

other things, existing interpretations of, and amendments to, the FINRA Rules and practical considerations, including administrative burdens and principles of fairness and equity.

The Partnership Agreement provides that the General Partner may amend the provisions of the Partnership Agreement relating to the Incentive Allocation so that it conforms to any applicable requirements of the SEC and other regulatory authorities, so long as such amendment does not increase the Incentive Allocation a Limited Partner has agreed to in making its investment in the Partnership.

Profit and loss allocations attributable to a particular PM Tranche will only be allocated to such PM Tranche, and such PM Tranche will be excluded from the allocation of profits and losses attributable to Interests other than such PM Tranche.

### **THE GENERAL PARTNER AND THE MANAGEMENT COMPANY**

Hudson Bay Capital Associates LLC, a Delaware limited liability company, is the general partner of the Partnership (the "General Partner"). Mr. Sander Gerber is the managing member of the General Partner. Mr. Gerber also controls the Management Company as the managing member of its general partner.

Hudson Bay Capital Management LP, a Delaware limited partnership (the "Management Company"), provides certain administrative and managerial services to the Partnership, subject to the General Partner's oversight. 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.

The Management Company is responsible for the investment activities of the Underlying Funds, subject to the terms of its investment management agreements with each such entity and to the oversight of the Master Fund Board of Directors and the General Partner, respectively. The Management Company also provides certain administrative and managerial services to the Offshore Fund, the Levered Fund, the Intermediate Fund and other advisory clients.

To the extent that fixed asset-based fees and/or performance-based compensation are due to the Management Company, the General Partner or their affiliates by an Affiliate Trading Vehicle in respect of investments made through such Affiliate Trading Vehicle, such fixed asset-based fees and/or performance-based compensation will reduce the Management Fee payable to the Management Company and/or the Incentive Allocation allocable to the General Partner, as applicable, provided that where such entity is owned in part by the Management Company and/or the General Partner and in part by an unaffiliated entity, such fees or compensation will be accounted for separately, such that the amount that is attributable to the unaffiliated entity will be treated as an expense of an Underlying Fund and the amount that is attributable to the Management Company and/or the General Partner will reduce, dollar-for-dollar, the Management Fee payable by the Partnership to the Management Company and/or the Incentive Allocation allocable to the General Partner. If the fixed asset-based fees and/or performance-based compensation due from