

PROSPECTUS

relating to the offering of Class A Shares, Class B Shares and Class C Shares in

J & O Global Forestry Investment Fund LTD

at an initial subscription price of US\$100, SEK1,000, EUR100 and GBP£100 per Share

Only the information contained herein should be regarded as authorised by or on behalf of J & O Global Forestry Investment Fund Ltd.

11 September, 2012

Investment Manager

J & O Asset Management Ltd.

Administrator

Apex Fund Services Ltd.

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J & O ALTERNATIVE INVESTMENT FUND LTD.

Permission under the Exchange Control Act 1972 (and regulations thereunder) has been received from the Bermuda Monetary Authority (the "Authority") for the issue of up to 10,900,000 shares of par value US\$.001 each ("the Shares") in J & O Global Forestry Investment Fund Ltd., formerly known as J & O Alternative Investment Fund Ltd, previously CENTUM Multi- Strategy Fund Ltd. ("the Fund").

Authorisation by the Authority does not constitute a guarantee by the Authority as to the performance of the Fund or its creditworthiness. Furthermore, in authorizing such a Fund, the Authority shall not be liable for the performance of the Fund or the default of its operators or service providers nor for the correctness of any opinions or statements expressed in the Prospectus. In addition, a copy of this Prospectus has been delivered to the Registrar of Companies in Bermuda for filing pursuant to the Companies Act 1981 of Bermuda. In accepting this document for filing, the Registrar of Companies in Bermuda accepts no responsibility for the financial soundness of any proposal or for the correctness of any of the statements made or opinions expressed with regard to them.

The Fund does not intend to be registered or licensed in any jurisdiction or with any supervisory or regulatory authority outside Bermuda.

The Shares are offered on the basis of the information and representations contained in the Prospectus and any further information given or representations made by any person may not be considered as being authorised by the Fund or its Directors. Neither the delivery of this Prospectus nor the offer, allotment or issue of Shares constitute a representation that every item of information contained herein is correct subsequent to the date of this Prospectus.

The Directors of the Fund have taken all reasonable care to ensure that the facts stated herein are true and accurate in all material respects and that there are no other material facts, the omission of which would make misleading any statement herein, whether of fact or opinion. All the Directors accept responsibility accordingly.

The circulation and distribution of this Prospectus in certain countries is restricted by law. Persons into whose possession this Prospectus may come are required to inform themselves of and to observe any such restrictions.

The Fund has been classified as a Standard Fund. As such, the Fund is subject to regulation and supervision as provided for in The Investment Funds Act 2006. However, the Fund should be viewed as an investment suitable only for investors who can fully evaluate and bear the risks involved.

The Shares have not been and will not be registered under the United States Securities Act of 1933 and, except in a transaction which does not violate such Act, may not be directly or indirectly offered or sold in the United States or to or for the benefit of a United States person. For this purpose, United States person and the United States have the definitions set out in Annexure "A".

This Prospectus does not constitute an offer or solicitation to any person in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

This Prospectus should be read in its entirety and is published in connection with the continuous offering of Shares in the Fund, which are offered subject to the terms and conditions which are set out herein from the date of filing.

Any reference to "U.S.\$", "U.S. Dollars" or "dollars" contained herein shall refer to the currency of the United States of America. If you are in doubt about this offer you should consult a stockbroker, licensed dealer, bank manager, solicitor or other professional advisor.

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ORGANISATION STRUCTURE AND AIMS

THE FUND

The Fund has an authorised capital of US\$11,000 divided into 100 common shares of US\$1.00 par value each and 10,900,000 non-voting redeemable preference shares of US\$.001 par value each. The Fund was incorporated in Bermuda on 13 May 2005 as an open-ended investment company and can, therefore, issue and redeem and reissue its own shares at prices based on Net Asset Value (see page 24). Shares of the Fund will be offered on a continuing basis.

Under the present law, the Fund is exempt from all income and capital gains taxes within the Islands of Bermuda.

CLASSES OF SHARES

The Bye-Laws of the Fund empower the Directors of the Fund to create different series, or classes, of shares. In that event, the net proceeds from the sale of each class of shares will be segregated into separate funds. All income and capital gains earned on the assets of each fund shall accrue to such fund and all expenses and liabilities related to a particular fund and any redemptions of the shares related thereto shall be charged to and paid from the fund in question. In the absence of insolvency, the trading results of any one fund will have no effect on the value of any other fund and the holders of any class of shares will not have any interest in any assets of the Fund other than the fund attributable to the class of shares held by them. The assets of each such fund will be subject to the general creditors of the Fund.

At the date of this Prospectus, four classes of shares have been created, namely 100 common shares of par value US\$1.00 each which have been issued to J & O Asset Management Ltd. ("J & O AM") and 10,900,000 non-voting redeemable preference of par value US\$.001 each divided at the discretion of the Board into Class A Shares, Class B Shares and Class C Shares (together the Class A Shares, Class B Shares and Class C Shares referred to as "Shares"). Each reference in this Prospectus to the "Shares" shall, unless the context otherwise requires, be a reference to the redeemable preference shares or any class thereof. The redeemable preference shares are available for purchase in Euro, SEK, USD and GBP. Additional classes of non-voting redeemable preference shares will be created by the Directors of the Fund as the demand for shares in different currencies arises.

DEALING DAY

Shares will be issued and redeemed on each Dealing Day. The Bye-Laws provide that the "Dealing Day" will be the first business day in each calendar month or such other days as the Directors shall from time to time determine.

VALUATION DAY

The "Valuation Day" shall be the Business Day immediately preceding a Dealing Day.

BID AND OFFER PRICE PER SHARE

Currently there is not a bid and offer price but should the Directors so determine, the “Bid Price” on any Dealing Day shall be the Net Asset Value per Share being calculated as set forth on page 24 on the Valuation Day immediately preceding that Dealing Day. The “Offer Price” on any Dealing Date shall be the sum of the Net Asset Value per Share on the Valuation Day immediately preceding that Dealing Day being calculated as set forth on page 24 and a variable premium (the “Premium”) which shall be determined from time to time at the discretion of J & O . Initially there will be no Premium. However, J & O reserves the right at any time to require the Offer Price to include a Premium. The Premium shall be retained by the Fund to take into account the fact that the investment of new monies will incur varying purchase expenses such as premiums.

PUBLICATION OF NET ASSET VALUE

The Net Asset Value of Shares in the Fund will be available on J & O ’s website www.alternativainvesteringar.se.

INVESTMENT OBJECTIVE

The Fund seeks capital appreciation by investing the assets in various forestry related assets, primarily through close-ended forestry funds, with above average performance records. The objectives can be changed by the Directors with full disclosure to all shareholders.

The Fund aims to create a medium return, low- risk fund.

INVESTMENT STRATEGY

Using the multi- manager concept the Fund will:

- ⊗ Spread its assets among various successful fund managers.
- ⊗ Use managers with different forest investment strategies and philosophies.
- ⊗ Lower risk by using managers with low correlations to each other. Use managers representing asset classes that present low correlation to stock indices.

J & O have screened a substantial number of managers and continues to screen managers according to the following criteria and guidelines:

- ⊗ An attractive track record.
- ⊗ An attractive investment strategy using primarily forest based assets that represent negative, zero or low correlation with stock indices.
- ⊗ The manager of the fund should preferably have a material portion of its own assets invested in the fund.

Consequently the Fund uses managers with a variety of investment styles such as: ⊗ Long- short equity, developed markets as well as emerging markets ⊗ Market neutral fixed Income ⊗ Managed Timber ⊗ Private Equity ⊗ Real Estate. The Fund may also hold real assets directly, such as forest land, as long as the investment is tied to a forestry management agreement and timber ETFs

(Exchange Traded Funds). After the performance record of a fund or manager or real asset has been analyzed the final investment decision is made by the Investment Committee (see below).

The Fund will make investments based on actual historical performance and there is no certainty that such past performance will be maintained in the future. The profit potential or risk of an investment relies entirely on the judgment of its managers who may use substantial leverage. There may also be major losses in the event of a disruption in the financial markets affect the hedged nature of its positions. The Fund will normally be fully invested with managers in order to take advantage of investment opportunities as may arise from time to time.

FOREIGN EXCHANGE EXPOSURE FOR SHARE CLASSES

The currency exposure will be managed by diversified investments into different currencies, though the weighting may vary over time. At assessing NAV's every Valuation Day, FX gains and losses will be allocated evenly between the currency classes within each Share Class A, B or C.

