

2011 ANNUAL CLIENT MEMO

This memorandum covers the following topics of interest to our clients.

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This memorandum is intended to provide general information and guidance for the clients of Trident Trust Company (Cayman) Limited. It does not purport to be comprehensive or to render legal advice. Please contact us if you require additional information.

**2011 Update
Trident Offices
and Services**
Trident Group Worldwide Offices

The Trident Group now has 34 offices covering 24 jurisdictions worldwide: Bahamas, Barbados, British Virgin Islands, Cayman Islands, Cyprus, Dubai, Guernsey, Hong Kong, Isle of Man, Jersey, Luxembourg, Malta, Mauritius, Nevis, New Zealand, Panama, Seychelles, Singapore, Switzerland, United Kingdom, United States, US Virgin Islands, with Singapore and Malta being the latest additions.

Trident Fund Services Website

The Trident Group is pleased to announce the launch of the Trident Fund Services website: www.tridentfunds.com. The new site reflects the Trident Fund Services brand and demonstrates the growth and the scale of our fund services business worldwide. We currently provide services to more than 325 funds in 10 fund domiciles globally with assets under administration in excess of \$30 billion.

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Services Rendered by Trident

Trident offers the following services in the Cayman Islands:

- Company formation
- Partnership registration
- Company and partnership management
- Fund administration for mutual funds and private equity funds whether domiciled in Cayman or elsewhere
- Registrar and Transfer Agent services for mutual funds and private equity funds whether domiciled in Cayman or elsewhere
- Trustee and trust administration
- Aircraft and vessel registration and administration services
- “Cayman Office” domiciliary services
- Voluntary liquidation services
- Document legalisation services
- Custodial Services

Software Platform

In order to meet the ever increasing demands of our most sophisticated clients, Trident operates the following specialist software in addition to its normal suite of applications:

Advent Geneva

Provides full investment, accounting and operational support for the most comprehensive investment instrument coverage in the industry. All portfolio accounting and reporting can be performed in real time and the unified data model for the investment and general ledgers ensures immediate access to full financial accounting including positions, performance, financial accounts, P&L balances and more.

Advent Partner

Integrates seamlessly with Geneva to perform comprehensive investor accounting, manage investors, automate reporting and calculate performance and incentive fees with a comprehensive streamlined workflow. Advent Partner is a proven, industry-standard solution for global investor accounting and reporting.

IntraLinks

Provides a web based solution for accessing fund and investor documentation providing secured rapid distribution of important documents, a centralized historical repository of past documents and the ability to access documents securely from anywhere around the world at any time.

SSAE 16/ISAE 3402 Review (formerly SAS 70)

Trident Cayman has engaged the services of Ernst & Young to carry out its annual internal control review in accordance with Statement of Standards for Attestations Engagements No. 16, Reporting on Controls at a Service Organization (“SSAE 16”), of the American Institute of Certified Public Accountants. Ernst & Young’s examination is also performed in accordance with International Standard on Assurance Engagements No. 3402, Assurance Reports on Controls at a Service Organization (“ISAE 3402”). These examinations cover our mutual fund operations and a copy of the report is made available to clients, or prospective clients, on request.

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FATCA

The Foreign Account Tax Compliance Act (FATCA) is a new US law aimed at foreign financial institutions (FFIs) and other financial intermediaries to prevent tax evasion by US citizens and residents through use of offshore accounts. The FATCA provisions were included in the HIRE Act, which was signed into US law on March 18, 2010.

FATCA will have a far-reaching impact on US-based companies as well as foreign companies with US assets or clients. Under the new provisions, a FFI may enter into an agreement with US tax authorities requiring it, among other things, to report information on the FFI's US accounts. A FFI that enters into such an agreement becomes a "participating FFI." If a FFI does not enter into an agreement with the IRS, all relevant US-sourced payments to that FFI, such as dividends and interest paid by US corporations, will be subject to a 30% withholding tax. The same 30% withholding tax will also apply to gross sale proceeds from the sale of relevant US property. All FFIs must comply with FATCA or be subject to withholding. This may also apply to US sourced payments to all clients of the FFI to which it provides director, trustee, liquidator, nominee or custodial services.

