

DISCLOSURE NOTICE
BASIS YIELD ALPHA FUND

The Master Fund has advised Basis Yield Alpha Fund ("BYAF") that upon the application of the Master Fund the Grand Court of the Cayman Islands has appointed certain representatives of Grant Thornton as joint provisional liquidators (the "JPLs") of the Master Fund.

The appointment of the JPLs is intended by the Master Fund to preserve and protect the assets of the Master Fund for an orderly realisation to enhance the surplus after creditors for the benefit of BYAF and BYAF's own investors.

In particular, the appointment of the JPLs is intended to prevent unsecured creditors of the Master Fund taking precipitate steps that may lead to further and unnecessary diminution in the net asset value of the Master Fund.

It is expected that the Board of Directors of the Master Fund will offer their full co-operation to the JPLs in the performance of their duties.

The Board of BYAF expects that the JPLs will keep it fully informed of matters pertaining to the Master Fund as new information becomes available, which information will be communicated to investors.

Sincerely

Basis Yield Alpha Fund
August 30th, 2007