BORROWING

The Directors may exercise the borrowing powers given to them in the Fund's Bye- laws (see the text under the sub- heading "Borrowing Powers" in the section entitled "Bye- laws of the Fund" (Page 28).

INVESTMENT TECHNIQUES

The members of the Investment Committee (see below) together have over 20 years experience in screening forestry investments and forestry managers. The Investment Committee will meet regularly to review existing and new managers. A combination of qualitative and quantitative methods will be used when screening for managers. Quantitative analysis is used to analyze the investment a manager's track record compared with what the market and the peer group have performed during the same period. Additionally, on- site interviews with the manager can be conducted where the manager's investment philosophy is evaluated.

INVESTMENT MANAGEMENT OF THE FUND

The Fund has appointed J & O Asset Management Ltd ("J & O AM") to manage the Fund. J & O AM is to 100 per cent owned by Jibréus & Ölvestad Alternativa Investeringar AB incorporated in Sweden.

INVESTMENT COMMITTEE

Investment recommendations are made by a committee of J & O. The members of this Committee are:-

Marcus Jibréus, Swedish, born in 1968. He co-founded Sweden's first Alternative Investment house in 2008 as Jibréus & Ölvestad Alternativa Investeringar AB, was formed. Prior to that he worked with the listed company Avanza Bank, which he co-founded in 1998. He received a MSc. from Linköping University, Sweden, in 1993, as well as an MBA from EADA Business School in Barcelona. He currently performs the role of Chief Executive Officer with Jibréus & Ölvestad Asset Management AB.

Marcus Ölvestad, Swedish, born in 1976. He co-founded Sweden's first Alternative Investment house in 2008 as Jibréus & Ölvestad Alternativa Investeringar AB, was formed. Prior to that he worked with the listed company Avanza Bank, where he was head of Private Banking. Prior to this he worked with two larger Swedish insurance groups as financial advisor. He currently performs the role of Director with J & O Asset Management Ltd.

Henrik Malmsten. Swedish. Founder of Durable Vision Invest. Previously Head of Asset Management at Swedish State Pension Fund, Sixth AP Fund. Chairman of SWESIF, Swedish Sustainable Investment Forum.

Gabriel Mörner. Swedish. Forestry consultant. Previously with LRF Konsult, Sweden's largest forestry consultancy. Member of the Forest Committee of the Swedish Landowner Assoc. Forrester.

DIRECTORS

Marcus Ölvestad, Swedish, born in 1976. He co-founded Sweden's first Alternative Investment house in 2008 as Jibréus & Ölvestad Alternativa Investeringar AB, was formed. Prior to that he worked with the listed company Avanza Bank, where he was head of Private Banking. Prior to this he worked with two larger Swedish insurance groups as financial advisor. He currently performs the role of Director with J & O Asset Management Ltd.

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Peter Hughes (IRE) is the Group Managing Director and founder of Apex Fund Services Ltd., (Apex), a specialist Fund and Private Equity Administration Company founded in September, 2003. Apex specializes in the administration of hedge funds, fund of funds, private equity funds, traditional funds and investment holding companies. Since its establishment Apex has consistently been one of the top 5 fastest growing fund administrators globally. In 1991 he received a BSc (hons) in Economics from Bristol University in England. He qualified as a chartered

accountant in 1994 and is a fellow of the Institute of Chartered Accountants in England in Wales. Between August, 2000 and August, 2003 he was Chief Financial Officer of FMG Fund Managers Limited. During 1999 he was a financial analyst with Cazenove Fund Management in London and prior to this, a Group Manager with Hemisphere Management Limited in Bermuda.

RISK FACTORS

This offering is intended only for those investors who have such knowledge and experience in financial and business matters that they are capable of evaluating the merits and risks of an investment in Shares of the Fund and are able to bear the risks of loss of their entire investment in the Fund. The value of the Shares may go up as well as down and there can be no assurances that the Fund will achieve its investment objective. Accordingly an investment in the Fund involves an element of risk as stated herein. Prospective investors should give careful consideration to the following risk factors in evaluating the merits and suitability of an investment in the Fund. The following does not purport to be a comprehensive summary of all of the risks associated with an investment in the Fund. Rather, the following are only certain risks to which the Fund is subject and that the Investment Manager wishes to encourage prospective investors to discuss in detail with their professional advisers.

1. *Limited Operating History; Potential of Loss.* The Fund is an enterprise with limited operating history. Accordingly, an investment in the Fund entails a high degree of risk. There can be no assurance that the Fund will achieve its investment objective or that the strategies described herein will be successful. Given the factors that are described below, there exists a possibility that an investor could suffer a substantial loss as a result of an investment in the Fund.

2. *Business Dependent Upon Key Individuals.* The success of the Fund is expected to be significantly dependent upon the expertise of the members of the Investment Committee and the ability of such members to successfully screen and choose appropriate managers who can achieve the Fund's investment objectives. Shareholders will have no right or power to take part in the management of the Fund. As a result, the success of the Fund for the foreseeable future will depend largely upon the ability of the aforementioned individuals and should any of them terminate his relationship with the Investment Manager, die or become otherwise incapacitated for any period of time, and should the replacement (if any) for any of them not equal his or her predecessor's performance, the profitability of the Fund's investments may suffer. In addition, should the Investment Manager terminate its relationship with the Fund, the profitability of the Fund's investments may suffer. There can be no assurance that the Investment Manager will be successful.

3. *Incentive Fee.* The Investment Manager's Incentive Fee may create an incentive for the Investment Manager to cause the Fund to make investments that are riskier or more speculative than would be the case in the absence of an incentive fee.

4. *No Current Income.* The Fund's investment policies should be considered speculative, as there can be no assurance that the Investment Manager's assessments of the short- term or long- term prospects of investments will generate a profit. In view of the fact that the Fund will likely not pay

dividends, an investment in the Fund is not suitable for investors seeking current income for financial or tax planning purposes.

5. *Risk of Early Losses.* If the Fund begins trading under market conditions which result in substantial early losses, the risk of the Fund having to terminate its trading will be substantially increased. The Fund could experience substantial cash flow difficulties were its assets to be depleted early, particularly in view of the charges to which the Fund is subject. The Fund may commence trading operations at an unpropitious time resulting in significant initial losses.

6. *Multiple Managers.* Because the Fund invests in open or closed- ended funds who make their trading decisions independently, it is theoretically possible that one or more of such open or closed- ended funds may, at any time, take positions which may be opposite of positions taken by other open or closed- ended funds. It is also possible that the open or closed- ended retained by the Fund may on occasion be competing with each other for similar positions at the same time. Also, a particular open or closed- ended funds may take positions for its other clients which may be opposite to positions taken for the Fund.

7. *Investment and Trading Risks.* Investing in securities as well as real assets attracts a level of risk and potential loss of capital. Managers of open or closed- ended funds may invest in and actively trade real assets, securities and other financial instruments using strategies and investment techniques with significant risk characteristics, including risks arising from the volatility of the equity markets, the risks of leverage associated with trading in futures and options on futures markets, the potential illiquidity of derivative instruments, the risk of loss of counterparty defaults and the risk of borrowing to meet redemption requests. Managers of open or closed- ended funds may utilize such investment techniques as margin transactions, option transactions and forward and futures contracts, which practices can, in certain circumstances, maximize the adverse impact to which the Fund may be subject. However, the Investment Committee believes that the Fund's investment program and manager screening techniques moderate this risk through a careful selection of investment managers and the allocation of the Fund's portfolio amongst various managers. No guarantee or representation is made that the Fund's program will be successful, and investment results may vary substantially over time.

PAST RESULTS OF MANAGERS SELECTED BY THE INVESTMENT MANAGER ARE NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. NO ASSURANCE CAN BE MADE THAT PROFITS WILL BE ACHIEVED OR THAT SUBSTANTIAL LOSSES WILL NOT BE INCURRED.

8. *Market Risk.* The profitability of a significant portion of the Fund's investment program depends to a great extent on correct assessments of the future course of movements in interest rates, currencies, equities and other investments. There can be no assurance that open or closed- ended funds will be able to accurately predict these price movements. The securities markets have in recent years been characterized by great volatility and unpredictability. With respect to the investment strategy utilized by open or closed- ended funds there is always some, and occasionally a significant, degree of market risk.

9. *Limited liquidity.* An investment in the Fund is suitable only for certain sophisticated investors who have no need for liquidity in the investment. An investment provides limited liquidity because Shares are not freely transferable. Generally, a shareholder may redeem its Shares only on the first business day of any month, upon not less than 90 Days prior written notice. Redemptions are permitted, but redemption fees apply to Class A Shares on a falling scale for 5 years.

