

Limited Partners (which are greater than the management fees payable by investors in the Master Fund). Investors should read this entire Memorandum (including the Appendices), the Onshore Feeder LP Agreement and the Offshore Feeder LP Agreement, as applicable, and should consult with their legal, tax and financial advisors regarding the risks and conflicts of interest involved in an investment in a Feeder Fund.

The Master Fund Offering Memorandum contains a more detailed and comprehensive summary of the risks associated with an investment in the Master Fund. Because the sole purpose of the Onshore Feeder Fund is to acquire an interest in the Master Fund, the underlying investment opportunity is in the Master Fund and all of the risk factors and disclosures of potential conflicts set forth in the Master Fund Offering Memorandum will be relevant when considering an investment in a Feeder Fund. **Therefore, prospective Investors must also carefully review the Master Fund Offering Memorandum, including the more detailed and comprehensive summary of risks related to an investment in the Master Fund in Section 8: "Risk Factors" before making a commitment to a Feeder Fund.**

General Risk Factors

Recent Developments in the U.S. and Global Financial Markets. The ongoing turmoil in the U.S. and global financial markets has illustrated that the current environment is one of extraordinary and unprecedented uncertainty and instability. A number of high-profile and significant transactions and events have occurred with respect to participants in the financial services industry, including the failure or forced sale of certain banks, investment banks and other financial services businesses and broad scale market intervention by governments in the United States and abroad, and economic and financial market conditions have significantly deteriorated as compared to prior periods. Global financial markets have experienced considerable and prolonged declines in the valuations of equity and debt securities and an acute contraction in the availability of credit. As a result, certain government bodies and central banks worldwide, including the U.S. Treasury Department and the U.S. Federal Reserve Board, have undertaken unprecedented intervention programs, the effects of which remain uncertain. The U.S. economy has experienced and continues to experience significant declines in employment, household wealth and lending and the global credit markets continue to experience substantial disruption, liquidity shortages and financial instability. Moreover, recent events may indicate that recovery from the recession may be more prolonged. In particular, U.S. financial and global markets have experienced high levels of volatility surrounding the downgrade of the United States' long-term sovereign credit rating by Standard & Poor's from AAA to AA+, and certain other macroeconomic events that have been well publicized, including difficulties of certain European Union member states to service their sovereign debt obligations. Because of the unprecedented nature of these events, the ultimate impacts on global markets are unpredictable and may not be immediately apparent, and may adversely affect the Feeder Funds, the Master Fund and their investments.