

to file for extensions.

No dividends received deduction. Investors that are US corporations will not be eligible for the dividends received deduction with respect to dividends received by the Fund (including indirectly through Fund Secondaries) from non-US corporations.

Passive foreign investment companies. The Fund may invest (including indirectly through Fund Secondaries) in non-US corporations treated as "passive foreign investment companies" ("PFICs"). A US Investor's share of certain distributions from a PFIC and gain from the disposition by the Fund of an interest in a PFIC or in a Fund Secondary that holds an interest in a PFIC could be subject to a substantial interest charge and could be characterised as ordinary income (rather than as capital gain) in whole or in part. If a US Investor (or, in the case of a US Fund Secondary, such US Fund Secondary) makes a "qualified electing fund" ("QEF") election with respect to a PFIC, the US Investor would in general be required to include in income annually its share of the PFIC's current income and net capital gains (losses are not currently deductible), but would avoid the interest charge and ordinary income treatment described above. A QEF election may affect the timing, character and amount of income recognised by a US Investor, and in particular may result in a US Investor recognising income subject to tax prior to the receipt by the Fund of any distributable proceeds. There can be no assurance that a QEF election will be available with respect to any PFIC in which the Fund directly or indirectly invests. US Investors may be required to file an annual report with respect to any investment made by the Fund (including indirectly through a Fund Secondary) that is treated as a PFIC.

Controlled foreign corporations. The Fund may invest (including indirectly through Fund Secondaries) in non-US corporations treated as "controlled foreign corporations" ("CFCs"). A US Investor could have current inclusions of certain undistributed income of a CFC under certain circumstances. Furthermore, gain from the disposition by the Fund of an interest in a CFC or in a Fund Secondary that holds an interest in a CFC could be characterised as a dividend or ordinary income (rather than as capital gain) in whole or in part.

Certain transactions. The Fund may acquire (including indirectly through Fund Secondaries) certain debt obligations, preferred stock and other types of investments that generate taxable income to the Investors without a corresponding cash distribution. The Fund may engage (including indirectly through Fund Secondaries) in hedging, foreign currency and derivative transactions that may have special timing, character and source rules for US federal income tax purposes.

Restrictions on deductibility of expenses and other losses. It is anticipated that the Fund's expenses (including the General Partner's Share) generally will be investment expenses treated as "miscellaneous itemised deductions", rather than trade or business expenses, with the result that any individual who is an Investor (either directly or through an Investor that is a partnership or other pass-through entity) may not be permitted to claim, or may be limited in claiming, a US federal income tax deduction for such expenses. In the case of investments in limited liability companies and other entities treated as partnerships for US federal income tax purposes that are engaged in trade or business ("**Operating Partnerships**"), the "passive activity loss" and "at-risk" rules could limit the deductibility of losses derived from such investments and the portion of the Fund's expenses allocable to such investments. The Fund may deduct organisational expenses ratably over 15 years, or it may elect to capitalise such expenses. No deduction is allowed for offering expenses, including placement fees. A non-corporate taxpayer is not permitted to deduct "investment interest" expense in excess of "net investment income." This limitation could apply to limit the deductibility of interest paid by a non-corporate Investor on indebtedness incurred to finance its investment in the Fund or the deductibility of its share of interest expense (if any) of the Fund. Deductions and losses arising from an investment in the Fund may also be limited or disallowed under other rules.

ERISA plans and other tax-exempt limited partners. Certain organisations generally exempt from US federal income tax, including ERISA plans, are subject to the tax on unrelated business taxable income ("**UBTI**"). UBTI arises primarily as income from an unrelated trade or business regularly carried on, income from property as to which there is acquisition indebtedness and certain insurance income received from or attributable to CFCs.

The Manager anticipates that in order for the Fund to pursue certain investment opportunities, the Fund may make investments (such as in Operating Partnerships) that will generate UBTI, including indirectly through Fund Secondaries. In addition, the Fund may (including indirectly through Fund Secondaries) borrow money within certain limits or acquire property as to which there is acquisition indebtedness, including as a result of an investment in a Fund Secondary, which may generate UBTI. It is also possible that reductions in the General Partner's Share resulting from the receipt of fees