10. *Performance- Based Compensation Arrangements with Open or Closed- ended Funds.* The Fund will typically enter into arrangements with open or closed- ended funds which provide that open or closed- ended funds be compensated, in whole or in part, based on the appreciation in value (including unrealized appreciation) of the account during specific measuring periods. In certain infrequent cases, open or closed- ended funds may be paid a fee based on appreciation during the specific measuring period without taking into account losses occurring in prior measuring periods, although the Investment Manager anticipates that most, if not all, open or closed- ended funds who charge such fees will take into account prior losses. Such performance fee arrangements may create an incentive for such open or closed- ended funds to make investments that are riskier or more speculative than would be the case in the absence of such performance- based compensation arrangements.

The Fund may be required to pay an incentive fee to the open or closed- ended funds who make a profit for the Fund in a particular fiscal year even though the Fund may in the aggregate incur a net loss for such fiscal year.

11. *Diversification.* Although the Investment Manager will seek to obtain diversification by investing with a number of different open or closed- ended funds, it is possible that several open or closed- ended funds may take substantial positions in the same security or group of securities at the same time. This possible lack of diversification may subject the investments of the Fund to more rapid change in value than would be the case if the assets of the Fund were more widely diversified.

12. *Activities of Open or Closed- ended Funds.* Although the Investment Manager will seek to select only open or closed- ended funds which will invest the Fund's assets with the highest level of integrity, the Investment Manager will have no control over the day- to- day operations of any of the selected open or closed- ended funds. As a result, there can be no assurance that every open or closed- ended engaged by the Fund will invest on the basis expected by the Investment Manager.

13. *Limits on Information.* The Investment Manager selects open or closed- ended funds based upon the factors described in "INVESTMENT OBJECTIVE" above. The Investment Manager will request detailed information from each manager regarding the open or closed- ended fund's historical performance and investment strategy. However, the Investment Manager may not always be provided with detailed information regarding all the investments made by the open or closed- ended funds because certain of this information may be considered proprietary information by open or closed- ended funds.

14. *Lack of Operating History of Open or Closed- ended Funds.* The open or closed- ended funds in which the Fund invests may be new funds with a limited performance history (although the managers of such funds typically will have significant prior experience in the securities industry). Therefore, such investments may involve greater risks than investment with

more established funds.

15. *Fund Expenses.* The expenses of the Fund (including the payment of fees by the Fund to the managers of a fund and the expenses of any open or closed- ended funds in which the Fund invests) may be a higher percentage of net assets than would be found in other investment entities. Because the Fund invests in multiple funds, there may be a significant turnover rate associated with the Fund's indirect investments and, therefore, commensurably high brokerage fees may be incurred. Moreover, such turnover rate will be out of the direct control of the Investment Manager.

16. *Merger and Other Arbitrage.* An activity of the open or closed- ended funds is investment in securities of companies that the applicable manager believes may be the subject of an acquisition. When the manager determines that it is probable that a transaction will be consummated, the open or closed- ended fund may purchase securities at prices often only slightly below the anticipated value to be paid or exchanged for such securities in the merger, exchange offer or cash tender offer (and substantially above the price at which such securities traded immediately prior to the announcement of the merger, exchange offer or cash tender offer). If the proposed merger, exchange offer or cash tender offer appears likely not to be consummated or in fact is not consummated or is delayed, the market price of the security to be tendered or exchanged will usually decline sharply, resulting in a loss to the open or closed- ended fund.

In addition, the open or closed ended fund may determine that the offer price for a security that is the subject of a tender offer is likely to be increased, either by the original bidder or by another party. In those circumstances, the open or closed-ended fund may purchase securities above the offer price, thereby exposing the open or closed-ended fund to an even greater degree of risk.

Investments will also be made in the securities of a company engaging in an extraordinary transaction or event after the event has been announced. Because the price offered for securities of a company involved in an announced deal will generally be at a significant premium above the market price prior to the announcement, the failure of a proposed transaction to close is generally followed by a significant decline in the value of the securities as their market price returns to a level comparable to that which existed prior to the announcement of the transaction. Furthermore, the difference between the price paid for securities of a company involved in an announced transaction and the anticipated value to be received for such securities upon consummation of the proposed transaction will often be small. If the proposed transaction appears likely not to be consummated or, in fact, is not consummated or is delayed, the market price of the securities will usually decline sharply, perhaps below the price at which the security was purchased. The consummation of mergers, exchange offers and cash tender offers can be prevented or delayed by a variety of factors, including, without limitation: (i) opposition by the management or stockholders of the target company, which will often result in litigation to enjoin the proposed transaction; (ii) intervention of a regulatory agency; (iii) efforts by the target company to pursue a "defensive" strategy, including a merger on less favorable terms with, or a friendly tender offer by, a company other than the offeror; (iv) in the case of a merger, failure to obtain the necessary stockholder approvals; (v) market conditions resulting in material changes in securities prices; (vi) compliance with any applicable securities laws; (vii) inability to obtain adequate financing; and (viii) material adverse changes in target or acquiring companies. Offers for tender or exchange offers customarily reserve the right to cancel such offers in a variety of circumstances, including an insufficient response from shareholders of the target company. Even if the defensive activities of a target company or the actions of

regulatory authorities fail to defeat an acquisition, they may result in significant delays, during which the open or closed- ended fund's capital will be committed to the transaction and interest charges may be incurred on funds borrowed to finance its arbitrage activities in connection with the transaction. Exchange offers or cash tender offers are often made for less than all of the outstanding securities of an issuer, with the provision that, if a greater number is tendered, securities will be accepted on a *pro rata* basis. Thus, after the completion of a tender offer, and at a time when the market price of the securities has declined below its cost, the Fund may have returned to it, and be forced to sell at a loss, a portion of the securities it had previously tendered.

In most forms of corporate reorganization, there exists the risk that the reorganization either will be unsuccessful (for example, for failure to obtain requisite approvals), will be delayed (for example, until various liabilities, actual or contingent, have been satisfied) or will result in a distribution of cash or a new security the value of which will be less than the purchase price to the opened or closed- ended fund of the security in respect of which such distribution was made.

In arbitrage transactions, certain events including corporate restructurings, corporate actions or unexpected announcements by management may have an adverse effect.

In certain transactions, the open or closed- ended fund may not be hedged against market fluctuations or, in liquidation situations, may not accurately value the assets of the company being liquidated. This can result in losses, even if the proposed transaction is consummated.

17. Risks of Special Techniques Used by the Investment Manager. The open or closed- ended funds may invest using special investment techniques that may subject the open or closed- ended funds' investments to certain risks. Certain, but not all, of these techniques and the risks that they entail are summarized herein. The Fund, in any event, is not designed to correlate to the broad equity market, and should be viewed as an alternative to instead of a substitute for equity investments.

18. Risk Relating to Size of Issuer. There is no limitation on the size or operating experience of the companies in which the open or closed- ended funds may invest. Some small companies in which the open or closed- ended funds may invest may lack management depth or the ability to generate internally or obtain externally the funds necessary for growth. Companies with new products or services could sustain significant losses if projected markets do not materialize. Further, such companies may have, or may develop, only a regional market for products or services and may be adversely affected by purely local events. Such companies may be small factors in their industries and may face intense competition from larger companies and entail a greater risk than investment in larger companies.

19. Concentration of Investments. From time to time a significant portion of the open or closed- ended fund's capital may be concentrated in a particular security, industry, market or country. Should such security, industry, market or country become subject to adverse financial conditions, the fund's capital shall not be afforded the protection otherwise available through greater diversification of its investments.

20. *Exchange Rules.* Each securities exchange typically has the right to suspend or limit trading in all securities that it lists. Such a suspension would render it impossible for the open or closed- ended funds to liquidate positions and, accordingly, could expose the open or closed- ended funds to losses. Similarly, the Directors have the right to suspend redemptions when, in their opinion, the Fund's net assets are not sufficiently liquid to fund redemptions.

21. *Leverage.* The open or closed- ended funds may use leverage in their investment programs when deemed appropriate by their portfolio managers and subject to applicable regulations. At times, the amount of such leverage may be substantial. Leverage creates an opportunity for greater yield and total return, but at the same time increases exposure to capital risk and higher current expenses. If the open or closed- ended funds purchase securities on margin and the value of those securities falls, the open or closed- ended funds may be obligated to pay down the margin loans to avoid liquidation of the securities. If loans to the open or closed- ended funds are collateralized with portfolio securities that decrease in value, the open or closed- ended funds may be obligated to provide additional collateral to the lender in the form of cash or securities to avoid liquidation of the pledged securities. Any such liquidation could result in substantial losses. Moreover, counterparties of the open or closed- ended funds, in their sole discretion, may change the leverage limits that they extend to the open or closed- ended funds.

