Name of Offeree: _____ Copy No. _____

CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

ARK GLOBAL EMERGING COMPANIES, LP

A Delaware Limited Partnership

LIMITED INTERESTS

MINIMUM INVESTMENT: $1,000,000

GENERAL PARTNER:

SEVEN CANYONS ADVISORS, LLC

DECEMBER 2023

Ark Global Emerging Companies, LP

22 East 100 South, 3rd Floor
Salt Lake City, UT 84111

This Confidential Private Placement Memorandum (the "***Memorandum***") has been prepared on a confidential basis and is intended solely for the use of the recipient named on the cover hereof in connection with this offering. Each recipient, by accepting delivery of this Memorandum, agrees not to make a copy of the same or to divulge the contents hereof to any person other than a legal, business, investment or tax advisor in connection with obtaining the advice of any such persons with respect to this offering.

The Memorandum relates to the offering (the "***Offering***") of limited partnership interests (the "***Interests***") of Ark Global Emerging Companies, LP, a Delaware limited partnership (the "***Partnership***"). Interests are suitable only for sophisticated investors (a) who do not require immediate liquidity for their investments, (b) for whom an investment in the Partnership does not constitute a complete investment program and (c) who fully understand and are willing to assume the risks involved in the Partnership's investment program. The Partnership's investment practices, by their nature, involve a substantial degree of risk. See "*Investment Program*" and *"Risk Factors*." The Offering is made only to certain eligible investors. See "*Qualification of Investors*." Prospective investors should carefully consider the material factors described in "*Risk Factors*," together with the other information appearing in this Memorandum, prior to purchasing any of the Interests offered hereby.

THE INTERESTS OFFERED HEREBY HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION (THE "*SEC*") OR THE SECURITIES REGULATORY AUTHORITY OF ANY STATE, NOR HAS THE SEC OR ANY SUCH AUTHORITY PASSED UPON THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL. THE INTERESTS ARE BEING OFFERED PURSUANT TO EXEMPTIONS FROM REGISTRATION WITH THE SEC AND STATE SECURITIES REGULATORY AUTHORITIES; HOWEVER, NEITHER THE SEC NOR ANY STATE SECURITIES REGULATORY AUTHORITY HAS MADE AN INDEPENDENT DETERMINATION THAT THE SECURITIES OFFERED HEREIN ARE EXEMPT FROM REGISTRATION.

THE INFORMATION IN THIS MEMORANDUM IS GIVEN AS OF THE DATE ON THE COVER PAGE, UNLESS ANOTHER TIME IS SPECIFIED, AND INVESTORS MAY NOT INFER FROM EITHER THE SUBSEQUENT DELIVERY OF THIS MEMORANDUM OR ANY SALE OF INTERESTS THAT THERE HAS BEEN NO CHANGE IN THE FACTS DESCRIBED SINCE THAT DATE.

This Memorandum does not constitute an offer to sell or the solicitation of an offer to buy the Interests by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

No offering literature or advertising in any form other than this Memorandum and the agreements and documents referred to herein shall be considered to constitute an Offering of the Interests. No person has been authorized to make any representation with respect to the Interests except the representations contained herein. Any representation other than those set forth in this Memorandum and any information other than that contained in documents and records furnished by the Partnership upon request, must not be relied upon. This Memorandum is accurate as of its date, and no representation or warranty is made as to its continued accuracy after such date.

Sales of Interests may be made only to investors deemed suitable for an investment in the Partnership under the criteria set forth in this Memorandum. The Partnership reserves the right, notwithstanding any such offer, to withdraw or modify the Offering and to reject any subscriptions for the Interests in whole or in part for any or no reason.

The Interests being offered have not been registered under the Securities Act of 1933, as amended (the "***Securities Act***"), and have not been registered under the securities laws of any state, but are being offered and sold for purposes of investment and in reliance on the statutory exemptions contained in Sections 4(2) and/or 3(b) of the Securities Act and in reliance on applicable exemptions under state securities laws. Such Interests may not be sold, pledged, transferred or assigned except in a transaction which is exempt under the Securities Act and applicable state securities laws, or pursuant to an effective registration statement thereunder or in a transaction otherwise in compliance with the Securities Act, applicable state securities laws, this Memorandum and the Partnership's Sixth Amended and Restated Limited Partnership Agreement.

THERE IS NO PUBLIC MARKET FOR THE INTERESTS, AND NONE IS EXPECTED TO DEVELOP IN THE FUTURE.

The Partnership is not registered as an investment company under the Investment Company Act of 1940, as amended (the "***Investment Company Act***"), in reliance upon Section 3(c)(1) thereof. As a result of its reliance upon Section 3(c)(1), the Interests may not at any time be owned by more than 100 beneficial owners (as determined under the Investment Company Act). On February 5, 2018, the GP was approved as a Registered Investment Advisor with the Securities and Exchange Commission under the Investment Advisers Act of 1940, as amended (the "***Advisers Act***"). A copy of the GP's most recently filed ADV Part 2 Brochure is attached hereto as Appendix A.

Prospective investors are invited to meet with their advisors to discuss, and to ask questions and receive answers, concerning the terms and conditions of this Offering of the Interests, and to obtain any additional information, to the extent the GP or its delegate possess such information or can acquire it without unreasonable effort or expense, necessary to verify the information contained herein.

ERISA PLAN AND IRA INVESTORS

IN CONNECTION WITH ERISA OR IRA INVESTORS, THE GENERAL PARTNER DOES NOT (I) ACT OR REPRESENT THAT IT IS ACTING, IN A FIDUCIARY CAPACITY TO SUCH INVESTORS AND DOES NOT (II) PROVIDE IMPARTIAL "INVESTMENT ADVICE" OR A RECOMMENDATION THAT AN INVESTMENT IN THE PARTNERSHIP IS SUITABLE, ADVISABLE OR APPROPRIATE FOR SUCH AN INVESTOR, WHETHER GENERALLY OR IN LIGHT OF SUCH INVESTORS PARTICULAR CIRCUMSTANCES. FURTHERMORE, THE GENERAL PARTNER HAS A FINANCIAL INTEREST IN MANAGING THE PARTNERSHIP AND ITS INTERESTS MAY CONFLICT WITH THE INTERESTS OF ERISA AND IRA INVESTORS. IN MAKING AN INVESTMENT DECISION, ERISA AND IRA INVESTORS MUST RELY ON THE RECOMMENDATION OF AN INDEPENDENT PLAN FIDUCIARY OR THEIR OWN EXAMINATION OF THE PARTNERSHIP, THE TERMS OF THE OFFERING AND THE RISKS ATTENDANT WITH AN INVESTMENT IN THE PARTNERSHIP.

NASAA Uniform Disclosure:

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

Florida Residents:

IF SALES ARE MADE TO FIVE OR MORE PERSONS IN FLORIDA, AND YOU PURCHASE SECURITIES HEREUNDER, THEN YOU MAY VOID SUCH PURCHASE EITHER WITHIN THREE DAYS AFTER THE FIRST TENDER OF CONSIDERATION IS MADE BY YOU TO THE ISSUER, AN AGENT OF THE ISSUER, OR AN ESCROW AGENT OR WITHIN THREE DAYS AFTER THE AVAILABILITY OF THIS PRIVILEGE COMMUNICATED TO YOU, WHICHEVER OCCURS LATER.

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EXECUTIVE SUMMARY

Ark Global Emerging Companies, LP was organized as a Delaware limited partnership (the "***Partnership***") on October 5, 2017 to operate as a private investment partnership. The primary investment objective of the Partnership is to achieve high risk-adjusted returns by taking advantage of in-depth proprietary and global research. The GP's investment strategy focuses on small-cap emerging market equities found around the globe. The GP believes that inherent inefficiencies in small-cap emerging markets, coupled with the broad expertise and analytical abilities of the GP, will help it to seek out appropriate investment opportunities.

Seven Canyons Advisors, LLC, a Delaware limited liability company, serves as the general partner (the "***General Partner***" or "***GP***") of the Partnership. Under the Partnership's Sixth Amended and Restated Limited Partnership Agreement (as the same may be amended, supplemented or revised from time to time, the "***Partnership Agreement***"), the GP is primarily responsible for the management of the Partnership. The office of the GP is located at 22 East 100 South, 3rd Floor, Salt Lake City, UT 84111, and its telephone number is (801) 349-2718.

The Partnership is presently accepting subscriptions from a limited number of sophisticated investors (as described in the "*Summary of Key Terms*," below), generally in minimum amounts of not less than $1,000,000. The Partnership will generally accept initial or additional capital contributions as of the first business day of any calendar month, or at any other time the GP chooses to accept such contributions.

Investors in the Partnership will generally be subject to (i) a monthly management fee, payable in arrears, equal to 0.125% (1.5% annually) of such investor's capital account balance as of the end of such calendar month; and (ii) an annual performance allocation equal to five percent (5%) of each investor's ratable share of the Partnership's profits for such calendar year, provided such profits exceed such investor's "high water mark."

Investors will generally be permitted to make withdrawals of capital as of the close of business on the last day of each calendar quarter, provided the withdrawing investor notifies the GP not less than thirty (30) days in advance of the applicable withdrawal date of its intent to make a withdrawal, and provided further, such capital has been invested in the Partnership for not less than twelve (12) months (the ***"Lock-Up Period"***). The GP may, in its sole discretion, waive the Lock-Up Period, in which case such withdrawal shall be subject to an early withdrawal penalty equal to two percent (2%) of the withdrawal proceeds.

DIRECTORY

The Partnership:	Ark Global Emerging Companies, LP c/o Seven Canyons Advisors, LLC 22 East 100 South, 3rd Floor Salt Lake City, UT 84111 Attn: Spencer Stewart
General Partner:	Seven Canyons Advisors, LLC 22 East 100 South, 3rd Floor Salt Lake City, UT 84111 Tel: (801) 349-2718 Email: Spencer@scadvs.com Attn: Spencer Stewart
Prime Broker:	Bloomberg Tradebook, LLC 919 Third Avenue New York, NY 10022
Custodian:	State Street Bank and Trust Company 1 Lincoln Street State Street Financial Center Boston, MA 02111
Administrator:	Formidium Corp. 633 Rogers St #106 Downers Grove, IL 60515
Auditor:	Spicer Jeffries LLP 4601 DTC Blvd., Suite 700 Denver, CO 80237
Legal Advisor:	Riveles Wahab LLP 25th Floor, Suite 2510B New York, NY 10005

INVESTMENT PROGRAM

Investment Objective and Strategy Overview

The primary investment objective of the Partnership is to achieve high risk-adjusted returns by utilizing in-depth proprietary research in international emerging markets. The GP will focus on small-cap emerging market equities, an asset class the GP believes is under-researched and under-owned. The GP believes that emerging markets (the "***EM***") may grow faster than developed markets over the medium to long term, and also that EM provides a larger universe of securities than the developed equities market to invest in. As such, since EM securities have less research coverage in the financial press, the GP intends to generate significant alpha utilizing the repeatable investment process that the GP and its partners have forged over the last 20+ years of investing in global markets.

Types of Investments:

Long/Short Equities: The GP may take long and short positions in the equity securities of companies that are domiciled or have a majority of their business in or related to emerging economies. The GP believes that small-cap emerging market equities are under-researched, and that the GP's background and experience can help it identify the best emerging growth companies around the world.

Option Strategies: This portion of the Partnership's portfolio will involve supplementing the long/short equities strategy with options activity. In most cases, the purpose of this will be to minimize risk and/or achieving faster liquidity, often through the purchase of put and call options on securities already owned. In certain circumstances, the GP could sell options on securities in order to generate additional returns. Given the exceptional volatility of options, the GP does not expect that such option strategies will constitute a majority portion of the portfolio.

The Partnership is a small-cap focused emerging market equity fund targeting capital appreciation through investments in the equity of what the Partnership believes to be high-quality attractively valued companies. Additionally, the GP employs short sales of companies that it believes have flawed business models, or valuations that do not reflect the reality of the company's actual performance, or existing business, or based on the GP's assessment of intrinsic valuation.

For long investments, the GP seeks capital appreciation through investments in the equities of high-quality attractively valued companies. The GP seeks to identify emerging (versus mature) companies with the following characteristics: disruptive strategies that are gaining market share, industry leading positions with expanding moats, misunderstood and mispriced market valuations, and strong financial profiles. The GP may also invest a portion of the Partnership's assets in larger cap stocks in an attempt to obtain the best combinations of value, quality and growth wherever and whenever they are presented globally.

The GP believes that its research process is a unique competitive advantage when approaching a large set of emerging market opportunities. Research begins with quantitative screens used to identify subsets of companies that exhibit some combination of improving returns on capital, earnings growth, margin expansion, revenue acceleration, and growth of cash flow.

The GP is a growth manager that applies both bottom-up and top-down thinking to its investment discipline to identify growing companies. The quantitative mandate is the first step in a bottom-up research process. It might be followed by conference calls and/or site visits to better understand the business and outlook, and to grade the qualitative strength of the management team. This is coupled with research on the company's industry, competitors, customers, and partners. Finally, primary research methods and third-party research is used to validate the company's competitive strengths and overall product and/or service quality.

Portfolio positions are added and weighted according to a consensus among the research team on each individual company's given risk and reward. In general, the Partnership will build a smaller list of more concentrated "best ideas" from the Partnership's more broadly diversified portfolios, while taking into account liquidity, market impact and volatility profiles of each individual holding. Positions are then monitored on an ongoing basis using primary research, earnings releases and news flow. The prospects of each portfolio position are constantly re-assessed relative to its market valuation and evolving set of risks and opportunities. Positions can be added to or eliminated based on the team's fundamental research.

While not a long/short investment fund strictly in mandate, the Partnership may occasionally short the stocks of companies that have flawed business models, with valuations that do not reflect the reality of the companies' actual performance or future prospects should market conditions or research provide an overly compelling risk-reward case. The GP will rarely, if ever, sell short the securities of companies that are solely overvalued, rather, it will look for identifiable indicators that the negative forecast will materialize in the marketplace, such as slowing sales growth, loss of market share, falling margin profiles, and/or reduced free cash flow. The GP also considers the balance sheet and capital structure to be critical variables in their assessment of short candidates, attempting to identify

over-leveraged securities that amplify negative business trends, resulting in an erosion of the company's equity tranche of the capital structure.

The GP uses its same proprietary quantitative-based screening to identify potential shorts, coupled with deep due diligence, including: management meetings, site visits, and primary research methods of speaking with customers, competitors, partners, and/or other industry contacts in order to independently assess the company's forward prospects.

Partnership Investments

The Partnership has broad and flexible investment authority. Accordingly, the investments of the Partnership may at any time include, without limitation, whether long or short, on margin or otherwise, whether traded on exchanges, over-the counter or negotiated on electronic markets, including in the U.S. or foreign markets including emerging markets: equity securities, including those of companies with a small market capitalization, options on equities, exchange traded funds and exchange traded notes; convertible securities; public investments in private equity; "New Issues"; and financial futures contracts and options thereon. The Partnership may periodically maintain all or a portion of its assets in money market instruments and other cash equivalents and may not be fully invested at all times.

Borrowing and Lending

The Partnership may utilize leverage (including, without limitation, borrowing cash and entering into derivative transactions that have the effect of leveraging its portfolio), and may engage in securities lending transactions. Certain of the instruments utilized by the Partnership are inherently leveraged, including certain futures instruments, which may enhance any losses incurred. The use of leverage may, in certain circumstances, maximize the adverse impact to which the Partnership's investment portfolio may be subject.

If securities are sold short, the Partnership may be required to pay a premium and/or interest to the lender of the securities, which would increase the cost of the securities sold. Until the borrowed securities are replaced, the Partnership generally will be required to pay to the lender amounts equal to any dividends or interest that accrue on the securities borrowed during the period of the loan. A security may be sold short by the Partnership not only for hedging purposes but also when the GP believes the security is likely to lose value. The use of leverage may, in certain circumstances, maximize the adverse impact to which the Partnership's investment portfolio may be subject.

Distributions and Reinvestment

The Partnership does not expect to make any dividend payments or other distributions to Limited Partners out of the Partnership's earnings and profits, but rather expects that such income will be reinvested. Potential investors should keep this limitation in mind when determining whether or not an investment in the Partnership is suitable for their particular purposes. The GP reserves the right to change such policy.

Plan of Distribution and Use of Proceeds; Cash Equivalents

Interests will be offered through private placement to a variety of sophisticated investors. See "*Qualification of Investors*." The net proceeds of the private offering contemplated herein will be invested in accordance with the policies set forth under "*Investment Objective and Strategy.*" The Partnership, without limitation, may hold cash or invest in cash equivalents for short-term investments. Among the cash equivalents in which the Partnership may invest are obligations of the U.S. Government, its agencies or instrumentalities (i.e., U.S. Government Securities; U.S. Treasury Bills), commercial paper and repurchase agreements, money market mutual funds, certificates of deposit and bankers' acceptances issued by domestic branches of U.S. banks that are members of the Federal Deposit Insurance Corporation. In the event the GP determines that there is not sufficiently good value in any securities suitable for investment of the Partnership's capital, all such capital may be held in cash and cash equivalents.

Possible Master-Feeder Structure in the Future

In the future, the GP or affiliated entities may sponsor the formation of an offshore company (the "***Offshore Feeder***") which will offer its interests primarily to non-U.S. individuals and U.S. tax-exempt entities. In such event, the Partnership, together with the Offshore Feeder (when and if established), will place all or substantially all of its assets in, and conduct its investment activities primarily through, a master fund structured as an offshore company or limited partnership (the "***Master Fund***") utilizing a "Master-Feeder" structure. When and if such events occur, the GP or an affiliate will serve as the investment manager to the Offshore Feeder and the Master Fund and will conduct the investment activities of the Master Fund, managing its day-to-day activities. The Partnership and the Offshore Feeder would participate on a *pro rata* basis in the profits and losses of the Master Fund and would bear a *pro rata* portion of all expenses of the Master Fund based on the net asset value of their respective interests in the Master Fund. The purpose of establishing the Master Fund would be to achieve trading and administrative efficiencies.

Limits of Description of Investment Program

The GP is not limited by the above discussion of the investment program. Further, the investment program is a strategy as of the date of this Memorandum only. The GP has wide latitude to invest or trade the Partnership's assets, to pursue any particular strategy or tactic, or to change the emphasis without obtaining the approval of the Limited Partners, although the GP will only cause a material change to the Partnership's investment strategy with the consent of a majority in interest of Limited Partners. Except as specifically provided in this section, the investment program imposes no significant limits on the types of instruments in which the GP may take positions, the type of positions it may take, its ability to borrow money, or the concentration of investments. The foregoing description is general and is not intended to be exhaustive. Prospective investors must recognize that there are inherent limitations on all descriptions of investment processes due to the complexity, confidentiality, and subjectivity of such processes. In addition, the description of virtually every trading strategy must be qualified by the fact that trading approaches are continually changing, as are the markets invested in by the GP.

There can be no assurance that the Partnership will achieve its investment objective or avoid substantial losses. An investor should not make an investment in the Partnership with the expectation of sheltering income or receiving cash distributions. Investors are urged to consult with their personal advisers before investing in the Partnership. Because risks are inherent in all the investments in which the Partnership engages, no assurances can be given that the Partnership's investment objectives will be realized.

MANAGEMENT OF THE PARTNERSHIP

Seven Canyons Advisors, LLC, a Delaware limited liability company, serves as the GP of the Partnership. Under the Partnership Agreement, the GP is primarily responsible for the management of the Partnership. The office of the GP is located at 22 East 100 South, 3rd Floor, Salt Lake City, UT 84111, and its telephone number is (801) 349-2718. Spencer Stewart and Eric Moessing are the principals of the GP (the "***Principals***"). Biographies of the Principals are set forth below.

On February 5, 2018, the GP was approved as a Registered Investment Adviser with the Securities and Exchange Commission under the Advisers Act. A copy of the GP's most recently filed ADV Part 2 Brochure is attached hereto as Appendix A.

Spencer Stewart

Spencer Stewart is a Portfolio Manager and Founding Partner of Seven Canyons Advisors. Before Seven Canyons, he was a Senior Research Analyst and a Portfolio Manager at Grandeur Peak Funds where he managed the Grandeur Peak Emerging Opportunities Fund (2013 – 2017), the Grandeur Peak International Opportunities Fund (2015-2016), and the Grandeur Peak Global Reach Fund (2013-2015). Spencer was previously a research analyst at Wasatch Advisors and an analyst at Sidoti & Company in NY, a small-cap institutional brokerage firm.

