

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO: *0438* OF 2008

BETWEEN:

First Plaintiff	RUSSELL ALTERNATIVE INVESTMENT FUNDS PLC
Second Plaintiff	RUSSELL ALTERNATIVE STRATEGIES FUND II PLC
Third Plaintiff	RUSSELL DIVERSIFIED ALTERNATIVES FUND - U.S. BENEFIT PLAN LTD.

AND:

First Defendant	LAURUS OFFSHORE FUND, LTD
Second Defendant	LAURUS MASTER FUND, LTD

Third Defendant DAVID GRIN

Fourth Defendant EUGENE GRIN

Fifth Defendant JOHN CLARKE

Sixth Defendant DOV BABINOVITCH

Seventh Defendant DAVID SHOHEIT



WRIT OF SUMMONS

TO: All the Defendants

THIS WRIT OF SUMMONS has been issued against you by the above-named Plaintiffs in respect of the claim set out on the next page.

Within 14 days after the service of this writ on you, counting the day of service, you must either satisfy the claim or return to the Court Office, P.O. Box 496G, George Town,

Grand Cayman, the accompanying Acknowledgment of Service stating therein whether you intend to contest these proceedings.

If you fail to satisfy the claim or to return the Acknowledgment within the time stated, or if you return the Acknowledgment without stating therein an intention to contest the proceedings, the Plaintiff may proceed with the action and judgment may be entered against you forthwith without further notice.

Issued this 16th day of September 2008.

NOTE – This Writ may not be served later than 4 calendar months (or, if leave is required to effect service out of the jurisdiction, 6 months) beginning the date of issue unless renewed by order of the Court.

IMPORTANT

Directions for Acknowledgment of Service are given with the accompanying form.

General Endorsement

AND THE PLAINTIFF CLAIMS;

1. A declaration that the offer to redeem shareholders of the First Defendant made on 5th September 2008 and any dispositions, redemptions or other transactions arising from that offer are invalid.

2. The First Defendant and its directors be restrained from proceeding with the offer to redeem shareholders of the First Defendant or taking any further direct or indirect steps or any other offer in substantially similar terms until further Order of the Court.

3. The First Defendant and its directors be restrained from holding the Extraordinary General Meeting scheduled for September 19, 2008, or any other meeting to consider substantially the same business until further Order of the Court.

4. An Order prescribing the manner of service of these proceedings.

5. In the alternative, damages for breach.

6. Interest pursuant to the Judicature Law.

7. Such other relief as the Honourable Court sees fit and

8. Costs.

Conyers Dill & Pearman
Attorneys at Law for the Plaintiff

Conyers Dill & Pearman

This Writ of Summons was filed by Messrs C
address for service and correspondence is C
Cayman Islands.
arm, Attorneys-at-Law for the Plaintiff herein, whose
hins Drive, PO Box 2681, Grand Cayman, KY1-1111,

Notes for Guidance

Please complete overleaf

See over for notes for guidance

3. A Stay of Execution against the Defendant's goods may be applied for where the Defendant is unable to pay the money for which any judgment is entered. If a Defendant to an action for a debt or liquidated demand (i.e. a fixed sum) who does not intend to contest the proceedings states, in answer to Question 3 in the Acknowledgment of Service, that he intends to apply for a stay, execution will be stayed for 14 days after his Acknowledgment, but he must, within that time, issue a Summons for a stay of execution, supported by an affidavit of his means. The affidavit should state any offer which the Defendant desires to make for payment of the money by instalments or otherwise.

If the Defendant fails to serve his defence within the appropriate time, the Plaintiff may enter judgment against him without further notice.

If the Statement of Claim is not indorsed on the Writ, the Defence need not be served until 14 days after a Statement of Claim has been served on the Defendant.

If a Statement of Claim is indorsed on the Writ (i.e. the words "Statement of Claim" appear on the top of page 2), the Defence must be served within 14 days after the time for acknowledging service of the Writ, unless in the meantime a summons for judgment is served on the Defendant.

2. A Defendant who states in his Acknowledgment of Service that he intends to contest the proceedings must also serve a defence on the Attorney for the Plaintiff (or on the Plaintiff if acting in person).

After completion it must be delivered or sent by post to the Law Courts, P.O. Box 495G, George Town, Grand Cayman.

1. The accompanying form of Acknowledgment of Service should be completed by an Attorney acting on behalf of the Defendant or by the Defendant if acting in person.