22. *Option Trading.* In seeking to enhance performance or hedge capital, the open or closed- ended funds may purchase call options or sell put options on both securities and stock indexes. A stock index measures the movement of a certain group of stocks by assigning relative values to the common stocks included in the index. Examples of well- known stock indexes are the S&P 500 and the S&P 100 Index. Purchasing call options and selling put options are highly specialized activities and entail greater than ordinary investment risks. The purchase or sale of an option involves the payment or receipt of a premium by the investor and the corresponding right or obligation, as the case may be, to either purchase or sell the underlying security or other instrument for a specific price at a certain time or during a certain period. Because option premiums paid or received by an investor will be small in relation to the market value of the investments underlying the options, buying and selling put and call options can result in large amounts of leverage. As a result, the leverage offered by trading in options could cause an investor's asset value to be subject to more frequent and wider fluctuations than would be the case if the investor did not invest in options. Although an option buyer's risk is limited to the amount of the purchase price of the option, an investment in an option may be subject to greater fluctuation than an investment in the underlying securities. In theory, the exposure to loss is potentially unlimited in the case of an uncovered call writer (i.e. a call writer who does not have and maintain during the term of the call an equivalent long position in the stock or other security underlying the call), but in practice the loss is limited by the term of existence of the call. The risk for a writer of an uncovered put option (i.e., a put option written by a writer that does not have and maintain an offsetting short position in the underlying stock or other security) is that the price of the underlying security may fall below the exercise price. The effectiveness of purchasing or selling stock index options as a hedging technique may depend upon the extent to which price movements in investments that are hedged to correlate with price movements of the stock index selected. Because the value of an index option depends upon movement in the level of the index rather than the price of a particular stock, whether a gain or loss will be realized from the purchase or writing of options on an index depends upon movements in

the level of stock prices in the stock market generally, rather than movements in the price of a particular stock.

23. *Limited Redemption Rights.* Because of the limitation on redemption rights and the fact that Shares are not tradable, and furthermore, due to the fact that the Fund may invest with open or closed- ended funds which do not permit frequent withdrawals, or real assets with low liquidity an investment in the Fund is a relatively illiquid investment and involves a high degree of risk. Transfers of the Shares will be permitted only with the written consent of the Directors and are further limited by applicable securities laws. If a substantial number of Shareholders were to redeem from the Fund and the Fund did not have a significant number of liquid securities, there is a possibility that the Fund would have to meet such redemptions through distribution of illiquid securities. Accordingly, subscription for Shares should be considered only by persons financially able to maintain their investment for an appreciable period of time and who can afford a substantial loss of their investment.

24. *Distributions/Redemptions in Cash or Kind.* The Fund is not required to distribute cash or other property to the Shareholders, and the Fund does not intend to make any such distributions. Notwithstanding the foregoing, the Fund may, in its discretion, settle redemptions in kind.

25. *Notice Required.* A Shareholder must give prior written notice to the Administrator to make a partial or total redemption of its Shares. During such notice period, the Shareholder's investment remains at risk and may decrease in value from the date that notice of redemption is made to the Administrator until the effective date of redemption.

26. *Compliance.* The Fund must comply with various legal requirements, including requirements imposed by the securities laws, tax laws and pension laws in various jurisdictions. Should any of those laws change over the scheduled term of the Fund, the legal requirements to which the Fund and the Shareholders may be subject could differ materially from current requirements.

27. *Institutional Risk and Custodial Risks.* The institutions, including brokerage firms and banks, with which the Fund (directly or indirectly) does business, or to which securities have been entrusted for custodial and prime brokerage purposes, may encounter financial difficulties that impair the operational capabilities or the capital position of the Fund. Brokers may trade with an exchange as a principal on behalf of the Fund, in a "debtor- creditor" relationship, unlike other clearing broker relationships where the broker is merely a facilitator of the transaction. Such broker could, therefore, have title to all of the assets of the Fund (for example, the transactions which the broker has entered into on behalf of the Fund as principal as well as the margin payments which the Fund provides). In the event of such broker's insolvency, the transactions which the broker has entered into as principal could default and the Fund's assets could become part of the insolvent broker's estate, to the detriment of the Fund. In this regard, Fund assets may be held in "street name" such that a default by the broker may cause Fund's rights to be limited to that of an unsecured creditor.

In addition, to the extent that open or closed- ended funds invest in swaps, derivative or synthetic instruments, repurchase agreements or other over- the- counter transactions or, in certain circumstances, non- U.S. securities, the Underlying Fund may take a credit risk with regard to

parties with whom it trades and may also bear the risk of settlement default. These risks may differ materially from those entailed in exchange- traded transactions which generally are backed by clearing organization guarantees, daily marking- to- market and settlement, and isolation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default. It may not always be possible for the securities and other assets deposited with custodians or brokers to be clearly identified as being assets of the Underlying Fund and the Underlying Fund may be exposed to a credit risk in those situations. In addition, there may be practical or time problems associated with enforcing the Underlying Fund's rights to its assets in the case of an insolvency of any such party. In valuing derivative instruments, it is anticipated that the Underlying Fund will typically rely on quotes or other information provided by counterparties.

28. *Reserves.* Under certain circumstances, the Fund may find it necessary to establish a reserve for contingent liabilities or withhold a portion of the Shareholder's settlement proceeds at the time of redemption, in which case the reserved portion would remain at the risk of the Fund's activities.

29. *Forced Liquidation.* Substantial redemptions by Shareholders within a short period of time could require the Investment Manager to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the value of the Fund's capital. The resulting reduction in the Fund's capital could make it more difficult to generate a positive rate of return or to recoup losses due to a reduced equity base. Additionally, such substantial redemptions may increase the share of the Fund's fees and expenses payable by the remaining Shareholders.

30. *Litigation and Claims.* The Fund and the Investment Manager, as independent legal entities may be subject to lawsuits or proceedings by government entities or private parties. Except in the event of a lawsuit or proceeding arising from a Director's willful default or fraud or the Investment Manager's gross negligence, willful default, or fraud in the performance of its duties, expenses or liabilities of the Fund arising from any suit shall be borne by the Fund.

31. *Conflicts of Interest.* The Fund and the Investment Manager are subject to various conflicts of interest.

32. *Need for Independent Advice.* The Investment Manager has consulted with counsel, accountants and other experts regarding the formation of the Fund. Each prospective investor should consult his own legal, tax and financial advisers regarding the desirability of an investment in the Fund.

33. *Legal Requirements.* The Fund must comply with various legal requirements, including requirements imposed by the securities laws, tax laws and pension laws in various jurisdictions. Should any of those laws change over the scheduled term of the Fund, the legal requirements to which the Fund and the Shareholders may be subject could differ materially from current requirements.

34. *Currency Risks.* The investments of open or closed- ended funds retained by the Fund that are denominated in a foreign currency are subject to the risk that the value of a particular currency will change in relation to one or more other currencies. Among the factors that may affect currency values are trade balances, the level of short- term interest rates, differences in relative values of

similar assets in different currencies, long- term opportunities for investment and capital appreciation and political developments. The open or closed- ended funds may try to hedge these risks by investing in foreign currencies, foreign currency futures contracts and options thereon, forward foreign currency exchange contracts, or any combination thereof, but there can be no assurance that such strategies will be implemented, or if implemented, will be effective.

35. *Economic and Business Conditions.* General economic and business conditions may affect the Fund's activities. Interest rates, the prices of securities and participation by other investors in the financial markets may affect the value of securities purchased by the open or closed- ended funds. Unexpected volatility or liquidity in the markets in which the open or closed- ended funds directly or indirectly hold positions could impair the open or closed- ended funds' ability to carry out their business and could cause them to incur losses.

36. *Risks in relation to Intervening Countries.* Where the Company's investments are held or made through vehicles established in another country, for example, Japan, the value and performance of investments and returns thereof may be affected by the political, economic and regulatory conditions of that country in relation to Bermuda.

