

The Foreign Account Tax Compliance Act ("FATCA") provisions of the Hiring Incentives to Restore Employment Act (the "HIRE Act") provide that the Master Fund must disclose the name, address and taxpayer identification number of certain United States persons that own, directly or indirectly, an interest in the Master Fund, as well as certain other information relating to any such interest, pursuant to the terms of the intergovernmental agreement between the United States and the Cayman Islands and implementing legislation and regulations adopted by the Cayman Islands. If the Master Fund fails to comply with these requirements, then a 30% withholding tax will be imposed on payments to the Master Fund of United States source income and proceeds from the sale of property that could give rise to United States source interest or dividends. The withholding tax provisions of the HIRE Act became effective July 1, 2014 (and will become effective January 1, 2019, in the case of proceeds from the sale of property). Although the Master Fund will attempt to satisfy any obligations imposed on it to avoid the imposition of this withholding tax, no assurance can be given that the Master Fund will be able to satisfy these obligations. If the Master Fund becomes subject to a withholding tax as a result of the HIRE Act, the value of Partnership interests held by all Limited Partners may be materially affected, although the Master Fund generally expects to charge the amounts to relevant investors, as applicable.

The Bipartisan Budget Act of 2015 changes partnership audit provisions effective for partnership tax years beginning after December 31, 2017. In general, under these provisions, if it is determined that the Partnership underreported income in a prior year (the "reviewed year"), the Partnership would have the option either to (i) have the Partnership itself pay any tax due in the "adjustment year" (generally, the year in which the adjustment becomes final) or (ii) issue statements to the Partners for the reviewed year, which statements would indicate such Partners' share of the adjustment. The General Partner will have the authority to make this determination on behalf of the Partnership. If the Partnership chooses the first option, a Partner may bear the economic burden for taxes that are attributable to a period prior to such Partner's admission to the Partnership or in a different amount due to such Partner's varying percentage interest in the Partnership during the period to which the taxes relate. If the Partnership chooses the second option, each Partner's tax for the taxable year which includes the date the statement was furnished would be increased by the adjustment amount, subject to various adjustments. In either case, interest (and possibly penalties) also would apply.

New York Taxation

The Partnership has been advised by its counsel that, based on its proposed method of operation and on the basis of present law, the Partnership should not be subject to the New York City unincorporated business tax and that individual Partners who are not considered to be residents of New York State should not be subject to New York State personal income tax in respect of their share of the income from the Partnership.

If the Partnership were considered to have income from New York sources, the Partnership would be required to withhold New York State income tax with respect to income allocable to Partners who are not residents of New York. Based on the anticipated activities of the Partnership, it is expected that little, if any, of the Partnership's income will be treated as New York source income. If the Partnership is required to pay such tax, a nonresident Partner should be eligible for a credit equal to the portion of the tax paid by the Partnership attributable to such Partner's share of the Partnership's income if such Partner files a New York State income tax return.

Other State and Local Taxation

The Partnership and the Master Fund may invest in partnerships doing business in states or localities which impose a tax on nonresident partners of such partnerships. The Partnership and the Master Fund may be subject to state and local taxes on its income from such partnerships, and Partners may be subject to filing requirements in the states in which such partnerships do business.