We urge all our clients that may be affected by FATCA to consult with their respective tax and legal advisors to determine the exact impact this legislation will have on their operations in Cayman and elsewhere. Although we are not in a position to offer tax or legal advice on US matters, we are currently reviewing our systems and procedures so that we can assist the respective FFIs with their reporting requirements under this new legislation.

**2011 Update
Cayman Islands
Jurisdiction**
Cayman Islands Statistics

According to the Cayman Islands Monetary Authority ("CIMA"), despite the economic downturn there are over 9,000 funds registered with CIMA. There were 250 Banks registered and over 750 Insurance Licences issued as at 30 June 2011. The number of companies registered also remains high. The Cayman Islands continues to be recognized as one of the top 10 international financial centers in the world, with over 40 of the top 50 banks holding licenses here. This is a testament to the worldwide recognition of the quality of Cayman's financial Industry.

Company Names

An exempted company is permitted to adopt a "dual foreign name," an additional name in any language, and such foreign script does not have to be a translation or transliteration of the English name. This allows for all official documents to be produced showing the English and foreign language characters.

New Legislation

The following legislation was introduced in 2010 and is mentioned below as a reminder:

The Dormant Accounts Law, 2010

- The law allows for the Cayman Islands Government to acquire money from unclaimed, or dormant, private bank accounts or other cash assets held within the country. A dormant account is currently defined as an account in relation to which no activity has taken place within a six year period.

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The following legislation was introduced in 2011:

The Companies (Amendment) Law, 2011

The following principal revisions were made to our Companies Law:

- Mergers and Consolidations: The Amendment Law allows the regime to be more straightforward and provides additional flexibility.
- The ability to hold Treasury Shares.
- The ability to have Paperless Share Transfers.
- Greater flexibility as to the Redemption, Repurchase and Surrender of Shares.
- Permitting Company Names in Foreign Script.
- Increased elasticity in relation to the Execution of Documents.
- Update of Foreign Company Provisions: Modernization of the filing procedure and documents required to be filed.
- Special Resolutions: Ability to establish different voting thresholds for the passing of special resolutions with respect to different matters.
- A number of useful enhancements for Segregated Portfolio Companies.

Taxation

The Cayman Islands do not have any form of direct corporate, income, capital gains, payroll or property taxes and continues to act a successful and transparent tax neutral jurisdiction from which to base international operations. No new direct taxes have been introduced in the past year.

For further details on the above laws and the amendments made, please contact our office.

Tax Exemption Certificates

Tax Exemption Certificates can be obtained for certain types of Trusts, Companies and Limited Partnerships for an application fee of US\$1,830. Such Certificates “exempt” the entity in question from any form of Cayman Islands direct taxation for 20-50 years depending on the type of entity. Although there is no current form of direct taxation in the Cayman Islands, these certificates provide assurance that any future direct taxation that may be introduced will not apply for the period granted. Where an entity no longer requires a Tax Exemption Certificate, it can be surrendered and our office should be notified accordingly.

Regulated Industries

Any company, trust or partnership domiciled in the Cayman Islands or doing business within or from the Cayman Islands which offers the following services may be subject to licensing requirements and regulation by the Cayman Islands Monetary Authority (“CIMA”) unless they fall within the scope of the exemption categories contained in the relevant legislation:

- Insurance Services
- Banking Services
- Trustee Services
- Mutual Fund Services
- Company Management Services
- Securities Investment Business
- Private Trust Companies

Please contact us if you need to determine if a company with which you are associated is, by virtue of its activities, subject to possible licensing by CIMA. The CIMA website, www.cimoney.com.ky, provides extensive information and copies of all the relevant laws online.

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Important Reminders & Updates**Instructions for Sending Mail to the Cayman Islands**

When corresponding with Trident in the Cayman Islands or any companies or registered entities under our control, please use the following address:

Trident Trust Company (Cayman) Ltd.
PO Box 847
Grand Cayman KY1-1103
Cayman Islands

Correspondence sent to this mailing address with respect to entities registered at this address must include the entity name, preferably on the enclosures. Please ensure that all interested parties are aware of this requirement. Mail which is sent without the PO Box and/or the postal code is liable to be "returned to sender" by the Post Office.

Know Your Customer Obligations

Cayman Islands law requires Trident to have on file prescribed due diligence information concerning each of our corporate, trust and partnership clients and their directors, shareholders, partners, beneficial owners and other related parties.