Eric Moessing

Eric Moessing is a founding partner of Seven Canyons Advisors. Before joining Seven Canyons, Mr. Moessing worked as a CEO in the health/senior care industry for thirteen years, achieving clinical and financial success in an evolving and highly regulated industry.

Mr. Moessing began his career as a manufacturing engineer, working in Silicon Valley for Space Systems/Loral, Adept Technology, and SurgRx. His people skills allowed him to bridge the gap between engineering and administration, and he furthered that skill set by obtaining an MBA from Brigham Young University. Eric shifted into healthcare administration, and has found continuing success in that field ever since. He is a process driven professional and an entrepreneur at heart.

SUMMARY OF KEY TERMS

The following is a summary of certain of the principal terms governing an investment in Ark Global Emerging Companies, LP. This summary is not complete and is qualified in its entirety by reference to the more detailed information set forth elsewhere in this Memorandum and by the terms and conditions of the Partnership Agreement, each of which should be read carefully by any prospective investor before investing. Prospective investors are urged to read the entire Memorandum and to seek the advice of their own counsel, tax consultants and business advisors with respect to the legal, tax and business aspects of investing in the Partnership. Capitalized terms used herein and not otherwise defined will have the same meaning as set forth in the Partnership Agreement. If any disclosure made herein is inconsistent with any provision of the Partnership Agreement, the provision of the Partnership Agreement will control.

PARTNERSHIP: The Partnership was organized as a Delaware limited partnership on October 5, 2017 to operate as a private investment partnership.

GENERAL PARTNER: The GP of the Partnership is Seven Canyons Advisors, LLC, a Delaware limited liability company. Under the Partnership Agreement, the GP is primarily responsible for the management of the Partnership. On February 5, 2018, the GP was approved as a Registered Investment Adviser with the Securities and Exchange Commission under the Advisers Act. A copy of the GP's most recently filed ADV Part 2 Brochure is attached hereto as Appendix A.

ELIGIBLE INVESTORS: Interests are being offered under the 3(c)(1) exemption of the Investment Company Act for investment by up to one hundred (100) persons who are (i) "accredited investors" as defined in Rule 501(a) of Regulation D under the Securities Act and (ii) "qualified clients" as defined in Rule 205-3 under the Advisers Act, who have sufficient knowledge and experience in financial and business matters to make them capable of evaluating the merits and risks of an investment in the Partnership. The GP intends to solicit and advertise interests to the public under Rule 506(c) of Regulation D under the Securities Act. Accordingly, all Limited Partners will be required to verify their status as accredited investors through the provision of two (2) years of tax or wage statements, brokerage or bank statements, confirmation by certain third parties, or certain other methods deemed acceptable by the GP.

The Interests will not be registered under the Securities Act or the securities laws of any state or any other jurisdiction, nor is any such registration contemplated.

An investment in the Partnership will be suitable only for investors who can bear the economic risk of the investment. Investors will be required to make representations to the foregoing effect to the Partnership as a condition to acceptance of their subscription.

Rule 506(d) of Regulation D under the Securities Act provides for disqualification of a Rule 506 offering if any of the Principals of the GP are involved in a "disqualifying event" as such term is defined under Rule 506(d) of Regulation D under the Securities Act (a "***Bad Actor Event***") or twenty percent (20%) or more of the Interests are beneficially owned by a Limited Partner involved in a Bad Actor Event. A prospective investor subject to a Bad Actor Event may be denied admittance to the Partnership in the GP's sole discretion. An existing Limited Partner must inform the GP immediately upon being subject to a Bad Actor Event. The GP may remove such Limited Partner from the Partnership at its sole discretion. See *"Qualification of Investors*" below for specific Limited Partner eligibility requirements.

THE OFFERING: There is no minimum dollar amount of capital contributions the Partnership must accept to commence operations. There is no maximum dollar amount of capital contributions the Partnership may accept.

Capital contributions may be made in cash (by means of a wire transfer, electronic fund transfer or check) or, in the sole discretion of the GP, an in-kind contribution of securities, at the time of subscription.

The Partnership may issue additional classes of Interests in the future which may differ in terms of, among other things, the Performance Allocation and/or the Management Fee, minimum investment amounts, withdrawal rights and other rights. The terms of such additional classes will be determined by the GP, without the approval of the Limited Partners, and may be described in a supplement to this Memorandum.

INITIAL CAPITAL CONTRIBUTION: Upon admission to the Partnership, each Limited Partner shall contribute in cash in the amount set forth in such Limited Partner's subscription agreement. The minimum initial subscription to the Partnership by a Limited Partner is $1,000,000, subject to the General Partner's discretion to accept subscriptions for lesser amounts or upon giving notice to the Limited Partners to require a higher minimum initial subscription.

CAPITAL ACCOUNT: The Partnership will establish and maintain on its books a capital account ("***Capital Account***") for each limited partner (each, a "***Limited Partner***," and collectively with the GP, the "***Partners***") into which its capital contribution(s) will be credited and in which certain other transactions will be reflected. (See "*Profits and Losses*," below). At the beginning of each accounting period, an allocation percentage (the "***Allocation Percentage***") will be determined for each Partner by dividing such Partner's Capital Account balance as of the beginning of such period by the aggregate Capital Account balances of all Partners as of the beginning of such period.

ADDITIONAL CAPITAL CONTRIBUTIONS: Existing Limited Partners may make additional capital contributions in amounts of not less than $250,000, with the consent of the GP and subject to its sole and absolute discretion to accept lesser amounts, as of the first business day of any calendar month or at any other time the GP chooses to accept such initial or additional contributions. The GP may, in its sole discretion, elect to temporarily or permanently suspend the ability of investors to contribute capital to the Partnership.

SELLING COMMISSIONS: Selling commissions and/or referral fees may be paid in connection with the offering of the Partnership Interests. A portion of the Management Fee and/or Performance Allocation may be remitted to registered broker-dealers introducing Limited Partners to the Partnership, or the GP may use its own resources to compensate registered broker-dealers for such introductions. The GP may also direct brokerage from Partnership trades to broker-dealers which introduce Limited Partners to the Partnership, subject to applicable laws.

LIMITATION OF LIABILITY: The General Partner shall have no liability to the Partnership or the Limited Partners for any mistakes or errors in judgment or for any act or omission believed by it in good faith to be within the scope of authority conferred by the Partnership Agreement, but shall have liability only for acts or omissions involving material violation of the Partnership Agreement, gross negligence, intentional wrongdoing or breach of fiduciary duty as General Partner. The Partnership shall indemnify, defend and hold the General Partner (and each of its affiliated persons and entities) harmless from, against and in respect of, any liabilities, damages, losses, costs or expenses incurred by the General Partner (and each of its affiliated persons and entities) as a result of any act or omission by it (and each of its affiliated persons and entities) other than on account of material violation of the Partnership Agreement, gross negligence, intentional wrong doing or breach of fiduciary duty; provided, however, that the General Partner shall bear as a Partner the same proportion of any such indemnification liability of the Partnership as it would bear of any other liability of the Partnership.

Nothing in the Partnership Agreement nor this Memorandum may be interpreted to limit or modify the GP's fiduciary duty to the Limited Partners nor waive any right or remedy a Limited Partner may have under federal or state securities laws. Federal and state securities laws impose liabilities under certain circumstances on persons who act in good faith.

WITHDRAWALS: A Limited Partner will be generally permitted to make withdrawals from its Capital Account as of the last business day of any calendar quarter, or such other date as the GP may determine in its discretion (each such date, a "***Withdrawal Date***"), provided that the Partnership receives at least thirty (30) days written notice (the "***Notice Period***") of such withdrawal prior to the applicable Withdrawal Date and provided further, the amount to be withdrawn has been invested in the Partnership for not less than twelve (12) months (the "***Lock-Up Period***"). The GP, in its sole discretion, may reduce or waive this Notice Period. In the GP's sole discretion, withdrawals may be permitted prior to the expiration of the Lock-Up Period applicable to a Limited Partner, in which case the Limited Partner requesting such withdrawal shall be subject to an early withdrawal penalty of 2% (the "***Early Withdrawal Penalty***") charged on the withdrawal proceeds. The Early Withdrawal Penalty may be reduced by the GP in its sole discretion. Any amount paid as an Early Withdrawal Penalty shall be an asset of the Partnership. The Lock-Up Period shall apply to the initial, and any additional, capital contribution into the Partnership.

In the event of a partial withdrawal, a Limited Partner must withdraw at least $250,000 and shall maintain a minimum Capital Account balance, after giving effect to the withdrawal, of not less than $1,000,000. A Limited Partner failing to maintain the minimum Capital Account balance may be

required to withdraw the balance of its Capital Account at any time without notice. The GP, in its sole discretion, may waive these minimum amounts.

Payments for withdrawals are generally made within 30 days of the effective Withdrawal Date; *however,* in the event a Partner withdraws 90% or more of the funds from such Partner's Capital Account (or if a withdrawal, when combined by all other withdrawals effected by such Partner during the preceding 12 months, would result in such Partner having withdrawn 90% or more of its Capital Account during such period), a portion (generally not to exceed 10%) of the withdrawal payment will be retained in the GP's discretion pending completion of the annual audit for the fiscal year in which the withdrawal occurs. No interest shall accrue on such retained withdrawal payments. Withdrawals may be effectuated in cash (by means of a check, electronic fund transfer or wire transfer) or, in the sole discretion of the GP, a distribution of securities in-kind.

Suspension of Withdrawals: The GP may suspend the right of withdrawal or postpone the date of payment for any period during which (i) any stock exchange or over-the-counter market on which a substantial part of the Securities owned by the Partnership are traded is closed, (other than weekend or holiday closings) or trading on any such exchange or market is restricted or suspended, (ii) there exists a state of affairs that constitutes a state of emergency, as a result of which disposal of the Securities owned by the Partnership is not reasonably practicable or it is not reasonably practicable to determine fairly the value of its assets, (iii) a breakdown occurs in any of the means normally employed in ascertaining the value of a substantial part of the assets of the Partnership or when for any other reason the value of such assets cannot reasonably be ascertained, or (iv) a delay is reasonably necessary, as determined in the reasonable discretion of the GP, in order to effectuate an orderly liquidation of the Partnership's investments in a manner that does not have a material adverse impact on the Partnership or the non-withdrawing Limited Partners. The GP has reserved the right, in its sole discretion and without notice, to require any Limited Partner to withdraw entirely from the Partnership, for any reason or no reason. As with all other withdrawals, any such required withdrawals may be effectuated in cash (by means of a check, electronic fund transfer or wire transfer) or, in the sole discretion of the GP, a distribution of securities in-kind.

The GP may establish reserves for expenses, liabilities or contingencies (including those not addressed by U.S. generally accepted accounting principles ("***GAAP***")) which could reduce the amount of a distribution upon withdrawal (a "***Reserve Withholding***"). Any such Reserve Withholding, if and when released, shall be allocated among the Capital Accounts of Partners pro rata who are Partners during the period when such Reserve Withholding was in place and distributed pro rata to any Partner who withdrew capital at the time such Reserve Withholding was in place.

At the discretion of the GP, any withdrawal by a Limited Partner may be subject to a charge, as the GP may reasonably require, in order to defray the costs and expenses of the Partnership in connection with such withdrawal including, without limitation, any charges or fees imposed by any Partnership investment in connection with a corresponding withdrawal or redemption by the Partnership from such investment or any other costs associated with the sale of any of the Partnership's portfolio investments.

In the event that all of the Principals die, become incapacitated or are adjudicated incompetent, all Limited Partners shall be promptly notified, and the Partnership shall be liquidated and terminated.

PROFITS AND LOSSES: At the end of each accounting period of the Partnership, any net capital appreciation or depreciation is allocated to the Capital Accounts of all Partners in proportion to their respective Allocation Percentages for such period. For this purpose, each accounting period shall end at the close of each calendar month, at any other time a Partner makes an additional capital contribution or effects a withdrawal, and at such other times as the General Partner may determine. Net capital appreciation and depreciation are determined on an accrual basis of accounting in accordance with GAAP and are deemed to include net unrealized profits or losses on property investments and securities as of the end of each accounting period, as well as Partnership expenses.

In addition, the GP shall receive an annual performance profit allocation (the "***Performance Allocation***") in an amount equal to five percent (5%) of the net capital appreciation allocated to each Limited Partner during each calendar year (the "***Performance Allocation Period***") *provided,* that such Performance Allocation shall be subject to a loss carry-forward provision, also known as a "high water mark," so that the Performance Allocation will only be deducted from a Limited Partner's Capital Account to the extent that such Limited Partner's *pro rata* share of such appreciation causes its Capital Account balance, measured on a cumulative basis and net of any losses, to exceed such Limited

Partner's highest historic Capital Account balance as of the end of any prior calendar year or, if higher, such Limited Partner's Capital Account balance immediately following its admission to the Partnership (as adjusted for any withdrawals at a time when a Limited Partner's Capital Account balance is below the applicable "high water mark"). The Performance Allocation may be computed at any time, in the sole discretion of the GP, for a Partner who makes a partial or complete withdrawal.

Employee Retirement Income Security Act of 1974, as amended ("***ERISA***") and current Internal Revenue Service ("***IRS***") regulations prohibit fee payments to oneself and/or an affiliate from one's individual retirement account or other self-directed retirement account. Accordingly, such an account of an officer of the GP (or of his spouse) will not be subject to the Management Fee or Performance Allocation.

MANAGEMENT FEE:

In consideration for its services, the GP receives a management fee (the "***Management Fee***") paid monthly in arrears equal to 0.125% (1.5% *per annum*) of the ending Capital Account balance of each Limited Partner for such calendar month.

The Capital Account of a Limited Partner making a withdrawal other than the last day of a month will be charged a *pro rata* portion of the Management Fee immediately prior to such withdrawal based on the number of days elapsed during such month and the portion withdrawn from such Capital Account.

EXPENSES:

Organizational Expenses: All expenses related to the Offering and organization of the Partnership (including legal and accounting fees and expenses) ("***Organizational Expenses***") will be paid by the General Partner prior to commencement of the Offering. These Organizational Expenses will be absorbed by the General Partner and the Partnership will not be responsible for these expenses.

Partnership Expenses: The Partnership shall pay for all reasonable ordinary expenses, including the Management Fee, in connection with its own operations as well as extraordinary legal expenses incurred from time to time.

General Partner Expenses: The General Partner will pay for the Partnership's Organization Expenses as well as its own administrative and overhead expenses incurred in connection with providing services to the Partnership but not including any Partnership expenses discussed above.

LEVERAGE:

The Partnership may utilize leverage (including, without limitation, borrowing cash and entering into derivative transactions that have the effect of leveraging its portfolio), and may engage in securities lending transactions. Certain of the instruments utilized by the Partnership are inherently leveraged, including certain futures instruments, which may enhance any losses incurred. The use of leverage may, in certain circumstances, maximize the adverse impact to which the Partnership's investment portfolio may be subject.

NEW ISSUES

The Partnership may participate in "new issues" as part of its investment strategy. Due to certain FINRA rules, some Limited Partners may be excluded from participating in such issues as a consequence of their status as restricted persons. See "*Special Allocation Provisions."*

BROKERAGE COMMISSIONS:

The GP may enter into one or more "soft dollar" arrangements with brokers that execute trades for the Partnership's account. Under these "soft dollar" arrangements, the broker would provide certain products and services (or arrange for and pay third parties to provide such products and services) based upon the volume of commissions generated by the Partnership's trading activities. Subject to the GP's duty to obtain best execution, these arrangements may not result in the execution of trades at the lowest available commission rates. As a result of these arrangements, the Partnership may pay higher commissions than would be the case in the absence of such arrangements. In the event the GP generates "soft dollars" with respect to Partnership trades, the General Partner shall comply with the safe harbor of Section 28(e) of the Securities Exchange Act of 1934, as amended. In all events, the GP will always seek to obtain best execution for the Partnership's portfolio transactions.

SIDE LETTERS:

The GP may enter into agreements with certain Limited Partners that will result in different terms of an investment in the Partnership than the terms applicable to other Limited Partners. As a result of such agreements, certain Limited Partners may receive additional benefits which other Limited Partners will not receive (e.g., additional information regarding the Partnership's portfolio, different withdrawal terms, or lower Management Fees or Performance Allocations). The GP will not be required to notify the other Limited Partners of any such agreement or any of the rights and/or terms or provisions thereof, nor will the GP be required to offer such additional and/or different terms or rights to any other

Limited Partner. The GP may enter into any such agreement with any Limited Partner at any time in its sole discretion.

PRIME BROKER AND CUSTODIAN: The Partnership's prime broker shall be Bloomberg Tradebook, LLC and the qualified custodian of the Partnership's assets will be State Street Bank and Trust Company. The Partnership reserves the right to use other and/or additional firms for such services.

RISK FACTORS: In general, investment in the Interests involves various and substantial risks, including (but not limited to) the risk that the Partnership assets may be invested in volatile financial instruments, risks for certain tax-exempt investors, risks related to the limited transferability of a Limited Partner's interest in the Partnership, the lack of operating history of the Partnership, the Partnership's dependence upon the GP, concentration of investments, certain tax risks, among a variety of other risk factors. (See "*Risk Factors*.")

NET ASSET VALUE: The Net Asset Value of the Partnership ("***Net Asset Value***") will be determined as is required by the Partnership Agreement or as may be determined by the GP, but in any case no less than monthly. Each Partner's share of the Net Asset Value is determined by multiplying the total value of the Partnership's investments and other assets less any liabilities, by the Partner's Allocation Percentage. (See "*Valuation of Investments*.")

RESTRICTIONS ON TRANSFER: A Limited Partner may not pledge, assign, sell, exchange or transfer its Interest (or any portion thereof), and no assignee, purchaser or transferee may be admitted as a substitute Limited Partner, except with the consent of the GP, which consent may be given or withheld in its sole and absolute discretion.

FISCAL YEAR: The Partnership's fiscal year shall end on December 31.

REPORTS: Within ninety (90) days (or as soon as practicable) after the end of each fiscal year, provided that sufficient information is available to the Partnership, the General Partner shall cause to be mailed to each Partner audited financial statements prepared by a firm of independent certified public accountants selected by the General Partner. In addition, all Limited Partners will receive the information necessary to prepare federal and state income tax returns following the conclusion of such fiscal year as soon thereafter as is reasonably practical.

The General Partner shall furnish to the Partners monthly unaudited reports regarding the activities and business of the Partnership; provided, however, that the General Partner will not be required to provide information with regard to specific investment transactions of the Partnership.

TERM: The Partnership shall continue until the earlier of (i) the termination, bankruptcy, insolvency or dissolution of the GP, (ii) the complete withdrawal of the GP from the Partnership, unless a successor general partner is appointed, (iii) entry of a decree of judicial dissolution, (iv) a determination by the GP that the Partnership should be dissolved or (v) in the event of (a) the death of the Principals or (b) an adjudication in a final non-appealable decision on the merits of a court of competent jurisdiction that the Principals are physically or mentally incapable of making investment decisions on behalf of the GP.

AMENDMENT OF THE PARTNERSHIP AGREEMENT: The Partnership Agreement provides that the GP has the right to amend the Partnership Agreement to, among other things, correct any ambiguous, false, or erroneous provision, or to otherwise amend the Partnership Agreement; provided, that no such amendment shall adversely affect the rights, privileges, and powers of the Limited Partners as a group, unless agreed to by the holders of a majority of Allocation Percentages held by Limited Partners. Notwithstanding the foregoing, the GP may amend the Partnership Agreement to conform to applicable laws and regulations without the approval of the Limited Partners. The GP shall provide Limited Partners with at least 15 days' notice of any amendment to the Partnership Agreement to comply with applicable laws. The GP is authorized on its own motion to institute proceedings for adoption of a proposed amendment to the Partnership Agreement. Investors should note that Limited Partners have no voting rights except in very limited and specific situations.

LEGAL COUNSEL: Riveles Wahab LLP acts as legal counsel to the GP and the Partnership in connection with the organization of the Partnership, the offering of Interests and other ongoing matters, and does not represent Limited Partners in any capacity.

AUDITOR:	The Partnership's independent certified public accountant is Spicer Jeffries LLP. The GP reserves the right to use other and/or additional firms for the Partnership's audit services.
ADMINISTRATOR:	The Fund has entered into an administration agreement with Formidium Corp. (the "***Administrator***"). The Fund pays the Administrator a fee based on its standard schedule of fees charged by the Administrator for similar services as provided for in the Administration Agreement.
SUBSCRIPTION PROCEDURE:	Persons interested in subscribing for Interests will be furnished, and will be required to complete and return to the GP, subscription documents.

