

equity securities, or anyone else who otherwise qualifies as a Covered Person becomes subject to a disqualifying event.

The Access Fund will be required to make representations to the Glendower GP that the Access Fund and anyone that is treated as a beneficial owner under Rule 506, has not been subject to a disqualifying event. To the extent that any of the foregoing persons is not able to make such representation, or becomes subject to a disqualifying event, the Glendower GP may refuse to accept any or all of the Access Fund's subscription, or require the Access Fund to provide documentation and information regarding the disqualifying event.

General Legal and Regulatory Risks. Legal and regulatory changes could occur during the term of the Access Fund, which may adversely affect the Access Fund or the Underlying Fund and its investments. The regulatory environment for private investment funds of a type similar to the Access Fund or the Underlying Fund is evolving. In particular, there have been significant movements towards greater governmental scrutiny and/or potential regulation of the private investment funds industry. It is uncertain as to what form and in what jurisdictions such enhanced scrutiny and/or regulation on the private investment funds industry may ultimately take. However, increased regulatory oversight may impose administrative burdens on the General Partner, Investment Manager and Glendower, including, without limitation, responding to investigations and implementing new policies and procedures. Such burdens and regulatory scrutiny or initiatives may divert the General Partner, Investment Manager and Glendower's time, attention and resources from portfolio management activities, and may also adversely affect the private investment funds industry, including the value or investments of the Underlying Fund and the Access Fund. Furthermore, such scrutiny may increase the exposure of the Underlying Fund, Glendower, the Access Fund, the General Partner and the Investment Manager to potential liabilities and to legal, compliance and other related costs.

Also, the implementation of the Dodd-Frank Wall Street reform and Consumer Protection Act (the "**Dodd-Frank Act**") has resulted in extensive rulemaking and regulatory changes that affect private fund managers, the funds that they manage and the financial industry as a whole. Pursuant to the Dodd-Frank Act, the SEC has adopted rules that will require additional reporting by registered investment advisers to private funds, which will add costs to the legal, operations and compliance obligations of the Investment Manager, and increase the amount of time that the Investment Manager spends on noninvestment-related activities, all of which could adversely impact the Access Fund's investment returns.

The Dodd-Frank Act affects a broad range of financial market intermediaries and other market participants with whom the Underlying Fund interacts or may interact. Regulatory changes that will affect other market participants are likely to change the way in which the Underlying Fund conducts business with counterparties. Parts of the Dodd-Frank Act, such as the "Volcker Rule," may affect the number and type of participants in the markets in which the Underlying Fund may trade. It is difficult to anticipate the impact of these and other regulatory changes on the Underlying Fund, Glendower, the Access Fund, the General Partner and the Investment Manager. It may take years to understand the impact of the Dodd-Frank Act on the financial industry as a whole, and therefore, the continued uncertainty may make markets more volatile, and it may be more difficult for Glendower to execute the investment strategy of the Underlying Fund, all of which could adversely impact the Access Fund's investment returns.

New Market Structure Requirements Applicable to Derivatives. The Dodd-Frank Act enacted, and the U.S. Commodity Futures Trading Commission ("CFTC") and SEC have issued or proposed rules to implement, both broad new regulatory requirements and broad new structural requirements applicable to over the counter ("OTC") derivative markets and, to a lesser extent, listed commodity futures (and futures

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