

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO. 8/3 OF 1999

IN THE MATTER OF REGENT EASTERN EUROPE HEDGE FUND

AND IN THE MATTER OF THE COMPANIES LAW (1998 REVISION)

PETITION

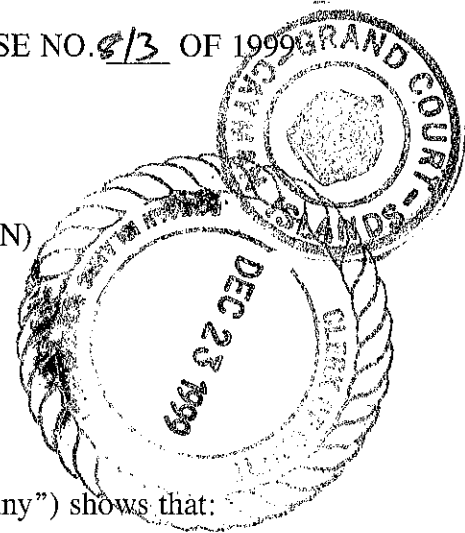
To the Grand Court

The humble petition of Regent Eastern Europe Hedge Fund ("the Company") shows that:

1. The object of this petition is to seek-
 - (a) the sanction of the Court to a Scheme of Arrangement under Section 86 of the Companies Law (1998 Revision) ("the Scheme of Arrangement") between (i) the Company; (ii) the holders of the Company's ordinary shares; (iii) the holder of the Company's founder shares; (iv) The Novy Tygr Fund, a company incorporated and registered (#93957) under the Companies Law (1998 Revision); and (v) Russian Regent Bond Fund, a company incorporated and registered (#93961) under the Companies Law (1998 Revision); and
 - (b) an order that the Company be dissolved.

A copy of the Scheme of Arrangement is annexed to this petition.

2. The Company was incorporated on 19th March, 1998 and registered under the Companies Law (Revised) as an exempted company.
3. The Company's registered office is situated at the offices of Maples and Calder, Ugland House, George Town, Grand Cayman.
4. The objects for which the Company was established were to carry on business as an open ended fund as described in its original offering memorandum. The Company is registered under the Mutual Funds Law (1998 Revision).
5. The authorised share capital of the Company was originally US\$800,000.00 consisting of 100 Founder Shares of US\$1 each and 79,990,000 Ordinary Shares of US\$0.01 each.
6. The issued share capital of the Company is US\$8,719.01 comprising 861,901 redeemable Ordinary Shares of US\$0.01 each and 100 Founder Shares of US\$1 each. The Founder Shares are non-participating, non-voting, non-redeemable



shares which are held by the Company's manager which has agreed to be bound by the Scheme of Arrangement.

7. The principal object of the Scheme of Arrangement is to effect a merger of the Company with the Novy Tygr Fund (a newly incorporated open-ended investment fund) and Regent Russian Bond Fund (a newly incorporated closed-ended fund). The merger will be effected by transferring the Company's Equity Undertaking (as defined) to The Novy Tygr Fund and transferring its Debt Undertaking (as defined) to the Regent Russian Bond Fund. In consideration of the transfer of the Equity Undertaking and the Debt Undertaking, the Novy Tygr Fund and Regent Russian Bond Fund will issue to the Company's shareholders credited as fully paid up at par, such numbers of the Novy Tygr Fund "A" ordinary shares and Regent Russian Bond Fund ordinary shares as they shall be entitled to receive in accordance with the schedule to the Scheme of Arrangement.
8. Upon completion of the transfer of the Company's Equity Undertaking and Debt Undertaking, it is proposed that the Company shall be dissolved without winding up.
9. On 26th November, 1999, this Honourable Court ordered that the Company convene a meeting of the holders of its Ordinary Shares for the purpose of considering and, if thought fit, approving (with or without modification) the Scheme of Arrangement and that such meeting be held at the Company's registered office.
10. On Wednesday, 22nd December, 1999 at 10:00 a.m., a meeting of the Company's Ordinary Shareholders was duly convened in accordance with the said Order and Charles Jennings acted as chairman of the meeting. The resolution submitted at the meeting was as follows: *That the Scheme of Arrangement proposed to be made between the Company, its shareholders, The Novy Tygr Fund and the Regent Russian Bond Fund be approved.* The number of holders of Ordinary Shares present and voting in person or by proxy and the number of shares held by such holders was as follows:

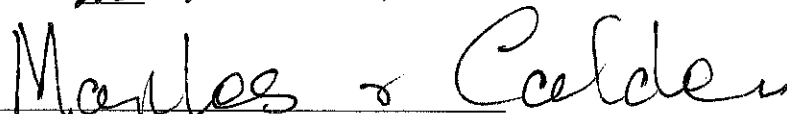
How Present	Present and voting		For		Against	
	No.	Repre- senting	No.	Repre- senting	No.	Repre- senting
In person						
By proxy	2	771,186	2	771,186		
Total						

11. Said resolution was duly passed by the majorities specified in Section 86 of the Companies Law (1998 Revision).

Your Petitioner therefore humbly prays as follows:

1. That the Scheme of Arrangement be sanctioned by the Court so as to be binding on the Company and the holders of its Ordinary Shares and the holder of its Founder Shares.
2. That the Company be dissolved without winding up.
3. Such further or other consequential orders and directions as the Court thinks fit.

Dated the 23rd day of December, 1999



Maples and Calder

This petition is not intended to be served.

This Petition was presented by Maples and Calder, attorneys for the Petitioner, whose address for service is Uglan House, P.O. Box 309GT, Grand Cayman, Cayman Islands, BWI.