RISK FACTORS

An investment in the Partnership involves a number of significant risks. The risk factors set forth below are those that, at the date of this Memorandum, the GP deems to be the most significant. The following is not intended to be a complete description or an exhaustive list of risks. Other factors ultimately may affect an investment in the Partnership in a manner and to a degree not now foreseen. Prospective investors should carefully consider, in addition to the matters set forth elsewhere in this Memorandum, the factors discussed below. An investment in the Partnership should form only a part of a complete investment program, and an investor must be able to bear the loss of its entire investment. Prospective investors should also consult with their own financial, tax and legal advisors regarding the suitability of this investment.

General

General Investment Risks. The Partnership's success depends on the GP's ability to implement its investment strategy. Any factor that would make it more difficult to execute timely trades, such as a significant lessening of liquidity in a particular market, may also be detrimental to profitability. No assurance can be given that the investment strategies to be used by the Partnership will be successful under all or any market conditions.

A potential investor in the Partnership should note that the prices of the securities and other instruments in which the Partnership invests may be unavailable. Market movements are difficult to predict and are influenced by, among other things, government trade, fiscal, monetary and exchange control programs and policies; changing supply and demand relationships; national and international political and economic events; changes in interest rates; and the inherent volatility of the marketplace. In addition, governments from time to time intervene, directly and by regulation, in certain markets, often with the intent to influence prices directly. The effects of governmental intervention may be particularly significant at certain times in the financial instrument and currency markets, and such intervention (as well as other factors) may cause these markets and related investments to move rapidly.

Investment and Trading Risks. All investments involve the risk of a loss of capital. The GP believes that the Partnership's investment program and its research and risk-management techniques moderate this risk through the careful selection of securities and other financial instruments. No guarantee or representation is made that the Partnership's investment program will be successful, and investment results may vary substantially over time.

Instruments Traded

Equity Securities. The value of the equity securities held by the Partnership are subject to market risk, including changes in economic conditions, growth rates, profits, interest rates and the market's perception of these securities. While offering greater potential for long-term growth, equity securities are more volatile and generally more risky than some other forms of investment.

Exchange-Traded Funds ("***ETFs***"). The Partnership may invest in ETFs. ETFs are a type of investment security representing an interest in a passively managed portfolio of securities selected to replicate a securities index, such as the S&P 500 Index or the Dow Jones Industrial Average, or to represent exposure to a particular industry or sector. Unlike open-end mutual funds, the shares of ETFs and closed-end investment companies are not purchased and redeemed by investors directly with the fund, but instead are purchased and sold through broker-dealers in transactions on a stock exchange. Because ETF and closed-end fund shares are traded on an exchange, they may trade at a discount from or a premium to the net asset value per share of the underlying portfolio of securities. In addition to bearing the risks related to investments in equity securities, investors in ETFs intended to replicate a securities index bear the risk that the ETFs performance may not correctly replicate the performance of the index. Investors in ETFs, closed-end funds and other investment companies bear a proportionate share of the expenses of those funds, including management fees, custodial and accounting costs, and other expenses; therefore, to the extent the Partnership invests in ETFs, Limited Partners may incur certain duplicative fees and expenses, including management fees incurred at the ETF level and the Partnership level. Trading in ETF and closed-end fund shares also entails payment of brokerage commissions and other transaction costs.

Exchange-Traded Notes ("***ETNs***"). ETNs are senior, unsecured, unsubordinated debt securities whose returns are linked to the performance of a particular market benchmark or strategy minus applicable fees. ETNs are traded on an exchange (*e.g.*, the NYSE) during normal trading hours. However, investors can also hold the ETN until maturity. At maturity, the issuer pays to the investor a cash amount equal to the principal amount, subject to the day's market benchmark or strategy factor. ETNs do not make periodic coupon payments or provide principal protection. ETNs are subject to credit risk and the value of the ETN may drop due to a downgrade in the issuer's credit rating, despite the underlying market benchmark or strategy remaining unchanged. The value of an ETN may also be influenced by time to maturity, level of supply and demand for the ETN, volatility and lack of liquidity in underlying assets, changes in the applicable interest rates, changes in the issuer's credit rating, and economic, legal, political, or geographic events that affect the referenced underlying asset. When the Partnership invests in ETNs, it will bear its proportionate share of any fees and expenses borne by the ETN. The Partnership's decision to sell its ETN holdings may be limited by the availability of a secondary market. ETNs are also subject to tax

risk. The IRS and Congress are considering proposals that would change the timing and character of income and gains from ETNs. There may be times when an ETN shares trades at a premium or discount to its market benchmark or strategy.

Small Capitalization Stocks. The Partnership may invest its assets in stocks of companies with smaller market capitalizations (*i.e.*, generally having market capitalizations less than or equal to $2 billion). While the General Partner believes that such companies often provide significant potential for appreciation, their stocks involve higher risks in some respects than do investments in stocks of larger companies. Micro and small-capitalization companies may be of a less seasoned nature than larger companies. Companies in which the Partnership may invest may have limited product lines, markets or financial resources, and may lack management depth and may be more vulnerable to adverse business or market developments. Micro and small-capitalization companies may also have securities that are traded over-the-counter. These "secondary" securities often involve significantly greater risks than the securities of larger, better-known companies. In addition to being subject to the general market risk that stock prices may decline over short or even extended periods, such companies may not be well-known to the investing public, and may not have significant institutional ownership.

Micro and small-capitalization securities may be followed by relatively few (or no) securities analysts with the result that there tends to be less publicly available information concerning these securities compared to what is available for exchange-listed or larger companies. The securities of these companies have more limited trading volumes than those of larger issuers, which results in greater sensitivity of the market price to individual transactions, and as such they may be subject to more abrupt or erratic movements in price than the securities of larger, more established companies or the market averages in general, and the Partnership may be required to deal with only a few market makers when purchasing and selling these securities. Transaction costs in micro and small-capitalization stocks may be higher than those involving larger capitalized companies. In combination, these factors make an investment in micro and small-capitalization stocks potentially less liquid than an investment in larger-cap companies. Accordingly, investors in the Partnership should have a long-term investment horizon.

New Issues. The Partnership may invest in "New Issues" as the term is defined Rule 5130 and Rule 5131. Such investments offer the opportunity for significant appreciation; however, they are speculative and involve a high degree of risk. It is characteristic of the initial public offerings market that certain companies may be extremely successful, while a much higher percentage of new public companies fail. Thus, the risk of investing in initial public offerings is substantially greater than investing in the stock market as a whole. Certain Limited Partners may be restricted from participating in New Issues based on Rule 5130 and Rule 5131 and this may be preclude the entire Limited Partnership from participating in New Issues, subject to the "*de minimis*" exception under the New Issues Rule or Anti-Spinning Rule, as applicable. To the extent that a potential Partner is restricted from participating in New Issues, an investment in the Partnership may not yield the performance results that may be achieved by those investors that are entitled to receive allocations with respect to New Issues. Any Partner who does not provide the Partnership with sufficient information to show that such Partner is not a restricted person or a covered person will be presumed to be a restricted person or a covered person and may receive reduced allocations with respect to New Issues and any profit therefrom.

Illiquid Investments. The Partnership may invest in securities, loans or other assets for which no (or only a limited) liquid market exists or that are subject to legal or other restrictions on transfer. It may take the Partnership longer to liquidate these positions (if they can be liquidated) than would be the case for more liquid investments. The prices realized on the resale of illiquid investments could be less than those originally paid by the Partnership. The market prices, if any, for such assets tend to be volatile, and may fluctuate due to a variety of factors that are inherently difficult to predict including, but not limited to, changes in interest rates, prevailing credit spreads, general economic conditions, financial market conditions, domestic or international economic or political events, developments or trends in any particular industry, and the financial condition of obligors on the Partnership's assets. The Partnership may not be able to sell assets when it desires to do so or to realize what it perceives to be their fair value in the event of a sale. The sale of illiquid assets and restricted securities often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than does the sale of securities eligible for trading on national securities exchanges or in the over-the-counter markets. Restricted securities may sell at a price lower than similar securities that are not subject to restrictions on resale.

Securities Regulations Concerning Private Placements. The Partnership may invest in securities that are not registered under the Securities Act. The Partnership will purchase such securities in reliance upon an exemption from registration pursuant to the provisions of the Securities Act including those provided by Regulation D. Unless such securities are subsequently registered under the Securities Act, they may not be offered or sold except pursuant to an exemption therefrom, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities law. Therefore, securities purchased pursuant to such exemptions including Regulation D are often illiquid.

Restricted Securities. The Partnership may invest in restricted securities that are subject to substantial holding periods or that are not traded in public markets. Restricted securities generally are difficult or impossible to sell at prices comparable to the market prices of similar securities that are publicly traded. No assurance can be given that any such restricted securities will be eligible to be traded on a public market even if a public market for securities of the same class were to develop. It is highly speculative as to whether and when an issuer will be able to register its securities so that they become eligible for trading in public markets.

Private Investments in Public Equities ("PIPEs"). The GP may invest a portion of the Partnership's portfolio in PIPEs. Many PIPEs investors focus on making directly negotiated private investments in public and non-public companies, typically focused primarily on

providing alternative funding options for small to mid-sized publicly traded companies with lower market capitalizations. PIPEs investors generally invest at terms which are more favorable than those available in the public markets for the corresponding companies.

There are generally two types of PIPEs: traditional and structured. A traditional PIPEs transaction is one in which stock, either common or preferred, is issued at a set, negotiated price, to raise capital for a company. A structured PIPE is one in which convertible debt, either common or preferred, is issued at a set, negotiated discount to an indeterminate future price. PIPEs have become a popular form of financing for micro-cap and small-cap companies that may not have access to the more traditional forms of equity financing.

The securities issued in a PIPEs transaction are generally unregistered shares of the company. Accordingly, such securities are considered to be illiquid and may not be re-sold until they are eventually registered under the federal securities laws. This lock-up period may last for several months or more.

A PIPEs transaction is a negotiated agreement between two parties and is not subject to regulatory review by the SEC or any other regulatory agency or sold pursuant to an exemption from registration.

In connection with a PIPE investment, the Partnership may be obligated to pay all or part of the registration expenses, and, due to delays in the registration process, a considerable period may elapse between the time of the Partnership's decision to sell and the time such security may be sold under an effective registration statement. If adverse market conditions were to develop during such a period, the Partnership might obtain a less favorable price than the price it could have obtained at the time of its decision to sell the security. Further, there is no assurance that the public company will satisfy its registration obligations, in which case, the Partnership may only be able to sell such securities under Rule 144 under the Securities Act. Any such developments may have a material adverse effect on the assets of the Partnership.

Foreign Securities. The Partnership may invest in securities and other instruments of issuers located in non-U.S. jurisdictions (*e.g.* foreign corporations and foreign countries). Investing in the securities of companies in, and governments of, foreign countries involves certain considerations not usually associated with investing in securities of United States companies or the United States Government. These include, among other things, political and economic considerations, such as greater risks of expropriation, nationalization and general social, political and economic instability; the small size of the securities markets in such countries and the low volume of trading, resulting in potential lack of liquidity and in price volatility; fluctuations in the rate of exchange between currencies and costs associated with currency conversion; differences in withholding and other taxation and certain government policies that may restrict the Partnership's investment opportunities. In addition, accounting and financial reporting standards that prevail in foreign countries generally are not equivalent to United States standards and, consequently, less information may be available to investors in companies located in foreign countries than is available to investors in companies located in the United States. There is also less regulation, generally, of the securities markets in foreign countries than there is in the United States.

Non-U.S. Exchanges and Markets. The Partnership may engage in trading on non-U.S. exchanges and markets. Trading on such exchanges and markets may involve certain risks not applicable to trading on U.S. exchanges and is frequently less regulated. For example, certain of those exchanges may not provide the same assurances of the integrity (financial and otherwise) of the marketplace and its participants, as do U.S. exchanges. There also may be less regulatory oversight and supervision by the exchanges themselves over transactions and participants in such transactions on those exchanges. Some non-U.S. exchanges, in contrast to U.S. exchanges, are "principals' markets" in which performance is the responsibility only of the individual member with whom the trader has dealt and is not the responsibility of an exchange or clearing association. Furthermore, trading on certain non-U.S. exchanges may be conducted in such a manner that all participants are not afforded an equal opportunity to execute certain trades and may also be subject to a variety of political influences and the possibility of excessive taxation and/or direct government intervention. Investment in non-U.S. markets would also be subject to the risk of fluctuations in the exchange rate between the local currency and the U.S. dollar and to the possibility of exchange controls. Foreign brokerage commissions and other fees are also generally higher than in the United States. In addition, the Partnership's rights and responsibilities if a non-U.S. exchange or clearing house defaults or declares bankruptcy are likely to be more limited than if a U.S. exchange does the same. Consequently, daily price movements for these instruments may be unlimited, and there can be no guarantee that markets will exist for liquidation of such instruments following investment.

Emerging Markets. The securities markets of emerging countries are generally smaller, less developed, less liquid and more volatile than the securities markets of the U.S. and developed foreign markets. Disclosure and regulatory standards in many respects are less stringent than in the United States and developed foreign markets. Accounting and auditing standards in many markets are different and sometimes significantly differ from those applicable in the United States or Europe. There is substantially less publicly available information about companies located in emerging markets than there is about companies in other more developed jurisdictions. There also may be a lower level of monitoring and regulation of securities markets in emerging market countries and the activities of investors in such markets, and enforcement of existing regulations has been extremely limited.

Many emerging countries have experienced substantial, and in some periods extremely high, rates of inflation for many years. Inflation and rapid fluctuations in inflation rates have had and may continue to have very negative effects on the economies and securities markets of certain emerging countries.

Economies in emerging markets generally are heavily dependent upon international trade and, accordingly, have been and may continue to be affected adversely by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. The economies of these countries also have been and may continue to be adversely affected by economic conditions in the countries with which they trade. The economies of countries with emerging markets may also be predominantly based on only a few industries. In addition, custodial services and other costs relating to investment in foreign markets may be more expensive in emerging markets than in many developed foreign markets, which could reduce the Partnership's income from such securities.

In many cases, governments of emerging countries continue to exercise significant control over their economies and government actions relative to the economy, as well as economic developments generally, may affect the capacity of issuers of emerging country debt instruments to make payments on their debt obligations, regardless of their financial condition. In addition, there is a heightened possibility of expropriation or confiscatory taxation, imposition of withholding taxes on interest payments or other similar developments that could affect investments in those countries. There can be no assurance that adverse political changes will not cause the Partnership to suffer a loss of any or all of its investments and, in the case of fixed-income securities, interest thereon.

Many emerging countries are undergoing important political and economic changes that are making their economies more free-market oriented. However, there could be future political and economic changes that may return the situation to closed and centrally controlled economies with price and foreign exchange controls. Many of these countries lack the legal, structural and cultural basis for the establishment of a dynamic, orderly market-oriented economy. Many of the promising changes that are being seen at present could be reversed causing significant impact on the Partnership's investment returns.

Risks Associated with Emerging Markets

General Risks of Emerging Markets. The Partnership may invest in securities in emerging markets. Investing in such securities involves certain risks and special considerations not typically associated with investing in other more established economies or securities markets. Such risks may include (i) the risk of nationalization or expropriation of assets or confiscatory taxation; (ii) social, economic and political uncertainty including war; (iii) dependence on exports and the corresponding importance of international trade; (iv) price fluctuations, less liquidity and smaller capitalization of securities markets; (v) currency exchange rate fluctuations; (vi) rates of inflation (including hyperinflation); (vii) controls on foreign investment and limitations on repatriation of invested capital and on the GP's ability to exchange local currencies for U.S. dollars; (viii) governmental involvement in and control over the economies; (ix) governmental decisions to discontinue support of economic reform programs generally and to impose centrally planned economies; (x) differences in auditing and financial reporting standards which may result in the unavailability of material information about issuers; (xi) less extensive regulation of the securities markets; (xii) longer settlement periods for securities transactions in emerging markets; (xiii) less developed corporate laws regarding fiduciary duties of officers and directors and the protection of investors; and (xiv) certain considerations regarding the maintenance of Partnership portfolio securities and cash with non-U.S. sub custodians and securities depositories.

Investors are made aware that usually such markets are less mature and developed than those in advanced countries. The significant risks involved in investing in emerging markets, include liquidity risks, sometimes aggravated by rapid and large outflows of "hot money" and capital flight, currency risks, and political risks, including potential exchange control regulations and potential restriction on foreign investment and repatriation of capital. Mostly, such risks are significantly higher than those in developed markets.

Emerging market countries have varying laws and regulations and, in some, foreign investment is controlled or restricted to varying degrees. In some countries where prior government approval is required for foreign investments, there are regulations that may limit the amount of the foreign investment in a particular type of investment, company or sector of the economy, or there are certain restrictions on foreign capital remittances abroad.

A Slowdown in Economic Growth in Such Markets or Occurrence of Natural Calamities. Performance and the quality and growth of business are necessarily dependent on the health of the market economy. The growth of many emerging economies is largely determined by the performance of the agriculture sector, which depends on the quality of weather conditions which is difficult to predict. Continued changes in global climate increase the likelihood of more severe and/or unusual weather conditions, thereby increasing the difficulty in predicting weather conditions. In the past, economic slowdowns have harmed manufacturing and other industries. Although economic growth often recovered, any future slowdown in the such economies could affect the investments made.

Inflationary Pressures. Inflation has been rising which has been an area of concern for governments and regulators. High inflation may lead to the adoption of corrective measures designed to moderate growth, regulate prices of staples and otherwise contain inflation, and such measures could inhibit economic activity and thereby potentially adversely affect the Partnership's investments.

Varying Legal Systems. Laws regarding the legal rights of creditors and the obligations of purchasers or lessees of property are generally significantly less developed in emerging markets than those in the U.S. and other European economies and may be less protective of the rights and interests of foreign investors and owners of property in general. In addition, it may be time consuming and difficult to obtain swift and equitable enforcement of such laws or to obtain enforcement of a judgment in a local court.

Stock Market Volatility. The stock markets of emerging markets are volatile and may decline significantly in response to adverse political, regulatory, market or economic developments. Different parts of the market and different types of equity securities may react differently to these developments. For example, small-cap stocks may react differently from large cap stocks. Issuer, political or economic developments may affect a single issuer, issuers within an industry, sector or geographic region, or the market as a whole. Securities listed on such stock exchanges may have low market capitalization and trading volume. There can be no assurance that sales on the such stock exchanges will be a viable exit mechanism for the Partnership's investments.

The prices of financial instruments in which the Partnership may invest can be highly volatile. The Partnership also is subject to the risk of the failure of any of the exchanges on which its positions trade or of its clearinghouse.

Strategy Risks

Leverage and Margin Transactions. In order to raise additional cash for investment, the Partnership may borrow money from banks and other sources and will pay interest thereon. Any investment gains made with the additional monies in excess of interest paid will cause the Net Asset Value of the Partnership to rise faster than would otherwise be the case. On the other hand, if the investment performance of the additional securities purchased fails to cover their cost (including any interest paid on the money borrowed) to the Partnership, the Net Asset Value of the Partnership will decrease faster than would otherwise be the case. This is the speculative factor known as "leverage." The Partnership may also purchase securities in uncovered margin transactions. In the event of adverse market movements or other factors, the Partnership may have to meet calls for substantial additional margin which may limit the Partnership's assets available for other investments at an inopportune time. In addition, a change in the general level of interest rates may adversely affect the Partnership.

Systems Risks. The Partnership depends on the GP to develop and implement appropriate systems for the Partnership's activities. The Partnership relies extensively on computer programs and systems to trade, clear and settle securities transactions, to evaluate certain securities based on real-time trading information, to monitor its portfolio and net capital, and to generate risk management and other reports that are critical to oversight of the Partnership's activities. The ability of its systems to accommodate an increasing volume of transactions could also constrain the GP's ability to manage the portfolio. In addition, certain of the Partnership's and the GP's operations interface with or depend on systems operated by third parties, including prime brokers and market counterparties and their respective sub-custodians, and other service providers, and the Partnership or GP may not be in a position to verify the risks or reliability of such third party systems. These programs or systems may be subject to certain defects, failures or interruptions, including, but not limited to, those caused by worms, viruses and power failures. Any such defect or failure could have a material adverse effect on the Partnership. For example, such failures could cause settlement of trades to fail, lead to inaccurate accounting, recording or processing of trades, and cause inaccurate reports, which may affect the Partnership's ability to monitor its investment portfolio and its risks. The GP is not liable to the Partnership for losses caused by systems failures or due to any breakdown in the means of the communication normally used to ascertain the value of the Partnership's investments or to conduct trading in such investments.

