

**Notice to Investors and Creditors of Bayou Offshore Master Fund,
Ltd; Bayou Offshore Fund A, Ltd; Bayou Offshore Fund B, Ltd; and
Bayou Offshore Fund C, Ltd – all in Official Liquidation.
(the "Companies")**

In a report dated 30 April 2007 (provided to all known investors and creditors and also to be found at www.bayoucaymanliquidation.ky), at paragraph 4.3, the Joint Official Liquidators of the Companies ("the Liquidators") indicated that the date for the sentencing of Mr. Israel and Mr. Marino (the two former principals of the Companies) in the criminal proceeding was set for July 2007. The Liquidators also indicated that previously set sentencing dates for the criminal defendants had been continued and it was possible that the July sentencing could also be adjourned to a later date. Based on information currently available, the Liquidators understand that sentencing will not take place before September 2007. It is likely that, once sentencing has been handed down, the forfeiture monies that were seized by the Arizona Attorney General and subsequently transferred to the US Federal Agencies will be distributed by the US Attorney General's office for the Southern District of New York ("the NY Attorney General") direct to those that the NY Attorney General has identified as the "victims of the Bayou fraud".

During the week commencing 30 July 2007, the Liquidators were approached by agents representing the NY Attorney General to provide information relating to the claims of the investors in the Companies as part of the NY Attorney General's efforts to identify victims of the fraud for the purposes of making distributions to them. Having requested, and been provided with, evidence that the US Attorney General already knew the identity of all of the Companies' investors and the amounts of their investments from documentation recovered from the offices of Bayou Management, LLC in Connecticut, the Liquidators confirmed the names of each investor and the amount of each investor's stated claim against each of the Companies as provided to the Liquidators.

Dated: 14 August 2007

If any queries arise from this notice, please address these to Eleanor Fisher or Di Wardle.

Kroll (Cayman) Limited
PO Box 1102GT
4th Floor, Bermuda House
Cayman Financial Centre
George Town
Grand Cayman
Cayman Islands

Tel: +1 345 946 0081
Fax: +1 345 946 0082