37. *No Separate Counsel.* Appleby Hunter Bailhache acts as Bermuda counsel to the Investment Manager and the Fund. The Fund does not have Bermuda counsel separate and independent from counsel to the Investment Manager. Appleby Hunter Bailhache does not represent investors in the Fund, and no independent counsel has been retained to represent investors in the Fund. This Prospectus was prepared based on information furnished by the Directors and the Investment Manager and Appleby Hunter Bailhache have not independently verified such information.

38. *Physical risks.* Where the Company's investments are held in sub-funds which hold physical assets such as forest land and timber, these holdings are susceptible to physical risks including fire, storms, insects, diseases and theft. All of which may have a negative effect on the sub-fund's value and thus lead to a risk of losses for the Company. The same applies if the Company has made a direct investment in the physical asset.

Different series or classes of shares

In the event of insolvency of the Fund, creditors of segregated or separated classes or funds of the Fund and general creditors may have access to all of the assets of the Fund whether or not accrued or credited to a separate or segregated fund or class of shares.

The foregoing list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in the Fund. This Fund should be considered a high risk investment. Prospective investors should read this entire Prospectus and consult with their own advisers before deciding to invest in the Fund.

<p>The Fund's Registered Office J & O Global Forestry Investment Fund Ltd. 3 Burnaby Street, T.J. Pearman Building Hamilton HM 12 P.O. Box 2460 HM JX Bermuda</p>	<p>Managers and Investment Advisers J & O Asset Management Ltd. 3 Burnaby Street, T.J. Pearman Building Hamilton HM 12 P.O. Box 2460 HM JX Bermuda Telephone: +1 441 292 2739 Fax: +1 441 292 1884 Email: info@apex.bm</p>
<p>Administrator, Registrar & Transfer Agent Apex Fund Services Ltd 3 Burnaby Street, T.J. Pearman Building Hamilton HM 12 P.O. Box 2460 HM JX Bermuda Telephone: +1 441 292 2739 Fax: +1 441 292 1884 Email: info@apex.bm</p>	<p>Legal Advisers Appleby Canon's Court 22 Victoria Street Hamilton HM EX Bermuda Telephone: +1 441 295 2244 Fax: +1 441 292 8666/5328 Email: info@applebyglobal.com</p>
<p>Sub- Administrator Apex Fund Services (Ireland) Ltd Enterprise House, WatersEdge, Midleton, Co.Cork Ireland Telephone: +353 21 4633366 Fax: +353 21 4633377 E.mail: info@apex.ie</p>	<p>Bankers HSBC Bank Bermuda Limited 6 Front Street Hamilton HM11, Bermuda</p>
<p>Custodian Mangold Fondkommission AB Engelbrektsplan 2, Box 55691, Stockholm Sweden</p>	<p>Auditors KPMG 27 Pindarou Street, Alpha Business Center, 3rd Floor, 1060 Nicosia, Cyprus</p>

ADDRESSES

DIRECTORS AND OFFICERS

Marcus Ölvestad (President)
(Swedish)

Marcus Jibreus (Vice President)
(Swedish)

Peter Hughes (Irish) 3 Burnaby Street, T.J. Pearman Building, Hamilton HM 12
P.O. Box 2460 HM JX
Bermuda

The Secretary of the Fund is:

Sharon Ward
3 Burnaby Street, T.J. Pearman Building,
Hamilton HM 12
P.O. Box 2460 HM JX
Bermuda

DIRECTORS □ INTERESTS

Peter Hughes is the Managing Director of Apex Fund Services Ltd, the Administrator of the Fund and a Director of J & O Asset Management Ltd., Manager of the Fund.

Marcus Ölvestad and Marcus Jibréus are Senior Officers of J & O Asset Management Ltd., Manager of the Fund.

A Director may hold any other office or place of profit under the Fund (other than the office of auditor) in conjunction with his office of Director, or may act in a professional capacity to the Fund on such terms as the Directors may determine. No Director shall be disqualified by his office from contracting with the Fund in any capacity, nor shall any such contract or arrangement entered into by the Fund in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Fund for any profit realised by any such contract or arrangement by reason of such Director holding that office if he shall declare the nature of his interest. Directors are able to vote on contracts in which they have a material interest. There is no age limit for the retirement or non- retirement of Directors. No Director has a service contract with this Fund or any other Fund other than that stated above.

CUSTODIAN

Mangold Fondkommission AB ("Mangold") was founded in 2000 and is under the supervision of the Swedish Financial Supervisory Authority.

Mangold is a transaction intensive financial advisor specialized in small and mid cap companies in the Nordic region. Mangold advise and assist clients across a number of industry and product groups: Industrial, Consumer, Natural Resources, Health Care, Real Estate, Technology, Media and Telecommunications. Mangold provides a range of services designed to meet the specific needs of out clients – including financing, merger and acquisition and other investment banking services.

Mangold holds authorization in accordance with the Security Transactions Law (2007:528). Mangold is a member of NASDAQ OMX Stockholm, AktieTorget and the Nordic Growth Market and also a derivative member of NASDAQ OMX Stockholm. Mangold acts as a clearing member and issuing agent at the Nordic Central Securities Depository (Euroclear Sweden).

Mangold will not provide any other services or perform any other functions except safekeeping and the usual administrative matters relating to the Safe Custody Assets of the Company, and will have no other duties or responsibilities relating to the Company, for example Mangold will not provide advisory services or asset management services nor will it monitor investment management activities or investment strategies of the Company. Mangold shall not supervise or control the activities of the Investment Manager, the Trustee (or corresponding hierarchical level) or the Administrator of the Company. Mangold does not warrant the contents of the relevant fund- documentation nor will it be involved in the management, administration or Net Asset Value calculation of the Company. Mangold does not act as sponsor or promoter of the Company.

Therefore, Mangold does not assume any liability for negligent or wilful misconduct of the Company's Investment Manager, Trustee (or corresponding hierarchical level) or Administrator and potential investors should not rely upon Mangold in deciding whether or not to invest in the Company.

ADMINISTRATOR, REGISTRAR AND TRANSFER AGENT

Apex Fund Services Ltd (the "Administrator") has been appointed as administrator of the Fund. The Administrator shall perform all general administrative tasks for the Fund, including the preparation of valuations, keeping of financial records and acting as registrar and transfer agent. The Administrator receives an annual fee calculated in accordance with its customary schedule of fees and is also entitled to be reimbursed for all out of pocket expenses properly incurred in performing its duties as Administrator of the Fund.

Under the Administration Agreement the Fund will indemnify the Administrator to the fullest extent permitted by law against any and all judgments, fines, amounts paid in settlement and reasonable expenses, including legal fees and disbursements, incurred by the Administrator, save where such actions suits or proceedings are the result of fraud, wilful default or negligence of the Administrator.

In accordance with the terms of the Administration Agreement, the services of the Administrator may be terminated on at least 90 days written notice from either the Fund or the Administrator (or such shorter notice as the parties may agree to accept) or earlier on the liquidation of either the Fund or the Administrator.

SUB- ADMINISTRATOR

The Administrator has delegated certain of its administrative functions to another office of the Administrator, Apex Fund Services (Ireland) Limited (the Sub- Administrator")

PURCHASE AND SALE OF SHARES

APPLICATION FOR SHARES

Applications for Shares should be made on the Fund's application form set out at the back of this document to the Sub- Administrator, accompanied with funds wired for the sum to be invested. To be included in the next following Dealing Day's issue, applications and payment must be received not later than 7 Business Days preceding the Dealing Day.

The initial offering period opened on 11 May 2005 at 9:00am Bermuda time and closed on 31 May 2005 at 5:00pm Bermuda time. The shares will be issued at SEK1,000 and EUR100 per share. Application forms should be sent by courier or by facsimile to:-

J & O Alternative Investment Fund Ltd., c/o Apex Fund Services (Ireland) Ltd, Enterprise House, Watersedge, Midleton, Co.Cork Ireland

Fax Number: +353 21 4633377 Email: info@apex.ie

Applications for Shares must be in a minimum amount of SEK 500,000 or the Euro, USD or GBP equivalent for Class A and Class B and SEK 1 000,000 or the Euro, USD or GBP equivalent for Class C except in the case of an existing shareholder, or at the discretion of J & O . Applications will not be accepted to or for the benefit of a United States person. All applications are subject to anti money laundering provisions (Page 30).

Duly completed applications received and accepted by the Fund are irrevocable. The Fund reserves the right to reject and return any application and remittance if it considers it appropriate and not to accept further remittances until such time as it thinks fit. The proceeds from the Shares issued will be invested in accordance with the investment objectives of the Fund (Page 5).