Concentration of Investments. The Partnership is not subject to any significant limitations on the amount of Partnership capital which may be committed to any one investment, security type, issuer or geographic location. As a consequence of this potential investment concentration, the Partnership may be subject to greater losses than would be the case if it maintained a more diversified portfolio.

In-Kind Distributions. A withdrawing Limited Partner may, in the sole discretion of the GP, receive financial instruments owned by the Partnership in lieu of, or in combination with, cash. The value of financial instruments distributed may increase or decrease before such financial instruments can be sold and the Limited Partner will incur transaction costs in connection with the sale of such financial instruments. Additionally, financial instruments distributed with respect to a withdrawal by a Limited Partner may not be readily marketable. The risk of loss and delay in liquidating such financial instruments will be borne by the Limited Partner, with the result that such Limited Partner may receive less cash than it would have received on the date of withdrawal.

Execution of Orders. The Partnership's trading strategies depend on the ability to establish and maintain an overall market position in a combination of financial instruments selected by the GP. The Partnership's trading orders may not be executed in a timely and efficient manner due to various circumstances, including, without limitation, systems failures or human error attributable to employees, brokers, agents or other service providers. In such events, the Partnership might only be able to acquire some, but not all, of the components of such position, or if the overall position were to need adjustment, the Partnership might not be able to make such adjustment. As a result, the Partnership would not be able to achieve the market position selected by GP, and might incur a loss in liquidating its position.

Operational Risks. The volume and complexity of the Partnership's transactions may place substantial burdens on the GP's operational systems and resources, including those related to trade entry and execution, position reconciliation, corporate actions, marking procedures, finance, accounting, profit and loss reporting, internal management and risk reporting and funds transfers. Human error, system failure or other problems with any of these processes could result in material losses or costs, which will generally be borne by the Partnership.

Highly Volatile Instruments. The prices of financial instruments in which the Partnership may invest can be highly volatile. Price movements of securities, in which the Partnership's assets may be invested, are influenced by, among other things, interest rates, changing

supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets. Such intervention is often intended directly to influence prices and may, together with other factor, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations.

Failure of Broker-Dealers. Institutions, such as brokerage firms or banks, may hold certain of the Partnership's assets in "street name." Bankruptcy or fraud at one of these institutions could impair the operational capabilities or the capital position of the Partnership. The Partnership's broker has netting and set off rights over all the assets held by it (which may indirectly include amounts held for the Partnership's benefit in the special segregated bank account) to satisfy the Partnership's obligations under its agreements with the Partnership's broker.

Stop Loss May Not Be Effective. The placement of contingent orders by the GP, such as a "stop-loss" or "stop-limit" orders, will not necessarily limit the Partnership's losses to the intended amounts, since market conditions may make it impossible to execute such orders.

The GP Methodology. Trading decisions of the GP are on a discretionary basis using fundamental and/or technical analysis and no assurance can be given that such trading strategies used by the GP will be successful, or that losses could not occur. In entering orders into the Partnership's accounts, the GP will use market, limit, stop, and other qualified orders, if in its judgment, that appears appropriate under given market conditions. In addition, when liquidating a position, the GP may place a reversal order, *i.e.*, the current position is liquidated and an opposite one is established.

Management Risks

Reliance on the GP and no Authority by Limited Partners. All decisions regarding the management and affairs of the Partnership will be made exclusively by the GP. Accordingly, no person should invest in the Partnership unless such person is willing to entrust all aspects of management of the Partnership to the GP. Limited Partners will have no right or power to take part in the management of the Partnership. As a result, the success of the Partnership for the foreseeable future depends solely on the abilities of the GP.

Dependence on Key Personnel. The GP is dependent on the services of the Principals and there can be no assurance that it will be able to retain the Principals, whose credentials are described under the heading "*Management of the Partnership*." The departure or incapacity of the Principals could have a material adverse effect on the GP's management of the investment operations of the Partnership.

Changes in Investment Strategies. The Partnership's investment strategies may be altered from time to time with the approval of a majority-in-interest of Limited Partners. In such event, a Limited Partner who does not consent to such change may nevertheless be out-voted by other Limited Partners in which case the opposing Limited Partner may only withdraw from the Partnership pursuant to the terms of the Partnership Agreement and subject to the limitations described therein.

Discretionary Decision Making May Result in Missed Opportunities. The Partnership's trading strategies do involve some discretionary aspects. Discretionary decision-making may result in failure to capitalize on certain price trends or unprofitable trades in a situation where a strictly systematic approach might not have done so.

Proprietary Nature of Investment Strategy. All documents and other information concerning the Partnership's portfolio of investments will be made available to the Partnership's auditors, accountants, attorneys and other agents in connection with the duties and services performed by them on behalf of the Partnership. However, because the GP's investment techniques may be proprietary, the Partnership Agreement will provide that neither the Partnership nor any of its auditors, accountants, attorneys or other agents will disclose to any person, including investors in the Partnership, any of the investment techniques employed by the GP in managing the Partnership's investments or the identity of specific investments held by the Partnership at any particular time.

Limitations on Liability and Indemnification. The General Partner and any of its respective affiliates, shareholders, partners, managers, directors, employees, agents and legal representatives (each an "***Indemnified Party***" or "***Affiliated Party***") shall have no liability to the Partnership or the Limited Partners for any mistakes or errors in judgment or for any act or omission believed by it in good faith to be within the scope of authority conferred by this Agreement, but shall have liability only for acts or omissions involving material violation of this Agreement, gross negligence, intentional wrongdoing or breach of fiduciary duty as General Partner. The Partnership shall indemnify, defend and hold each Indemnified Party harmless from, against and in respect of, any liabilities, damages, losses, costs or expenses incurred by an Indemnified Party as a result of any act or omission by as the General Partner or an Affiliated Party other than on account of material violation of this Agreement, gross negligence, intentional wrong doing or breach of fiduciary duty as General Partner; provided, however, that the General Partner shall bear as a Partner the same proportion of any such indemnification liability of the Partnership as it would bear of any other liability of the Partnership. Nothing in the Partnership Agreement nor this Memorandum may be interpreted to limit or modify the GP's fiduciary duty to the Limited Partners nor waive any right or remedy a Limited Partner may have under federal or state securities laws. Federal and state securities laws impose liabilities under certain circumstances on persons who act in good faith.

Limited Reporting. The General Partner shall furnish to the Partners monthly unaudited reports regarding the activities and business of the Partnership; provided, however, that the General Partner will not be required to provide information with regard to specific investment transactions of the Partnership. As a result, Limited Partners will not be able to evaluate the Partnership's activity at shorter intervals. Additionally, as a result of side letter arrangements, questions, due diligence requests, meetings or other communications, certain Limited Partners may receive information that is not generally available or otherwise provided to other Limited Partners, which may affect such Limited Partners' decision to request a withdrawal of their respective Capital Accounts or take other actions on the basis of such information.

Cybersecurity Breaches and Identity Theft. The technology systems used by the GP may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by its professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although the GP has implemented certain measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, the GP and/or the Partnership may have to make a significant investment to fix or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the operations of the Partnership and/or the GP and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). Such a failure could harm the GP's and/or the Partnership's reputation, subject any such entity and their respective affiliates to legal claims and otherwise affect their business and financial performance.

Other Risks

No Operating History. The Partnership is a recently formed entity and has no operating history upon which prospective investors can evaluate its likely performance. There can be no assurance that the Partnership will achieve its investment objective.

Risk of Loss. A Limited Partner could incur substantial, or even total, losses on an investment in the Partnership. An investment in the Partnership is only suitable for persons willing to accept this high level of risk.

Effect of Performance Allocation. The GP will receive a Performance Allocation based on a percentage of any net realized and unrealized profits. Performance allocations may create an incentive for the GP to make investments that are riskier or more speculative than would be the case in the absence of such incentive compensation arrangements. In addition, the GP's performance allocations will be based on unrealized as well as realized gains. There can be no assurance that such unrealized gains will, in fact, ever be recognized. Furthermore, the valuation of unrealized gain and loss may be subject to material subsequent revision.

Effect of Substantial Withdrawals. Substantial withdrawals by Limited Partners within a short period of time could require the Partnership to liquidate its investments more rapidly than would otherwise be desirable, possibly reducing the value of the Partnership's assets and/or disrupting the Partnership's investment strategies. Reduction in the Partnership's size could make it more difficult to generate a positive return or to recoup losses due to, among other things, reductions in the Partnership's ability to take advantage of particular investment opportunities or decreases in the ratio of its income to its expenses.

Lack of Liquidity. The Partnership's withdrawal provisions place certain restrictions on the right of a Limited Partner to withdraw all or part of its Interest, transfer its Interest and pledge or otherwise encumber its Interest. Thus, a Limited Partner may not be able to liquidate the entire value of his or her Capital Account on any given withdrawal date. Interests may not be transferred or pledged except in compliance with significant restrictions on transfer as required by federal and state securities laws and as provided in the Partnership Agreement. The Partnership Agreement does not permit a Limited Partner to transfer or pledge all or any part of its Interest to any person without the prior written consent of the GP, the granting of which is in the GP's sole and absolute discretion. These limitations, taken together, will significantly limit a Limited Partner's ability to liquidate an investment in the Partnership quickly. As a result, an investment in the Partnership would not be suitable for an investor who needs liquidity.

Suspension of Withdrawals and Deferment of Withdrawal Proceeds. In certain circumstances, the GP, in its sole and absolute discretion, may suspend the valuation of the Partnership's assets, the right or obligation to honor withdrawal requests (including the right to receive withdrawal proceeds), and/or extend the period for payment on withdrawal. In addition, the GP may suspend the right of withdrawal or postpone the date of payment for any period during which there is an extraordinary circumstance as determined in good faith by the GP.

Contingency Reserves. Under certain circumstances, the Partnership may find it necessary to set up one or more reserves for contingent or future liabilities or valuation difficulties and, upon withdrawal by a Limited Partner, withhold a portion of that Limited Partner's withdrawal proceeds. This could happen, for example, if the Partnership or the issuer of portfolio securities were involved in a dispute regarding the value of its assets, in litigation, or subject to a tax audit at the time the withdrawal request would otherwise be satisfied.

Tax Considerations; Distributions to Limited Partners and Payment of Tax Liability. It is not possible to provide here a description of all potential tax risks to a person considering investing in the Partnership. Prospective investors are urged to consult their own legal counsel and tax advisors with respect thereto, particularly in regard to the effect of the Tax Cuts and Jobs Act ("***TCJA***"), enacted December

22, 2017, with respect to an investment in the Partnership. The Partnership will not seek a ruling from the IRS with respect to any tax issues affecting the Partnership.

It should also be noted that the Partnership's tax return may be audited by the IRS, and any such audit may result in an audit of the returns of the Limited Partners for the year(s) in question or unrelated years. Partnership audit rules effective January 1, 2018, addressed below ("*Federal Tax Aspects*") may have a significant effect on IRS audits of the Partnership and its Partners. Further, any adjustment resulting from an audit would also result in adjustments to the tax returns of the Limited Partners and may result in an examination and adjustment of other items in such returns unrelated to the Partnership. Limited Partners could incur substantial legal and accounting costs in litigation of any IRS challenge, regardless of the outcome. (*See "Federal Tax Aspects."*)

Delayed Schedules K-1. The Partnership may not be able to provide final Schedules K-1 to Limited Partners for any given fiscal year until significantly after April 15 of the following year. The Partnership will provide Schedules K-1 as soon as practicable after receipt of all of the necessary information. Limited Partners should be prepared to obtain extensions of the filing date for their income tax returns at the U.S. Federal, state and local level.

Undistributed Income. The GP in its sole discretion may, but is not required to, make distributions to Limited Partners during the term of the Partnership. Taxable income realized in any year by the Partnership will be taxable to the Partners in that year regardless of whether they have received any distributions from the Partnership. Accordingly, Limited Partners may recognize taxable income for federal, state, and local income tax purposes without receiving any or a sufficient distribution from the Partnership with which to pay the taxes thereon. The GP may consider such possible tax liability of the Limited Partners when determining whether to make distributions, but no assurance is given that distributions, if made, will equal the amount of any Limited Partner's tax liability.

Restrictions on Transfer. The Interests are subject to certain restrictions on transfer, including a requirement that the GP consent to any such transfer. There is no present market for the Interests, and no market is likely to develop in the future. Accordingly, Limited Partners may not be able to liquidate their investment in the event of an emergency or for any other reason, and Interests may not be readily acceptable as collateral for loans. Interests should be purchased only by prospective Investors who can bear the economic risk of their investment, who can afford to have their funds committed to an illiquid investment according to the withdrawal provisions in the Partnership Agreement and who, if necessary, can afford a complete loss of their investment. (*See "Restrictions on Transfers of Interests."*)

Lack of Insurance. The assets of the Partnership are not insured by any government or private insurer except to the extent portions may be deposited in bank accounts insured by the Federal Deposit Insurance Corporation or with brokers insured by the Securities Investor Protection Corporation and such deposits and securities are subject to such insurance coverage. Therefore, in the event of the insolvency of a depository or custodian, the Partnership may be unable to recover all of its funds or the value of its securities so deposited.

Side Letters. The GP may enter into agreements with certain Limited Partners that will result in different terms of an investment in the Partnership than the terms applicable to other Limited Partners. As a result of such agreements, certain Limited Partners may receive additional benefits which other Limited Partners will not receive (*e.g.*, additional information regarding the Partnership's portfolio, different withdrawal terms, lower Management Fees or Performance Allocations). The GP will not be required to notify the other Limited Partners of any such agreement or any of the rights and/or terms or provisions thereof, nor will the GP be required to offer such additional and/or different terms or rights to any other Limited Partner. The GP may enter into any such agreement with any Limited Partner at any time in its sole discretion.

Regulations under Investment Company Act of 1940. The Partnership's operations are similar to an investment company as defined under the Investment Company Act, because the Partnership engages in the business of purchasing securities for investment. The Partnership is currently not required to register under the Investment Company Act due to an exemption for an entity which is beneficially owned by not more than 100 persons and which does not intend to make any public offering of its securities. Accordingly, the provisions and extensive regulations of the Investment Company Act, which might otherwise govern the activities of the Partnership, will not be applicable.

Risks for Certain Benefit Plan Investors Subject to ERISA. Prospective investors that are benefit plan investors subject to the ERISA, and Department of Labor Regulations issued thereunder should read the section hereof entitled *"ERISA Considerations"* in its entirety for a discussion of certain risks related to an investment by benefit plan investors in the Partnership.

Revised Regulatory Interpretations Could Make Certain Strategies Obsolete. In addition to proposed and actual accounting changes, there have recently been certain well-publicized incidents of regulators unexpectedly taking positions which prohibited trading strategies which had been implemented in a variety of formats for many years. In the current unsettled regulatory environment, it is impossible to predict if future regulatory developments might adversely affect the Partnership.

Compliance, Litigation and Claims. The Partnership must comply with various legal requirements, including requirements imposed by the securities laws, tax laws and pension laws in various jurisdictions as well as compliance and reporting requirements imposed on CPOs by the CFTC and NFA. Should any of these laws change over the term of the Partnership, the legal requirements to which the Partnership and the Limited Partners may be subject could differ materially from current requirements. These compliance and

reporting requirements may also prove expensive for the Partnership and time-consuming for the GP. The Partnership and GP, as independent legal entities, may also be subject to lawsuits or proceedings by government entities or private parties. Except in the event of a lawsuit or proceeding arising from the GP's willful misfeasance, bad faith or gross negligence in the performance of its duties, expenses or liabilities of the Partnership arising from any suit or proceeding shall be borne by the Partnership. Under certain circumstances, the Partnership may find it necessary to establish a reserve for contingent liabilities or withhold a portion of a Limited Partner's settlement proceeds at the time of withdrawal, in which case, the reserved portion would remain at the risk of the Partnership's activities.

Future Regulatory Change is Impossible to Predict. The securities markets are subject to comprehensive statutes and regulations. In addition, the Securities and Exchange Commission and the exchanges are authorized to take extraordinary actions in the event of a market emergency, including, for example, the retroactive implementation of speculative position limits or higher margin requirements, the establishment of daily price limits and the suspension of trading. The regulation of securities both inside and outside the United States is a rapidly changing area of law and is subject to modification by government and judicial action. The effect of any future regulatory change on the Partnership is impossible to predict, but could be substantial and adverse.

Importance of General Economic Conditions. Overall market, industry or economic conditions, which the GP cannot predict or control, will have a material effect on performance.

Risks Relating to Markets. The value of those securities in which the Partnership invests and that are traded on exchanges or over-the-counter and the risks associated therewith vary in response to events that affect such markets and that are beyond the control of the Partnership and the GP. Market disruptions such as those that occurred during October of 1987, on September 11, 2001 and during September of 2008 could have a material effect on general economic conditions and market liquidity which could result in substantial losses to the Partnership.

There is no guarantee that securities exchanges and markets can at all times provide continuously liquid markets in which the Partnership can close out its positions in those securities that the Partnership purchases that are publicly traded. The Partnership could experience delays and may be unable to sell securities purchased through a broker or clearing member that has become insolvent due to the deterioration of industry conditions in general. In that event, positions could also be closed out fully or partially without the Partnership's consent.

The foregoing list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in the Partnership. Prospective Limited Partners should read the entire Memorandum and the Partnership Agreement and consult with their own advisers before deciding whether to invest in the Partnership. In addition, as the Partnership's investment program develops and changes over time, an investment in the Partnership may be subject to additional and different risk factors.

POTENTIAL CONFLICTS OF INTEREST

The GP and/or its respective affiliates, shareholders, Principals, members, partners, managers, directors, officers and employees (collectively the "***Affiliated Persons***") will only devote so much time to the affairs of the Partnership as is reasonably required in the judgment of the GP. The Affiliated Persons will not be precluded from engaging directly or indirectly in any other business or other activity, including exercising investment advisory and management responsibility and buying, selling or otherwise dealing with securities and other investments for their own accounts, for the accounts of family members, for the accounts of other funds and for the accounts of individual and institutional clients (collectively, "***Other Accounts***"). Such Other Accounts may have investment objectives or may implement investment strategies similar to those of the Partnership. The Affiliated Persons may also have investments in certain of the Other Accounts. Each of the Affiliated Persons may give advice and take action in the performance of their duties to their Other Accounts that could differ from the timing and nature of action taken with respect to the Partnership. The Affiliated Persons will have no obligation to purchase or sell for the Partnership any investment that the Affiliated Persons purchase or sell, or recommend for purchase or sale, for their own accounts or for any of the Other Accounts. The Partnership will not have any rights of first refusal, co-investment or other rights in respect of the investments made by Affiliated Persons for the Other Accounts, or in any fees, profits or other income earned or otherwise derived from them. If a determination is made that the Partnership and one or more Other Accounts should purchase or sell the same investments at the same time, the Affiliated Persons will allocate these purchases and sales as is considered equitable to each. No Limited Partner will, by reason of being a Limited Partner of the Partnership, have any right to participate in any manner in any profits or income earned or derived by or accruing to the Affiliated Persons from the conduct of any business or from any transaction in investments effected by the Affiliated Persons for any account other than that of the Partnership.

The Affiliated Persons will attempt to allocate investment opportunities that come to their attention on a fair and equitable basis among the Partnership and the Other Accounts for which participation in the respective opportunity is considered appropriate. In determining whether participating by an account is appropriate, the Affiliated Persons shall take into account, among other considerations: (a) whether the risk-return profile of the proposed investment is consistent with the objectives of the Partnership, which objectives may be considered (i) solely in light of the specific investment under consideration or (ii) in the context of the portfolio's overall holdings and available capital; (b) the potential for the proposed investment to create an imbalance in the portfolio of the Partnership; (c) liquidity requirements of the Partnership; (d) potential tax consequences; (e) legal or regulatory restrictions; (f) the need to re-size risk in the portfolio of the Partnership; and (g) whether the Partnership and/or Other Accounts have a substantial amount of investable cash (*e.g.*, during a "ramp-up" period). Notwithstanding the foregoing, there can be no assurance that an investment opportunity which comes to the attention of any of the Affiliated Persons will not be allocated to an Other Account, with the Partnership being unable to participate in such investment opportunity or participating only on a limited basis. In addition, there may be circumstances under which the Affiliated Persons will consider participation by Other Accounts in investment opportunities in which the Affiliated Persons do not intend to invest, or intend to invest only on a limited basis, on behalf of the Partnership. Because these considerations may differ for the Partnership and the Other Accounts in the context of any particular investment opportunity, investment activities of the Partnership and the Other Accounts may differ considerably from time to time.

