

The Corporate Value Fund

Reinvestments; Distributions; Management Fee

The proceeds attributable to a given investment in a Corporate Event (a "Corporate Event Investment" or "Investment") may, in the discretion of Hudson Bay Capital, either be reinvested or distributed to Corporate Fund investors and the General Partner (the "Partners"). The Corporate Value Fund will distribute any "Distributable Cash" generated from each Investment to the Partners to the extent that such Distributable Cash is not reinvested (a "Distribution"); provided that Distributable Cash generated by an Investment (or related hedges and incidental P/L) if not reinvested or committed to be reinvested within 30 days of the Corporate Fund's receipt of such Distributable Cash will be distributed (rather than continuing to be held for possible reinvestment) and any portion thereof representing a return of capital contributions will be added back to unfunded capital commitments and be subject to recall by the General Partner. "Distributable Cash" consists of all proceeds attributable to a given Investment that Hudson Bay Capital does not determine to be necessary or advisable for hedging activities or to retain to pay Corporate Value Fund expenses. In general, no material amounts of Distributable Cash will be generated by an Investment until the related Appraisal Proceeding is settled, prepaid, adjudicated or the related claim is sold.

Beginning with the month following the date that Hudson Bay Capital notifies the Corporate Value Fund investors that it has determined that the Corporate Value Fund will proceed with an Appraisal Proceeding in respect of an Investment, the Corporate Value Fund will pay Hudson Bay Capital quarterly in advance a management fee (the "Corporate Value Management Fee") equal to .50% per annum of the capital contributions made by the Partners and/or reinvestments attributable to the Investment, payable until the two year anniversary (the "Two Year Anniversary Date") of the payment of the first installment of the Corporate Value Management Fee with respect to such Investment; provided that if the Appraisal Proceeding is completed and distributions are received by the Corporate Value Fund in respect of such Appraisal Proceeding prior to the Two Year Anniversary Date, the Corporate Value Fund will pay Hudson Bay Capital a one-time bonus equal to 1% of the capital contributions in respect of such Investment (including reinvestments) *minus* the Corporate Value Management Fees paid to date to Hudson Bay Capital in respect of such Investment.

Carried Interest

The Corporate Value Fund pays a carried interest (the "Corporate Value Carried Interest") which may not become due (if at all) until the end of the Term. The Corporate Value Carried Interest is subject to being calculated each time the proceeds of a Corporate Event Investment are distributed or deemed distributed upon reinvestment of such proceeds. Any Corporate Value Carried Interest is calculated from Distributions actually made or deemed made (in the case of reinvestments) to a limited partner with respect to an Investment.

Each distribution of Distributable Cash with respect to an Investment will be apportioned