The relevant regulations require that if the necessary due diligence information is not provided, a Financial Service Provider ("FSP"), such as Trident, must determine whether they wish to continue the relationship with the client in question. Failure to properly assess the status of non-compliant clients will place the FSP's own licence in jeopardy and result in legal penalties. To meet these requirements we notify each of our clients where due diligence remains outstanding in order to make a determination as to our continued relationship. Time spent obtaining required outstanding due diligence information is billed at the appropriate rate for the staff member undertaking the work.

General Terms of Business

Our Terms of Business are available on the Cayman Islands section of our Group website (www.tridenttrust.com). Please note that the Terms of Business supplements the respective service agreements, which we have in place with each of our clients. We are in the process of obtaining new updated Indemnity/Service Agreements from some of our clients and you may be contacted by us in this respect.

Website

Our website (www.tridenttrust.com) features frequently updated information and news from the Cayman Islands and the other jurisdictions in which Trident provides services.

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Authorisation of Annual Return

All Cayman Islands companies and foreign registered companies must file an Annual Return with the Registrar of Companies. We will file your company's annual return with the Cayman Islands Government next year provided we have received payment of our annual invoice by no later than 31 December. **Please also note that payment of our annual invoice will constitute your authorization for us to file the Annual Return. The Annual Return will include the following representations, unless we have been specifically advised otherwise by you:**

- that there has been no alteration in the company's Memorandum of Association, other than an alteration in the name of the company, or an alteration already reported in accordance with the law;
- the operations of the company have been conducted mainly outside the Cayman Islands;
- the company has not, and will not, trade in the Cayman Islands (except in furtherance of its business outside the jurisdiction); and
- if issued, all bearer shares are held by an Authorised Custodian approved by the Cayman Islands Monetary Authority. Trident is able to provide this service to our Registered Office clients.

In paying our invoice, the directors and shareholders acknowledge that they are aware (i) that it is an offence to make or permit a false annual return declaration, and (ii) that the dealing in bearer shares, except as permitted by the Companies Law, is an offence. Such offences could expose the company, its shareholders, directors and officers to severe fines and penalties. The company would be liable to immediate dissolution and removal from the Register. All of its assets would then vest in the Cayman Islands Government.

Please notify this office immediately if any of these four representations are incorrect with respect to your company.

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**Annual
Fee Payment
Procedures**

Trident's billing cycle for annual statutory charges and government fees runs from 1 October to 30 September in each year. This enables us to meet year-end government filing and payment deadlines. We would appreciate it if you could settle our invoices as soon as possible. To ensure prompt credit, your remittance should properly identify the entity to which it relates. This is especially important, as government charges penalties for late payment of annual fees. Payment of government fees can only be made if all our outstanding fees have been received and we have been able to identify and credit the funds to your account.

For entities formed during the year the annual statutory charges are prorated as necessary to bring them into line with our billing cycle. General administration services and related expenses are billed separately throughout the year.

All Trident fee notes are expressed in United States Dollars. They can be paid by a personal or corporate cheque drawn on a U.S. or Cayman Islands bank account, by International Bank Draft or by a wire transfer. Cheques or Bank Drafts should be mailed to Trident Trust Company (Cayman) Limited, PO Box 847, Grand Cayman KY1-1103, Cayman Islands, ensuring that the name of the client or the invoice number is properly identified.

Our Wiring Instructions**To:**

Bank of New York
48 Wall Street, New York
ABA Number: 021-000-018
SWIFT: IRVTUS3N

For the Account of:

Butterfield Bank (Cayman) Limited
Account: 803-326-5086
SWIFT ID: BNTBKYKY

For Final Credit to:

Trident Trust Company (Cayman) Limited
Account: 01-101-034977

Reference: Trident invoice number and name of Cayman entity.

(Note: If full and correct details are not included we may not be able to credit your payment which will result in the funds being returned.)

Please contact our office accountant on 1-345-949 0880 or at cayman@tridenttrust.com should you have any questions with respect to the above instructions.

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**Continuing
Statutory
Obligations of
Cayman Islands
Investment Funds**
CIMA Registration

Cayman domiciled entities (hereinafter "Funds"), which offer redeemable equity interests to investors will need to register as a mutual fund with the Cayman Islands Monetary Authority ("CIMA") unless they fall within one of several exemptions.