As a result of the foregoing, the Affiliated Persons may have conflicts of interest in allocating their time and activity between the Partnership and the Other Accounts, in allocating investments among the Partnership and the Other Accounts and in effecting transactions for the Partnership and the Other Accounts, including ones in which the Affiliated Persons may have a greater financial interest.

The Partnership and the GP are not represented by separate professional advisors. Without independent legal and other professional representation, investors may not receive legal and other advice regarding certain matters that might be in their interests but contrary to the interest of the Affiliated Persons. However, should a dispute arise between the Partnership and any Affiliated Person, or should there be a need in the future to negotiate and prepare contracts and agreements between the Partnership and any of the Affiliated Persons, other than those existing or contemplated on the date of this Memorandum, the GP will cause the Partnership to retain separate counsel and, if necessary, other professionals for such matters.

VALUATION OF INVESTMENTS

The Net Asset Value of the Partnership will be determined as of such times as is required by the Partnership Agreement or as may be determined by the GP, but in any case no less than monthly.

Each Partner's share of the Net Asset Value of the Partnership is determined by multiplying (i) the sum of the value of the securities held by the Partnership plus any cash or other assets (including interest and dividends accrued but not yet received) minus all liabilities (including accrued expenses), by (ii) the Partner's Allocation Percentage.

The following general guidelines apply to the determination of the value of the Partnership's investments:

(a) Securities which are listed on one or more United States or foreign securities exchanges or are traded on a recognized over-the-counter market (including the NASDAQ), or for which market quotations are available shall be valued at their last reported sales price on the date of determination on the primary exchange or market on which such Securities are traded or, if no sale occurred on the valuation date, the value for long positions shall be the "last bid" (or, if on such date securities markets were closed, then the last preceding business day on which they were open).

(b) Securities generally traded on an established securities market but for which no recorded sales information or quotations of bid and ask prices are available on such date (or, if applicable, the last preceding business day) shall be valued by the GP in good faith with reference to (i) the most recently reported bid and ask prices (in that order), (ii) bid and ask price information as of such date not generally reported but secured from a reputable broker or investment banker, and (iii) such other information as the GP believes in good faith is relevant.

(c) Securities not listed or traded on any exchange or on the over-the-counter market shall be valued based upon quotations obtained from independent market makers, dealers or pricing services, and if no such quotations are available, shall be considered as having no ascertainable market value and shall be valued at fair value based on information available to the GP regarding the value or worthlessness of such securities.

For purposes of these guidelines, sales and bid and ask prices reported in newspapers of general circulation, or in electronic quotation systems or in standard financial periodicals or in the records of securities exchanges or other markets, any one or more of which may be selected by the GP, shall be accepted as evidence of the price of a security.

A security purchased, and awaiting payment against delivery, shall be included for valuation purposes as a security held, and the cash account shall be adjusted by the deduction of the purchase price, including brokers' commissions or other expenses of the purchase. A security sold but not delivered pending receipt of proceeds shall be valued at the net sales price.

The Net Asset Value will include any unrealized profit or loss on open positions and any other credit or debit accruing to the Partnership but unpaid or not received by the Partnership. Interest earned on the Partnership's brokerage account, if any, will be accrued at least monthly. The amount of any distribution declared by the Partnership, and of any withdrawal proceeds due but not yet paid, will be treated as a liability from the day when the distribution is declared, or the related withdrawal is effective, as applicable, until it is paid.

The GP may make adjustments to the value of securities to best reflect their fair market value. All matters concerning the valuation of securities, the allocation of profits, gains, and losses among the Partners, and accounting procedures not specifically and expressly provided for by the terms of the Partnership Agreement, shall be determined by the GP and shall be final and conclusive as to all of the Partners.

SPECIAL ALLOCATION PROVISIONS

Purchase of New Issues

From time to time the Partnership may purchase equity securities issued in initial public offerings registered under the Securities Act ("***New Issues***"). The Financial Industry Regulatory Authority, Inc. ("***FINRA***") under FINRA Rule 5130 (the "***New Issues Rule***") has taken the position that members of FINRA may not sell such securities to an account in which a member, or person affiliated with or related to a member, of FINRA has an interest. Similar restrictions apply in the case of senior bank officers and certain other persons, including officers of registered investment advisory firms. The New Issues Rule does, however, permit New Issues allocations with regard to an account in which "restricted persons," as defined by the New Issues Rule ("***Rule 5130 Restricted Persons***"), hold, in the aggregate, 10% or less of the beneficial ownership. In addition, an account owned more than 10% by Rule 5130 Restricted Persons may participate in a New Issue provided that Rule 5130 Restricted Persons may not receive, in the aggregate more than 10% of the profits and losses from New Issues. Brokers participating offerings of New Issues are required to comply with the New Issues Rule. Therefore, unless the conditions of the exception described above are strictly observed, the New Issues Rule prohibits these brokers from selling New Issues to the Partnership if any of the Limited Partners is a Rule 5130 Restricted Person.

FINRA under FINRA Rule 5131 (the "***Anti-Spinning Rule***") also has taken the position that members of FINRA may not sell such securities to an account in which an executive officer or director of a public company or of certain covered non-public companies, or a person materially supported by such executive officer or director, has an interest (such persons, "***Rule 5131 Restricted Persons"***, and collectively with Rule 5130 Restricted Persons, "***Restricted Persons***"). The Anti-Spinning Rule does, however, permit New Issues allocations with regard to an account in which Rule 5131 Restricted Persons hold, in the aggregate, 25% or less of the beneficial ownership. In addition, an account owned more than 25% by Rule 5131 Restricted Persons may participate in a New Issue provided that Rule 5131 Restricted Persons may not receive, in the aggregate, more than 25% of the profits and losses from New Issues. Brokers participating in offerings of New Issues are required to comply with the New Issues Rule. Therefore, unless the conditions of the exception described above are strictly observed, the New Issues Rule prohibits these brokers from selling New Issues to the Partnership if any of the Limited Partners is a Rule 5131 Restricted Person.

Under the General Partner's current policy, net profit or net loss from New Issues will be allocated to all Limited Partners, *provided, that*, Limited Partners that are Rule 5130 Restricted Persons (or who have elected to be treated as such) (the "***Rule 5130 Restricted Partners***") will be limited in their participation in the profits and losses attributable to New Issues to the lesser of such Rule 5130 Restricted Partners' collective interest in the Partnership or 10% (or any other permissible amount under any amendment, supplement or interpretation to the New Issues Rule) and Limited Partners that are Rule 5131 Restricted Persons (or who have elected to be treated as such) (the "***Rule 5131 Restricted Partners***", and collectively with Rule 5130 Restricted Partners, "***Restricted Partners***") will be limited in their participation in the profits and losses attributable to New Issues to the lesser of such Rule 5131 Restricted Partners' collective interest in the Partnership or 25% (or any other permissible amount under any amendment, supplement or interpretation to the Anti-Spinning Rule). In such cases, the General Partner may, but is not required to, debit the capital accounts of the participating investors with an interest-like charge on the purchase price of such investment and credit the capital accounts of all Partners with such amounts. Absent an available exemption under the New Issues Rule or Anti-Spinning Rule, as applicable, for purposes of allocating profits and losses from New Issues to a Limited Partner that is an entity (such as an investment fund, corporation, partnership or trust), such entity will be considered a Restricted Partner, if such entity allocates profits and losses from New Issues to any of its restricted beneficial owners. The General Partner reserves the right to vary its policy with respect to the allocation of New Issues as it deems appropriate for the Partnership as a whole, in light of, among other things, existing interpretations of, and amendments to, the New Issues Rule and/or the Anti-Spinning Rule and practical considerations, including administrative burdens and principles of fairness and equity.

To assist the General Partner in complying with the New Issues Rule, each Limited Partner subscribing for an Interest must provide information demonstrating whether such Limited Partner is a Restricted Person, an exempt account or entity, or otherwise not a Restricted Person. In order for a Limited Partner (such as another private fund) which is a non-exempt investment account or entity to avoid being considered a Restricted Person, such Limited Partner must demonstrate that is itself a qualifying account, as described above. Because of the administrative burden associated with the determination of whether each investor is eligible to participate in New Issues and the need to specially allocate profits and losses from New Issues, the General Partner may, in its sole discretion (i) decline to cause the Partnership to participate in New Issues, (ii) decline to permit Restricted Persons to participate in New Issues, or (iii) treat any Limited Partner as a Restricted Partner.

SERVICE PROVIDERS

Legal Counsel

Riveles Wahab LLP (the "***Attorney***") will represent the Partnership and the GP in connection with the organization of the Partnership, the offering of Interests and other ongoing matters. The Attorney has not been engaged to protect the interests of prospective Limited Partners or the Limited Partners. Prospective Limited Partners should consult with and rely upon their own counsel concerning an investment in the Partnership, including the tax consequences to Limited Partners of an investment in the Partnership. No independent counsel has been retained to represent the Limited Partners of the Partnership.

The Attorney's representation of the Partnership is limited to the organization of the Partnership, the offering of Interests and to certain other specific matters as to which the Attorney has been consulted by the Partnership and/or the GP. There may exist other matters which could have a bearing on the Partnership and/or the GP as to which the Attorney has not been consulted. In addition, the Attorney does not undertake to monitor the compliance of the GP and its affiliates with the investment program, valuation procedures and other guidelines set forth herein, nor does the Attorney monitor compliance with all applicable laws. In the course of advising the Partnership, there are times when the interests of the Limited Partners may differ from those of the GP and its affiliates. For example, issues may arise relating to trade errors, expenses to be charged to the Partnership, withdrawal rights of Limited Partners and other terms of the Partnership Agreement, such as those relating to amendments and indemnification. The Attorney does not represent the Limited Partners' interests in resolving such issues.

Broker

In the sole discretion of the GP, the Partnership may utilize a prime broker (including, but not limited to Bloomberg Tradebook, LLC (the "***Broker***")) who will facilitate the securities transactions for the Partnership. The Partnership is not committed to continue its brokerage relationship with any Broker(s) for any minimum period, and the GP may select other or additional brokers to act as a broker or prime broker for the Partnership. Subject to the considerations described above, the selection of a broker (including a prime broker) to execute transactions, provide financing and securities on loan, hold positions, cash balances and provide other services may be influenced by, among other things, the provision by the broker of the following: commitment of capital, access to company management, access to deal flow, capital introduction and marketing assistance.

Auditor

The GP, in its sole discretion, may select the auditor which will complete the year-end audit for the Partnership. The Partnership's books of account shall be audited as of the close of each fiscal year by Spicer Jeffries LLP or any other independent accounting firm designated by the GP, although the GP may elect to postpone the first audit of the Partnership's annual financial statements until the completion of the Partnership's first full fiscal year, in which case the initial audit will cover the applicable fiscal year as well as the partial "stub" year in which the Partnership commenced operation. Within ninety (90) days after the end of each fiscal year, or as soon thereafter as is reasonably practicable, annual reports containing audited financial statements will be sent to all Limited Partners.

Administrator

The Partnership has entered into an Administration Agreement (the "***Agreement***") with Formidium Corp. (the "***Administrator***"). The fee payable to the Administrator will be based on its standard schedule of fees charged by the Administrator for similar services. Pursuant to the Agreement, the Administrator is responsible, subject to the overall supervision of the General Partner, for the day-to-day administration of the Partnership, including:

(i) calculating the net asset value of each such Partnership in accordance with that Partnership's valuation policies and procedures;
(ii) providing registrar and transfer agency services in connection with the issuance and transfer of Interests;
(iii) performing the required acts relating to the redemption and/or subscription for the Interests;
(iv) processing capital calls and distributions;
(v) furnishing periodic investor statements to the investors;
(vi) performing due diligence on prospective investors as required and ensuring compliance with applicable anti-money laundering laws; and
(vii) performing certain other administrative and clerical services in connection with the administration of each Partnership as agreed among those funds and the Administrator.

The General Partner is responsible for establishing valuation processes and procedures to ensure that the valuation techniques for investments are categorized within the fair value hierarchy in a fair, consistent, and verifiable manner. The General Partner is also responsible for developing the Partnerships' written valuation processes and procedures, conducting periodic reviews of the valuation policies, and evaluating the overall fairness and consistent application of the valuation policies.

The Administrator is responsible for calculating the net asset value in accordance with the General Partners' valuation policy document. The Administrator has not considered the effectiveness of the General Partners' valuation governance framework, including its valuation policy document. Further, the Administrator has not considered if effective valuation policies and procedures have been implemented, nor if appropriate personnel and infrastructure are in place.

The Partnership may invest in level 2 or 3 assets, as defined by the United States Financial Accounting Standards Board Statement 157. These are assets whose fair value cannot be determined by using observable measures, such as exchange traded sources such as Bloomberg or IDC. Level 2 or 3 assets are typically highly illiquid, and fair values can only be calculated using models, estimates or risk-adjusted value ranges.

Where a Partnership invests in level 2 or 3 assets, the Administrator will obtain pricing in accordance with instructions contained in the valuation policy document, and typically this requires the Administrator to take pricing as determined by the General Partner.

The Administrator is **not** an independent valuation expert and has **not** been engaged to provide an independent and objective opinion as to the reasonableness of the conclusions of fair value with respect to the individual positions held by the Partnership.

The Administrator Transparency Report assists investors in completion of their ongoing due diligence exercise. The Administrator may produce an Administrator Transparency Report on behalf of the Partnership to provide independent confirmation of fund assets and liabilities, pricing sources and counterparty exposures.

A copy of the General Partners' valuation policy document, and the Administrator's Transparency Report are available upon request.

The Administrator has delegated certain duties under the Agreement to other Formidium entities (the "***Sub-Administrators***"). Unless otherwise indicated, references in this Private Placement Memorandum to the Administrator shall include the Sub-Administrators.

Under the Agreement, the Partnership will indemnify and hold harmless the Administrator and each of its affiliates, directors, officers, employees, permitted delegates and sub-delegates, agents or shareholders or any of them (together "***Indemnified Parties***") against any liabilities, obligations, losses, damages, penalties, actions, judgments, claims, demands, suits, costs, expenses or disbursements of any kind which may be imposed on, incurred by or asserted against any Indemnified Parties in connection with their services to that fund, except that no Indemnified Party will be indemnified against any liability to which it would be subject by reason of its gross negligence, willful misconduct or fraud. In addition, in the absence of gross negligence, willful misconduct or fraud by any of the Indemnified Parties, no such party will be liable for any loss or damage that a Partnership may suffer on account of anything done, omitted or suffered by that party in good faith in providing services to that Partnership.

THE ADMINISTRATOR IN NO WAY ACTS AS GUARANTOR OR OFFEROR OF THE INTERESTS OR ANY UNDERLYING INVESTMENT, NOR IS IT RESPONSIBLE FOR THE ACTIONS OF THE PARTNERSHIP'S CUSTODIANS OR BROKERS. THE ADMINISTRATOR IS NOT RESPONSIBLE FOR ANY INVESTMENT DECISIONS OF THE PARTNERSHIP (ALL OF WHICH WILL BE MADE BY THE GENERAL PARTNER AND/OR ANY REPRESENTATIVES THEREOF) THE ADMINISTRATOR WILL NOT PROVIDE ANY INVESTMENT ADVISORY OR MANAGEMENT SERVICE TO THE PARTNERSHIP AND THEREFORE WILL NOT BE IN ANY WAY RESPONSIBLE FOR THE PARTNERSHIP'S PERFORMANCE. THE ADMINISTRATOR WILL NOT BE RESPONSIBLE FOR MONITORING ANY INVESTMENT RESTRICTIONS OR COMPLIANCE WITH THE INVESTMENT RESTRICTIONS AND THEREFORE WILL NOT BE LIABLE FOR ANY BREACH THEREOF.

BROKERAGE AND CUSTODY

The Partnership's accounts will be maintained with the Broker. The GP has complete discretion regarding the selection of such brokers and the amount of brokerage commissions and fees paid to such brokers. Brokerage fees paid by the Partnership to brokers vary and may be greater than those typical for investment funds similar to the Partnership if the GP has determined that the execution and other services rendered by a particular broker merit greater than typical fees.

The GP makes investment decisions and arranges for the placement of buy and sell orders and the execution of portfolio transactions for the Partnership. In arranging for the execution of portfolio transactions on behalf of the Partnership, the GP seeks to obtain best execution at favorable prices on behalf of the Partnership. The GP has discretion to execute trades, select broker-dealers and negotiate commissions. In selecting broker-dealers, the GP seeks those broker-dealers who can provide best execution of transactions under the circumstances. The principal factors determining this selection are: (1) a broker's ability to execute the types of transactions occurring in client accounts; (2) the net prices for such transactions; and, (3) trading ideas generated by brokers. "Best execution" is not synonymous with lowest brokerage commission. Consequently, in a particular transaction the Partnership may pay a brokerage commission in excess of that which another broker might have charged for executing the same transaction.

The GP may generate "soft dollars" with respect to the Partnership's trades; if it does so, the GP intends to comply with the safe harbor of Section 28(e) of the Securities Exchange Act of 1934, as amended. Under "soft dollar" arrangements, the brokerage firms would provide or pay the costs of certain services, equipment or other items for the benefit of the Partnership, the GP, or one or more of their affiliates in consideration of the allocation to the firm of brokerage transactions (with resulting commission income) made on behalf of the Partnership on both an agency and net basis. Services that may be furnished or paid for by brokers or dealers may include, without limitation (in addition to the research products and services described below) special execution capabilities, clearance, settlement, net pricing, online pricing, block trading and block positioning capabilities, willingness to execute related or unrelated difficult transactions in the future, performance measurement data, consultations, financial strength and stability, efficiency of execution and error resolution, availability of stocks to borrow for short sales, custody, recordkeeping and similar services. Although these soft dollar arrangements may benefit the Partnership and the GP by reducing their respective expenses, the amount of the Management Fees payable to the GP will not be reduced. Because such services could be considered to benefit the GP and its affiliates, and the "soft dollars" used to acquire them are the assets of the Partnership, the GP could be considered to have a conflict of interest in allocating brokerage business on behalf of the Partnership. The GP believes, however, that to the extent it makes allocations of brokerage business and soft dollar arrangements, these would generally enhance the Partnership's ability to obtain research and optimal execution, as well as other benefits to the Partnership. Notwithstanding the foregoing, the Partnership will not necessarily benefit from all such soft dollar services. The GP and its affiliates and the Other Accounts they may advise may also derive substantial benefits from these services, particularly to the extent the GP uses soft dollars to pay for expenses it would otherwise be required to pay itself. Furthermore, because the extent of the products and services provided by these brokers will be based largely on the volume of commissions generated by the Partnership's trading activities, these soft dollar arrangements may create an incentive for the GP to increase the volume of the Partnership's trading activities.

Under Section 28(e) of the U.S. Securities Exchange Act of 1934, the GP's use of the Partnership's commission dollars to acquire "research" products and brokerage services is not a breach of the GP's fiduciary duty to the Partnership--even if the brokerage commissions paid are not the lowest available--as long as (among other requirements) the GP determines that the commissions are reasonable in relation to the value of the brokerage services and the "research" acquired. For these purposes, "research" means services or products used to provide lawful and appropriate assistance to the GP in making investment decisions for all of its clients. The types of "research" the GP may acquire include: research reports on or other information about particular companies or industries; economic surveys and analyses; recommendations as to specific securities; financial publications; portfolio evaluation services; financial database software and services; computerized news and pricing services; quotation equipment and other computer hardware for use in running software used in investment decision making; and other products or services that may enhance the GP's investment decision making. Research obtained by the use of "soft dollars" arising from the Partnership's portfolio transactions may be used by the GP or its affiliates in its other investment activities and may benefit the Other Accounts, and the Partnership therefore may not, in any particular instance, be the direct or indirect beneficiary of the research provided. Where a product or service obtained with soft dollars provides assistance both within the safe harbor created by Section 28(e) and outside of the safe harbor, the Partnership will make a reasonable allocation of the cost that may be paid for with soft dollars and pay the remaining portion using the GP's own hard dollars. The "safe harbor" is not available where the transactions that compensate a broker-dealer for "research" services or products are effected on a principal basis, with a markup or markdown paid to the broker-dealer (e.g., in transactions with market makers).

The GP intends generally to consider the amount and nature of services provided by brokers as well as the extent to which such services are relied on, and will attempt to allocate a portion of the brokerage business of the Partnership and any such Other Accounts and entities on the basis of such considerations. The services received from brokers, however, may be used by the GP, its affiliates and principals in servicing some or all of such Other Accounts and entities, but not all such information may be used by the GP in connection with the Partnership. The GP believes that such an allocation of brokerage business will help the Partnership to obtain research and execution capabilities and provides other benefits to the Partnership.

