

Dear participants,

As of October 15th 2010 DQS Absolute Return Fund will add a new strategy to the current portfolio of strategies.

Reason for change:

- The returns of this new strategy are uncorrelated to the returns of the existing portfolio of strategies. The fund managers therefore expect that the return/risk ratio of the fund will improve.

Risk:

- Risk management is one of the cornerstones of the fund and also for this strategy. The strategy will be carried out in such a way that the maximum risk will be known in advance.

Description:

-The strategy can be defined as a volatility arbitrage strategy whereby an arbitrage is set up between index options and options of the individual stocks that make up the index.

Characteristics:

-The result of the arbitrage strategy will not be exactly known in advance but depends on the realised correlations of the shares from which the index is composed and of the level at which the index will be on the expiration of the options. Before a position is set up a probability distribution will be made from which the expected profit and the maximum loss of the position can be calculated.

Test period:

-The strategy has been tested in the last six months. The results during this test period were very satisfactory and the returns followed the exact pattern of the calculated probability distribution.

Allocation:

-The allocation of the strategy in the total portfolio will be around 20%. With the addition of the new strategy the allocation of the current strategies will decline in relative terms.