

U.S. Commodity Exchange Act of 1936

Each of the Manager and the General Partner is exempt from registration with the U.S. Commodity Futures Trading Commission (the "CFTC") and is not registered with the CFTC as a commodity pool operator ("CPO"), pursuant to an exemption under CFTC Regulation Section 4.13(a)(3) for pools (a) whose interests are exempt from registration under the Securities Act and are offered and sold without marketing to the public in the U.S., (b) whose participants are limited to accredited investors and (c) whose investments in commodity interest positions are limited such that either (1) the aggregate initial margin, premiums, and required minimum deposit for retail forex transactions (as defined in CFTC Regulation Section 5.1(m)) required to establish such positions, determined at the time of the most recently established position, does not exceed 5% of the liquidation value of the pool's portfolio, after taking into account unrealized profits and unrealized losses on any such positions it has entered into, provided, that, in the case of an option that is in-the-money at the time of purchase, the in-the-money amount as defined in CFTC Regulation Section 190.01(x) may be excluded in computing such 5% or (2) an aggregate net notional value of such positions, determined at the time of the most recently established position, does not exceed 100% of the liquidation value of the pool's portfolio, after taking into account unrealized profits and unrealized losses on any such positions it has entered into. Therefore, unlike a registered CPO, neither the General Partner nor the Manager is required to deliver a disclosure document (as defined in the CFTC Regulations) and a certified annual report to investors.

The CFTC does not pass upon the merits of participating in a pool or upon the adequacy or accuracy of an offering Memorandum. Consequently, the CFTC has not reviewed or approved this offering or this Memorandum.

Certain ERISA Considerations

ERISA governs the investment of the assets of certain employee benefit plans that may be investors in a limited partnership. ERISA and the rules and regulations of the U.S. Department of Labor ("DOL") under ERISA contain provisions that should be considered by fiduciaries of those plans and their legal advisers.

Fiduciary duty

In considering an investment in the Fund, plan fiduciaries should consider their basic fiduciary duty under Section 404 of ERISA, which requires them to discharge their investment duties prudently and solely in the interest of the plan participants and beneficiaries.

Before authorizing an investment in the Fund, plan fiduciaries should consider, among other things: (i) the fiduciary standards under ERISA, (ii) whether the investment in the Fund satisfies the prudence and diversification requirements of ERISA, including whether the investment is prudent in light of limitations on the marketability of the interests, (iii) whether such fiduciaries have authority to make the investment under the appropriate plan investment policies and governing instrument and under Title I of ERISA, and (iv) whether the investment will give rise to a "prohibited transaction" within the meaning of Section 406 of ERISA or Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the "Code"). In analyzing the prudence of an investment in the Fund, special attention should be given to the DOL regulation on investment duties (29 C.F.R. Section 2550.404a-1).

Plan assets

Under ERISA and regulations issued by the DOL, when a plan covered by ERISA acquires an equity interest (such as the interests) in an entity (such as the Fund) that is neither a "publicly offered security" nor a security issued by an investment company registered under the Investment Company Act, the assets of the ERISA plan generally include not only such equity interest, but also an undivided interest in each of the underlying assets of such entity, unless it is established that: (i) ownership of each class of equity interest in the entity by "Benefit Plan Investors" (as defined below) has a value in the aggregate of less than 25% of the total value of such class of equity interest then outstanding, determined on the date of the most recent acquisition of any equity interest in the entity in accordance with the DOL regulations as modified by Section 3(42) of ERISA (the "25% Test"), or (ii) the entity is an "operating company," including a "venture capital operating company." The term Benefit Plan Investor means: (i) an "employee benefit plan" within the meaning of Section 3(3) of ERISA that is subject to part 4 of Title I of ERISA, (ii) a "plan, account or arrangement" within