The main exemptions from registration are (i) that the interests are not redeemable at the option of the investor; or (ii) that the Fund has fifteen or fewer investors who have the power by majority vote to remove the operator of the Fund, or (iii) if a foreign fund, the same is incorporated or established in a country approved by CIMA.

Please contact us immediately if you have any entity registered with us which issues redeemable interests and which might fall within CIMA's registration requirements.

Audit Requirements for CIMA Registered Funds

All registered Funds are required to file audited financial statements within six months of the Fund's year-end together with an annual return. To reduce delays in finalising and filing the audited financial statements, particularly for Funds that have independent directors, please note:

1. Director Approval of Financial Statements

The draft audited financial statements need to be circulated to all Directors and to Trident for comment as soon as they are available. Even on those Funds where Trident is not performing NAV calculation services, we frequently have comments especially with respect to the notes to the financial statements and especially on Funds where the primary audit work is done outside the Cayman Islands.

The Board of Directors as a whole is ultimately responsible for the Fund and will need to evidence, by means of a Directors' resolution, its approval of the Fund's financial statements and the related management representation letter to the auditors. The Cayman regulators require that the Directors formally approve the annual audited financial statements. Accordingly, the Fund's audited financial statements should be signed off by the auditors, filed with CIMA, and distributed to third parties only after the Board of Directors has documented its approval of the audited financials.

2. Management Representation Letters

Auditors may request that Trident sign off on their standard audit representation letter. Such letters often contain representations on matters that fall outside our role and knowledge. In such cases we will provide a more limited audit representation letter. In addition, if the Fund has independent directors, they are likely to require some form of comfort letter from the Investment Manager, and possibly from Trident, before they approve the audited financial statements and the audit representation letter. Please notify us promptly about any request for administrator representation letters, to reduce the risk of delaying completion of the audit.

3. Electronic Reporting Initiative

The Auditors, rather than the Administrator or Registered Office, are responsible for the electronic filing with CIMA of Fund's audited financial statements along with the Fund's annual return. More information on the Electronic Reporting Initiative may be obtained from CIMA's website (www.cimoney.com.ky). We will require a copy of the electronic receipt from CIMA supporting the filing of Fund's financial statements with CIMA.

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4. Filing Extensions with CIMA

Filing extensions for late reporting of audited financial statements, after the six month filing deadline, will be granted by CIMA for a period of one month at a time. The first one-month extension is normally unquestioned, but should a further extension be required, CIMA will require a letter from the Fund's auditor explaining the reason(s) for the delay. In practice CIMA will approve a third month extension only under special circumstances, and will not in practice approve extensions beyond the third month. There is a filing fee of US\$244 with respect to requests for filing extensions.

CIMA has recently proposed a new Rule on Regulatory Reporting Standards introducing significant penalties in the event of unauthorised late filings of audited financial statements or other core information. Originally this rule was to be effective as of August 1, 2011 but implementation has now been postponed until further notice. We will notify clients should any substantive changes in the current CIMA filing regulations be brought into effect.

Offering Document

Each Fund which is registered with CIMA must have its current Offering Document filed with CIMA unless exempted by CIMA. The Document must describe in all material respects the equity interests which are being offered, and must contain sufficient information to allow a prospective investor to make an informed decision as to whether or not to subscribe. A Fund is not in compliance with this requirement if it is currently offering redeemable interests and the Offering Document on file has not been updated within twenty one days with respect to material changes in the operations of the Fund or with respect to the prescribed details previously filed with CIMA.

Other Filing Requirements

Other matters that must be notified to CIMA on a timely basis with respect to registered mutual funds include:

- Resignation by a Director. Our notification letter to CIMA needs to include the reason(s) for the resignation, which accordingly must be advised to us. An updated Offering Memorandum must be filed with CIMA in due course.
- Appointment of new Director. Our notification letter to CIMA should include the resume/C.V. of the new Director. An updated Offering Memorandum must be filed with CIMA in due course.
- Issuance of an updated Offering Document, a copy of which must be filed with CIMA.
- Change in Auditors. CIMA requires a letter from the resigning auditors stating the reason for the change, along with a letter of consent from the new auditors.
- Change to the Registered Office of the Fund.
- Change to the Principal Office of the Fund.
- Change to the Trustee of the Fund (for a unit trust).
- Change to the Administrator of the Fund.

