

indicated by potential non-US Investors, the Fund may offer a "blocker" structure through which such Investors may invest in the Fund.

US real property holding corporations. If the Fund were to invest (including indirectly through Fund Secondaries) in stock or certain other securities of a US corporation that constituted a "United States real property holding corporation" ("USRPHC"), any gain or loss of a non-US Investor from the disposition of such stock or securities would generally be required to be taken into account as if it were ECI, except that the branch profits tax does not apply.

Certain reporting requirements; Reportable transactions.

Certain US Investors will be required to file Form 8865, Return of US Persons With Respect to Certain Foreign Partnerships, reporting transfers of cash or other property to the Fund and information relating to the Fund, including information relating to the Investor's Interest and allocations of the items of Fund income, gains, losses, deductions and credits to the Investor and, in some circumstances, the names and addresses of certain of the other Investors. A US Investor may be required to file Form 926, Return by a US Transferor of Property to a Foreign Corporation, reporting certain transfers of cash or other property to foreign corporations. In addition, certain US Investors may be required to disclose on Form 8938, Statement of Specified Foreign Financial Assets, information with respect to their Interest. Investors that fail to comply with these reporting requirements may be subject to substantial penalties.

If US federal tax rules relating to "reportable transactions" are applicable to the Fund (or any of the transactions undertaken by the Fund, such as its investments), Investors that are required to file US federal income tax returns (and, in some cases, certain direct and indirect interest holders of certain Investors) would be required to disclose to the US Internal Revenue Service (the "IRS") information relating to the Fund and its transactions, and to retain certain documents and other records related thereto. Although the Manager does not believe that the subscription for an Interest is a reportable transaction, there can be no assurance that the IRS will not take a contrary position. In addition, an Interest could become a reportable transaction for Investors in the future, for example if the Fund generates certain types of losses that exceed prescribed thresholds or if certain other events occur. It is also possible that a transaction undertaken by the Fund will be a reportable transaction for Investors. Substantial penalties may be imposed on taxpayers who fail to comply with these laws.

In addition, other tax laws impose substantial excise taxes and additional reporting requirements and penalties on certain tax-exempt Investors (and, in some cases, the managers of tax-exempt Investors) that are, directly or in some cases indirectly, parties to certain types of reportable transactions.

Foreign account tax compliance. The Foreign Account Tax Compliance provisions of the Code ("FATCA") generally impose a 30% withholding tax regime with respect to (i) certain US source income (including interest and dividends) and gross proceeds from any sale or other disposition after December 31, 2016, of property that can produce US source interest or dividends ("withholdable payments") and (ii) "passthru payments" (generally, withholdable payments and payments that are attributable to withholdable payments) made by foreign financial institutions ("FFIs"). As a general matter, FATCA was designed to require US persons' direct and indirect ownership of certain non-US accounts and non-US entities to be reported to the IRS. The application of the FATCA withholding rules will be phased in beginning July 1, 2014, with withholding on foreign passthru payments made by FFIs taking effect no earlier than 2017.

The US has entered into bilateral agreements with respect to FATCA ("IGAs") with both the United Kingdom and the Cayman Islands, which adopt a government-to-government approach to reporting FATCA information. An FFI that satisfies the eligibility, information reporting and other requirements of an applicable IGA generally is not subject to the regular FATCA reporting and withholding obligations discussed below. Instead, the FFI generally would report FATCA information to the local tax authorities, who in turn will report such information to the IRS. However, it is not clear whether either of these IGAs would apply to the Fund. In particular, no implementing legislation, regulations or other guidance relating to the IGA entered into between the United States and the Cayman Islands (the "Cayman IGA") has yet been promulgated by the government of the Cayman Islands. Rules implementing the Cayman IGA may change whether the Cayman IGA applies to the Fund and how FATCA information will be reported under the Cayman IGA. As a result, the following discussion assumes that the Fund will not be subject to an IGA.

Under FATCA, withholdable payments and passthru payments made to the Fund generally will be subject to a 30% withholding tax unless an agreement (an "FFI Agreement") is in effect between the Fund (or the Manager or one of its