

SUMMARY OF TERMS

*To understand this investment opportunity, a prospective investor should read both this summary of terms of Secondary Opportunities Fund III Private Client Feeder Fund (U.S.), L.P. (the “**Onshore Feeder Fund**”) and Secondary Opportunities Fund III Private Client Feeder Fund (International), L.P. (the “**Offshore Feeder Fund**” and, together with the Onshore Feeder Fund, the “**Feeder Funds**”) and the summary of terms (the “**Master Fund Term Sheet**”) of Secondary Opportunities Fund III, LP (together with its parallel investment funds and alternative investment funds, if applicable, the “**Master Fund**”) in the attached Confidential Private Placement Memorandum of the Master Fund dated December 2013 (as it may be further amended and/or supplemented from time to time, the “**Master Fund Offering Memorandum**”).*

*The following is a summary of the principal terms of the Onshore Feeder Fund and the Offshore Feeder Fund and highlights differences from the terms that would apply were the investor to invest in the Master Fund directly. This summary is qualified in its entirety by reference to the limited partnership agreement of the Onshore Feeder Fund (as the same may be amended from time to time, the “**Onshore Feeder LP Agreement**”), the limited partnership agreement of the Offshore Feeder Fund (the “**Offshore Feeder LP Agreement**” and, together with the Onshore Feeder LP Agreement, the “**LP Agreements**”), if applicable, the subscription agreements relating to the purchase of the Interests (as defined below) (each, a “**Subscription Agreement**”), and the limited partnership agreement of the Master Fund (the “**Master Fund Partnership Agreement**,” and together with the Onshore Feeder LP Agreement, the Offshore Feeder LP Agreement and other documents related thereto, the “**Definitive Documents**”). The provisions of this summary of terms are subject to the provisions of the Definitive Documents. In the event of any inconsistency between the Definitive Documents and this summary of terms, the Definitive Documents shall control.*

The Onshore Feeder Fund

The Onshore Feeder Fund will be a Delaware limited partnership created before the Closing (as defined below).

The Onshore Feeder Fund will be treated as a partnership for U.S. federal income tax purposes. The Onshore Feeder Fund is designed for investors (“**Investors**”) that are either (A) U.S. taxable Investors or (B) U.S. tax-exempt Investors that are willing to receive material amounts of “unrelated business taxable income” (“**UBTI**”). If an Investor is a Non-U.S. Holder (as defined below) for U.S. tax purposes, that Investor should not invest in the Onshore Feeder Fund since adverse tax consequences could result for the Investor. Accordingly, the Onshore Feeder Fund is not being offered to Non-U.S. Holders. U.S. tax-exempt Investors that are not willing to receive material amounts of UBTI and Non-U.S. Holders should, if eligible, instead consider an investment in the Offshore Feeder Fund.