

REBEL INDUSTRIES, L.L.C.

FACSIMILE TRANSMITTAL SHEET

TO:

CONSUMER PROTECTION
BOARD (CPB)

FROM:

Pamela S. Jacobson

DATE:

ATTN: Security Breach
Notification

08/02/06

FAX NUMBER:

518.474.2474

TOTAL NO. OF PAGES INCLUDING COVER:

9 including cover

PHONE NUMBER:

RE:

Rebel Industries, L.L.C. - Reporting
Form For Business, Individual or NY
State Entity reporting a "Breach of
Security of the System"

URGENT FOR REVIEW PLEASE COMMENT PLEASE REPLY PLEASE RECYCLE

NOTES/COMMENTS:

565 FIFTH AVENUE, FLOOR 22, NEW YORK, NY 10017

P: (212) 557-6191 F: (212) 937-3950

Reporting Form
For Business, Individual or NY State Entity reporting a
“Breach of the Security of the System”
Pursuant to the Information Security Breach
and Notification Act (General Business Law §889-aa;
State Technology Law §208)

Name of Business, Individual or State Entity: Rebel Industries, L.L.C.

Date of Discovery of Breach: July 6, 2006

Estimated Number of Affected Individuals: ~25

Date of Notification to Affected Individuals: August 2, 2006

Manner of Notification: written notice
 electronic notice (email)
 telephone notice

Are you requesting substitute notice? Yes No (If yes, attach justification)

Content of Notification to Affected Individuals: Describe what happened in general terms and what kind of information was involved. Please attach copy of Notice.

We received a notice letter dated July 6, 2006 from our independent certified public accountants, Rothstein Kass, with respect to the potential disclosure of personal nonpublic information of fund investors. According to Rothstein Kass, a vehicle belonging to an affiliated entity of Rothstein Kass was stolen in Newark, New Jersey on June 8, 2006. The vehicle contained backup storage tapes. The vehicle was recovered two days later; however, it had been stripped of removable items including the storage tapes. The tapes contained personal and transactional information about individual investors and included names and social security numbers, and in some cases, addresses and bank account data.

Name of Business or Individual Contact Person: Pamela S. Jacobson
 Title: Chief Operating Officer of Investment
 Manager of Rebel Industries, L.L.C.
 Telephone number: 212-557-6191, x6
 Email: pam@aim13.com

Dated: August 2, 2006
 Submitted by: Pamela S. Jacobson on behalf of Rebel Industries, L.L.C.
 Title: Chief Operating Officer of Investment Manager of Rebel Industries, L.L.C.
 Address: c/o Alternative Investment Management, LLC, 565 Fifth Avenue, Floor 22,
 New York, NY 10017
 Email: pam@aim13.com
 Telephone: 212.557.6191, x6 Fax: 212.937.3950

Certified
Public
Accountants

Rothstein, Kass & Company
1350 Avenue of the Americas
New York, NY 10019
tel 212.997.0500
fax 212.730.6892
www.rkco.com

Deerly Hills
Dallas
Denver
Grand Cayman
New York
Roseland
San Francisco
Walnut Creek

Rothstein Kass

July 6, 2006

[REDACTED]

We are writing to inform you that unlabeled backup computer tapes containing the names, addresses and social security numbers of certain current and, perhaps former, investors in the enclosed list of fund(s) are missing after a vehicle theft. The backup tapes were being transported by an employee of BISYS-RK Alternative Investment Services ("BISYS"). As background, BISYS is the owner of a hedge fund administration business acquired in January 2005 from a former affiliate of Rothstein Kass, RK Consulting, LLC. We have no reason to believe that the information contained on these tapes will be accessed in any way. However, in accordance with applicable consumer protection laws, we wanted to let you know about this incident and offer assistance to you and your investors.

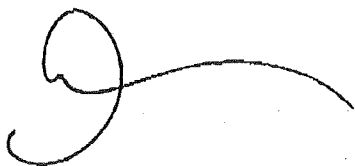
RK Consulting and Rothstein Kass shared a common data platform and under the sale agreement and with appropriate confidentiality provisions, shared that data platform with BISYS through June 2005. After the transaction was completed, BISYS did not remove the Rothstein Kass data from its active files, and as a result, the information became part of the computer data it backed up, stored on tapes and sent offsite with a member of its IT staff. On June 8, 2006, these tapes were in a vehicle that was stolen. The vehicle has since been recovered, but the tapes have not. BISYS told us that local law enforcement believes the theft of the vehicle was random and that the thief probably discarded the tapes. There is a low likelihood, they added, that anyone knows what these unlabeled tapes are and sophisticated hardware, and in some cases specific software, would be needed to read the tapes.

We first learned that BISYS still had Rothstein Kass data on the backup tapes when they called to alert us of the theft. BISYS has assured us that it never used or intended to use the information. We immediately instructed BISYS to purge its files of the Rothstein Kass data.

