

expenses of consultants providing the foregoing and the cost of obtaining and storing data required for such systems and technology); accounting, auditing and tax preparation expenses; costs of preparing and mailing reports and notices; organizational expenses; expenses relating to obtaining insurance for members, officers and employees of the General Partner and Hudson Bay Capital and members of the Master Capital Structure Fund board of directors and the board of any vehicle through which the Capital Structure Fund makes investments or enters into transactions; fees and expenses (including, without limitation, director registration fees) of the Master Capital Structure Fund board of directors and the directors of any vehicle through which the Capital Structure Fund makes investments or enters into transactions; corporate licensing fees and other professional fees; bank service fees; withholding and transfer fees; taxes; other expenses related to the purchase, sale or transmittal of Capital Structure Fund assets; and extraordinary expenses and other similar expenses related to the Capital Structure Fund and any vehicle through which the Capital Structure Fund makes investments or enters into transactions. A portion of research-related expenses may be paid for using “soft dollars.”

To the extent any of the foregoing expenses are also attributable to any Other Account, such expenses will be allocated among the Capital Structure Fund and the various Other Accounts in a manner as determined by Hudson Bay Capital in its sole discretion to be fair and reasonable, in accordance with Hudson Bay Capital’s internal expense allocation policy. (See “Allocation of Expenses” below.)

Generally, expenses attributable to the Capital Structure Fund will be shared on a *pro rata* basis among each investor account, provided that investor-specific expenses (including investor-related taxes) may be borne by the investor to which they relate.

Please also see “Item 12—Brokerage Practices” below.

The Capital Structure Fund may enter into arrangements to invest in Affiliate Trading Vehicles. In such case, any fixed asset-based fees and/or performance-based compensation due to Hudson Bay Capital or its affiliates will reduce the Capital Structure Management Fee and/or Incentive Allocation payable to Hudson Bay Capital or its affiliates, as applicable, provided that where such entity is owned in part by Hudson Bay Capital and/or its affiliates and in part by an unaffiliated entity, such fees will be accounted for separately, such that the amount that is attributable to the unaffiliated entity will be treated as an expense of the Capital Structure Fund and the amount that is attributable to Hudson Bay Capital and/or its affiliate will reduce, dollar-for-dollar, the Capital Structure Management Fee and/or Incentive Allocation. If the fixed asset-based fees payable by and/or performance-based compensation due to Hudson Bay Capital and/or its affiliate would exceed the combined Capital Structure Management Fee and Incentive Allocation, the amounts payable to such affiliate will be reduced so that there is no excess.