
- although the Fund Manager will diversify the investment portfolio, the Fund may at times hold relatively few large investments in certain assets or markets in relation to the size of the Fund, which may subject the Fund to a significant loss if a large position declines in value;
- the Fund will be subject to the risk of inadequate performance by a counter party with respect to the settlement of transactions;
- financial and fiscal laws and regulations may be subject to change and a favourable situation at the time of participation may chance adversely;
- the minimum holding period for participations is one month, with a 3% redemption fee at exit within one year after entry; and

- the Custodian and the Fund Manager are entitled to restrict redemption of participations to a maximum of 25% of the Net Asset Value of the Fund.

Risk Indicator

- Risk that you will lose your deposit: very high.
- What may happen in the worst case: loss of the entire investment.

The risk indicator is the result of a generally prescribed method according to the Further Regulations.

The Prospectus contains an extensive description of the Fund specific risks involved. The Fund Manager advises you to take notice thereof. The Prospectus also contains the policies of the Fund Manager to monitor and address the above risks.

Return on investment

Because the Fund has existed for less than one year, the financial information leaflet does not include a bar chart showing its investment performance.

C: Company Information

Tax regime

The Fund is transparent for Dutch corporate income tax purposes. As a consequence, the Fund is not subject to Dutch corporate income tax. Distributions by the Fund (if any) are not subject to Dutch dividend withholding tax.

Participants who are individuals and are resident in The Netherlands will generally be taxed annually on a notional income of 4% of their investment assets, including the participation in the Fund, at a rate of 30%, provided the participations are held as portfolio investments and not e.g. in the context of business. Therefore, the effective tax rate on invested assets is 1.2%.

Both your personal situation and changes in the tax rules of the home Member state and/or the host Member State and the interpretation of these rules may have a positive or negative effect on your personal tax position. In case of doubt, please contact a tax advisor.

You are advised to consult your advisor or bank concerning all fiscal aspects relating to an investment in the Fund's participations.

Costs

Because the Fund has existed for less than one year, the financial information leaflet does not include the total expense ratio.

The Fund Manager will receive a management fee of 1.5% (per annum) of the Net Asset Value and a performance fee of 20% of the increase (if any) of the Net Asset Value; both calculated on a monthly basis.

A "high water mark" is applicable to the performance fee such that a reduction in the Net Asset Value must be recovered by a corresponding increase before a performance fee is applicable again; consequently a performance fee is only calculated over an increase in the Net Asset Value.

The following costs are charged to the Fund: the management and performance fee, custody fee, administration fee, broker commissions, auditor's fees and other operational expenses. Also the costs and expenses of establishing the Fund will be charged to the Fund over a period of five years.

The Prospectus contains an extensive description of the costs and fees involved. The Fund Manager advises you to take notice thereof.

Other costs

Participation and redemption may take place on a monthly basis at the Net Asset Value with no entry or exit fees charged, except for a 3% exit fee in case of redemption within the first year of participation. To insulate other participants from the effect of costs directly incurred due to the purchase or sale of securities in connection with the issue or redemption of participations, such costs may be charged to the relevant participant.

The financial information leaflet does not include the portfolio turnover rate, due to the lack of history of the Fund at this time. The prospectus contains an extensive description of the costs and fees. The Fund Manager advises you to take notice thereof.

D: Commercial Information

- The Net Asset Value will be expressed in Euro and will be calculated and communicated to participants by email or the website of the Fund on a monthly basis.
- It is envisaged that normally any income or gains derived will be re-invested and not distributed to the participants.
- Participants may redeem their participations on a monthly basis, by completing, signing and returning a redemption request.

E: Additional information

The Prospectus and the annual report may be obtained free of charge from the administrator IMFC fund Services, "Rivierstaete" Building, Amsteldijk 166, 1079 LH Amsterdam, The Netherlands or from the Fund Manager, Park Vronesteyn 24A, 2271 HS Voorburg, The Netherlands.

If you have any questions or complaints, you may contact the administrator or the Fund Manager.

The information herein reflects the situation at the time of preparation or update of this financial information leaflet. The text of this financial information leaflet is updated per 23 August 2006.