

the Master Fund purchase and sell stocks and securities. The Onshore Feeder Fund, the Offshore Feeder Fund or their respective Investors may be required to file tax returns in particular countries or to provide information regarding beneficial ownership or certification that they are eligible for a reduced rate of taxation (e.g., treaty benefits) in particular countries.

If appropriate, the Onshore Feeder Fund or the Offshore Feeder Fund may organize intermediate vehicles through which it will invest in the Master Fund (or stocks and securities), or may take other steps, in order to, for example, mitigate any requirement that Investors file tax returns in, or provide information to, countries in which the Master Fund makes investments. However, no assurances can be made that these mitigation steps will be effective. Moreover, countries other than the United States may impose transfer, stamp, documentary or other similar taxes in respect of an investment in the Onshore Fund or the Offshore Feeder Fund by certain Investors. For Investors in the Onshore Feeder Fund, such taxes will be treated as an expense of Investors to the extent such taxes are borne by the Onshore Feeder Fund. Investors may not be able to claim any tax credits with respect to these taxes.

Investors in the Onshore Feeder Fund and the Offshore Feeder Fund may be required to include the gross amount (before imposition of taxes) of dividends, interest and gains in their income in their home jurisdiction and, depending on the tax rules of their home jurisdiction, may be entitled to claim either a credit (in the case of U.S. Holders, subject, however, to various limitations on foreign tax credits, as discussed above under "Foreign Tax Credit Limitations") or a deduction (in the case of U.S. Holders, subject to the limitations generally applicable to deductions) for their share of such foreign taxes in computing their tax liability in their home jurisdiction. Because the Cayman Islands is not a party to treaties that provide for the reduction of withholding taxes, any such taxes on the Offshore Feeder Fund may be imposed at a higher rate than would be the case if an investor had acquired such securities directly.

Because the Offshore Feeder Fund will elect to be treated as a corporation for U.S. federal income tax purposes, U.S. Tax-Exempt Investors will not be entitled to claim a credit for any non-U.S. income taxes paid by the Offshore Feeder Fund or the Master Fund and, in general, will not be eligible to claim the benefits of any income tax treaty between the United States and a foreign country to reduce such taxes.

### **Cayman Islands Tax Considerations**

Under current Cayman Islands law, there are no taxes on income or gains and distributions made by the Offshore Feeder Fund will not be subject to withholding tax in the Cayman Islands. The Cayman Islands currently imposes stamp duty on certain categories of documents; however the contemplated operations of the Offshore Feeder Fund do not involve the payment of stamp duties in any material amount.