

Ralph Chaffi
extended deadline
to next week (week
of July 24, 2006)



Bear Stearns High-Grade
Structured Credit Strategies
Bear Stearns
Asset Management Inc.
383 Madison Avenue
New York, New York 10179
www.bearstearns.com

Matthew Tannin
Senior Managing Director
(212) 272-3118

July 5, 2006

Dear Current Investor

Enclosed please find copies of the offering and subscription documents to make an investment in the Bear Stearns High-Grade Structured Credit Strategies Enhanced Leverage Fund ("BSHG Enhanced").

As a current investor in the Bear Stearns High-Grade Structured Credit Strategies Fund ("BSHG"), you have the opportunity to allocate a percentage of your current investment in BSHG into BSHG Enhanced. If you do not want to make an allocation no action is necessary.

If you are interested in making such an allocation, please read the enclosed offering materials carefully and complete the entire Subscription Agreement for BSHG Enhanced, **including designating the percentage of your current investment in BSHG that you would like to allocate or "roll" into BSHG Enhanced. THIS DESIGNATION IS ESSENTIAL TO THE MAKING OF YOUR NEW INVESTMENT IN BSHG ENHANCED.**

Please return the Subscription document to Bear Stearns by no later than the close of business on July 21, 2006. The roll will occur on August 1, 2006. Please use fax number 917-849-3018.

Your allocation of any portion of your investment in BSHG to BSHG Enhanced will take the form of a redemption in kind from BSHG and a subscription in kind to BSHG Enhanced. Each investor will receive a pro rata interest of each position in the BSHG portfolio as of July 31, 2006. These positions will be used to subscribe to BSHG Enhanced. **No action is required of any investor beyond the percentage election in the Subscription document.** Each investor will then receive limited partnership interests in the BSHG Enhanced Fund equal to the value of the securities received from the in kind redemption from BSHG.

All high water marks will carry over into BSHG Enhanced from BSHG which means that BSAM will not collect its accrued performance fee until December 2006.

Should you have any questions about the roll-over, please feel free to contact Matt Tannin, Portfolio Manager and Chief Operating Officer of BSHG and BSHG Enhanced at [REDACTED] or via e-mail ([REDACTED]).

A handwritten signature in black ink, consisting of stylized initials 'MT' with a horizontal line above the 'T'.

Matthew Tannin
Senior Managing Director
Portfolio Manager
Bear Stearns High Grade Structured Credit Strategies