

(b) there exists any state of affairs as a result of which (i) disposal of investments of the Partnership would not be reasonably practicable or cannot be completed in a timely fashion to meet withdrawal requirements and might seriously prejudice the Limited Partners or (ii) it is not reasonably practicable for the Partnership to determine fairly the value of its net assets;

(c) none of the requests for withdrawals which have been made may be lawfully satisfied by the Partnership in U.S. dollars; or

(d) there is a breakdown in the means of communication normally employed in determining the prices of a substantial part of the investments of the Partnership.

Distributions in Cash or in Kind

All distributions to a Partner on withdrawal or retirement will be made in cash or, in the discretion of the General Partner, in securities (which may include short positions as well as long positions) selected by the General Partner, or partly in cash and partly in securities (which may include short positions as well as long positions) selected by the General Partner. In-kind distributions may be made directly to the withdrawing Partner or, alternatively:

(a) may comprise interests in special purpose vehicles established by the Partnership for the purpose of liquidating the securities which are being transferred (either outright or by a participation interest) by the Partnership; or

(b) may be distributed into a liquidating trust or liquidating account and sold by the Partnership for the benefit of the withdrawing Partner.

In the event of (a) or (b) above, (i) payment to such Partner of that portion of its withdrawal attributable to such securities will be delayed until such time as such securities can be liquidated and (ii) the amount otherwise due such Partner will be increased or decreased to reflect the performance of such securities through the date on which the liquidation of such securities is effected, and any applicable expenses, Management Fee and Incentive Allocation.

11. BROKERAGE AND CUSTODY

The Investment Manager is authorized to determine the broker or dealer to be used for each securities transaction for the Partnership. In selecting brokers or dealers to execute transactions, the Investment Manager need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. It is not the Investment Manager's practice to negotiate "execution only" commission rates, thus the Partnership may be deemed to be paying for research, brokerage or other services provided by the broker which are included in the commission rate.

Section 28(e) of the Securities Exchange Act of 1934, as amended, is a "safe harbor" that permits an investment manager to use commissions or "soft dollars" to obtain research and brokerage services that provide lawful and appropriate assistance in the investment decision-making process. The Investment Manager will limit the use of "soft dollars" to obtain research and brokerage services to services which constitute research and brokerage within the meaning of Section 28(e). Research services within Section 28(e) may include, but are not limited to, research reports (including market research); certain financial newsletters and trade journals; software providing analysis of securities portfolios; corporate governance research and rating services; attendance at certain seminars and conferences; discussions with research analysts; meetings with corporate executives; consultants' advice on portfolio strategy; data services (including services providing market data, company financial data and economic data); advice from brokers on order execution; and certain proxy services. Brokerage services within Section 28(e) may include, but are not limited to, services related to the execution, clearing and settlement of securities transactions and functions incidental thereto (i.e., connectivity services between an investment manager and a broker-dealer and other relevant parties such as custodians); trading software operated by a broker-dealer to route