

HedgeWorks

1900 Wright Place, Suite 100
Carlsbad, California 92008

December 31, 2007

Lilliothea Investment Management
18 Tremont Street
Boston, MA 02108

Dear Joshua Crossman,

I confirm that HedgeWorks Fund Services Limited ("HWFS") is licensed and regulated by the Cayman Islands Monetary Authority ("CIMA") to conduct fund administration in the Cayman Islands. In addition to the licensing requirement of fitness and properness, which encompasses sound history, good management, and effective policies and procedures for financial management and control, HWFS is also required to follow the Money Laundering Regulations (the "Regulations").

CIMA is responsible for ensuring that all licenceholders are in compliance with the Regulations, and failure to demonstrate compliance can result in the loss of the licence to conduct business. The Regulations require policies and procedures for the identification and verification of investors, monitoring of transactions and relationships, reporting suspicious transactions, training and record keeping. There are also provisions to ensure that all clients taken on prior to the introduction of the Regulations meet its requirements. CIMA routinely reviews the policies and procedures of licenceholders to ensure compliance and this is also reviewed as part of the legally required audit.

The Cayman Islands has been the subject of a review by the Financial Action Task Force and was commended on the strength and depth of the legislation in place, including the Regulations. The steps taken by the Cayman Islands in recent years has put it at the forefront of international efforts to combat money laundering and terrorist financing and the Cayman Islands government is committed to ensuring that this remains the case.

I have attached a brief Summary of the Anti-Money Laundering Services & Requirements that HedgeWorks Fund Services Limited conducts for the Fund. I trust this addresses your queries, however, should you wish to discuss this in greater detail please do not hesitate to contact me directly at 1-800-750-5354, Ext 246.

Yours sincerely,

Kathleen Crowley
MLRO – Hedge Works Fund Services Limited

HedgeWorks
www.hedgeworks.com
San Diego ■ Cayman ■ Boston

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Summary of Anti-Money Laundering Services and Requirements

1. Maintain anti-money laundering policies and procedures in compliance with applicable anti-money laundering legislation and regulations, as amended from time to time (the "Regulations").
2. Maintain, on behalf of the Fund and if required by applicable Regulations, anti-money laundering procedures (the "Procedures") in relation to:
 - Identification and verification of the investors in the Fund;
 - Record keeping in relation to the verification of identity of investors and fund transactions; and
 - Internal controls and communication for the ongoing monitoring of investors in the Fund, to the extent practicable based on information received by HWFS.
3. The following information will be provided upon request:
 - Written evidence of HWFS' suitability to perform the Procedures on behalf of the Fund to the Cayman Islands Monetary Authority ("CIMA") and the Fund, upon request;
 - Identification information obtained and held with respect to the investors to CIMA, upon request, and to the Cayman Islands Financial Reporting Authority and/or other law enforcement authorities, upon lawful request; and
 - Information which the Fund may reasonably require to satisfy itself of the reliability of the Administrator's systems and procedures.