DIRECTIONS FOR ACKNOWLEDGMENT OF SERVICE
OF WRIT OF SUMMONS

Acknowledgement of service of writ of summons (0.12, r.3)

1. Each Defendant (if there are more than one) is required to complete an Acknowledgment of Service and return it to the Courts Office.
2. For the purpose of calculating the period of 14 days for acknowledging service, a writ served on the Defendant personally is treated as having been served on the day it was delivered to him.
3. Where the Defendant is sued in a name different from his own, the form must be completed by him with the addition in paragraph 1 of the words "sued as (the name stated on the Writ of Summons)".
4. Where the Defendant is a FIRM and an attorney is not instructed, the form must be completed by a PARTNER by name, with the addition in paragraph 1 of the description "Partner in the firm of (.....)" after his name.
5. Where the Defendant is sued as an individual TRADING IN A NAME OTHER THAN HIS OWN, the form must be completed by him with the addition in paragraph 1 of the description "trading as (.....)" after his name.
6. Where the Defendant is a LIMITED COMPANY the form must be completed by an Attorney or by someone authorised to act on behalf of the Company, but the Company can take no further step in the proceedings without an Attorney acting on its behalf.
7. Where the Defendant is a MINOR or a MENTAL PATIENT, the form must be completed by an Attorney acting for a guardian ad litem.
8. A Defendant acting in person may obtain help in completing the form at the Courts Office.

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CAUSE NO:

OF 2008

BETWEEN:

RUSSELL ALTERNATIVE INVESTMENT FUNDS PLC

First Plaintiff

RUSSELL ALTERNATIVE STRATEGIES FUND II PLC

Second Plaintiff

RUSSELL DIVERSIFIED ALTERNATIVES FUND - U.S. BENEFIT PLAN LTD.

Third Plaintiff

Laurus Offshore Fund, LTD

First Defendant

Laurus Master Fund, LTD

Second Defendant

DAVID GRIN

Third Defendant

EUGENE GRIN

Fourth Defendant

JOHN CLARKE

Fifth Defendant

DOV RABINOVITCH

Sixth Defendant

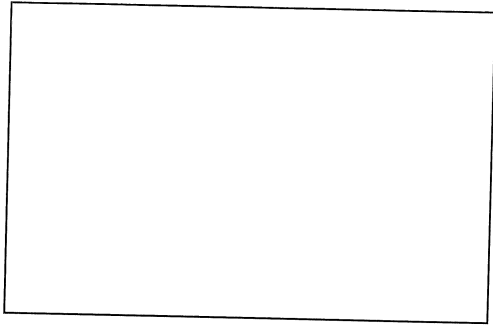
DAVID SHOHEF

Seventh Defendant

ACKNOWLEDGEMENT OF SERVICE
OF WRIT OF SUMMONS

If you intend to instruct an Attorney to act for you, give him this form IMMEDIATELY.

Important. Read the accompanying Delay may result in judgment being entered against a Defendant whereby he may have to pay the costs of applying to set it aside. before completing this form. If any information required is omitted or given wrongly, THIS FORM MAY HAVE TO BE RETURNED.



Indorsement by defendant's Attorney (or by defendant if suing in person) of his name, address and reference, if any in the box below.

Conyers Dill & Pearman
Attorneys at Law
Boundary Hall
2nd Floor, Cricket Square
George Town
Grand Cayman KY1 1111
Ref: DFH/702982/109927

Indorsement by plaintiff's Attorney (or by plaintiff if suing in person) of his name, address and reference, if any in the box below.

Attorney: where the Defendant is represented by an attorney, state the attorney's place of business in the Cayman Islands. A Defendant may not act by a foreign attorney.
Defendant in person: where the Defendant is acting in person, he must give his post office box number and the physical address of his residence or, if he does not reside in the Cayman Islands, he must give an address in Grand Cayman where communications for him should be sent. In the case of a limited company, "residence" means its registered or principal office.

Notes on address for service

Address for service:

Attorneys for the Defendants

(Signed) _____

Service of the Writ is acknowledged accordingly

<p>1. State the full name of the Defendant by whom or on whose behalf the service of the Writ is being acknowledged. Laurus Offshore Fund, Ltd, Laurus Master Fund, Ltd, David Grin, Eugene Grin and Dennis Pollock</p>	<p>2. State whether the Defendant intends to contest the proceedings (<i>tick appropriate box</i>)</p> <p>3. If the claim against the Defendant is for a debt or liquidated demand, AND he does not intend to contest the proceedings, state if the Defendant intends to apply for a stay of execution against any judgment entered by the Plaintiff (<i>tick box</i>)</p> <p style="text-align: center;">Yes <input type="checkbox"/> No <input type="checkbox"/></p>
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