



CAYMAN ISLANDS MONETARY AUTHORITY

3 March 2016

Messrs. John Kenney Berscht and Wayne Garfield Carter
Directors
Azure Energy Fund, Inc.
c/o Corpserve Limited
P.O. Box 2503
Grand Cayman KY1-1104
Cayman Islands

Dear Sirs,

Re: Warning Notice - Azure Energy Fund, Inc. (Reg. #5324) ("the Fund")

We write to you in your capacity as directors of the Fund.

The Fund is in breach of Sections 8(1), 8(2) and 9 of the Mutual Funds Law (2015 Revision) ("the Law") for failing to prepare and submit audited accounts for the years 31 July 2003 to 2008, and pay its annual fees and penalties for the years 2008 to 2016.

The Authority has made reasonable efforts to locate and correspond with the directors of the Fund, but to date has been unsuccessful. The Authority is therefore posting this notice publicly in an effort to give notice to all interested parties.

The Authority also gives notice that the lack of communication may be considered in assessing your fitness and propriety to act as an authorised person in connection with other existing regulated mutual funds and/or licensees, or in future applications where fitness and propriety will be assessed.

Pursuant to provisions in Section 30(16) of the Law, the Authority may at any time cancel any mutual fund registration if it is satisfied *inter alia* that the fund has ceased to carry on or attempt to carry on business as a mutual fund.

TAKE NOTICE:

The Cayman Islands Monetary Authority of 80e Shedden Road, Elizabethan Square, P.O. Box 10052, Grand Cayman KY1-1001, Cayman Islands, proposes to take the following action.

PROPOSED ACTION:

The Authority proposes to cancel the Fund's registration pursuant to Section 30(16) of the Mutual Funds Law (2015 Revision).

REASONS:

Having considered the representations made to the Authority that the Fund ceased its business effective 31 January 2008, and that all participating investors have been properly and completely redeemed out of the Fund, and given the Fund's inability to satisfy the Authority's termination requirements and become compliant with the Law, the Authority can rely on the information as being sufficient to satisfy itself that the Fund has ceased to carry on, or attempt to carry on, business as a mutual fund.

NOTICE OF REPRESENTATION:

You may make written representations to the Authority within **28** days of receiving this Warning Notice, or such longer period as requested of, and approved by the Authority, as to why the proposed action should not be taken. Written representations should be made to the undersigned at the above address.

Yours faithfully,



Cindy Scotland
Managing Director