

received from UK sources is generally subject to a withholding tax of 20%. Certain Investors may, however, be able to reclaim UK income tax deducted at source from interest payments made by UK resident investee companies and beneficially owned by them if such Investors are resident in a country with which the UK has concluded an appropriate double tax treaty and they are not otherwise carrying on a trade in the UK.

*Capital.* Investors who are neither resident nor domiciled in the UK will not normally be liable to UK tax on gains made by the Fund. Such gains may, however, be liable to UK tax in the hands of an individual Investor on returning to the UK after an absence of up to five years, if realised during the period of absence.

The above comments do not address the position of a non-UK resident who holds his or her Interest for the purpose of a financial trade, whether carried on within or outside the UK, to whom different UK tax considerations apply.

#### ***Inheritance tax***

A limited partnership interest in an English limited partnership carrying on business in the UK is regarded as an asset located in the UK for the purposes of inheritance tax. This means that on the death of an Investor, inheritance tax could be payable. Inheritance tax could also be payable in relation to an Interest held on trust, for example on the death of a beneficiary of an interest in possession trust or, in the case of a discretionary trust, the distribution of all or any part of an Interest from the trust or on the trust's ten year anniversaries.

#### ***UK Consultation on Taxation of Partnerships***

The UK Government has published a consultation on certain aspects of the tax rules applicable to partnerships and partnership profit-sharing arrangements that may affect the tax treatment outlined in this summary. Following the completion of the consultation, the UK Government has indicated that it intends to introduce legislation effecting any changes to be made to the existing rules, to take effect from 6 April 2014.

### Certain other tax considerations

The Fund may be subject to withholding and other taxes imposed by, and Investors may be subject to taxation and reporting requirements in, the jurisdictions of the Fund's activities or investments. Tax conventions between such countries and the jurisdiction in which an Investor is a resident may reduce or eliminate certain of these taxes. Taxable Investors may be entitled to claim foreign tax credits or deductions with respect to such taxes, subject to applicable limitations.

### Withholding taxes

The Fund will withhold and pay over any withholding taxes required to be withheld with respect to any Investor and will treat such withholding as a payment to such Investor. Such payment will be treated as a distribution to the extent that the Investor is then entitled to receive a cash distribution. To the extent that such payment exceeds the amount of any cash distribution to which such Investor is then entitled, such Investor shall be required to make prompt payment to the Fund. Similar provisions would apply in the case of taxes withheld from a distribution to the Fund.

### Certain tax considerations for alternative investment vehicles

The foregoing discussion generally does not address the tax consequences of an investment made through an alternative investment vehicle. The tax consequences in the case of an alternative investment vehicle may be different from those described above. Each Investor is urged to consult its own tax adviser regarding an investment in an alternative investment vehicle.