

Company is registered as an investment adviser with the Securities and Exchange Commission (the “SEC”). The General Partner, by virtue of the Management Company’s registration with the SEC, is considered to be registered as an investment adviser with the SEC. The Management Company is responsible for the investment activities of the Master Fund and the HB Fund, subject to the terms of its investment management agreements with each such entity and to the oversight of the Master Fund’s board of directors (the “Master Fund Board of Directors”) and the General Partner, respectively.

Mr. Gerber and the other principals of the Management Company (the “Principals”) initially invested directly or indirectly, either individually or through entities (including pension plans) established for the benefit of the Principals or their families, a total of at least \$12 million in the Funds. Limited Partners will be advised if, immediately following a withdrawal or redemption by a Principal, the aggregate value of the Principals’ investments in the Funds is less than \$5 million.

**TERM:**

The Partnership will terminate on the earlier of (i) the termination, bankruptcy, insolvency or dissolution of the General Partner or (ii) a determination by the General Partner that the Partnership should be dissolved. Upon a determination by the General Partner to dissolve the Partnership, withdrawal requests and distributions in respect thereof may not be made. (See “Outline of Partnership Agreement – Term.”)

**THE INTERESTS:**

The Partnership is offering its interests (the “Interests”) pursuant to this Memorandum to certain investors who, if accepted, will become limited partners of the Partnership (each, a “Limited Partner” and, together with the General Partner, the “Partners”). (See “Outline of Partnership Agreement – Admission of New Partners.”)

As discussed in “Certain Risk Factors – Side Letters”, the Partnership, and in certain cases the Management Company, have the discretion to waive or modify the application of, or grant special or more favorable rights with respect to, any provision of this Memorandum, the Partnership Agreement or other applicable documents to the extent permitted by applicable law. Such terms may relate to withdrawal rights, fees, portfolio level information rights or different participation in profits and losses of certain investments (“Favorable Terms”) or other matters. To effect such waivers