

Limited Liquidity

An investment in the Partnership is suitable only for sophisticated investors who do not require immediate liquidity for their investment. An investment in the Partnership provides limited liquidity since the Interests are not freely transferable and, absent a waiver by the General Partner in its discretion, a Partner, generally upon at least 65 days' prior written notice to the General Partner, may generally only withdraw the amount permitted under the Applicable Percentage limit on any Withdrawal Date.

Further, distributions of proceeds upon a withdrawal by a Partner may be limited, in the sole discretion of the General Partner where, in the view of the General Partner, the disposal of all or a part of an Underlying Fund's assets to meet withdrawal requests would be prejudicial to the non-withdrawing Partners. Under the foregoing circumstances, and under other circumstances deemed appropriate by the General Partner, a Limited Partner may receive in-kind distributions from an Underlying Fund's portfolio, if permitted by law, and such in-kind distributions may be comprised of, among other things, interests in special purpose vehicles holding the actual investment or of participations in the actual investment which will remain held by the Underlying Fund. Such investments so distributed may not be readily marketable or saleable and may have to be held by such investor for an indefinite period of time. The risk of loss and delay in liquidating these investments will be borne by the Limited Partner, with the result that such Limited Partner may receive less cash than it would have received on the date of withdrawal. (See "Limitations on Transferability; Suitability Requirements.")

Additional Risks Created by Internal Investments

Since the portfolio manager managing the investment strategy (or a sub-strategy to the extent there are multiple investment strategies managed by a particular portfolio manager) pursued with respect to a particular PM Tranche, members of such portfolio manager's team, a family member of such persons and certain other persons associated with the Management Company and/or trusts or other entities for the aforementioned parties' benefit may be permitted to invest in such PM Tranche of the Partnership or an Underlying Fund, there may be more capital supporting a particular investment strategy than would have been the case if such persons were only permitted to hold Interests other than such PM Tranche. As a result, if there are profits with respect to a particular PM Tranche, such profits will be disproportionately allocated to the PM Tranche and the other Interests in the Partnership may have less profits from such investment strategy allocated to them absent the existence of the PM Tranche, especially to the extent such strategy is capacity constrained. Conversely, if there are losses with respect to a particular PM Tranche that exceed the assets associated with such PM Tranche's investment strategy, and such strategy is leveraged (which may be the case for the Management Company's strategies), losses in such PM Tranche in excess of aggregate balances of the Capital Accounts attributable to such PM Tranche will be allocated among the other Interests in the Partnership, thereby increasing the losses borne by the investors who do not hold such PM Tranche. Prospective investors should recognize that this presents the possibility that, in certain circumstances, losses attributable to a particular PM Tranche may be borne by investors who hold Interests in the Partnership that were not intended to be exposed to such PM Tranche.