

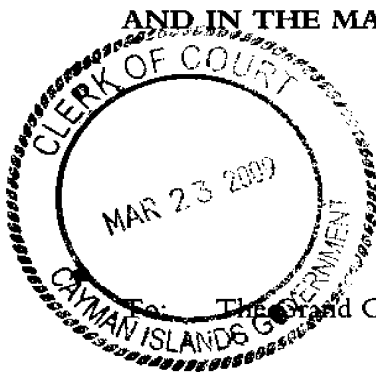
IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION

CAUSE NO: G0126 2009

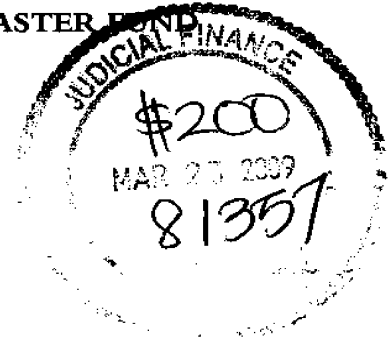
IN THE MATTER OF SECTION 104 OF THE COMPANIES LAW
(2007 REVISION)



AND IN THE MATTER OF DD GROWTH PREMIUM MASTER FUND



WINDING-UP PETITION



The Grand Court of the Cayman Islands

The petition of G James Cleaver and Richard Fogerty of Zolfo Cooper, PO Box 1102
GT Grand Cayman, KY1 1102 (the "Petitioners") shows that:

The Parties

1. DD Growth Premium Master Fund (the "Master Fund") was incorporated on 19 November 2004 as an exempted company under the laws of the Cayman Islands to operate as a private investment fund.
2. The registered office of the Master Fund is situated at PO Box 309, Ugland House, South Church Street, George Town, Grand Cayman, KY1-1104, Cayman Islands.
3. The authorised share capital of the Master Fund is
 - 3.1. US\$50,000 divided into 50,000,000 ordinary shares with a par value of US\$0.001 per share; and

- 3.2. €50,000 divided into 50,000,000 ordinary shares with a par value of €0.001 per share
4. The Petitioners were appointed provisional liquidators of DD Growth Premium Fund (the “Feeder Fund”) by Order of the Grand Court of the Cayman Islands on 20 March 2009 (the “Winding up Order”).
5. The Feeder Fund was incorporated on 19 November 2004 as an exempted company under the laws of the Cayman Islands to operate as a private investment fund.
6. The Feeder Fund owns 330,450 USD class shares in the Master Fund which, as at 31 December 2007, represented 17.34% of the outstanding shares of the Master Fund.

The Master Fund and the Feeder Fund

(a) Relationship between the Master Fund and the Feeder Fund

7. The Master Fund and the Feeder Fund were incorporated to carry on the business of a private investment fund for the benefit of non-US persons and US tax exempt investors (or entities comprised primarily of US tax exempt investors).
8. The Feeder Fund invests substantially all of its capital in the Master Fund through a “master-feeder” structure on an unleveraged basis, in return for which the Feeder Fund is allotted shares in the Master Fund.
9. The Master Fund and the Feeder Fund began operations on or around 5 January 2005.

(b) Objects of the Master Fund

10. The investment objective of the Master Fund is to seek to achieve absolute returns for investors by adopting a highly liquid strategy of investing in approximately 40-50 long/short pairs in US and European equities, with a focus on large-caps.
11. In achieving its investment objective, consistently with its highly liquid strategy, the Master Fund is not permitted to, *inter alia*:
 - 11.1 Expose more than 20 per cent of its gross assets to the creditworthiness or solvency of any one counterparty;
 - 11.2 Invest more than 20 per cent of its gross assets in the securities of any one issuer; or
 - 11.3 Invest in real estate or physical commodities.
12. At all material times, it was the Feeder Fund's legitimate expectation that the Master Fund would undertake and abide by its stated investment objective and investment strategy such that it would hold large-cap US and European equity positions traded in a market-neutral quantitative style.

