

return correctly and validly, HM Revenue & Customs may require the Fund to disclose the identity of each Investor and may also require the Fund to include in its tax return a unique taxpayer reference ("UTR") number for certain Investors. Prospective investors should, therefore, be aware that an investment in the Fund may result in them being required to (a) obtain a UTR from HM Revenue & Customs or (b) provide the General Partner with the authority to obtain such a UTR for them on their behalf, and that, in either of these cases, the Fund may be required to disclose their identity and include their UTR in its tax returns.

Taxation of UK resident investors.

Income. Income arising directly to the Fund will be treated for UK tax purposes as income arising to each Investor in the proportions in which that income is shared by the Investors in accordance with the provisions of the Fund Partnership Agreement. UK resident Investors will in general be chargeable to UK tax on the gross amount of their share of that income. Corporate partners may be able to obtain relief for corporation tax purposes for their share of certain of the management expenses of the Fund.

Investors subject to corporation tax may be exempt from corporation tax on some or all dividends arising to the Fund from UK and non-UK companies depending, in each case, on whether the detailed conditions for dividend exemption are met. Other UK resident Investors will normally be subject to income tax on dividends arising to the Fund in accordance with the UK tax rules applicable to dividends.

UK resident Investors who are individuals should generally be entitled to a £5,000 tax-free dividend allowance on the net dividends paid by UK and (in certain cases) non-UK companies and received directly or indirectly by the Investor in respect of the Fund's investments. Amounts above the allowance are subject to UK income tax at the relevant dividend rates. The tax-free dividend allowance will reduce from £5,000 to £2,000 from April 6, 2018.

UK resident Investors should generally be entitled to a tax credit of 20% for any income tax deducted at source from interest income arising in the UK (e.g., debenture interest) received directly or indirectly by the Fund in respect of investments.

UK resident Investors may be able to claim a credit against their UK tax liability for foreign tax paid on their share of income from investments, or they may be able to reclaim all or part of any such foreign tax deducted at source if the foreign tax arises in a jurisdiction with which the UK has concluded an appropriate double tax treaty.

Capital gains. Each Investor will generally be treated for the purposes of UK tax on chargeable gains as having a share in each of the assets of the Fund. The share of each Investor should be its interest in the assets determined in accordance with the provisions of the Fund Partnership Agreement.

Upon the Fund disposing of an asset to a third party, each Investor will be treated as disposing of its share in that asset. Subject to the offshore fund rules outlined below, any gain or loss arising on that disposal should be treated for UK tax purposes as a capital gain or loss and each Investor's share of any disposal proceeds realized on such disposal should be determined in accordance with the provisions of the Fund Partnership Agreement.

Investors' base cost in underlying assets which may be used to set against any disposal proceeds on a disposal of underlying assets, may be lower than the amount they have funded to acquire such assets (although they may, in certain circumstances, be able to make a claim for relief which would mitigate this effect) and there can be no assurance that Partners who are subject to tax on the allocated gain or income will receive distributions sufficient to fully satisfy their tax liabilities. In certain circumstances, a gain may be allocated to an Investor without any corresponding cash distribution being made to that Investor.

On a pro rata distribution in specie of Fund assets among the Investors, there will be no immediate charge to UK tax. Instead, the capital gains tax base cost of each Investor in each of the assets will, for the purposes of computing any gain or loss on a subsequent disposal or part-disposal of the asset, be the market value of the asset at the date of distribution, reduced by the notional gain which would have arisen if the asset had been disposed of to a third party at its market value at the date of distribution. The same principles will be applied where the computation results in a loss. If the distribution in specie is not done on a pro rata basis, different considerations and tax treatments may apply.

The Taxation (International and Other Provisions) Act 2010 and the Offshore Funds (Tax) Regulations 2009 (together the