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CIMACConnect for Financial E-Business

CIMA has launched an e-business portal that enables online access for the completion and submission of requests for CIMA authorization, along with any required documents. The initial release is for the processing of new fund authorizations but over time further functional improvements will be made allowing for other types of requests to be submitted via the portal.

Fees

Mutual fund licence fees (generally US\$3,658.54 per annum) are payable to CIMA by 15 January of each calendar year, after which date penalties are charged for late payment.

Due Diligence

As part of Trident's due diligence procedures on the promoters and managers of mutual funds, we may require additional information from potential promoters and managers of new funds about their suitability to form and operate such funds. Trident's obligations to CIMA in this respect are set out in Section 16 of the Mutual Funds Law, 2009 Revision.

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**Continuing
Statutory
Obligations of
Cayman Islands
Exempted
Companies**

To assist clients in the administration of Exempted Companies we circulate annually this summary of the main statutory requirements and corporate practices applicable to Exempted Companies. Please contact us if you have questions regarding any of the topics mentioned in this summary.

Registered Office

Every company must maintain a registered office in the Cayman Islands.

Annual Fees & Returns

An annual return must be submitted to the Registrar in January of the year immediately following incorporation. A return must be submitted in each subsequent January together with the appropriate annual return fee. As the Registered Office Trident will attend to the filing of the annual return and all statutory compliance. Please note: Annual returns cannot be submitted unless cleared funds have been received. Therefore, to ensure that the company does not fall into default, it is important to settle our invoices promptly.

Penalties for Late Payment of Annual Fees or Late Filing of Returns

(Based on the amount of the annual fee)

Up to 31 March	Nil
1 April to 30 June	33.33%
1 July to 30 September	66.67%
1 October to 31 December	100%

A Certificate of Good Standing cannot be obtained for a company with outstanding fees or returns.

Non Payment of Annual Fees.

A Company which has not filed its annual return or paid its annual return fee within 12 months of its due date is liable to be struck off the Register and any assets held by the company will then vest in the Cayman Islands Government.

Meetings

Companies are not obligated to hold annual meetings of shareholders. The frequency and procedures relating to convening meetings of shareholders and directors are governed by the provisions of the Articles of Association. Note: Directors are no longer required by statute to hold an annual meeting in the Cayman Islands.

Company Registers

Under the Companies Law each company must maintain the following registers:

Register of Directors & Officers

This register contains the name, address, date of appointment and date of resignation of each director and officer. The register is not a public document although details of the directors and officers must be filed with the Registrar of Companies. The register must be maintained at the registered office in the Cayman Islands.

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Register of Shareholders

This register contains the name and address of each of the company's shareholders, the number, type and class of shares held, whether shares are fully paid, the distinguishing number of shares (if any), the date of entry as a member, the date of transfer and the person to whom the shares are transferred. The register is not a public document. Although not required by statute the register is usually held at the registered office. Trident requires, as a matter of "Know Your Customer" policy, that details of all shareholders and beneficial owners are held at the registered office.

Register of Mortgages & Charges

This register contains details of the mortgages and charges specifically affecting the property of the company. If any mortgage or other form of security interest is granted, full particulars must be provided immediately and the register written-up. This register can be inspected by any member or creditor of the company and must be maintained at the registered office in the Cayman Islands. Security documents which are brought to or executed in the Cayman Islands will be subject to stamp duty.

Filing Procedures**Penalties for Late Filing**

The Companies Law provides for daily penalties for non-compliance with a number of requirements (e.g. filing deadlines, requirement to have a registered office). There are statutory time constraints, either fifteen or thirty days, for due notification. For this reason, it is important to provide the information to the registered office promptly to avoid fines or penalties which will be levied pursuant to the Companies Law. The penalties, which range from US\$2.40 to US\$12.20 per day are capped at a maximum of US\$610 for an unintentional non-compliance. The following events must be notified to the registered office in order that the Registrar of Companies may be notified and the appropriate fee paid.

As a general rule, only the Registered Office in the Cayman Islands may make filings with the Registrar of Companies. For this reason all significant corporate events should be notified promptly to us for the appropriate filing by us, if required, with the Registrar.