(c) *Financial Position of the Master Fund and the Feeder Fund*

13. As at 31 December 2007, the Feeder Fund had net assets attributable to holders of redeemable participating shares of US\$145,042,594.
14. As at 31 December 2007, the Master Fund had net assets attributable to holders of redeemable participating shares of US\$343,723,307.
15. According to the December 2008 Newsletters sent to investors in the Master Fund and the Feeder Fund, the overall assets under management of the Master Fund were approximately US\$550,000,000 at the end of December 2008.

(d) *The Management*

16. The Directors of the Master Fund and the Feeder Fund are Alberto Micalizzi, Nicos Christofydes, Umberto Frascati, Adnan Hassan, Michael Nobel and Humphrey Polanen
17. Dynamic Decisions Capital Management (Cayman) Limited (a Cayman Islands exempted company) (“the Manager”) is the appointed Manager to the Master Fund, with power to delegate its investment powers to the Investment Manager.
18. Dynamic Decisions Capital Management Limited (an English limited company) (“the Investment Manager”) is the appointed Investment Manager of the Master Fund and has discretion, subject to the control of and review by the Directors of the Master Fund, to invest the assets of the Master Fund consistent with the applicable investment objective and restrictions.
19. Alberto Micalizzi (“Mr Micalizzi”) is also the Chairman and Managing Director of Dynamic Decisions Group Limited and the CEO of Dynamic Decisions Capital Management Limited. Since 2001, he has been the CEO of Dynamic Decisions S.r.l.
20. Mr Micalizzi is the controller and guiding mind of the Manager and the Investment Manager.

The Unauthorised Bond Investments

21. In or about August 2008, Mr Micalizzi, in his capacity as controller of the Investment Manager, allegedly caused the Master Fund to be exposed to at least one substantial bond investment which fell well outside the parameters of the mandated investment object and investment strategy of the Master Fund (“the unauthorised bond investments”).
22. The effect of the Master Fund (through Mr Micalizzi) undertaking the unauthorised bond investments was to reduce the value of the liquid assets held by

the Master Fund from approximately US\$550 million to approximately US\$20-30 million.

23. By undertaking the unauthorised bond investments, the Master Fund acted in breach of its mandated investment object and investment strategy.

Conduct of the Master Fund and Mr Micalizzi

24. The matters which have caused the Petitioners to have grave concerns about the conduct of the Master Fund and Mr Micalizzi are as follows.

(a) Change of Prime broker

25. On 12 December 2008, Mr Micalizzi advised Strathmore Capital LLP (the investment advisor to the Petitioner for the Winding up Order) (“Strathmore”) that the Prime Brokerage Agreement between Morgan Stanley and the Master Fund had been terminated pursuant to the terms under that agreement with 20 days’ notice. The email provided no reason for making the change, nor was there any apparent reason for the change.

(b) Change of Auditor

26. In the same 12 December 2009 email, Mr Micalizzi advised that the auditors of the Master Fund and the Feeder Fund were to change from PricewaterhouseCoopers to Deloitte for the December 2008 audit and the audit of the Master Fund and the Feeder Fund thereafter. The email provided no reason for making the change, nor was there any apparent reason for the change.

(c) Unexplained Bond Exposure

27. On 15 and 16 December 2008, the Investment Advisor issued reports for 28 November and 12 December 2008 respectively. These reports disclosed bond exposure in the investment portfolio of the Feeder Fund of over 28%.

28. A later risk report as at 31 December 2008 showed bond exposure of 54.8%.
29. Since the Feeder Fund's capital was invested in the Master Fund, the risk reports were also reflective of the position of the Master Fund.
30. Bond exposures of these magnitudes were highly abnormal as the stated investment program of the Master Fund was to promote liquidity by implementation of the investment objective and the investment strategy.

(d) Valuation of Assets

31. In an "investor letter" issued in January 2009 by Mr Micalizzi, it was stated that the valuation of Master Fund assets would be carried out by KPMG, which had been appointed "as a third-party auditor for the purpose of valuing specific assets". Such an exercise should not have been necessary, given the Master Fund's liquid equities mandate.

