

Subject: New developments

Dear participant,

We are pleased to inform you of a number of changes at DQS Absolute Return Fund, as decided by the Fund Manager DQS Investment Management B.V., the Custodian, Stichting DQS Custodian and the Administrator, IMFC Fund Services B.V.

DQS Absolute Return Fund will add a new option arbitrage strategy to the current portfolio of strategies, which in our opinion will make a positive contribution to return and risk of the fund. For further explanation of this strategy please consult the attached outline.

Execution of this strategy will increase the workload of our Administrator resulting in an increase of the minimum administration fee by Euro 4,500.= per annum.

The managing director of the Custodian of DQS Absolute Return Fund is IMFC Bewaarder B.V. An internal restructuring at IMFC will bring all management of Dutch Funds under management of Stichting IMFC Bewaarder (a foundation under Dutch law).

This is also going to apply for DQS Absolute Return Fund as per 1 October 2010.

The Stichting IMFC Bewaarder is subject to AFM supervision, (AFM is the Dutch financial sector regulator). The management board of Stichting IMFC Bewaarder is identical to the management board of IMFC Bewaarder B.V. This change does not have further consequences.

For the updated prospectus (pages 3, 27-28, 42-43) we refer to our website www.dqsfund.nl.

Amsterdam, 4 October 2010