The time limits for notification of the following significant events are:

- Changes in the name of a company: 15 days
- Alterations to the Memorandum or Articles of Association: 15 days
- Any other special resolution passed by the shareholders: 15 days
- Changes of location of the registered office: 30 days
- Changes in directors or officers: 6 weeks
- Increases in the authorised capital of the company: 30 days

The Registrar of Companies is also empowered to impose higher penalties for intentional non-compliance.

We strongly recommend that you pay careful attention to the reporting of all statutory obligations in order to avoid unnecessary penalty costs.

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Minute Book

A minute book should be maintained. Although there is no requirement that the minute book be maintained at the Registered Office most companies follow this practice. The minute book and statutory records of the company should contain:

- Certificate of Incorporation (we retain the original Certificate of Incorporation for safekeeping)
- Certified copy of the Memorandum and Articles of Association
- Original or duplicate originals of the minutes of directors' and shareholders' meetings (and any attachments referred to in the minutes)
- Written resolutions of the directors and shareholders (and any attachments referred to in the minutes)
- The resignation letters of directors or officers
- Consent to Act letters for the directors and secretary
- Copies of share certificates as issued and the original share certificate stubs
- Share transfer forms, Applications for Shares and the Share Register
- Copies of Certificates of Good Standing or Incumbency (if obtained)
- Annual returns
- Tax concessions certificate

It is important to ensure that all relevant information and paperwork is provided to keep the statutory records up-to-date irrespective of where the documents originate. Maintaining all parts of the statutory records at the Cayman Registered Office will ensure compliance with the statutory obligations of the Company and expedite the issuance of legal opinions. Duplicate statutory records may be maintained.

Books of Account

All companies must maintain proper books of account, although they need not necessarily be kept at the Registered Office. The books of account must be such as are necessary to give a fair and true view of the state of the company's affairs and explain its transactions. All books of account must be maintained for a minimum of five years from the date on which they are prepared. Failure to do so may result in a penalty of US\$6,098.

If a company is regulated by CIMA (which includes: banks, trust companies, insurance companies, corporate managers, mutual fund administrators and regulated mutual funds) it must have its financial statements audited annually and lodged with CIMA by its auditors.

Name

The name of the company must be displayed at the Registered Office in the Cayman Islands. Where Trident provides the registered office, we will attend to this requirement.

2011 ANNUAL CLIENT MEMO**Seal**

A company may have a common seal. The previous statutory requirement for each company to have a common seal has been repealed.

If a common seal is used, the Articles of Association normally will provide that it be kept at the Registered Office. A duplicate seal may be approved for use outside the Cayman Islands when the directors are non-resident. This may be a facsimile of the common seal, which may, but is not required to, have imprinted the district, territory or place where it is to be used.

Procedure to Change Directors & Officers

Letters of resignation and Consent to Act letters should be sent to the Registered Office, along with the resolutions of the directors (or shareholders where a sole director has resigned) appointing new directors and officers and accepting the resignation of the retiring directors and officers. Copies of resolutions should be provided to the Registered Office promptly so that the Register of Directors and Officers is updated and the relevant information filed with the Registrar of Companies. There are significant penalties for late filing of changes of directors and officers.

Generally, directors may be removed by an ordinary resolution of the shareholders passed at a general meeting of the shareholders. An ordinary resolution requires a simple majority of those shareholders present and entitled to vote at the meeting voting in favour of the resolution. Officers may usually be removed by a resolution of the directors. Alternatively, directors and officers may be removed by resolutions signed by all shareholders or directors respectively, in lieu of a formal meeting.

The Articles of Association and minute book must be checked to ensure compliance with any special provisions relating to the appointment and removal of directors.

Share Transactions

The issuance of new shares is usually approved by a resolution of the directors. If the Registered Office maintains the Register of Members, the original resolution should be lodged with the Registered Office for entry to the Register of Members, along with a copy of the Minutes of the meeting at which the resolution was passed to enable the Register to be amended and the share certificate(s) issued. Shares must be issued in consideration of additional paid in capital. Shares may be issued at a premium.

If existing shares are transferred, a share transfer form must be signed and placed on the minute book. The directors should pass a resolution approving the transfer and issue of a new share certificate, which may not be issued until the old share certificate is surrendered to the registered office for cancellation, unless the shares are in registered form only and certificates are not issued.