The number of Shares to be allotted in respect of each application will be determined by dividing the sum remitted by the Net Asset Value or if so determined by the Directors, the Offer Price per Share on the Valuation Day immediately preceding the next following Dealing Day, calculated as set out under the sub-heading "Net Asset Value Per Share" in the section entitled "Shareholder Information, Accounting and Audit".

Following receipt of accepted applications, Shares in the Fund will be allotted on the next following Dealing Day. A contract note will be sent to applicants confirming acceptance of application and the number of Shares allotted. Shares are held in book entry form.

There are no restrictions on who may buy Shares in the Fund provided the legislation of the countries of citizenship, residence and domicile of the potential investor permits such purchase (except United States Persons). The Fund's Bye-Laws include a clause empowering the Directors to redeem compulsorily Shares acquired by any person who has acquired them in contravention of such legislation or in the event that to do so would eliminate or reduce the exposure of the Fund or its shareholders to adverse tax or regulatory consequences under the laws of any country or, if the acquisition or holding of Shares might be expected to prejudice or risk prejudicing in any way either the Fund or the Shareholders. J & O are entitled to make a sales charge of up to 5% of the amount subscribed for Class B Shares which, if applied, will reduce the amount available for the purchase of Class B Shares and Class C Shares in the Fund and the premium if any which shall be retained by the Fund. No other discounts or commissions have been granted by the Fund.

FORM OF REMITTANCE

Payment is required to be made in Swedish Kronor (SEK), United States Dollar (USD), Euro (EUR) or Great British Pound (GBP). Investors should instruct their bankers to transfer monies by telegraphic transfer to:

Funds to be sent to

BIC

For further credit to

Acc name

Deutsche Bank AG

DEUT DEFF

J + O GLOBAL FORESTRY INVESTMENT FUND

Account number	LTD
Bank name	010-130540-511
Currency	HSBC Bank Bermuda Limited
Country	EUR
BIC	Bermuda
	BBDABMHM
Funds to be sent to	Skandi Enskilda Banken
BIC	ESSE SESS
For further credit to	
Acc name	J + O GLOBAL FORESTRY INVESTMENT FUND
	LTD
Account number	010-130540-517
Bank name	HSBC Bank Bermuda Limited
Currency	SEK
Country	Bermuda
BIC	BBDABMHM
Funds to be sent to	HSBC Bank USA
BIC	MRMD US33
For further credit to	
Acc name	J + O GLOBAL FORESTRY INVESTMENT FUND
	LTD
Account number	010-130540-501
Bank name	HSBC Bank Bermuda Limited
Currency	USD
Country	Bermuda
BIC	BBDABMHM
Funds to be sent to	HSBC Bank PLC
BIC	MIDL GB22
For further credit to	
Acc name	J + O GLOBAL FORESTRY INVESTMENT FUND
	LTD
Account number	010-130540-513
Bank name	HSBC Bank Bermuda Limited
Currency	GBP
Country	Bermuda
BIC	BBDABMHM

FORM OF SHARES

Shares in the Fund are in book form and will be issued in fractions of 3 decimal places.

REDEMPTION

To redeem shares, redemption requests should be made in writing and sent by air mail or via facsimile to the Sub- Administrator. Any redemption requests should contain the following information: the exact name and address of the person requesting redemption, the number of shares to be redeemed and the name of the person to whom payment is to be made. Notice to redeem must be received by the Administrator by the close of business two months preceding a Dealing Day at the beginning of each calendar quarter. Class A Shares pay redemption fees as follows:

During the first 12 months a 5 % redemption fee will be levied. During the following 12 months a 4% redemption fee will be levied, the next 12 months a 3 % redemption fee will be levied, the next 12 months a 2 % redemption fee will be levied and the next 12 months a 1 % fee will be levied. There are no redemptions fees applied to Class A after this.

Neither Class B Shares nor Class C Shares pay redemption fees and are not restricted from redemption in the first 12 months.

Subject to certain restrictions (see the text under the sub-heading “Net Asset Value” in the section entitled “Bye-laws of the Fund”), redemption of Shares will take place on the Dealing Day immediately following duly receipt of such written request at the Bid Price per Share calculated at the close of business in Bermuda on the Valuation Day immediately preceding that Dealing Day. Funds will be wired within 28 days of the relevant Dealing Day, together with details of the redemption. The Fund reserves the right to require redemption of the Shares of any shareholder whose total shareholding in the Fund is Shares having a Net Asset Value of less than SEK 500,000 or whose shareholding whether solely or jointly or, in the case of a company either alone or together with its associate or subsidiaries, exceeds 10% of the issued capital of the Fund.

The Directors may, at any time, limit aggregate redemptions as of each Dealing Date to a maximum of 10% of the aggregate net asset value of the fund. If redemption requests exceed the amount of redemptions to be processed for any specific dealing date, each Shareholder who has submitted a timely request will receive a *pro rata* portion of the requested redemption and, as regards any balance, each affected Shareholder will have a priority at each subsequent Dealing Date over other Shareholders wishing to redeem their Shares at that time.

The Directors may suspend the redemption privilege and the valuation of the Fund’s assets if they determine that such a suspension is warranted by extraordinary circumstances, including, without limitation, in circumstances where the Administrator is unable to value fairly the Fund’s assets. The Directors will take all reasonable steps to bring any period of suspension to an end as soon as is possible

TRANSFER OF SHARES

Shares are transferable by instrument in writing signed by (or in the case of a transfer by a body corporate, signed on behalf of or sealed by) the transferor and registered in the register of shareholders of the Fund. Unless the Directors otherwise agree, no transfer may be made which

would result in either the transferor or the transferee remaining or being registered as the holder of Shares valued at less than SEK 500,000 at the time of such intended transfer.

DIVIDENDS

The Fund's overall objective is to maximise capital appreciation of the Shares and accordingly it is the current intention of the Directors that dividends will not be declared. To the extent that a dividend policy is consistent with this objective the Directors may, from time to time, declare dividends.

CHARGES AND EXPENSES

REMUNERATION OF J & O

J & O are entitled to receive from the Fund for **Class A Shares**:- (1) A base fee of one and a half percent (1.5%) per annum of the Net Asset Value of the Fund. The fee shall be calculated monthly in arrears and payable monthly.

(2) A quarterly performance fee (the "Incentive Fee") equal to fifteen per cent (15%) of the Profits of the Fund, if any, during each calendar quarter (each a "Performance Period") accrued with respect to each share of the Fund. The Profits are defined as the cumulative profits of the Fund for the applicable period before the Incentive Fee, after deduction of all transaction costs and management fees. Trading Profits shall include both realized and unrealized profits. If Profits for a month are negative, there shall be 'carry forward losses' for the beginning of the next month. No Incentive Fee will be payable until Profits exceed carry forward losses together under that calendar quarter. Each new calendar year starts with a new balance regardless of past 'carry forward losses'. Once earned, the Incentive Fee will be retained by J&O Asset Management Ltd. regardless of the Fund's future results.

J & O are entitled to receive from the Fund for **Class B Shares**:-

(1) A base fee of one and a half percent (1.5%) per annum of the value of the Net Assets of the Fund. The fee shall be calculated monthly in arrears and payable monthly.

(2) A quarterly performance fee (the "Incentive Fee") equal to twenty percent (20%) of the Profits of the Fund, if any, during each calendar quarter (each a "Performance Period") accrued with respect to each share of the Fund. The Profits are defined as the cumulative profits of the Fund for the applicable period before the Incentive Fee, after deduction of all transaction costs and management fees. Trading Profits shall include both realized and unrealized profits. If Profits for a month are negative, there shall be 'carry forward losses' for the beginning of the next month. No Incentive Fee will be payable until Profits exceed carry forward losses together under that calendar quarter. Each new calendar year starts with a new balance regardless of past 'carry forward losses'. Once earned, the Incentive Fee will be retained by J&O Asset Management Ltd. regardless of the Fund's future results.

In addition, J & O may receive a sales charge of up to 5% of the amount subscribed for Class B Shares which, if applied, will reduce the amount available for the purchase of shares in the Fund. J &

O shall also be entitled to out of pocket expenses. The fees of J & O may be altered by the mutual agreement of the Board of Directors of the Fund and J & O.

J & O are entitled to receive from the Fund for **Class C Shares**:-

(1) A base fee of one percent (1%) per annum of the Net Asset Value of the Fund. The fee shall be calculated monthly in arrears and payable monthly.