If, in the GP's reasonable judgment, the aggregation of sale and purchase orders of securities for the Partnership with similar orders for the Other Accounts is reasonably likely to result in administrative convenience or an overall economic benefit to the Partnership based on an evaluation that the Partnership is benefited by relatively better purchase or sale prices, lower commission expenses or beneficial timing of transactions or a combination of these and other factors, the GP may place "bunched orders" with respect to such trades. A bunched order is a group of orders for more than one client entered as one order. Bunched orders will be allocated to client accounts in a systematic non-preferential manner. If the bunched order does not fill at one price, resulting in partial fills, allocations to client accounts will be made on an average pricing basis. Average pricing amounts to adding up all the buys or sells at their particular price levels, multiplied by the number of contracts at each particular price level, and dividing by the total number of contracts to determine an average price for the whole bunched order. This is standard industry practice and the Broker's back office will facilitate the process.

The GP is authorized to determine the brokers or dealers to be used for each securities transaction for the Partnership. Custody of the Partnership's investments will be maintained at one or more financial institutions or brokerage firms selected by the GP, under appropriate arrangements.

QUALIFICATION OF INVESTORS

AN INVESTMENT IN THE PARTNERSHIP IS SUITABLE ONLY FOR INVESTORS OF SUBSTANTIAL FINANCIAL MEANS WHO HAVE NO NEED FOR LIQUIDITY IN THIS INVESTMENT. Interests are being offered under the 3(c)(1) exemption of the Investment Company Act for investment by up to one hundred (100) persons who are (i) "accredited investors" as defined in Rule 501(a) of Regulation D under the Securities Act and (ii) "qualified clients" as defined in Rule 205-3 under the Advisers Act, who have sufficient knowledge and experience in financial and business matters to make them capable of evaluating the merits and risks of an investment in the Partnership. The GP intends to solicit and advertise Interests to the public under Rule 506(c) of Regulation D under the Securities Act. Accordingly, all Limited Partners will be required to verify their status as accredited investors through the provision of two (2) years of tax or wage statements, brokerage or bank statements, confirmation by certain third parties or certain other methods deemed acceptable by the GP.

In order to satisfy the criteria for an "***accredited investor***," in the case of individuals, an investor must either (i) have an annual income of not less than two hundred thousand dollars ($200,000) for each of the previous two (2) years (or a combined income with such person's spouse or spousal equivalent[1] of not less than three hundred thousand dollars ($300,000)) and reasonably anticipate the same level of income for the current year, (ii) have a net worth in excess of one million dollars ($1,000,000) (excluding the value of such person's primary residence), (iii) be a person who holds in good standing one of the Series 7, Series 82, Series 65 securities licenses or such other qualifying professional certificate, designation or credential as set forth on SEC's website from time to time, (iv) be a "knowledgeable employee[2]" of the Partnership, as defined in Rule 3c-5(a)(4) under the Investment Company Act or (v) be a "family client", as defined in Rule 202(a)(11)(G)-1 under the Advisers Act, (x) of a "family office", as defined in Rule 202(a)(11)(G)-1 under the Advisers Act, which such family office is itself an accredited investor[3]; and (y) whose prospective investment in the Partnership is directed by such family office. Other types of accredited investors permitted to invest in the Partnership include (i) banks or savings and loan associations acting in an individual or fiduciary capacity, (ii) broker-dealers registered under the Exchange Act, (iii) investment advisers registered pursuant to Section 203 of the Advisers Act or the laws of a state or relying on the exemption from registering with the SEC under Section 203(l) or (m) of the Advisers Act; (iv) insurance companies, (v) any trust with total assets in excess of five million dollars ($5,000,000) not formed for the specific purpose of making the investment whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) of Regulation D under the Securities Act and (vi) a corporation, business trust, partnership or limited liability company not formed for the purpose of making the investment (x) which owns investments in excess of five million dollars ($5,000,000)[4] or (y) in which all of the equity owners are accredited investors.

A "***qualified client***" is any person who comes within any of the following categories, at the time of such Limited Partner's admission to the Partnership: (i) a natural person who, or a company that, immediately after entering into the contract, has at least one million and one hundred thousand dollars ($1,100,000) under the management of the GP and its affiliates; (ii) a natural person who, or a company that, the GP reasonably believes has a net worth (together, in the case of a natural person, with assets held jointly with a spouse) of more than two million and two hundred thousand dollars ($2,200,000) (excluding the value of such person's primary residence); (iii) a natural person who, or a company that, is a qualified purchaser as defined in Section 2(a)(51)(A) of the Investment Company Act; (iv) a natural person who is an executive officer, director, trustee, general partner or person serving in a similar capacity of the GP; (v) a natural person who is an employee of the GP (other than an employee performing solely clerical, secretarial or administrative functions with regard to the GP) who in connection with their regular functions or duties participates in the investment activities of the GP, *provided* that such

[1] "Spousal equivalent" means a cohabitant occupying a relationship generally equivalent to that of a spouse.

[2] A "knowledgeable employee" includes any natural person who is, among others: (1) an "executive officer" or person serving in a similar capacity of the private fund or an "affiliated management person" of a private fund relying on Section 3(c)(1) or 3(c)(7) of the Investment Company Act; or (2) an employee of such a private fund or affiliated management person (individually a "***Covered Entity***") who, in connection with their regular functions or duties, participates in the investment activities of a Covered Entity for at least twelve (12) months. An "executive officer" is defined to include the president; any vice president in charge of a principal business unit, division or function; any other officer who performs a policy-making function; or any other person who performs similar policy-making functions for a Covered Entity.

[3] A family office is an accredited investor if such family office (i) has assets under management in excess of five million dollars ($5,000,000); (ii) is not formed for the specific purpose of acquiring the Interests and (iii) has a person directing the prospective investment who has such knowledge and experience in financial and business matters such that such family office is capable of evaluating the merits and risks of the prospective investment.

[4] The term "investments" for this purpose generally means: (1) securities (as defined by Section 2(a)(1) of the Securities Act, other than securities of an issuer that controls, is controlled by or is under common control with the prospective investors that own such securities, unless the issuer of such securities is: (i) an investment vehicle (as defined under Investment Company Act Rule 2a51-1(b)); (ii) a public company (as defined under Investment Company Act Rule 2a51-1(b)); or (iii) a company with shareholders' equity of not less than fifty million dollars ($50,000,000) (determined in accordance with GAAP) as reflected on the company's most recent financial statements, *provided* that such financial statements present the information as of a date within sixteen (16) months preceding the date on which the prospective investor acquires the securities of a Section 3(c)(7) company; (2) real estate held for investment purposes; (3) commodity interests (as defined under Investment Company Act Rule 2a51-1(b)) held for investment purposes; (4) physical commodities (as defined under Investment Company Act Rule 2a51-1(b)) held for investment purposes; (5) to the extent not securities, financial contracts (as such term is defined in Investment Company Act Section 3(c)(2)(B)(ii)) entered into for investment purposes; (6) in the case of a prospective investor that is a Section 3(c)(7) company, a company that would be an investment company but for the exclusion provided by Investment Company Act Section 3(c)(1) or a commodity pool, any amounts payable to such prospective investor pursuant to a firm agreement or similar binding commitment pursuant to which a person has agreed to acquire an interest in or make capital contributions to the prospective investor upon the demand of the prospective investor; and (7) cash and cash equivalents (including foreign currencies) held for investment purposes.

employee has been performing such functions and duties for or on behalf of the GP or substantially similar functions or duties for or on behalf of another company for at least twelve (12) months; (vi) a company that would be defined as an investment company under Section 3(a) of the Investment Company Act but for the exception provided from that definition by Section 3(c)(1) of the Investment Company Act; (vii) a company that is an investment company registered under the Investment Company Act; or (viii) a company that is a business development company, as defined in Section 202(a)(22) of the Advisers Act.

The Partnership reserves the right to reject subscriptions in its sole discretion. Each purchaser will be required to represent that such purchaser's overall commitment to investments which are not readily marketable is not disproportionate to such purchaser's net worth, and that such purchaser's investment in the Partnership will not cause such overall commitment to become excessive; that such purchaser can sustain a complete loss of such purchaser's investment in the Partnership and has limited need for liquidity in such purchaser's investment in the Partnership; and that such purchaser has evaluated the risks of investing in the Partnership.

Limited Partners may not be able to liquidate their investment in the event of an emergency or for any other reason because there is not now any public market for the Interests and none is expected to develop.

The Partnership will not be registered as an investment company under the Investment Company Act of 1940, in reliance on Section 3(c)(1) thereof. As a Section 3(c)(1) fund, the Partnership may offer Interests in a private placement and may have no more than 100 beneficial owners. The Interests therefore may not be resold except in a transaction registered under the Securities Act and the laws of certain states or in a transaction exempt from such registration. (See "*Restrictions on Transfer of Interests*.")

Investors who reside in certain states may be required to meet standards different from or in addition to those described above. Investors will be required to represent in writing that they meet any such standards that may be applicable to them. The GP may, without the consent of the existing Limited Partners, admit new Partners to the Partnership. The GP may reject a subscription for an Interest for any reason in its sole and absolute discretion. If a subscription is rejected, the payment remitted by the Investor will be returned without interest.

Rule 506(d) of Regulation D under the Securities Act provides for disqualification of a Rule 506 offering if the any of the Principals of the GP are involved in a Bad Actor Event or twenty percent (20%) or more of the Interests are beneficially owned by a Limited Partner involved in a Bad Actor Event. A prospective investor subject to a Bad Actor Event may be denied admittance to the Partnership in the GP's sole discretion. An existing Limited Partner must inform the GP immediately upon being subject to a Bad Actor Event. The GP may remove such Limited Partner from the Partnership at its sole discretion. The following eight (8) infractions, as provided under Rule 506(d)(i) – (viii) of Regulation D under the Securities Act, constitute Bad Actor Events:

1. Conviction, within ten years before the sale of the securities (or five years, in the case of issuers, their predecessors and affiliated issuers), of any felony or misdemeanor: in connection with the purchase or sale of any security; involving the making of any false filing with the SEC; or arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment adviser or paid solicitor of purchasers of securities.
2. Being subject to any order, judgment or decree of any court of competent jurisdiction, entered within five years before the sale of the securities, that, at the time of such sale, restrains or enjoins you from engaging or continuing to engage in any conduct or practice: in connection with the purchase or sale of any security; involving the making of any false filing with the SEC; or arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment adviser or paid solicitor of purchasers of securities.
3. Being subject to a final order of a state securities commission (or an agency or officer of a state performing like functions); a state authority that supervises or examines banks, savings associations, or credit unions; a state insurance commission (or an agency or officer of a state performing like functions); an appropriate federal banking agency; the Commodity Futures Trading Commission; or the National Credit Union Administration that, at the time of the sale of the securities, bars you from: association with an entity regulated by such commission, authority, agency or officer; engaging in the business of securities, insurance or banking; or engaging in savings association or credit union activities; or constitutes a final order based on a violation of any law or regulation that prohibits fraudulent, manipulative, or deceptive conduct entered within ten years before the sale of securities.
4. Being subject to an order of the SEC entered pursuant to Section 15(b) or 15B(c) of the Securities Exchange Act of 1934 (the "***Exchange Act***") or Section 203(e) or 203(f) of the Advisers Act that, at the time of the sale of the securities: suspends or revokes your registration as a broker, dealer, municipal securities dealer, municipal securities dealer or investment adviser; places limitations on the activities, functions or operations of, or imposes civil money penalties on such person; or bars you from being associated with any entity or from participating in the offering of any penny stock.
5. Being subject to any order of the SEC, entered within five years before the sale of the securities, that, at the time of such sale, orders you to cease and desist from committing or causing a future violation of: any scienter-based anti-fraud provision of the federal securities laws, including, but not limited to, Section 17(a)(1) of the Securities Act, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and Section 206(1) of the Advisers Act or any other rule or regulation thereunder, or Section 5 of the Securities Act.

6. Being suspended or expelled from membership in, or suspended or barred from association with a member of, a securities self-regulatory organization (e.g., a registered national securities exchange or a registered national or affiliated securities association) for any act or omission to act constituting conduct inconsistent with just and equitable principles of trade.

7. Having filed (as a registrant or issuer), or having been named as an underwriter in any registration statement or Regulation A offering statement filed with the SEC that, within five years before the sale of the securities, was the subject of a refusal order, stop order, or order suspending the Regulation A exemption, or is, at the time of the sale of the securities, the subject of an investigation or proceeding to determine whether a stop order or suspension order should be issued.

8. Being subject to a United States Postal Service false representation order entered within five years before the sale of the securities, or, at the time of the sale of the securities, being subject to a temporary restraining order or preliminary injunction with respect to conduct alleged by the United States Postal Service to constitute a scheme or device for obtaining money or property through the mail by means of false representations.

EACH PROSPECTIVE INVESTOR SHOULD CONSIDER WHETHER THE PURCHASE OF THE SECURITIES OFFERED HEREBY IS SUITABLE FOR THEM IN LIGHT OF THEIR INDIVIDUAL INVESTMENT OBJECTIVES.

FEDERAL TAX ASPECTS

The following material describes certain Federal income tax aspects of an investment in the Partnership. No consideration has been given to state and local income tax consequences. This summary provides only a general discussion and does not represent a complete analysis of all income tax consequences of an investment in the Partnership, many of which may depend on individual circumstances, such as the residence or domicile of a Limited Partner. Capitalized terms used herein and not otherwise defined will have the same meaning set forth in the Partnership Agreement.

The summary is based on the Internal Revenue Code of 1986, as amended (the "***Code***"), the regulations thereunder (the "***Regulations***") and judicial and administrative interpretations thereof, all as of the date of this Memorandum, taking into effect the TCJA. No assurance can be given that future legislation, Regulations, administrative pronouncements and/or court decisions will not significantly change applicable law and materially affect the conclusions expressed herein. Any such change, even though made after a Limited Partner has invested in the Partnership, could be applied retroactively. Moreover, the effects of any state, local or foreign tax law, or of federal tax law other than income tax law, are not addressed in these discussions and, therefore, must be evaluated independently by each prospective investor.

No ruling has been requested from the IRS or any other federal, state or local agency with respect to the matters discussed below; nor has the General Partner asked its counsel to render any legal opinions regarding any of the matters discussed below. This summary does not in any way either bind the IRS or the courts or constitute an assurance that the income tax consequences discussed herein will be accepted by the IRS, any other federal, state or local agency or the courts. The Partnership is not intended and should not be expected to provide any tax shelter.

THIS SUMMARY IS INCLUDED FOR GENERAL INFORMATION ONLY. NOTHING HEREIN IS OR SHOULD BE CONSTRUED AS LEGAL OR TAX ADVICE TO ANY INVESTOR. EACH PROSPECTIVE LIMITED PARTNER IS URGED TO CONSULT SUCH LIMITED PARTNER'S PERSONAL TAX ADVISOR WITH RESPECT TO THE STATE AND FEDERAL INCOME TAX CONSEQUENCES OF HIS PARTICIPATION AS A LIMITED PARTNER IN THE PARTNERSHIP. DUE TO THE EVER-CHANGING NATURE OF TAX LAWS AND REGULATIONS, AND THE COMPLIANCE REQUIREMENTS ASSOCIATED THEREWITH, ANY DISCUSSION OF THE REGULATIONS AND THE CODE FOUND HEREIN IS SUBJECT TO CHANGE.

Partnership Status

The Federal income tax consequences to the Partnership and its Partners will depend primarily upon the characterization of the Partnership as a partnership for Federal income tax purposes rather than as a corporation. If the Partnership were treated as a corporation for Federal income tax purposes, all items of income, gain, loss, deduction, and credit would be those of the corporation and would not be passed through to the Partners, and distributions to Partners would be treated as dividends to the extent of current and accumulated earnings and profits. The General Partner has not requested, nor does it intend to request, a private letter ruling from the IRS that for Federal income tax purposes, the Partnership will be treated as a partnership and not as an association taxable as a corporation.

Treasury Regulations provide a default classification as a partnership for Federal tax purposes for any entity formed after 1996 as a limited partnership under state law. Such an entity may elect to be treated as a corporation for Federal tax purposes. The Partnership was formed as a Delaware limited partnership and does not intend to elect to be treated as a corporation for federal tax purposes. Accordingly, the Partnership will be classified as a partnership for federal tax purposes.

A partnership is not a taxable entity subject to Federal income tax. Accordingly, the Partnership will report its operations for each calendar year and annually will file a United States partnership return of income. Each individual Partner should report on his tax return his distributive share of the Partnership's income, loss, deductions, and credits, if any, for the taxable year of the Partnership ending within or with his taxable year. Each Limited Partner's distributive share of such items is determined in accordance with his allocable share of Net Profit and Net Loss as provided in the Partnership Agreement. As soon as reasonably practicable following the end of the taxable year of the Partnership, the Partnership will provide each Limited Partner with reports showing the items of income, gain, loss, deductions, or credits allocated to the Limited Partner for use in the preparation of the tax return. It should be noted that a Limited Partner may recognize taxable income attributable to his Interest without receiving any cash distribution with which to pay the taxes thereon.

Publicly Traded Partnership Status. Under the Code, a "publicly traded partnership" generally is treated as a corporation. A partnership is a publicly traded partnership if interests therein (1) are traded on an established securities market (as defined under the applicable Regulations ("***PTP Regulations***")) or (2) are readily tradable on a secondary market (or the substantial equivalent thereof) ("readily tradable"). The Interests will not be listed for trading on an established securities market, and the Partnership will use its best efforts to ensure that its Interests will not be readily tradable.

The PTP Regulations include a "private placement safe harbor" under which partnership interests can avoid being treated as readily tradable. The PTP Regulations provide that this safe harbor applies if (1) the partnership interests were issued in a transaction or transactions not requiring registration under the Securities Act and (2) the partnership has no more than 100 partners.

For purposes of determining the number of partners, a person owning a partnership interest through a partnership, grantor trust or S corporation (a "flow-through entity") is counted as a partner only if substantially all the value of that person's interest in the flow-through entity is attributable to the underlying partnership and a principal purpose for using a tiered structure was to satisfy the 100-partner condition. Because the offering of Interests is not required to be registered under the Securities Act, if the Partnership has no more than 100 Limited Partners (as determined in accordance with the rules regarding "flow-through" entities noted above), the Partnership will meet this "private placement safe harbor" and thus should not be treated as a publicly traded partnership for federal tax purposes. The Partnership Agreement of the Partnership restricts the total number of Limited Partners to 100 (as determined in accordance with the rules regarding "flow-through" entities). Thus, the Partnership should qualify for the "private placement safe harbor."

Taxation of Operations

The tax consequences to investors of the Partnership's trading activities in securities are very complex. Prospective investors should consult with tax advisers who have substantial expertise with this aspect of the tax law.

Gains and Losses from Securities Transactions. Generally, the current maximum rate of tax for individuals on capital gains from assets held more than a year and on qualifying dividends is 20% and on ordinary income and short-term capital gains is 37%, reduced from 39.6% prior to enactment of the TCJA. Individuals are allowed to use capital losses to offset in full capital gains. To the extent that capital losses of an individual exceed capital gains in a taxable year, such excess capital losses are also allowed against a maximum of $3,000 of ordinary income. Any capital losses not used in a taxable year may be carried forward. The maximum federal rate of tax for corporations on ordinary income and long-term capital gains is 21%, reduced from 35% prior to the enactment of the TCJA. The TCJA repealed the corporate alternative minimum tax in 2018. Corporations are allowed to use capital losses to offset in full capital gains but are not allowed to offset ordinary income. Corporations generally may carry capital losses back 3 years and forward 5 years.

The Partnership expects to deal with its securities as a trader (generally, a person that buys and sells securities for its own account and conducts active turnover of positions) or investor (generally, a person that buys and sells securities for its own account for purposes of investment, *e.g.,* "buy and hold") and not as a dealer (generally, a person that buys from and sells securities to customers with a view to the gains from those transactions).Accordingly, except as discussed below (see "*Market Discount*") and absent an election under Section 475(f) of the Code (discussed below), the Partnership generally expects that gains and losses recognized on the sale of its securities will be capital gains and losses, which will be long-term or short-term depending, in general, on the length of time it held the securities and, in some cases, the nature of the transactions. There can be no assurance that the IRS will not determine that, for tax purposes, the Partnership is a dealer (or should for other reasons be comparably treated). In the event the IRS were to prevail on this issue, transactions which would otherwise have received capital gain or loss treatment may result in ordinary income or loss being recognized by a Limited Partner.

