

in excess of the Limited Partners' Capital Commitments would be funded through distributions received from the Master Fund (in which case Limited Partners will be allocated income without corresponding cash to pay taxes on such income) or through borrowings.

The Onshore Feeder Fund may borrow funds, in an aggregate amount of up to 20% of the total Capital Commitments to the Onshore Feeder Fund from third parties for purposes of temporarily funding all, or any portion of, any capital calls by the Master Fund in respect of the Limited Partners' Capital Commitments in advance of receipt of such amounts from the Limited Partners and to cover defaults by Limited Partners or over-commitments. Such borrowings shall be entered into with customary terms and covenants, which may include a requirement that the Investment Manager, on behalf of the General Partner, pledge all or a portion of the property of the Onshore Feeder Fund and/or the Capital Commitments to the Onshore Feeder Fund to secure such a loan. In such event, the Onshore Feeder Fund may also be required to delegate the rights to issue drawdown notices and to receive capital contributions to a third party. Limited Partners may be required to provide banks or other financial institutions with financial information and other documentation reasonably required to obtain borrowings.

The Master Fund is expected to borrow funds including pursuant to a credit facility or other loans. Such borrowings may require the Master Fund Manager, on behalf of the Master Fund General Partner, to pledge all or a portion of the property of the Master Fund and/or the commitments to the Master Fund (including the Onshore Feeder Fund's commitment to the Master Fund).

## Expenses

References to "**Feeder Fund Expenses**" herein will include Organizational Expenses, Operating Expenses (including Onshore Feeder Fund Management Fees) and Investment Fund Expenses. Feeder Fund Expenses will be borne by the Onshore Feeder Fund and Limited Partners in the Onshore Feeder Fund (including the Offshore Feeder Fund).

"**Organizational Expenses**" include (i) all costs of organizing the Onshore Feeder Fund and the Offshore Feeder Fund (including, but not limited to, all costs of registering the Offshore Feeder Fund, legal and accounting fees (including legal fees of the Master Fund to the extent that such fees are incurred in connection with the Onshore Feeder Fund's direct investment, or