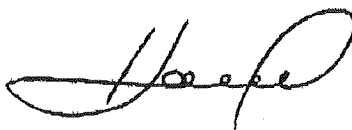
We have enclosed a list of the affected investors and a draft letter that is appropriate for use in notifying them. In addition, BISYS has established a hotline for those whose information was on the tapes, including your investors, and has agreed to provide them with credit monitoring and identity theft insurance at no charge. Details are in the letter enclosed. If you prefer, we are willing to write to your investors to inform them of this incident and the services available to them. We have also enclosed a pro forma letter for this purpose.

While we are confident that no harm will come of this, we know how unsettling it may be to you and your investors. We regret that this happened and appreciate your understanding. Please contact either of us or the Rothstein Kass principal in charge of client service for your fund if you have any concerns or questions or if you want us to handle the outreach to your investors on your behalf.

Sincerely,



Steven Kass



Howard Altman

PRO FORMA LETTER TO INVESTORS FROM FUND

Dear

Our independent certified public accountants, Rothstein Kass, have informed us that your name, address and social security number were included in unlabeled backup computer tapes that are missing after a vehicle theft on June 8, 2006. We do not believe that this information will be accessed in any way. However we wanted to bring this to your attention and give you details about a hotline that we expect will be available beginning July 12, 2006 to answer any questions you may have (Toll free in the United States 866-415-3256; from outside the United States 214-550-6346). In addition, you will be provided access to free credit monitoring and identity theft insurance arranged by BISYS-RK ("BISYS"), the company that lost the data.

Rothstein Kass has advised us that they and BISYS temporarily shared a common data platform under appropriate confidentiality provisions, for some months in 2005 following the BISYS purchase of a hedge fund administration business from RK Consulting, LLC, a former affiliate of Rothstein Kass. After the theft, BISYS informed Rothstein Kass that Rothstein Kass data that was to have been temporarily shared remained in BISYS's active files and was on the missing tapes. Rothstein Kass has instructed BISYS to purge its files of the Rothstein Kass data.

We have been told that local law enforcement believes the theft of the vehicle was random and that the thief probably discarded the tapes. However, given the prevalence of identity theft, both we and Rothstein Kass recommend that you take advantage of the free credit monitoring and identity theft insurance programs mentioned above, details of which are outlined on the information sheet enclosed. We apologize for any inconvenience this causes you and thank you for your understanding.

Sincerely,

PROFORMA LETTER TO INVESTORS FROM ROTHSTEIN KASS

Dear

As the independent certified public accountants for the fund(s) on the enclosed list, Rothstein Kass maintains or formerly maintained your name, address and social security number in its data files. We are writing today to alert you that unlabeled backup computer tapes containing this information are missing after a vehicle theft on June 8, 2006. We do not believe that this information will be accessed in any way. However we wanted to bring this to your attention and give you details about a hotline that we expect will be available beginning July 12, 2006 to answer any questions you may have (Toll free in the United States 866-415-3256; from outside the United States 214-550-6346). In addition, you will be provided access to free credit monitoring, identity theft insurance and fraud resolution services arranged by BISYS-RK, the company that lost the data.

Rothstein Kass and BISYS-RK temporarily shared a common data platform under appropriate confidentiality provisions for some months in 2005 following the BISYS-RK purchase of a hedge fund administration business from RK Consulting, LLC, a former affiliate of Rothstein Kass. After the theft, BISYS-RK informed Rothstein Kass that Rothstein Kass data that was to have been temporarily shared remained in BISYS-RK's active files and was on the missing tapes. Rothstein Kass has instructed BISYS-RK to purge its files of the Rothstein Kass data.

We have of course notified the appropriate executives at the fund(s) in which you are invested. They in turned asked us to inform you of this matter, assure you that the fund(s) had no role in this incident and that steps have been taken to prevent any such data loss in the future.

We have been told that local law enforcement believes the theft of the vehicle was random and that the thief probably discarded the tapes. However, given the prevalence of identity theft, we recommend that you take advantage of the free programs mentioned above, details of which are outlined on the information sheet enclosed. We apologize for any inconvenience this causes you and thank you for your understanding.

Sincerely,

Rothstein Kass

**PRO FORMA LETTER TO INVESTORS OF THEFT PROTECTION SERVICES AVAILABLE
HOW TO ACTIVATE YOUR FREE IDENTITY THEFT PROTECTION SERVICE**

In light of the recent loss of unlabeled computer tapes containing your name, address and Social Security Number, BISYS-RK ("BISYS"), the company responsible, has arranged for a credit-monitoring product at no cost to you, which also includes unlimited access to your credit report. These services will help you detect any misuse of your information, regardless of the cause.

ConsumerInfo.com, an Experian® company, will provide you with a full year of credit monitoring. This credit monitoring membership, Triple Alert, notifies you of key changes to all three of your national credit reports that could be signs of identity theft. It will enable you to identify any possible fraudulent use of your information.