Gains from property held for more than one year generally will be eligible for favorable tax treatment. As of the date of this memorandum, the maximum Federal income tax rate applicable to a noncorporate taxpayer's net capital gain (the excess of net long-term capital gain over net short-term capital loss) recognized on the sale or exchange of capital assets held for more than one year is a maximum rate of 20%, depending on the investor's marginal tax bracket.

Gain or loss from the disposition of securities generally is taken into account for tax purposes only when realized. Capital losses in excess of capital gains may only be deducted up to $3,000 in any year. The Partnership does not anticipate that an exclusion for "qualifying business income" under the TCJA will be available to the Partners. The net excess of capital losses above $3,000 may be carried forward indefinitely to offset future capital gains. However, a taxpayer that is engaged in a trade or business as a trader in securities (defined to include, among other instruments, corporate stock, bonds and other evidences of indebtedness, certain notional principal contracts and interests and derivative financial instruments in any of the foregoing or a currency, including any option, short position and similar financial instrument in such a security or currency) may elect under Section 475(f) of the Code to "mark to market" the securities it holds at the end of each taxable year (that is, to recognize gain or loss with respect to those securities as if the trader sold them for their fair market value on the last business day of the year). The Partnership does not intend to make this "mark to market" election, but may do so if deemed, in the General Partner's sole discretion, to be in the best interest of the Partnership. If it were to do so, the election would apply to the year in which it is made and all subsequent taxable years and to all securities held in connection with the trader's trade or business. A mark-to-market election cannot be revoked without the consent of the IRS. Any gain or loss recognized pursuant to the election would be treated as ordinary income or loss.

Medicare Tax: Starting in the 2013 tax year, individuals, estates and trusts are subject to a Medicare tax of 3.8% on "net investment income" (or undistributed "net investment income," in the case of estates and trusts) for each such taxable year, with such tax applying to the lesser of such income or the excess of such person's adjusted gross income (with certain adjustments) over a specified amount. The amount is $250,000 for married individuals filing jointly, $125,000 for married individuals filing separately, $200,000 for other individuals and the dollar amount at which the highest income tax bracket for estates and trusts begins. Net investment income includes

net income from interest, dividends, annuities, royalties and rents and net gain attributable to the disposition of investment property. It is anticipated that net income and gain attributable to an investment in the Partnership will be included in an investor's "net investment income" subject to this Medicare tax.

Constructive Sales. If the Partnership has an "appreciated financial position" – generally, an interest (including an interest through an option or short sale) with respect to any stock, debt instrument (other than "straight debt") or partnership interest the fair market value of which exceeds its adjusted basis – and enters into a "constructive sale" of the position, it will be treated as having made an actual sale thereof, with the result that gain will be recognized at that time. A constructive sale generally consists of a short sale or an offsetting notional principal contract entered into by the Partnership or a related person with respect to the same or substantially identical property. In addition, if the appreciated financial position is itself such a short sale or such a contract, acquisition of the underlying property or substantially identical property will be deemed a constructive sale. In general, however, a transaction will not be considered a constructive sale if it is closed by the Partnership within 30 days after the end of the taxable year in which it was originally entered into and the Partnership holds the related appreciated financial position unhedged for 60 days after that closing (*e.g.*, at no time during that 60-day period is the Partnership's risk of loss regarding that position reduced by reason of certain specified transactions with respect to substantially identical or related property, such as having an option to sell, being contractually obligated to sell, making a short sale or granting an option to buy substantially identical stock or securities).

Allocation. As of the close of each year the capital gains and capital losses of the Partnership shall be allocated to the Partner's Capital Account so as to minimize, to the extent possible, any disparity between the "book" Capital Account and the "tax" Capital Account, consistent with the principles set forth in section 704 of the Code. To the extent permitted by the Treasury Regulations (or successor regulations) in effect under Code Sections 704(b) and 704(c), allocations of capital gain that have been realized up to the time a Capital Account was completely withdrawn may be allocated first to each Capital Account that was completely withdrawn during the applicable Fiscal Year to the extent that the "book" Capital Account as of the Withdrawal Date exceeds the "tax" Capital Account at that time, and allocations of capital loss that have been realized up to the time a Capital Account is completely withdrawn may be allocated first to each Capital Account that was completely withdrawn during the applicable Fiscal Year to the extent that the "tax" Capital Account as of the Withdrawal Date exceeded the "book" Capital Account of such Capital Account at that time. Notwithstanding anything herein to the contrary, capital gain or capital loss recognized with respect to Securities contributed to the Partnership, if any, shall be specifically allocated to the contributing Partner in the amount and manner required by Code Section 704(c) and the regulations thereunder, and, to the extent so allocated, shall be excluded from the computation of the Partnership's capital gain or capital loss, as applicable, for the relevant fiscal year. While this allocation method is commonly used by pooled investment vehicles such as the Partnership, the IRS has never provided a formal opinion that this method is consistent with Code Section 704(b).

Short Sales and Constructive Sales Treatment. The "short-sale" rules may apply to positions held by the Partnership so that what might otherwise be characterized as long-term capital gain or short-term capital loss would be characterized as, respectively, short-term capital gain or long-term capital loss. These rules may also terminate the running of the holding period of "substantially identical property" held by the Partnership.

Under the constructive sales provisions of Section 1259 of the Code, a taxpayer may be required to currently recognize gain with respect to certain appreciated financial positions held by such taxpayer if the taxpayer (or a related person) (i) enters into a short sale of the same or substantially identical property, (ii) enters into an offsetting notional principal contract with respect to the same or substantially identical property, or (iii) in the case of an appreciated financial position that is a short sale or a contract described in (ii) with respect to any property, acquires the same or substantially identical property underlying such short position or contract.

Straddles. If the Partnership incurs a loss upon the disposition of any position which is part of a "straddle" (*e.g.,* two or more offsetting positions), recognition of that loss for tax purposes will be deferred until the Partnership recognizes the gain in the offsetting position of the straddle. In general, investment positions will be treated as offsetting if there is a substantial diminution of the risk of loss from holding one position by reason of holding one or more other positions.

This rule would apply to all of the positions in a straddle which includes one or more Section 1256 contracts (discussed below) but which does not consist entirely of Section 1256 contracts (a "mixed straddle"). This rule does not apply to a straddle in which all of the positions are Section 1256 contracts. The Partnership may elect to have the Section 1256 contract components of a mixed straddle be treated as not subject to the mark-to-market rules. The Partnership can specifically identify particular positions as being components of a straddle, in which case a realized loss would be allowable only upon the liquidation of all of the components of the identified straddle. The Partnership's trading strategies may include the use of straddles, with or without making such identification.

Wash Sale Rules. "Wash sale" rules, which prevent the recognition of a loss from the sale of a security where the same security or a substantially identical security is (or has been) acquired within a prescribed time period, may apply where certain offsetting positions are entered into within the prescribed period.

Short Sales. The "short-sale" rules may apply to positions held by the Partnership so that what might otherwise be characterized as long-term capital gain or short-term capital loss would be characterized as, respectively, short-term capital gain or long-term capital loss. These rules may also terminate the running of the holding period of "substantially identical property" held by the Partnership.

Options. Certain listed non-equity options (such as those on a securities index) in which the Partnership invests may be subject to Section 1256 of the Code ("***Section 1256 contracts***"). Any Section 1256 contracts the Partnership holds at the end of each taxable year generally must be "marked-to-market" (that is, treated as having been sold at that time for their fair market value) for Federal income tax purposes, with the result that unrealized gains or losses will be treated as though they were realized. 60% of any net gain or loss recognized on these deemed sales, and 60% of any net realized gain or loss from any actual sales of Section 1256 contracts, will be treated as long-term capital gain or loss, and the balance will be treated as short-term capital gain or loss. The Partnership may elect not to have the foregoing rules apply to any "mixed straddle" (that is, a straddle, clearly identified by the Partnership in accordance with the Regulations, at least one (but not all) of the positions of which are Section 1256 contracts).

Investment in Non-U.S. Securities: Dividends and interest received by the Partnership with respect to non-U.S. Securities may give rise to withholding and other taxes imposed by non-U.S. countries, generally at rates from 10% to 40%. Tax conventions between certain countries and the U.S. may reduce or eliminate such taxes. With a limited number of exceptions, non-U.S. countries generally do not impose taxes on capital gains with respect to investments by nonresident investors. The tax treatment under the laws of non-U.S. countries of many of the investments that the Partnership holds is unclear. Such countries may assert that the Partnership owes additional taxes with respect to such transactions. In the event that such tax is actually paid, a Partner may be entitled, subject to certain limitations, to a credit or deduction on the Partner's federal income tax return for the Partner's proportionate share of the Partnership's non-U.S. tax liability. On the other hand, even though the Partnership may never actually pay such liability, the Partnership may be required to treat such uncertain tax positions as liabilities on its financial statements, which could cause a Partner's Capital Account to be reduced, thus reducing the amount that such Partner would receive on withdrawal from the Partnership. This paragraph is not a comprehensive discussion of non-U.S. tax consequences of investment in the Partnership.

Original Issue Discount. The Partnership may acquire certain debt instruments that are subject to the original issue discount ("***OID***") rules of Section 1272 of the Code. A debt instrument subject to such rules (which apply to most debt instruments) is treated as having OID if its "stated redemption price at maturity" exceeds its "issue price" by more than a *de minimis* amount. Generally, the stated redemption price of a debt instrument includes all amounts payable other than "qualified stated interest" (*e.g.,* payments that are unconditionally required to be paid at least annually at a single fixed rate over the term of the instrument). Thus, if and to the extent the Partnership acquires debt instruments bearing OID, the Partnership (and, therefore, its Limited Partners) would be required to include in ordinary income OID, based on a constant yield method, before the receipt of cash attributable to such income, regardless of the Partnership's regular method of accounting. OID accrues daily in accordance with a constant yield method based on a compounding of interest. The OID allocable to any accrual period will be equal to the product of the adjusted issue price of the debt instrument as of the beginning of such period and the yield to maturity of the debt instrument. In the case of debt instruments acquired by the Partnership at their original issue, the adjusted issue price of the debt instrument as of the beginning of any accrual period will equal its issue price to the Partnership, increased by the amount of OID previously included in the gross income of the Partnership and decreased by the amount of any payments made to the Partnership on the debt instruments. If, on the other hand, the Partnership acquires debt instruments bearing OID subsequent to their original issuance, the Partnership will also be required to include OID in income, but the inclusion thereof may vary depending on the price paid by the Partnership for such debt instruments. If the Partnership purchases a debt instrument at less than its adjusted issue price, the Partnership will have market discount in addition to the remaining OID on such debt instrument (see "*Market Discount*"). If the price paid by the Partnership exceeds such adjusted issue price but is less than the stated redemption price at maturity, the Partnership will have acquisition premium equal to such excess and may offset OID accruals by the amortization of such acquisition premium. If the price paid by the Partnership for a debt instrument exceeds its stated redemption price at maturity, the Partnership may elect to amortize such excess under rules relating to acquisition premium.

Market Discount. If the Partnership purchases, subsequent to its original issuance, a debt instrument for a price that is less than its adjusted issue price, the Partnership (and, therefore, its Limited Partners) may be subject to the rules relating to accrued market discount. Generally, any gain recognized by the Partnership upon a sale or other disposition of a debt instrument will be treated as ordinary income rather than capital gain to the extent of that portion of the market discount that accrued prior to such disposition. Market discount generally accrues on a straight-line basis over the remaining term of a debt instrument, but the holder can elect to compute accrued market discount based on the economic yield of the debt instrument. If the Partnership's purchase is debt-financed, the Partnership will not be entitled to deduct interest expense allocable to accrued market discount until it recognizes the corresponding income. However, the Partnership may elect to include the market discount in income as it accrues. If this election is made, any gain recognized on a disposition of the debt instrument would be entirely capital gain and the rules deferring the deduction of interest expense on related loans would not apply.

Short-Term Acquisition Discount Obligations. The Partnership may acquire debt obligations having short-term acquisition discount (generally, obligations have a term to maturity at issuance of no more than one year). Holders of short-term acquisition discount obligations that are financed (that is, the Partnership incurs interest-bearing expense to acquire or carry such obligations) must use the accrual method of accounting if the taxpayer does not otherwise use such method of accounting. As a practical matter, taxpayers holding short-term acquisition discount obligations that are financed endeavor to match the timing of income and expense; there is no assurance that the Partnership will achieve such objective.

Bond Premium. If the Partnership purchases a debt instrument at a premium to its issue price, the Partnership may elect to deduct a prorated portion of such amount over par every year until the debt instrument matures. However, it is not necessary to amortize premium in the year the instrument is bought. The Partnership can begin doing so in any tax year. If the Partnership elects to amortize the premium for one bond, then it must also amortize the premium for all other similar bonds, both that year and going forward. If the Partnership decides to amortize the premium from a bond, it must reduce the cost basis of the position by an equivalent amount. Alternatively, the Partnership can elect to not amortize such deduction and simply declare a capital loss when the instrument is redeemed at maturity or is sold at a loss.

Disallowance of Certain Itemized Deductions

The Partnership will be required each year to make the determination as to whether it will take the position for Federal income tax purposes that it is (i) a trader in securities or (ii) an investor in securities. This determination will be made separately each year based primarily on the level of the Partnership's securities activities during the particular year. Accordingly, the Partnership's status as a trader or an investor may vary from year to year and is difficult to predict in advance. If the Partnership is characterized as a trader, each partner who is an individual may deduct his share of the expenses of the Partnership (other than interest expense, but including the Management Fee) under Code Section 162 as a business expense. Alternatively, if the Partnership is characterized as an investor, the expenses of the Partnership (other than interest expense, but including the Management Fee) would constitute "miscellaneous itemized deductions," and as such, would be deductible by an individual only to the extent that is allowable after taking into effect amendments to the Code made by the TCJA. The TCJA substantially limits a Partner's utilization of itemized deductions; Partners are advised to consult their tax advisors with respect to the TCJA's effect on their particular case.

The Partnership may also take a more aggressive tax position than a Partner might. Should the IRS disallow any such position, Partners could be audited and required to pay back taxes, interest and perhaps penalties. Under the Code, neither interest nor any penalties incurred in such circumstances would be deductible. Further, the Code provides for centralized resolution of tax disputes where partnerships are involved. As a result, the resolution of tax disputes affecting Partners' returns may ultimately be controlled by the General Partner. Any audit activity at the Partnership level could also result in the audit of individual Partners' returns with respect to items unrelated to the Partnership's activities.

Allocation of Income, Deductions, or Loss

The Partnership Agreement provides that Net Profits shall be allocated to the Partners, including the General Partner, according to their Allocation Percentages. For each Fiscal Year of the Partnership, Net Loss shall be allocated to the Partners in accordance with their Allocation Percentages. Section 704(b) of the Code honors allocations of profits and losses as set forth in partnership agreements provided that such allocations have "substantial economic effect." The General Partner believes that the allocations provided for by the Partnership Agreement have substantial economic effect. However, if an allocation is determined not to have "substantial economic effect," a Partner's allocable share of the item or items involved must be determined on the basis of the Partner's Interest in the Partnership after taking into account all the facts and circumstances. No assurance can be given that the IRS will not challenge the allocation of income, gain, loss, deductions or credits contained in the Partnership Agreement, or in modifications to the Partnership Agreement. If such a challenge is made, no assurance can be given that a court will uphold the allocations so made.

Tax Elections

The Code generally provides for optional adjustments to the basis of partnership property upon distributions of partnership property to a partner and transfers of partnership interests (including by reason of death) provided that a partnership election has been made pursuant to Section 754. Under the Partnership Agreement, the General Partner, in its sole discretion, may cause the Partnership to make such an election. Any such election, once made, cannot be revoked without the IRS's consent. As a result of the complexity and added expense of the tax accounting required to implement such an election, the General Partner presently does not intend to make such election.

Mandatory Basis Adjustments

The Partnership is generally required to adjust its tax basis in its assets in respect of all Partners in cases of partnership distributions that result in a "substantial basis reduction" (*e.g.*, in excess of $250,000) in respect of the Partnership's property. The Partnership is also required to adjust its tax basis in its assets in respect of a transferee, in the case of a sale or exchange of an interest, or a transfer upon death, when there exists a "substantial built-in loss" (*e.g.*, in excess of $250,000) in respect of the Partnership property immediately after the transfer. For this reason, the Partnership will require (i) a Partner who receives a distribution from the Partnership in connection with a complete withdrawal, (ii) a transferee of an Interest (including a transferee in case of death) and (iii) any other Partner in appropriate circumstances to provide the Partnership with information regarding its adjusted tax basis in its Interest.

Alternative Minimum Tax

The extent, if any, to which the federal alternative minimum tax will be imposed on any Limited Partner, will depend on the Limited Partner's overall tax situation for the taxable year. Prospective investors should consult with their tax advisers regarding the alternative minimum tax consequences of an investment in the Partnership. The corporate alternative minimum tax was repealed by TCJA.

General Rules Applicable to Tax-Exempt Organizations

A tax-exempt organization generally is exempt from Federal income tax on its passive investment income, such as dividends, interest, and capital gains, whether realized by the organization directly or indirectly through a partnership in which it is a partner. (Tax-exempt organizations which are private foundations currently are subject to a 2% tax on their "net investment income.")

The general exemption from tax afforded to tax-exempt organizations does not apply to their "unrelated business taxable income" ("***UBTI***"). A type of UBTI is income or gain derived directly or through a partnership from "debt-financed property", which is any income-producing property with respect to which there is "acquisition indebtedness" at any time during the taxable year. Gain from the sale or exchange of, and derived from, debt-financed property generally is taxable in the proportion in which the property is financed by "acquisition indebtedness." The Partnership Agreement envisions the Partnership will incur indebtedness (through the purchase of securities on margin and otherwise). Therefore, tax-exempt organizations which are Partners will be subject to Federal income tax on such portion of their income from the Partnership that is considered to be UBTI.

There are special considerations which should be taken into account by certain beneficiaries of charitable remainder trusts that invest in the Partnership. Charitable remainder trusts should consult their own tax advisers concerning the tax consequences of such an investment on their beneficiaries. In particular, a charitable remainder trust will not be exempt from federal income tax under Code Section 664(c) for any year in which it has UBTI. Moreover, the charitable contribution deduction for a trust under Code Section 642(c) may be limited for any year in which the trust has UBTI.

Option Transactions - Tax Consequences to Tax-Exempt Organizations

Code Section 512(b) excludes from UBTI (i) all gains or losses from the sale, exchange, or other disposition of capital assets, and (ii) all gains on the lapse or termination of options, written by a tax-exempt organization in connection with its investment activities, to buy or sell securities. The latter exclusion applies whether or not the organization owns the securities upon which the option is written, that is, whether or not the option is "covered."

Options written on a securities index are technically not options to buy or sell the underlying securities; however, the gain realized upon the exercise, lapse, or termination of securities index options is treated as gain derived from the sale of a capital asset under Sections 1234 or 1256 of the Code. Accordingly, pursuant to Section 512(b)(4) of the Code, such gain should not constitute UBTI.

The exclusion of option writing income from UBTI does not, by its terms, prevent the IRS from attempting to tax the option writing income as "debt-financed income," which, as noted above, is a type of UBTI. Section 512(b)(4) of the Code, in effect, provides that, notwithstanding the general exclusion of certain types of income such as interest, dividends, and capital gain from UBTI, if such income is "debt-financed," it is taxable as a type of UBTI. However, since no borrowing or "acquisition indebtedness" is incurred by the writer of an option, option writing income of the Partnership should not be taxable as debt-financed income. Nevertheless, a prospective Limited Partner subject to the rules of UBTI should consult its tax adviser concerning the foregoing matters.

Passive Activity Losses

The Code restricts the deductibility of losses from a "passive activity" against certain income which is not derived from a passive activity. This restriction applies to individuals, estates or trusts, personal service corporations and certain closely-held corporations. Pursuant to Temp. Treas. Reg. §1.469-1T(e)(6)(i), however, the activity of trading personal property for the account of owners of interests in the activity is not a passive activity. Moreover, an example issued pursuant to such regulation expressly provides a partnership is not engaged in a passive activity if its activities consist of trading stocks, bonds, and other securities where the capital employed by the partnership consists of amounts contributed by the partners in exchange for their partnership interests and funds borrowed by the partnership. Therefore, to the extent the Partnership limits its activities to trading stocks, bonds, and other securities, the income or loss allocated to a Limited Partner will not constitute passive income or passive loss. Because the Partnership expects to limit its activities to trading stocks, bonds, and other securities, the income or loss allocated to a Limited Partner will constitute portfolio income, not passive income, and therefore Limited Partners will only be able to offset losses from their investment in the Partnership against portfolio income from other investments, not shelter passive losses from such Limited Partner's other investments.