(2) A quarterly performance fee (the "Incentive Fee") equal to ten percent (10%) of the Profits of the Fund, if any, during each calendar quarter (each a "Performance Period") accrued with respect to each share of the Fund. The Profits are defined as the cumulative profits of the Fund for the applicable period before the Incentive Fee, after deduction of all transaction costs and management fees. Trading Profits shall include both realized and unrealized profits. If Profits for a month are negative, there shall be 'carry forward losses' for the beginning of the next month. No Incentive Fee will be payable until Profits exceed carry forward losses together under that calendar quarter. Each new calendar year starts with a new balance regardless of past 'carry forward losses'. Once earned, the Incentive Fee will be retained by J&O Asset Management Ltd. regardless of the Fund's future results.

In addition, J & O may receive a sales charge of up to 2% of the amount subscribed for Class C Shares which, if applied, will reduce the amount available for the purchase of shares in the Fund. J & O shall also be entitled to out of pocket expenses. The fees of J & O may be altered by the mutual agreement of the Board of Directors of the Fund and J & O.

FUND EXPENSES

The Fund will incur costs in connection with the operation of the Fund, which include the fees due to J & O, Directors' fees, administration, audit, custody and legal fees. The Fund also may incur marketing expenses of up to 5% of invested capital, which will be treated in the same way as the set up costs of the Fund. Both these expenses will be capitalised and amortized over 5 years. The amortization expense of the marketing expenses will be allocated to Class A investors in full. Class B and Class C investors will not be allocated the amortization expense of the marketing expenses. The Fund may also incur annual marketing expenses that will be allocated in full to Class A investors but will not exceed 1% of the Class A capital.

DIRECTORS' REMUNERATION AND EXPENSES

The Directors shall be entitled to such remuneration as may be voted to them by the shareholders of the Fund in General Meeting. The Directors may also be paid all traveling, hotel and other expenses properly incurred by them in the execution of their duties.

ADMINISTRATOR, REGISTRAR AND TRANSFER AGENT FEES

The Administrator is entitled to fees commensurate with the work and responsibilities undertaken and may vary from time to time. Currently the Administrator is entitled to receive the sum of US\$3,000 per month.

SHAREHOLDER INFORMATION, ACCOUNTING AND AUDIT

NET ASSET VALUE PER SHARE

The Net Asset Value of each class of Shares in the Fund is determined by reference to the market prices of the underlying assets in the fund attributable to such class at the close of business on the "Valuation Day" (the business day immediately preceding each Dealing Day). Assets for which market prices are not readily available will be valued as determined by the Directors after consultation with J & O. Fees and expenses of the Fund will be accrued on a daily basis and subtracted from the assets of the Fund in determining the Net Asset Value of each class of Share. The Net Asset Value of each class of Share calculated by dividing the value of the total net assets of that class expressed in SEK (i.e. the value of the assets and cash, less liabilities and estimated cost of realisation) by the number of shares in issue of that class. The resultant Net Asset Value per Share is then expressed in SEK adjusted to two decimal places.

The assets of the Fund shall be valued as follows:

1. the value of any cash on hand or on deposit, bills, demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued and not yet received shall be deemed to be the full amount thereof, unless, in any case, the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making any reasonable reductions in order to reflect the fair value of such assets;
2. investment in other funds shall be valued at their Net Asset Value as reported or otherwise obtained, estimated Net Asset Values may be used where final Net Asset Value have not become available.
3. securities bid on an official stock exchange or dealt in on a regulated market which operates regularly and is recognized and open to the public shall be valued at the last available price or, if such securities are dealt in on several markets, on the last available price on the main market of the relevant security. If the last available price is not representative, the securities shall be valued on the basis of the probable sales price determined prudently and in good faith by or on behalf of the Board of Directors;
4. securities and other assets not listed or dealt in on a stock exchange or regulated market which operates regularly and is recognized and open to the public shall be valued on the basis of the probable sales price determined prudently and in good faith by or on behalf of the Board of Directors;
5. securities denominated in currencies other than SEK shall be converted at the last available exchange rate;

ANNUAL ACCOUNTS

The Fund's financial year runs from October 1 to September 30. Annual accounts will be made up to 30 September each year. The Audited Financial Statements as at the most recent financial year end

are attached hereto and form an integral part of this Prospectus. There have been no events occurring subsequent to the date of the Audited Financial Statements at the date of this Prospectus which either provide material additional information relating to conditions that existed at the date of the Audited Financial Statements or which cause significant changes to assets or liabilities or which may have a significant effect on the future operation of the Fund.

ANNUAL GENERAL MEETINGS

The Annual General Meeting of the Fund will be held in Bermuda, with at least 14 days notice, accompanied by the annual accounts, being given in writing to shareholders of the common shares.

AUDITORS' CONSENT

KPMG, Nicosia, Cyprus, have accepted appointment as Auditors of the Fund. The Auditors have given and have not, before delivery of a copy of this Prospectus for filing with the Registrar of Companies in Bermuda, withdrawn their written consent to the inclusion of their name in the form and context in which it appears.

GENERAL INFORMATION

INCORPORATION

The Fund was incorporated in Bermuda on 13 May, 2005.

AUTHORISED CAPITAL

The Fund has an authorised share capital of US\$11,000 divided into 100 common shares of par value US\$1.00 each and 10,900,000 non-voting redeemable preference shares of par value US\$0.001 each.

The holder of the common shares is not entitled to receive dividends, may not redeem its holding and is only entitled to be repaid the par value of those common shares upon a winding up or distribution of capital.

Each of the non-voting redeemable preference shares carries no preferential or pre-emptive rights upon the issue of new shares. A non-voting redeemable preference share does not confer the right to vote at general meetings of the Fund. All shares in the Fund must be fully paid up.

MATERIAL CONTRACTS

The following contracts, not being entered into in the ordinary course of business, have been entered into by the Fund on the date of this Prospectus and are or may be material:-

(a) a contract dated 1st June 2005, made between the Fund and Managers whereby the Managers

were appointed managers of the Fund, this contract is ongoing unless terminated by either party with 3 months notice in writing;

(b) a contract dated 28th May 2005, made between the Fund, the Managers and The Bank of Bermuda Limited whereby The Bank of Bermuda Limited was appointed the Fund's Custodian;

(c) an Administration Agreement between the Fund and Apex Fund Services Ltd dated 1st July, 2007 whereby Apex Fund Services Ltd was appointed as Administrator, Registrar and Transfer Agent of the Fund.

(d) A Sub- Administration Agreement between the Administrator, Registration and Transfer Agent and the Sub- Administrator

INSPECTION AND DISCLOSURE OF INFORMATION

Copies of the above documents, together with copies of the Fund's Bye- laws and Memorandum of Association may be inspected during normal business hours at the Fund's registered office.

The issue and redemption prices of the Shares will be made public at the offices of the Administrator and at the registered office of the Fund.

EXCHANGE CONTROL AND BERMUDA DISCLOSURE

The Fund has been classified as non- resident of Bermuda for exchange control purposes by the Bermuda Monetary Authority whose permission for the issue of Shares has been obtained. The issue, redemption and transfer of Shares to, by and between persons regarded as non- resident in Bermuda for exchange control purposes may be effected without specific consent under the Exchange Control Act 1972 of Bermuda and regulations made thereunder. Issues and transfers involving any person regarded as resident in Bermuda for exchange control purposes require specific prior authorisation under the Act. The Fund, by virtue of being non- resident of Bermuda for exchange control purposes, is free to acquire, hold and sell any foreign currency and securities without restriction.

No Shares or loan capital of the Fund are under option or agreed conditionally or unconditionally to be put under option. No Share or loan capital of the Fund have been issued or agreed to be issued within the two years immediately preceding the date of this Prospectus or are proposed to be issued as fully or partly paid either for cash or consideration other than as set out above. There is no real or personal property purchased or acquired by the Fund, or proposed to be purchased or acquired, which is to be paid for wholly or partly out of the proceeds of this issue, or the purchase or acquisition of which has not been completed at the date of issue of this Prospectus. Save as disclosed in this Prospectus, no Director of the Fund has any interest, direct or indirect, in the promotion of or in assets which are proposed to be acquired by, disposed of by or leased to the Fund and no Director of the Fund has a material interest in any contract or arrangement entered into by the Fund which is significant in relation to the business of the Fund.

Save as disclosed in this Prospectus, no amount or benefit has been paid or given, or is intended to be paid or given by the Fund to any promoter or Director, or any firm of which a Director is a partner.

There is no minimum amount, which in the opinion of the Directors, must be raised by the issue of the Shares pursuant to this Prospectus to provide for the matters referred to in Section 28 of The Companies Act, 1981 of Bermuda.