Your complimentary membership includes:

- Daily monitoring of ALL THREE of your national credit reports
- Email or SMS Text alerts when key changes are identified
- Monthly "All Clear" alert, if no material changes are detected
- \$10,000 Identity Theft insurance provided by Virginia Surety Company, Inc.
- Fraud Resolution Representatives available for victims of identify theft

You have ninety (90) days to activate this membership, which will then continue for twelve (12) full months. We encourage you to activate your credit monitoring membership quickly. To redeem your Triple Alert membership, please visit [insert URL] and enter the code provided below, disregarding any pricing information. You will be instructed on how to initiate your online membership.

The Credit Monitoring Website: [insert URL]
Your Credit Monitoring Access Code: [insert code]

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REBEL INDUSTRIES, L.L.C.

Management Company:
J. I. Harris & Associates, LLC
220 Sunrise Avenue - Suite 210
Palm Beach, Florida 33480
TEL. (561) 659-7130
FAX. (561) 659-7431
EMAIL. jih@jiharris.com

Investment Manager:
Alternative Investment Management, L.L.C
565 Fifth Avenue - 22nd Floor
New York, New York 10017
TEL. (212) 557-6191
FAX. (212) 898-1328
EMAIL rebel@aim13.com

Fund Administrator:
International Fund Services
1290 Ave of the Americas - 10th Floor
New York, New York 10104
TEL. (212) 339-2733
FAX. (212) 339-0962
EMAIL atv@imsi.com

August 2, 2006

Dear Partner:

Rebel Industries, L.L.C. (the "Fund") has been notified by our independent certified public accountants, Rothstein Kass, that there was recently an incident involving the loss of unlabeled backup storage tapes which contained personal and transactional information about investors. We certainly regret this news and would like to assure you that we are very much committed to the safeguarding of your privacy. It is our understanding that the investors who are potentially affected are individual investors whose subscription data included a Social Security number and who invested in the Fund prior to January 1, 2005.

Please be advised that Rothstein Kass will be sending a letter directly to these investors with further explanation of the events that transpired as well as offering free identity theft protection services as a result. While we do not have any evidence to indicate that your information has been used in any inappropriate manner, it is very important that you read the attached letter. We are working closely with Rothstein Kass and continuing our own investigation into this matter.

Please do not hesitate to contact us if you have any questions in this regard. Additionally, you may call Rothstein Kass at the dedicated line set up by Rothstein Kass and a representative will be ready to assist you. We will certainly keep you apprised of any further developments.

J. Ira Harris

Jonathan M Harris

J. Adam Lavin

Pamela S. Jacobson

David G. Kuppertman

Certified
Public
Accountants

Rothstein, Kass & Company
1350 Avenue of the Americas
New York, NY 10019
tel 212.957.6670
fax 212.730.8802
www.rkco.com

ST. PAUL
DENVER
SAN FRANCISCO
PORTLAND
SAN DIEGO
SAN JOSE
SAN ANTONIO
HOUSTON
ATLANTA
MIAMI
NEW YORK
WASHINGTON DC

Rothstein Kass

August 1, 2006

As the independent certified public accountants for the fund(s) on the enclosed list, Rothstein Kass maintains or formerly maintained your name, address and social security number in its data files. We are writing today to alert you that unlabeled backup computer tapes containing this information are missing after a vehicle theft on June 8, 2006. We do not believe that this information will be accessed in any way. However we wanted to bring this to your attention and give you details about a hotline that is available to answer any questions you may have (Toll free in the United States 866-415-3256; from outside the United States 214-550-6346). In addition, those partners whose records included a social security number will be provided access to free credit monitoring, identity theft insurance and fraud resolution services arranged by BISYS-RK, the company that lost the data.

Rothstein Kass and BISYS-RK temporarily shared a common data platform under appropriate confidentiality provisions for some months in 2005 following the BISYS-RK purchase of a hedge fund administration business from RK Consulting, LLC, a former affiliate of Rothstein Kass. After the theft, BISYS-RK informed Rothstein Kass that Rothstein Kass data that was to have been temporarily shared remained in BISYS-RK's active files and was on the missing tapes. Rothstein Kass has instructed BISYS-RK to purge its files of the Rothstein Kass data.

We have of course notified the appropriate executives at the fund(s) in which you are invested. They in turn asked us to inform you of this matter, assure you that the fund(s) had no role in this incident and that steps have been taken to prevent any such data loss in the future.

We have been told that local law enforcement believes the theft of the vehicle was random and that the thief probably discarded the tapes. However, given the prevalence of identity theft, we recommend that you take advantage of the free programs mentioned above, details of which are outlined on the information sheet enclosed. We apologize for any inconvenience this causes you and thank you for your understanding.

Sincerely,



ROTHSTEIN KASS