

Investors in Subsequent Closings. Investors subscribing for Interests on a Subsequent Closing may participate in existing investments of the Underlying Fund diluting the Interests of the other Investors therein. Although such Investors will generally contribute their *pro rata* share of prior capital calls, there can be no assurance that this payment will reflect the fair value of the Underlying Fund's existing investments at the time such additional Interests are subscribed for. Furthermore, in the event that an investment of the Underlying Fund has been the subject of a disposition prior to the date of any Subsequent Closing, Investors at such Subsequent Closing may not be permitted to participate in such investment, as determined by the Investment Manager.

Public Disclosure. Some of the Interests may be held by investors, such as public pension plans and listed investment vehicles, which are subject to public disclosure requirements. The amount of information about their investments that is required to be disclosed has increased in recent years, and that trend may continue. To the extent that disclosure of confidential information relating to the Access Fund or the Underlying Fund results from interests being held by public investors, the Access Fund may be adversely affected. The General Partner may, in order to prevent any such potential disclosure, withhold information otherwise to be provided to such public investors. Conversely, potential future regulatory changes applicable to investment advisors and/or the accounts they advise could result in the Access Fund becoming subject to additional disclosure requirements, the specific nature of which is as yet uncertain.

Borrowings. The General Partner may choose to commit all of the Limited Partners' Subscriptions to the Access Fund for investment into the Underlying Fund, in which case, the General Partner may need to fund Access Fund expenses or future capital calls by the Underlying Fund (to the extent all of the Limited Partners' Subscriptions have previously been called) through the distributions received from the Underlying Fund (in which case the Limited Partners will be allocated income without corresponding cash to pay taxes on such income) or through borrowings.

The Access Fund may borrow money in an aggregate amount of up to 20% of the total Subscriptions to the Access Fund, including pursuant to a Credit Facility or other loans from a third party. Such borrowing provides the advantages of leverage, but exposes the Access Fund to capital risk and higher current expenses. The Access Fund may provide collateral to the banks from which it borrows by pledging some or all of the assets of the Access Fund (the "Access Fund Assets") and/or the Subscriptions to the Access Fund. In such event, the Access Fund may also be required to delegate the rights to issue drawdown notices and to receive capital contributions to a third party. This procedure exposes the Access Fund to the risk that for whatever reason, including, the default, insolvency, negligence, misconduct or fraud of such banks, the Access Fund will not reacquire the ownership of such Access Fund Assets upon the repayment by the Access Fund of such loans. Also, the Access Fund will be unable to reacquire such Access Fund Assets if the Access Fund defaults on such loans. The Access Fund's failure or inability to reacquire such Access Fund Assets from the banks in whose name the Access Fund Assets are pledged in support of a loan could involve the Access Fund in protracted litigation and, potentially, result in the complete loss of such Access Fund Assets. While the Investment Manager will cause the Access Fund to borrow money only from banks it believes to be creditworthy, there can be no absolute certainty that such banks will return such Access Fund Assets to the Access Fund upon the repayment of such loans.

The Underlying Fund may also borrow funds including pursuant to a credit facility or other loans from a third party. Such borrowings may require the Glendower GP or an affiliate to pledge all or a portion of the property of the Underlying Fund and/or the commitments to the Underlying Fund (including the Access Fund's commitment to the Underlying Fund). The borrowing by the Underlying Fund may make it more difficult for the Access Fund to enter into a Credit Facility or otherwise borrow funds. If the Access Fund is not able to borrow sufficient funds to fund any obligations in advance of receipt of amounts from Limited

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