TAXATION

The Fund is an exempted company within the meaning of The Companies Act 1981 of Bermuda and as such, under current law, is not liable for any taxes in Bermuda. The Fund is required to pay an annual government fee currently between \$1,995 and \$31,120 and calculated by reference to the authorised capital of the Fund.

The Fund has received an undertaking from the Minister of Finance of the Bermuda Government under the provisions of the Exempted Undertakings Tax Protection Act 1966, which until 28th March, 2016 exempts the Fund and its shareholders (other than those ordinarily resident in Bermuda) from any Bermudian taxes computed on profits or income or on any capital asset gain or appreciation or any tax in the nature of estate duty or inheritance tax (apart from any taxes on land in Bermuda leased or let to the Fund). Potential purchasers of Shares should inform themselves as to the possible tax and other consequences under the laws of the countries of their citizenship, residence and domicile which might be relevant to the purchase, holding and eventual sale of Shares.

LITIGATION

There is no pending litigation or claims of material importance against the Fund, as far as is known by the Directors.

BYE- LAWS OF THE FUND

The following is a summary of significant provisions in the Fund's Bye- Laws:-

DEFINITIONS

- (a) "Dealing Day" means the first Business Day in each calendar month and/or such other day or days as the Directors may from time to time determine.
- (b) "Business Day" means any day normally treated as a business day in the Islands of Bermuda, New York and London.
- (c) "Market" means any formal or informal market on which the investments of the Fund are or can be dealt in or traded.
- (d) "Valuation Day" means the Business Day immediately preceding a Dealing Day.

NET ASSET VALUE

The Net Asset Value of each share of the Fund outstanding shall be determined by the Directors:

- ⊗ as at the close of business on each Valuation Day except when determination of the Net Asset Value has been suspended under the provisions of the Bye- Laws;
- ⊗ on such other occasions as may be required by the Bye- Laws;
- ⊗ on such other occasions as the Directors may from time to time determine.
- ⊗ Any determination of Net Asset Value made pursuant to the Bye- Laws shall be binding on all parties.

The Directors may declare a suspension of the determination of Net Asset Value as well as the issue and redemption of Shares for the whole or any part of any period in which, in the opinion of the Directors, it is not reasonably practicable to value any of the investments of the Fund for any one or more of the following reasons:-

- ⊗ there is closure of any market on which a substantial portion of the Fund's investments are normally dealt in or traded, other than customary holiday and week- end closings;
- ⊗ restriction of trading on the market on which a substantial portion of the Fund's investments are normally dealt in or traded;
- ⊗ the existence of an emergency as a result of which, in the opinion of the Directors, disposal by the Fund of investments owned by it is not reasonably practicable or it is not reasonably practicable for the Fund fairly to determine the Net Asset Value;
- ⊗ the occurrence of a breakdown in any of the means normally employed by the Directors in ascertaining the prices of investments or when for any other reason the prices of the investments cannot reasonably be ascertained;
- ⊗ political, economic, military or monetary circumstances which are beyond the control and responsibility of the Fund prevent the Fund from disposing of the assets, or determining the Net Asset Value, of the Fund in a normal and reasonable manner;
- ⊗ any period when a deficiency in the computer systems renders the calculation of the Net Asset Value impossible; or as a consequence of any decision to liquidate or dissolve the Fund.

In addition, if on any Valuation Day, any shareholder wishes to redeem Shares totaling more than five per cent (5%) of the issued capital of the Fund or several shareholders wish to redeem Shares totaling more than fifteen per cent (15%) of the issued capital of the Fund, the Directors may defer redemption of such Shares, and the calculation of the redemption price, to a subsequent Dealing Day being not later than the fifth Dealing Day following receipt of the application for redemption. In such cases, suspended subscription and redemption requests shall be carried out on the basis of the next following Net Asset Value.

BORROWING POWERS

The Directors may exercise all the powers of the Fund to borrow money (including the power to borrow for the purpose of redeeming Shares) and to mortgage or charge its undertaking, property and uncalled capital and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Fund or of any third party. The Fund does not currently intend to employ leverage in its investment strategy. However, the underlying managers can employ leverage. The Directors of the Fund may change this policy in the future.

COMPULSORY REDEMPTION OF SHARES

The Directors may require the redemption of any Shares in the Fund of any shareholder whose total shareholding of Shares has a Net Asset Value of less than SEK 500,000 or whose shareholding whether solely or jointly or, in the case of a company either alone or together with its associates or subsidiaries, exceeds 10% of the issued Shares of the Fund.

ALTERATION OF BYE- LAWS

No Bye- Law shall be rescinded, altered or amended and no new Bye- Law shall be made until the same has been passed by a resolution of the Directors and subsequently confirmed by a resolution passed by a majority of three- fourths of such shareholders as, being entitled so to do, vote in person or by proxy at a meeting of the Fund at which notice specifying the intention to propose such resolution has been duly given.

ANTI- MONEY LAUNDERING PROVISIONS

As a result of anti- money laundering regulations, documentation may be required for subscriptions into the Fund. This will be used for compliance with these regulations and to verify the identity of investors and will remain confidential. Please note that Apex Fund Services Ltd. (Apex) reserves the right to request further documentation or information. Failure to provide such documentation or information may result in rejection of the subscription and/or the withholding of redemption proceeds.

Documentation need not be provided if the subscriber or the beneficial owner(s) of the investment:-

- (a) have an existing investment in the Fund and has already provided documentation; or
- (b) are settling the subscriptions by a bank transfer originating from the account of the subscriber, by a bank based in a Recognised Jurisdiction (see below) (in which case, evidence of the payment instruction in the form of instruction voucher, bank advice or bank statement showing the origin of the instruction must be provided); or
- (c) have already provided evidence of identity to Apex; or

In the event of none of the above applying to a subscriber the subscriber will have to provide proof of identity to Apex. Such proof of identity may include:-

- (a) In the case of private individuals (including beneficiaries of trusts):-
 - (i) a certified* copy of an official identity card; or
 - (ii) a certified* extract from a full passport (ie a copy of the front cover and pages showing photograph, personal details and signature, date and place of issue and serial number).

(b) in the case of corporate investors:-

- (i) a certified* copy of Articles of Association or Statutes or Published Accounts or Certificates of Incorporation or Trade Register Entry or Certificate of Trade or Partnership Agreements; and
- (ii) names and addresses of all directors or partners and specimen signatures.

* The certified documents must be certified by a professional person such as a lawyer, notary or accountant or official entity such as an embassy or government ministry.

Recognised Jurisdictions Australia, Belgium, Bermuda, Canada, Denmark, Finland, France, Germany, Greece, Guernsey, Hong Kong, Iceland, Ireland, Isle of Man, Italy, Japan, Jersey, Luxembourg, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, United Kingdom, United States of America.

ANNEXURE "A"

DEFINITION OF "UNITED STATES PERSON"

The definition of "United States person" is as follows:

- (i) any natural person resident in the United States;
- (ii) any partnership or corporation organized or incorporated under the laws of the United States;
- (iii) any estate of which any executor or administrator is a United States person;
- (iv) any trust of which any trustee is a United States person;
- (v) any agency or branch of a foreign entity located in the United States;
- (vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a United States person;
- (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and
- (viii) any partnership or corporation if:
 - (A) organized or incorporated under the laws of any foreign jurisdiction; and
 - (B) formed by a United States person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in Rules 501 (a) under the Securities Act) who are not natural persons, estates or trusts.

Additionally

- (1) Any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-United States person by a dealer or other professional fiduciary organized, incorporated, or (if an individual) resident in the United States shall not be deemed a "United States person."
- (2) Any estate of which any professional fiduciary acting as executor or administrator is a U.S. person shall not be deemed a United States person if:
 - (i) an executor or administrator of the estate who is not a United States person has sole or shared investment discretion with respect to the assets of the estate; and
 - (ii) the estate is governed by foreign law.
- (3) Any trust of which any professional fiduciary acting as trustee is a United States person shall not be deemed a United States person if a trustee who is not a United States person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the

trust (and no settler if the trust is revocable) is a United States person.

(4) An employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country shall not be deemed a United States person.

(5) Any agency or branch of a United States person located outside the United States shall not be deemed a "United States person" if

(i) the agency or branch operates for valid business reasons; and

(ii) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located.

(6) The International Monetary Fund, the International Bank for Reconstruction and Development, the Inter- American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organizations, their agencies, affiliates and pension plans shall not be deemed "United States persons". ("United States" means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia.)