Distributions

A distribution by a partnership to a partner generally is not taxable to the partner except to the extent the distribution consists of cash (and, in certain circumstances, marketable securities) and exceeds the partner's adjusted basis of its interest in the partnership immediately before the distribution. A partner who receives a distribution of property other than cash may recognize gain if such partner contributed appreciated property (other than the property being distributed) to the partnership within seven years before the distribution.

In addition, a partner who has contributed appreciated property to a partnership may recognize gain if such property is distributed to another partner within seven years after the property was contributed. Ordinarily, any such excess will be treated as gain from a sale or exchange of the partner's interest. However, the Partnership does not generally intend to make distributions to its Limited Partners.

Sale of Interest

A Limited Partner receiving a cash liquidating distribution from the Partnership, in connection with a complete withdrawal from the Partnership generally will recognize capital gain or loss to the extent of the difference between the proceeds received by such Limited Partner and such Limited Partner's adjusted tax basis in its Interest. Such capital gain or loss will be short-term or long-term depending upon the Limited Partner's holding period for its interest in the Partnership. However, a withdrawing Limited Partner will recognize ordinary income to the extent such Limited Partner's allocable share of the Partnership's "unrealized receivables" exceeds the Limited Partner's basis in such unrealized receivables, as determined pursuant to the Regulations. For these purposes, accrued but untaxed market discount, if any, on securities held by the Partnership will be treated as an unrealized receivable with respect to the withdrawing Limited Partner.

As discussed above, the Partnership Agreement provides that the General Partner may specially allocate items of Partnership capital gain or loss, including short-term capital gain or loss, to a withdrawing Limited Partner to the extent its liquidating distribution would otherwise exceed its adjusted tax basis in its Interest. Such a special allocation may result in the withdrawing Partner recognizing capital gain or loss, which may include short-term gain or loss, in the Partner's last taxable year in the Partnership, thereby reducing the amount of long-term capital gain or capital loss recognized during the tax year in which it receives its liquidating distribution upon withdrawal.

Except as provided below, distributions of property other than cash, whether in complete or partial liquidation of a Limited Partner's interest in the Partnership, generally will not result in the recognition of taxable income or loss to the Limited Partner, except to the extent such distribution is treated as made in exchange for such Limited Partner's share of the Partnership's unrealized receivables. Gain generally must be recognized where the distribution consists of marketable securities unless the distributing partnership is an "investment partnership" and the recipient is an "eligible partner" as defined in Code Section 731(c). While there can be no assurance, it is anticipated that the Partnership will qualify as an "investment partnership." Thus, if a Limited Partner is an "eligible partner," which term should include a Limited Partner whose sole contributions to the Partnership consisted of cash, the non-recognition rule described above should apply.

Audit of Tax Returns

The IRS is applying greater scrutiny to a proper application of the tax laws to partnerships. An audit of the Partnership's information returns may precipitate an audit of the income tax returns of the Limited Partners. Any expense involved in an audit of a Limited Partner's return must be borne by the Limited Partner. If the IRS successfully asserts an adjustment of any item of income, gain, loss, deduction, or credit reported on a Partnership information return, corresponding adjustments will be made to the income tax returns of the Limited Partners. Further, any audit might result in the IRS making adjustments to items of non-Partnership income or loss. If a tax deficiency is determined, the taxpayer is liable for interest on the deficiency from the due date of the return and possible penalties.

In general, the tax treatment of items of partnership income, gain, loss, deduction, or credit is to be determined at the partnership level in a unified partnership proceeding, rather than in separate proceedings with the partners. Under partnership audit rules that generally take effect January 1, 2018, the "partnership representative" ("*REP"*) (a function analogous to that of the tax matters partner" ("***TMP***") under prior law), would represent the Partnership before the IRS and may enter into a settlement with the IRS as to the partnership tax issues, which generally will be binding on all the partners. The new audit rules require, generally, that the partners in the taxable year that the audit is resolved must bear the tax liability arising from the audit, rather than the partners in the year(s) that the audit relates to (the "historical partners"). Similarly, only one judicial proceeding contesting an IRS determination may be filed on behalf of a partnership and all partners. The REP may consent to an extension of the statute of limitations for all partners with respect to partnership items. The Partnership has designated the General Partner as the REP. Under the new partnership audit regime, the REP may make certain elections, which, if applicable, would (i) remove the Partnership from the coverage of the new rules or (2) require that the historical partners be liable for the tax arising from the audit. The REP has up to 45 days to make the second election after receipt of notice of conclusion of the audit.

Tax Shelter Disclosure

Certain rules require taxpayers to disclose -- on their Federal income tax returns and, under certain circumstances, separately to the Office of Tax Shelter Analysis -- their participation in "reportable transactions" and require "material advisors" to maintain investor lists with respect thereto. These rules apply to a broad range of transactions, including transactions that would not ordinarily be viewed as tax shelters, and to indirect participation in a reportable transaction (such as through a partnership). Prospective investors are urged to consult with their own tax advisers with respect to the regulations' effect on an investment in the Partnership.

Non-U.S. Investors

The discussion in this section is limited to the U.S. federal income tax consequences applicable to an investor that is not a U.S. person (for U.S. federal income tax purposes) and who, in addition, is neither (i) an individual present in the United States for 183 days or

more in a taxable year nor (ii) an expatriate or former long-term resident of the United States (a "***Non-U.S. Investor***"). A person is generally not a U.S. person for U.S. federal income tax purposes so long as such person is not a citizen or resident of the United States; not a corporation or other entity created or organized in the United States or under the laws of the United States or any political subdivision thereof; not an estate, the income of which is subject to U.S. federal income taxation regardless of its source; and not a trust which (a) is subject to the primary supervision of a court within the United States with one or more United States persons having the authority to control all substantial decisions of the trust or (b) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a United States person. This discussion does not deal with all tax considerations that may be relevant to specific investors in light of their particular circumstances, and does not address the tax consequences of persons who are not Non-U.S. Investors or of persons investing in the Partnership through a partnership or other pass-through entity for U.S. federal income tax purposes, or (with certain exceptions) the application of state, local or U.S. federal estate taxes to an investment in the Partnership.

U.S. Foreign Account Tax Compliance Act

The U.S. Foreign Account Tax Compliance Act ("***FATCA***") imposes certain withholding taxes on U.S. persons holding offshore accounts on designated payments to "foreign financial institutions" which do not provide information about their U.S. accounts to the IRS. The Partnership will require such information from potential Partners such that this rule is not anticipated to be applicable in the Partnership's case.

A non-U.S. Limited Partner will generally be required to provide the Partnership information which identifies its direct and indirect U.S. ownership. Any such information provided to the Partnership will be shared with the IRS. A non-U.S. Limited Partner that is a "foreign financial institution" within the meaning of Section 1471(d)(4) of the Code will generally be required to enter into an agreement with the IRS identifying certain direct and indirect U.S. account holders or equity holders. A non-U.S. Limited Partner who fails to provide such information to the Partnership or enter into such an agreement with the IRS, as applicable, would be subject to the 30% withholding tax with respect to its share of any such payments attributable to actual and deemed U.S. investments of the Partnership and the General Partner may take any action in relation to a Limited Partner's interests or redemption proceeds to ensure that such withholding is economically borne by the relevant Limited Partner whose failure to provide the necessary information gave rise to the withholding. Limited Partners should consult their own tax advisors regarding the possible implications of this legislation on their investments in the Partnership.

Effectively Connected Income

The Federal income tax treatment of a Non-U.S. Investor in the Partnership will depend on whether that investor is found, for Federal income tax purposes, to be effectively connected with the conduct of a trade or business in the United States as a result of its investment in the Partnership. Generally, a Limited Partner would be deemed to be engaged in a trade or business in the United States, and would be required to file a U.S. tax return (and possibly one or more state or local returns) if the Partnership is so engaged.

As long as the Partnership's principal activity is investing and/or trading in stocks, securities and commodities for its own account and is not a dealer in such items, a "safe harbor" would apply that would exempt Non-U.S. Investors owning interests in the Partnership from being treated as engaged in a United States trade or business as a result of the Partnership's stocks, securities and commodities trading activity, even if such activity otherwise constitutes a U.S. trade or business, provided that such Non-U.S. Investors are not dealers in stocks, securities or commodities. Accordingly, such Non-U.S. investors owning interests in the Partnership should be eligible for the safe harbor and would be exempt from Federal net taxation on the Partnership activities that fall within the safe harbor (other than for gains on certain securities reflecting interests in United States real property). However, withholding taxes, if any, would be imposed on a Non-U.S. investor's share of the Partnership's U.S. source gross income from dividends and certain interest income arising from safe harbor activities, and certain other income, unless an exception were applicable to reduce or eliminate such withholding. In addition, non-U.S. investors may be subject to withholding taxes on fixed, determinable annual or periodical income ("***FDAP Income***").

To the extent the Partnership engages in a United States trade or business, income and gain effectively connected with the conduct of that trade or business allocated to a Non-U.S. Investor would subject such person to Federal income tax on that income on a net basis at the same rates that are generally applicable to that particular type of investor which is a U.S. person. The Partnership is required to withhold U.S. income tax with respect to each Non-U.S. Investor's share of the Partnership's effectively connected income. The amount withheld is reportable as a tax credit on the U.S. income tax return that such Non-U.S. Investor is required to file. Moreover, effectively connected earnings from the Partnership which are allocated to a Non-U.S. Investor and are not reinvested in a United States trade or business may be subject to a "branch profits tax."

State and Local Taxation

In addition to the Federal income tax considerations summarized above, prospective investors should consider potential state and local tax consequences of an investment in Interests. A Limited Partner's distributive share of the Partnership's taxable income or loss generally will be required to be included in determining the Limited Partner's taxable income for state and local tax purposes in the jurisdiction in which it is resident. However, state and local laws may differ from the Federal income tax law with respect to the treatment of specific items of income, gain, loss, and deduction. The TCJA substantially limits an individual Partner's ability to deduct state and local

taxes; a Partner is advised to consult his or her tax advisor with respect to the effect of state and local taxation and tax compliance obligations in respect of an investment in the Partnership.

ERISA CONSIDERATIONS

THE FOLLOWING SUMMARY OF CERTAIN ASPECTS OF ERISA IS BASED UPON ERISA, JUDICIAL DECISIONS, DEPARTMENT OF LABOR REGULATIONS AND RULINGS IN EXISTENCE ON THE DATE HEREOF. THIS SUMMARY IS GENERAL IN NATURE AND DOES NOT ADDRESS EVERY ERISA ISSUE THAT MAY BE APPLICABLE TO THE PARTNERSHIP OR A PARTICULAR INVESTOR. ACCORDINGLY, EACH PROSPECTIVE INVESTOR SHOULD CONSULT WITH ITS OWN COUNSEL IN ORDER TO UNDERSTAND THE ERISA ISSUES AFFECTING THE PARTNERSHIP AND THE INVESTOR.

General

Persons who are fiduciaries with respect to a U.S. employee benefit plan or trust within the meaning of and subject to the provisions of ERISA (an "***ERISA Plan***"), an IRA or a Keogh plan subject solely to the provisions of the Code[5] (an "***Individual Retirement Fund***") should consider, among other things, the matters described below before determining whether to invest in the Partnership. ERISA imposes certain general and specific responsibilities on persons who are fiduciaries with respect to an ERISA Plan, including prudence, diversification, avoidance of prohibited transactions and compliance with other standards. In determining whether a particular investment is appropriate for an ERISA Plan, U.S. Department of Labor ("***DOL***") regulations provide that a fiduciary of an ERISA Plan must give appropriate consideration to, among other things, the role that the investment plays in the ERISA Plan's portfolio, taking into consideration whether the investment is designed reasonably to further the ERISA Plan's purposes, the risk and return factors of the potential investment, the portfolio's composition with regard to diversification, the liquidity and current return of the total portfolio relative to the anticipated cash flow needs of the ERISA Plan, the projected return of the total portfolio relative to the ERISA Plan's funding objectives, and the limitation on the rights of Limited Partners to withdraw all or any part of their Interests or to transfer their Interests. Before investing the assets of an ERISA Plan in the Partnership, a fiduciary should determine whether such an investment is consistent with its fiduciary responsibilities and the foregoing regulations. For example, a fiduciary should consider whether an investment in the Partnership may be too illiquid or too speculative for a particular ERISA Plan and whether the assets of the ERISA Plan would be sufficiently diversified. If a fiduciary with respect to any such ERISA Plan breaches its responsibilities with regard to selecting an investment or an investment course of action for such ERISA Plan, the fiduciary may be held personally liable for losses incurred by the ERISA Plan as a result of such breach.

Plan Assets Defined

ERISA and applicable DOL regulations describe when the underlying assets of an entity in which benefit plan investors ("***Benefit Plan Investors***") invest are treated as "plan assets" for purposes of ERISA. Under ERISA, the term Benefit Plan Investors is defined to include an "employee benefit plan" that is subject to the provisions of Title I of ERISA, a "plan" that is subject to the prohibited transaction provisions of Section 4975 of the Code, and entities the assets of which are treated as "plan assets" by reason of investment therein by Benefit Plan Investors. Under ERISA, as a general rule, when an ERISA Plan invests assets in another entity, the ERISA Plan's assets include its investment, but do not, solely by reason of such investment, include any of the underlying assets of the entity. However, when an ERISA Plan acquires an "equity interest" in an entity that is neither: (a) a "publicly offered security"; nor (b) a security issued by an investment fund registered under the Investment Company Act, then the ERISA Plan's assets include both the equity interest and an undivided interest in each of the underlying assets of the entity, unless it is established that: (i) the entity is an "operating company"; or (ii) the equity participation in the entity by Benefit Plan Investors is limited. Under ERISA, the assets of an entity will not be treated as "plan assets" if Benefit Plan Investors hold less than 25% (or such higher percentage as may be specified in regulations promulgated by the DOL) of the value of each class of equity interests in the entity. Equity interests held by a person with discretionary authority or control with respect to the assets of the entity and equity interests held by a person who provides investment advice for a fee (direct or indirect) with respect to such assets or any affiliate of any such person (other than a Benefit Plan Investor) are not considered for purposes of determining whether the assets of an entity will be treated as "plan assets" for purposes of ERISA. The Benefit Plan Investor percentage of ownership test applies at the time of an acquisition by any person of the equity interests. In addition, an advisory opinion of the DOL takes the position that a redemption of an equity interest by an investor constitutes the acquisition of an equity interest by the remaining investors (through an increase in their percentage ownership of the remaining equity interests), thus triggering an application of the Benefit Plan Investor percentage of ownership test at the time of the redemption.

Limitation on Investments by Benefit Plan Investors

It is the current intent of the GP to monitor the investments in the Partnership to ensure that the aggregate investment by Benefit Plan Investors does not equal or exceed 25% of the value of any class of the Interests in the Partnership (or such higher percentage as may be specified in regulations promulgated by the DOL) so that assets of the Partnership will not be treated as "plan assets" under ERISA. Interests held by the GP and its affiliates are not considered for purposes of determining whether the assets of the Partnership will be treated as "plan assets" for the purpose of ERISA. If the assets of the Partnership were treated as "plan assets" of a Benefit Plan Investor, the GP would be a "fiduciary" (as defined in ERISA and the Code) with respect to each such Benefit Plan Investor, and would be subject

[5] References hereinafter made to ERISA include parallel references to the Code.

to the obligations and liabilities imposed on fiduciaries by ERISA. In such circumstances, the Partnership would be subject to various other requirements of ERISA and the Code. In particular, the Partnership would be subject to rules restricting transactions with "parties in interest" and prohibiting transactions involving conflicts of interest on the part of fiduciaries which might result in a violation of ERISA and the Code unless the Partnership obtained appropriate exemptions from the DOL allowing the Partnership to conduct its operations as described herein. The Partnership reserves the right to require the withdrawal of all or part of the Interest held by any Limited Partner, including, without limitation, to ensure compliance with the percentage limitation on investment in the Partnership by Benefit Plan Investors as set forth above.

Representations by Plans

An ERISA Plan proposing to invest in the Partnership will be required to represent that it is, and any fiduciaries responsible for the ERISA Plan's investments are, aware of and understand the Partnership's investment objectives, policies and strategies, and that the decision to invest plan assets in the Partnership was made with appropriate consideration of relevant investment factors with regard to the ERISA Plan and is consistent with the duties and responsibilities imposed upon fiduciaries with regard to their investment decisions under ERISA. WHETHER OR NOT THE ASSETS OF THE PARTNERSHIP ARE TREATED AS "PLAN ASSETS" UNDER ERISA**,** AN INVESTMENT IN THE PARTNERSHIP BY AN ERISA PLAN IS SUBJECT TO ERISA. ACCORDINGLY, FIDUCIARIES OF ERISA PLANS SHOULD CONSULT WITH THEIR OWN COUNSEL AS TO THE CONSEQUENCES UNDER ERISA OF AN INVESTMENT IN THE PARTNERSHIP.

ERISA Plans and Individual Retirement Funds Having Prior Relationships with the GP or its Affiliates

Certain prospective ERISA Plan and Individual Retirement Fund investors may currently maintain relationships with the GP or other entities that are affiliated with the GP. Each of such entities may be deemed to be a party in interest to and/or a fiduciary of any ERISA Plan or Individual Retirement Fund to which any of the GP or its affiliates provides investment management, investment advisory or other services. ERISA prohibits ERISA Plan assets to be used for the benefit of a party in interest and also prohibits an ERISA Plan fiduciary from using its position to cause the ERISA Plan to make an investment from which it or certain third parties in which such fiduciary has an interest would receive a fee or other consideration. Similar provisions are imposed by the Code with respect to Individual Retirement Funds. ERISA Plan and Individual Retirement Fund investors should consult with counsel to determine if participation in the Partnership is a transaction that is prohibited by ERISA or the Code. The provisions of ERISA are subject to extensive and continuing administrative and judicial interpretation and review. The discussion of ERISA contained herein is, of necessity, general and may be affected by future publication of regulations and rulings. Potential investors should consult with their legal advisors regarding the consequences under ERISA of the acquisition and ownership of Interests.

RESTRICTIONS ON TRANSFER OF INTERESTS

The Interests offered hereby have not been registered under the Securities Act, in reliance upon the exemptions provided by the Securities Act and Regulation D thereunder, nor have the Interests been registered under the securities laws of any state in which they will be offered in reliance upon applicable exemptions in such states. Therefore, the Interests cannot be reoffered or resold unless they are subsequently registered under the Securities Act and any other applicable state securities laws or an exemption from registration is available under the Securities Act or such other laws. Pursuant to the terms of the Subscription Agreement, Limited Partners shall agree to pledge, transfer, convey or otherwise dispose of their Interests only in a transaction that is the subject of (i) an effective registration under the Securities Act and any applicable state securities laws or (ii) an opinion of counsel satisfactory to the Partnership to the effect that the registration of such transaction is not required. Accordingly, prospective investors in the Partnership must be willing to bear the economic risk of an investment in the Partnership for the period of time stipulated in the withdrawal provisions of the Partnership Agreement.

ADDITIONAL INFORMATION

Prospective investors should understand that the discussions and summaries of documents in this Memorandum are not intended to be complete. Such discussions and summaries are subject to and are qualified in their entirety by reference to such documents. The Partnership will deliver to any prospective investor, upon request, a copy of any and all such documents. The GP will afford prospective investors and their purchaser representatives the opportunity to ask questions and receive answers concerning the terms and conditions of the Offering and to obtain any additional information which the Partnership possesses or can acquire without unreasonable effort or expense.

PRIVACY NOTICE

Ark Global Emerging Companies, LP

Current regulations require financial institutions (including investment funds) to provide their investors with an initial and annual privacy notice describing the institution's policies regarding the sharing of information about their investors. In connection with this requirement, we are providing this Privacy Notice to each of our investors.

We do not disclose nonpublic personal information about our investors or former investors to third parties other than as described below.

We collect information about you (such as name, address, social security number, assets and income) from our discussions with you, from documents that you may deliver to us (such as subscription documents) and in the course of providing services to you. In order to service your account and effect your transactions, we may provide your personal information to our affiliates and to firms that assist us in servicing your account and have a need for such information, such as the advisor, fund administrator, accountants or auditors. We do not otherwise provide information about you to outside firms, organizations or individuals except as required by law. Any party that receives this information will use it only for the services required and as allowed by applicable law or regulation, and is not permitted to share or use this information for any other purpose.

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