

Endowment Funds. Investment managers of endowment funds should consider whether the acquisition of an Interest is legally permissible. This is not a matter of Federal law, but is determined under state statutes. It should be noted, however, that under the Uniform Prudent Management of Institutional Funds Act, which has been adopted, in various forms, by a large number of states, participation in investment partnerships or similar organizations in which funds are commingled and investment determinations are made by persons other than the governing board of the endowment fund is allowed.

Certain Clubs and Trusts. Social clubs, voluntary employees' beneficiary associations and supplemental unemployment benefit trusts that are exempt from Federal income taxation under Sections 501(c)(7), (c)(9) and (c)(17), respectively, of the Code are subject to special UBTI rules. These rules generally require such tax-exempt organizations to characterize income that would not otherwise be treated as UBTI (including income earned by the Partnership) as UBTI. Such tax-exempt organizations are advised to consult their tax advisors concerning these rules and their application to this investment.

#### Excise Tax on Certain Reportable Transactions

A tax-exempt entity (including a state or local government or its political subdivision) may be subject to an excise tax equal to the greater of (i) one hundred percent (100%) of the net income or (ii) seventy five percent (75%) of the proceeds, attributable to certain "reportable transactions", including "listed transactions", in which it participates. Under Regulations, these rules should not apply to a tax-exempt investor's Interest if such investor's tax-exempt status does not facilitate the Partnership's participation, if any, in such transactions, unless otherwise provided in future guidance. Tax-exempt investors should discuss with their own advisers the applicability of these rules to their investment in the Partnership. (See "Tax Shelter Reporting Requirements" below.)

#### Certain Reporting Obligations

Certain U.S. persons ("potential filers") that own (directly or indirectly) more than 50% of the capital or profits of the Partnership may be required to file FinCEN Form 114 (an "FBAR") with respect to the Partnership's investments in foreign financial accounts. Failure to file a required FBAR may result in civil and criminal penalties. Potential filers should consult with their own advisers as to whether they are obligated to file an FBAR with respect to an investment in the Partnership.

#### Tax Shelter Reporting Requirements

The Regulations require the Partnership to complete and file Form 8886 ("Reportable Transaction Disclosure Statement") with its tax return for any taxable year in which the Partnership participates in a "reportable transaction." Additionally, each Partner treated as participating in a reportable transaction of the Partnership is generally required to file Form 8886 with its tax return (or, in certain cases, within 60 days of the return's due date). If the Service designates a transaction as a reportable transaction after the filing of a taxpayer's tax return for the year in which the Partnership or a Partner participated in the transaction, the Partnership and/or such Partner may have to file Form 8886 with respect to that transaction within 90 days after the Service makes the designation. The Partnership and any such Partner, respectively, must also submit a copy of the