(e) Mis-statements by the Investment Manager/Mr Micalizzi

32. As a result of the report of the appointment of KPMG, Ian Chaplin of Strathmore contacted Mr Micalizzi on 12 January 2009 to question the holdings of illiquid assets and reported delays of transferring assets to the new prime broker. Mr Micalizzi misrepresented the position and stated that illiquid assets comprised less than 5% of the net asset value ("NAV") of the Master Fund.
33. On 3 September 2008, Mr Micalizzi advised Privileged Investors-Cadogan Market Neutral Fund (a shareholder of DD Growth Premium 2X Fund-another feeder fund to the Master Fund) via email to its investment advisor, Cadogan Management LLC ("Cadogan"), that the Master Fund's assets under management in August 2008 had reached approximately US\$500,000,000.

34. On 5 November 2008, Alena Pichlerova of the Investment Manager advised Cadogan by email that the Master Fund's assets under management were approximately US\$470,000,000.
35. On 5 November 2008, Alena Pichlerova of the Investment Manager advised Cadogan by email that the Master Fund's assets under management were approximately US\$440,000,000.
36. On 6 January 2009, Alena Pichlerova reiterated by email that the Master Fund's assets under management were approximately US\$ 440,000,000.
37. In the January 2009 "investor letter" issued by Mr Micalizzi, it was stated that the Master Fund had increased its asset base in line with its projections from US\$360,000,000 in January 2008 to US\$475,000,000 in December 2008 despite unprecedented outflows from the hedge fund industry.

(f) Delayed calculations of NAV

38. The NAV for the Feeder Fund for November 2008 and December 2008 were not issued by the Administrator until 14 January 2009 and 24 February 2009 respectively. These were both unusually late, considering the "liquid" nature of the strategy.
39. No NAV has been issued by the Administrator for January or February 2009 at all.

(g) Suspension of Redemptions

40. On 27 February 2009, the Directors of the Master Fund and the Feeder Fund purportedly determined by letter to suspend all share redemptions for both companies with immediate effect on the grounds that there "exists a state of affairs where disposal of a substantial portion of the investment by the [Master Fund] would not be reasonable or practical or would be seriously prejudicial to the non-

redeeming shareholders". The Petitioners do not admit the right or entitlement of the Master Fund to suspend redemptions.

41. Further, the 27 February 2009 letter stated that the Directors had reviewed the portfolio of the Master Fund and had engaged "independent advisors" to review the same and that, until an outcome from this review was known, the directors had decided to take steps to limit the trading of the Master Fund's assets by the Investment Manager. Finally, the letter advised that Mr Micalizzi had resigned from the Board of the Feeder Fund.

(h) Transparency Agreement

42. The Investment Manager agreed to provide full transparency to the petitioner to the Winding up Order in respect of its investment in the Master Fund.
43. Pursuant to the agreement, representatives of Strathmore made numerous attempts to contact representatives of the Investment Manager, including Alberto Micalizzi, and members of the Board, including Humphrey Polanen and Nicos Christofides. The only responses were one email from Humphrey Polanen stating that he had given permission to the Administrator to send Strathmore the latest Memorandum and Articles of Association of the Feeder Fund (which the Administrator later indicated it did not have), and two phone conversations with Humphrey Polanen on 2 March 2009 in which he indicated that at that stage there was no evidence to suggest significant wrongdoing and that an independent firm had been appointed to investigate.
44. On 2 March 2009, representatives of Strathmore attended at the offices of the Investment Manager in London. Mr Micalizzi was not there. Other employees of the Investment Manager refused to answer their questions and showed them to a conference room where such employees arranged a call with counsel to the Investment Manager and the Master Fund. Counsel provided little information on such call other than indicating that the Board had retained an outside party, whose name they would not disclose, to conduct an investigation.

(i) *Report to FSA*

45. Concerned about the unusual circumstances and inability to obtain any information from the Board of Directors of the Master Fund, or the Investment Manager, or the Master Fund's counsel (despite repeated efforts) relating to the assets of the Master Fund and the Feeder Fund or the cause of the suspension of redemptions, on Monday March 9 2009, Strathmore reported the matter by telephone and in writing to the Financial Services Authority ("FSA"). The Investment Manager is regulated by the FSA.