Bearer shares may only be issued into the custody of an Authorized Custodian as defined in the relevant Law. Existing Bearer shares were required to be deposited with an Authorized Custodian by 26 April 2002. Bearer shares which were not deposited with an Authorized Custodian by the deadline are deemed null and void. Directors commit an offence if they make or permit a false annual return declaration with regard to the custody of Bearer shares.

The Articles of Association and minute book must be checked to ensure compliance with any restrictions on the transfer of shares.

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**Continuing
Statutory
Obligations of
Cayman Islands
Exempted
Limited
Partnerships**
Residence

Any one of the limited partners and the general partner may be resident, domiciled, established, incorporated or registered in the Cayman Islands. However, at least one general partner must be resident in the Cayman Islands if an individual, or registered here, if a corporation or a partnership.

Name

Every exempted limited partnership must include the words "Limited Partnership" or the letters "L.P." or "LP" in its name.

Registration

Each exempted limited partnership is required to make an initial statement giving certain information such as its name, nature of its business, its registered office address, the term of the partnership, the name and address of its general partner and a declaration that it conducts its business mainly outside of the Cayman Islands.

Changes in Registered Particulars

Any changes to the details shown in the paragraph above should be advised to the Registrar by a general partner within 60 days of that change. There are penalties for late filing of these changes.

Register of Limited Partnership Interests

The general partner is required to keep a register showing each partners' name and address, and amount and date of contribution(s). The register must also show distribution(s) returned to each partner. The register may be kept in an electronic format.

Updates should be notified to Trident Cayman as the Registered Office within 21 days. Failure to notify the registered office could result in a penalty to the Partnership of US\$30 per day.

Annual Return

Prior to 31 January each year, the general partner must pay the prescribed fee and make a Declaration that the partnership has complied with the law.

Penalties for Late Payment of Annual Fees or Late Filing of Return

Up to 31 March	NIL
Between 1 April and 30 June	33.33%
Between 1 July and 30 September	66.67%
Between 1 October and 31 December	100%

A Certificate of Good Standing cannot be obtained for an exempted limited partnership with outstanding fees or returns.

2011 ANNUAL CLIENT MEMO
**Continuing
Statutory
Obligations
of Vessels
Registered
in the
Cayman Islands**
Tonnage Taxes

All vessels fully registered in the Cayman Islands pay an annual tonnage tax to the Cayman Islands Shipping Registry. The tonnage tax is based on the gross tonnage of the vessel. The minimum tonnage tax is US\$300.00. This annual fee will be included in our annual invoice and is due and payable on January 1st.

Please note that where registration fees remain unpaid beyond January 31st the following late payment penalties shall apply:

- a 10% surcharge on the amount outstanding will be applied for amounts due and not paid within 30 days of the due date; and
- an additional 5% surcharge on the amount outstanding will be applied for each period of 30 days or part thereof for amounts due and not paid within 60 days of the due date.

Radio Licenses

All vessels registered in the Cayman Islands are obliged under the Information and Communication Technology Authority Law (2006 Revision) to obtain a radio licence from the Authority, regardless of whether or not the respective vessel actually enters or remains within the territorial waters of the Cayman Islands. Annual radio licence fees for luxury yachts from the ICTA currently range from US\$60 to US\$180 depending upon gross tonnage. Trident charges on an hourly basis for handling the application.

Failure to obtain the required licence could result in a penalty of \$50,000 (plus \$10,000 for every additional day during which the offence has continued) and imprisonment for up to five years.

Furthermore, the Radio Regulations issued by the International Telecommunications Union ("ITU"), which apply to the Cayman Islands via United Kingdom legislation, state that no transmitting station may be established or operated by a private person or by any enterprise without a licence issued in an appropriate form and in conformity with the provisions of the Regulations by or on behalf of the government of the country to which the station in question is subject.

You should also note that unlicensed vessels are excluded from the ITU's MARS database that is used by search and rescue organisations and that, where applicable, MMSI numbers are withdrawn and reallocated to new vessels. For the continued safety of all those on board, it therefore is vitally important that a vessel keeps its radio licence current.

The annual renewal fee for the Radio License is due on the anniversary of issuance and therefore our office do not bill in advance for this fee. It is therefore your responsibility to renew the Radio License which can be done through our office or direct with ICTA.