

Allocation was made during such period shall be deducted from Net Increase determined in connection with such subsequent Incentive Allocation.

(f) In the event the General Partner determines that, based upon tax or regulatory considerations, or for any other reasons as to which the General Partner and any Partner agree, such Partner should not participate (or should be limited in its participation) in the Net Capital Appreciation and Net Capital Depreciation, if any, attributable to any Security, type of Security or any other transaction, the General Partner may allocate such Net Capital Appreciation or Net Capital Depreciation only to the Capital Accounts of Partners to which such considerations or reasons do not apply (or may allocate to the Partner to which such considerations or reasons apply, the portion of such Net Capital Appreciation or Net Capital Depreciation attributable to such Partner's limited participation in such Security, type of Security or other transaction). If any of the considerations or reasons described above apply, then a separate memorandum account may be established in which only the Partners having an interest in such Security, type of Security or transaction shall have an interest (any such Partner having such an interest shall be referred to as an "Unrestricted Partner") and the Net Capital Appreciation and Net Capital Depreciation for each such memorandum account shall be separately calculated.

(g) At the end of each Accounting Period during which a memorandum account created pursuant to Sec. 3.05(f) (each, a "Memorandum Account") was in existence (or during which an interest in particular Securities was otherwise allocated away from one or more Limited Partners), the Capital Account of each Unrestricted Partner may be debited pro rata in accordance with the Capital Accounts of all Unrestricted Partners at the opening of such Accounting Period in an amount equal to the interest that would have accrued on the amount used to purchase the Securities attributable to the Memorandum Account (the "Purchase Price") had the Purchase Price earned interest at the rate per annum being paid by the Partnership from time to time during the applicable Accounting Period for borrowed funds, or, if funds have not been borrowed by the Partnership during such Accounting Period, at the interest rate per annum that the General Partner determines would have been paid if funds had been borrowed by the Partnership during such Accounting Period. The amount so debited shall then be credited to the Capital Accounts of all of the Partners pro rata in accordance with their Capital Accounts as of the opening of the Accounting Period.

Sec. 3.06 Amendment of Incentive Allocation. The General Partner shall have the right to amend, without the consent of the Limited Partners, Sec. 3.05 of this Agreement so that the Incentive Allocation therein provided conforms to any applicable requirements of the Securities and Exchange Commission and other regulatory authorities; provided, however, that no such amendment shall increase the Incentive Allocation that otherwise would be made with respect to a Limited Partner.

Sec. 3.07 Valuation of Assets.

(a) Because all of the investable assets of the Partnership shall be invested in the Master Fund and the Old Domestic Fund, at least until such time as the