Letters of Demand

46. As a result of the conduct of Mr Micalizzi and the Investment Manager referred to above, Appleby and Reed Smith wrote letters, on behalf of the Petitioner for the Winding up Order and Cadogan respectively, to the Investment Manager and the Feeder Fund requiring information in respect of the feeder funds and the Master Fund to be provided as a matter of urgency failing which urgent legal action would be taken. Such letters were effectively ignored.

Shareholder Update

47. On 13 March 2009, Humphrey Polanen (Director of the Master Fund and the Feeder Fund) addressed the shareholders of the Feeder Fund and DD Growth Premium 2X Fund via a shareholder telephone call in which shareholders were not permitted to ask questions. He stated that:

47.1. The Board had been handling a number of administrative and legal matters;

47.2. Alberto Micalizzi had recently stated that the Master Fund had incurred substantial trading losses in 2008, primarily between August and November, and that the total assets of the Master Fund might only be US\$20-30,000,000 excluding certain "illiquid assets" (ie: the unauthorised bonds), compared to some US\$550,000,000 reported at year-end;

- 47.3. The Board had since been urgently trying to verify the accuracy of Mr Micalizzi's statements and ascertain how the trading losses were incurred;
- 47.4. KPMG had been appointed to undertake a forensic accounting review of the feeder funds and the Master Fund which was expected to take some time;
- 47.5. The Board had little information concerning the investment in bonds, and were not even sure if the bonds were genuine. It appeared that the Master Fund might hold certain illiquid assets in the nature of commodity-linked bonds and at the present time the Board was able to establish very little information in respect of the bonds, including how much was paid for them, whether additional monies were owed in respect of them, whether the bonds were genuine, the value of any of them and whether they could be liquidated. The bonds claim to be issued by a Nevada corporation on behalf of an Australia corporation and purport to be convertible to a commodity described as "high-speed diesel D2 low sulphur content";
- 47.6. Irregularities in redemptions were being investigated;
- 47.7. Redemptions would remain suspended until more information was available;
- 47.8. The matter has been brought to the attention of the Financial Services Authority in the UK;
- 47.9. The Board had substantially limited the authority of the Investment Manager until more information is known;
- 47.10. The Board proposed to request an unanimous written resolution of the shareholders of the Master Fund to place the Master Fund into voluntary liquidation. If such resolution was not passed, the Board would shortly convene an extraordinary general meeting of the Master Fund to consider

such resolution. In addition, the Board would shortly convene an extraordinary general meeting of the Feeder Fund at which the voluntary liquidation of the same would be proposed;

47.11. If the shareholders resolved to place the Feeder Fund and the Master Fund into liquidation, the Boards of those companies would recommend that individuals from KPMG in the Cayman Islands and the UK be appointed as joint voluntary liquidators; and

47.12. The Board was not in a position to speculate on how long the aforementioned liquidations may take and when, if at all, capital might be returned to shareholders.

Consequences of Recent Events

48. It appears that the Master Fund lost a substantial amount of its assets by virtue of the investment in an illiquid bond, such investment being contrary to various representations and/or statements that the Master Fund only traded in liquid instruments.
49. It appears that the investment in the illiquid bond was organised and executed by Mr Micalizzi. It further appears that the Investment Manager remains in place and continues to trade under unknown restrictions. This is an unsatisfactory state of affairs and it is unacceptable for the Board to have made no provision to safeguard the assets of the Master Fund.
50. It appears that there has been gross mismanagement by the Mr Micalizzi, the Investment Manager and/or the Manager, without adequate supervision or oversight by the Board, and assets of the Master Fund are at risk of dissipation, which may have occurred already.
51. The Petitioners have no confidence or faith in the Board's purported investigation of the gross mismanagement and have no comfort as to when the outcome of such

purported investigation will be known. It is unlikely that the Board's investigation will prevent any dissipation of assets.

