

Limited Partners that are members or employees of the Investment Manager and its affiliates, relatives of such persons and for certain large or strategic investors.

Expenses

The Investment Manager is authorized to incur and pay on behalf of the Partnership all expenses that it deems necessary or advisable.

All expenses relating to the Partnership are paid by the Partnership (or the Master Fund and allocated to the Partnership) including, but not limited to, legal, audit and accounting fees, the Management Fee and fees paid to the Administrator (as described in Section 12) and other professional expenses (including the expenses of private consultants), administration expenses, Partnership-related insurance costs (including a portion of D&O and E&O insurance for the General Partner and the Investment Manager), research expenses and investment expenses such as commissions, interest on margin accounts and other indebtedness, custodial fees, bank service fees and other reasonable expenses related to the purchase, sale or transmittal of Partnership assets as shall be determined by the Investment Manager in its sole discretion.

As noted in Section 4 above, the Partnership invests substantially all of its assets through a "master-feeder" fund structure in the Master Fund. Generally, the Master Fund pays all of its own expenses (the "Master Fund Expenses"). Each investment vehicle, including the Partnership, that invests in the Master Fund indirectly bears the Master Fund Expenses pro rata based on its interest in the Master Fund. It is anticipated that all expenses will be incurred at the Master Fund level; provided, however, that the Management Fee paid to the Investment Manager and the Incentive Allocation (as defined below) allocated to the General Partner will be incurred at the feeder fund level.

The Investment Manager, in its sole discretion, may pay or reimburse the Partnership for all or any portion of the Partnership's expenses or the Master Fund Expenses.

7. ALLOCATION OF NET PROFITS AND NET LOSSES; INCENTIVE ALLOCATION; PURCHASE OF NEW ISSUES; PRIOR FISCAL PERIOD ITEMS

Except for profits and losses from "New Issues," the net profit or net loss of the Partnership as of the end of each fiscal period (as described in Section 15 below) is allocated to each Partner in the proportion which such Partner's capital account as of the beginning of that fiscal period bore to the aggregate of all the capital accounts as of the beginning of that fiscal period. Net profit and net loss of the Partnership are determined on the accrual basis of accounting using generally accepted accounting principles as a guideline and are deemed to include net unrealized profits or losses on investment positions as of the end of each fiscal period.

Incentive Allocation

Subject to the "loss carryforward" provision discussed below, if for any fiscal year a Limited Partner has a net profit attributable to a particular series, an amount equal to 20% of such net profit will be deducted from the Limited Partner's capital account as of the end of such fiscal year (the "Incentive Allocation"). In the event that a Partner withdraws capital or is required to retire at any time other than at the end of a fiscal year, such deduction will be made with respect to such Partner (with respect to such withdrawn amount) as though it were being made at the end of a fiscal year and paid to the General Partner. The total amount deducted from the capital accounts of the Limited Partners will be reallocated as of the end of the year or on the withdrawal date, as applicable, to the capital account of the General Partner. The General Partner, in its sole discretion, may waive or reduce the Incentive Allocation with regard to Limited Partners that are employees of the General Partner or its affiliates, relatives of such persons, and for certain large or strategic investors. The Partnership's fiscal year will end on December 31 of each year.