

default will not in any way mitigate the consequences to such Limited Partner of its default. See “*Default by Limited Partners.*”

### **Distributions**

The Investment Manager will determine, in its sole discretion, the timing and amounts of any distributions (“**Distributions**”) to the Limited Partners by the Onshore Feeder Fund. Distributions will be made among the Limited Partners in proportion to their respective Capital Commitments. The Onshore Feeder Fund will be entitled to withhold from any Distribution amounts necessary to create, in the Investment Manager’s sole discretion, appropriate reserves for expenses and liabilities, including without limitation (i) Feeder Fund Expenses (including Onshore Feeder Fund Management Fees and all amounts payable under any credit facility entered into by the Onshore Feeder Fund), (ii) obligations to fund capital calls by the Master Fund, (iii) obligations to provide indemnification to any person or entity, (iv) amounts necessary to maintain the Funding Reserve, and (v) amounts necessary to meet any withholding or other tax liability. In general, the Investment Manager expects that the Onshore Feeder Fund will not make Distributions in kind unless it receives in kind distributions from the Master Fund.

Pursuant to the Offshore Feeder LP Agreement, the Offshore Feeder Fund will make distributions to its limited partners (including any distributions in kind, if applicable), pro rata in accordance with their capital commitments, as soon as reasonably practicable after receipt of corresponding distributions from the Onshore Feeder Fund. The Offshore Feeder Fund will be entitled to withhold from any distribution amounts necessary to create appropriate reserves for expenses and liabilities, including without limitation (i) operating expenses of the Offshore Feeder Fund, (ii) obligations to fund capital calls by the Onshore Feeder Fund, (iii) obligations to provide indemnification to any person or entity and (iv) amounts necessary to meet any withholding or other tax liability.

### **Co-Investment**

The Onshore Feeder Fund will not directly participate in any co-investments offered by the Master Fund to its limited partners; however, the Onshore Feeder Fund, as a limited partner of the Master Fund, will indirectly participate in co-investments made by the Master Fund.

### **Borrowing**

The Onshore Feeder Fund may utilize an over-commitment strategy solely to cover expenses of the Feeder Funds and defaults by Limited Partners. Any amounts committed to the Master Fund