52. The Board is wrongfully seeking to effect a voluntary liquidation in circumstances when it appears that the Master Fund may be insolvent, which requires the appointment of an independent insolvency practitioner to investigate and seek to recover the substantial losses that the Master Fund has reported.
53. Coupled with the risk of dissipation of its assets, there is no realistic hope that the Master Fund will ever be profitable without further capital contributions which it is unlikely that any of the members, including the Petitioners, will contribute.
54. In fact, the opportunity to provide the investors with absolute returns never materialised and/or has proved worthless and/or cannot be pursued.
55. Further, neither the Petitioners nor the other investors have any prospect of being repaid all of their funds or any portion of those funds within the ordinary timescale envisaged by them and the Master Fund at the time they subscribed.
56. For the reasons set out above, due to gross mismanagement and misfeasance, the Master Fund can no longer carry out the business for which it was formed, and the substratum of the Master Fund has failed.
57. The members of the Master Fund have a legitimate interest in the affairs of the Master Fund, the conduct of its Directors, and the possible fraudulent conduct of the Investment Manager. It is highly likely that there are claims to be pursued against Mr Micalizzi, the Master Fund's Directors, the Investment Manager, and other related entities, for the benefit of the Master Fund's members including the Feeder Fund. That being the case, the Petitioners have no confidence in the utility of the Directors' purported "independent investigation" into the mismanagement of the Master Fund and the dissipation of assets by Mr Micalizzi.
58. In all the premises, it is just and equitable for the Master Fund to be wound up.

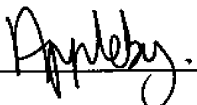
YOUR PETITIONERS THEREFORE HUMBL Y PRAY THAT:

1. The Master Fund be wound up by the Court under the provisions of the Companies Law (2007 Revision);
2. G James Cleaver and Richard Fogerty of Zolfo Cooper be appointed as Joint Official Liquidators of the Master Fund (“the Liquidators”);
3. The Liquidators be authorised to exercise any of the powers conferred on them by the Court pursuant to 110(2) and Parts I and II of the Third Schedule of the Companies Law (2007 Revision) without the further sanction or intervention of the Court;
4. The Liquidators be authorised to do any act or things considered by them to be necessary or desirable in connection with the liquidation of the Master Fund and the winding up of its affairs and to prevent the dissipation of the Master Fund’s assets;
5. The Liquidators do file with the Clerk of the Court a report in writing of the position of and progress made with the winding up of the Master Fund with the realisation of the assets thereof and to any other matters connected to the winding up of the Master Fund, as the Court may direct;
6. The Liquidators be at liberty to appoint counsel, attorneys, professional advisors, whether in the Cayman Islands or elsewhere as they may consider necessary to advise and assist them in the performance of their duties and on such terms as they may think fit and to remunerate them out of the assets of the Master Fund;
7. The Liquidators and their staff be remunerated out of the assets of the Master Fund at the usual customary rate;
8. The Liquidators be at liberty to apply generally;

9. The costs of the Petition and the Petitioners be paid out of the assets of the Master Fund;
10. The Liquidators cause a copy of this Petition to be delivered to the Registrar of Companies;
11. Such further or other relief be granted as the Court deems appropriate.

Dated the ~~2nd~~ day of March 2009

Filed the day of March 2009



Appleby
Attorneys-at-Law for the Petitioners

NOTE:

It is intended to serve this Petition upon:

1. The Registrar of Companies; and
2. The Master Fund at its registered office.

THIS PETITION WAS FILED by Appleby of Clifton House, 75 Fort Street, PO Box 190, Grand Cayman KY1-1104, Cayman Islands (Ref. JW/MH/09616.004), Attorneys-at Law for the Petitioners.

NOTICE OF HEARING

TAKE NOTICE THAT the hearing of this Petition will take place at the Law Courts,
George Town, on 2009 at 10.00am.

Any correspondence or communication with the Court relating to the hearing of this
Petition should be addressed to the Registrar of the Financial Services Division of the
Grand Court at PO Box 495, Grand Cayman KY1-1106, Telephone 345 949 4296.