

requirements. Lack of liquidity could also impair the Partnership's ability to distribute withdrawal proceeds to a withdrawing Limited Partner in a timely manner.

Illiquidity can also disconnect market values from the historical pricing indicators used in the Management Company's investment analysis. Generally, the fewer transactions that take place, the greater the risk of market values not reflecting true pricing relationships or fair value.

Current Market Conditions and Governmental Actions

The success of the Underlying Funds' activities will be affected by general economic and market conditions, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of the Underlying Funds' investments), trade barriers, currency exchange controls, and national and international political circumstances (including wars, terrorist acts or security operations). These factors may affect the level and volatility of the prices and the liquidity of an Underlying Fund's investments. Extreme volatility or illiquidity could impair an Underlying Fund's profitability or result in losses. An Underlying Fund may maintain substantial trading positions that can be adversely affected by the level of volatility in the financial markets.

The commodities, equity and debt markets of the world have been marked by extreme uncertainty and volatility in the past. Extreme volatility and illiquidity in markets has led to, and may in the future lead to, extensive governmental interventions in equity, credit and currency markets. Generally, such interventions are intended to reduce volatility and precipitous drops in value. In certain cases, governments have intervened on an "emergency" basis, suddenly and substantially eliminating market participants' ability to continue to implement certain strategies or manage the risk of their outstanding positions. In addition, these interventions have typically been unclear in scope and application, resulting in uncertainty. It is impossible to predict when these restrictions will be imposed, what the interim or permanent restrictions will be and/or the effect of such restrictions on an Underlying Fund's strategies. An Underlying Fund may be materially adversely affected by the foregoing restrictions.

Brexit

The United Kingdom has notified the European Council of its intention to withdraw from the European Union. The ongoing withdrawal process could cause an extended period of uncertainty and market volatility, not just in the United Kingdom but throughout the European Union, the European Economic Area and globally. It is not possible to ascertain the precise impact these events may have on the Underlying Funds or the Management Company from an economic, financial or regulatory perspective but any such impact could have material consequences for the Underlying Funds.

MiFID II

The package of European Union market infrastructure reforms known as "MiFID II", in effect from January 3, 2018, is expected to have a significant impact on the European capital markets.