Dear Glenn:

It has been nearly two months since our conversation. As you know, Kirkland and Ellis has been in contact with Mike Carroll. After the exchange of many e-mails, telephone calls and a face-to-face meeting, Kirkland does not believe that they have gotten much closer to a complete understanding of what has actually transpired.

Kirkland had hoped that there would be an open dialogue with a broad sharing of information, as I thought we agreed. However, according to Kirkland, Mike Carroll's first priority, as it should be, was to protect his client. In that regard, Kirkland reports that Mike has refused to share the vast majority of documents that Kirkland asked for, and that Mike has put forth, to the best of his ability, an argument for why Highbridge was not responsible for the return of my investment. I understand that Mike stated several times his position that neither Highbridge nor you nor Henry had "control" over the investment portfolio and therefore should not be responsible, but Kirkland tells me that **[there are still questions as to the extent of your interests in the Zwirn entities][Mike shed little light as to the details of that position].**

Glenn, you know I only have affection for you and your family. I have felt awkward since our last meeting and would like nothing more than to avoid friction between us. My understanding is that you had proposed to do everything you could to help me get back my investment, so I would like to make sure that we are armed with a mutual agreement as to the facts. With that in mind, my understanding of the facts is as follows:

- In 2002 and 2003, I invested $60 MM with Highbridge, who employed Dan Zwirn as a manager. I also invested an additional $20 MM at the beginning of 2005.

- In March 2004, Zwirn spun off into D.B. Zwirn and Co.

- In September 2004, Highbridge sold most of its interests to J.P. Morgan. However, it is Kirkland's understanding that, in substance, DSAM continued to receive its portion of the management and incentive fees I paid to Zwirn because that portion continued to be passed on in the form of partnership/LLC distributions to DSAM.

- Kirkland was advised that sometime between September 04 and October 06, Highbridge demanded that its account at Zwirn be reduced, as third-party managers were no longer allowed under Highbridge's contract with J.P. Morgan. As a result, after Highbridge's securities were redeemed or sold to the remaining Zwirn Funds (i.e., those in which I was invested), some four to five hundred million dollars of proceeds **have been paid though** my demand

for payment **has laid** idle. Although we are told that the Highbridge account was to be run a like a mirror to the Zwirn Funds and that the investments were virtually the same, Highbridge monies began to be returned, the DSAM interests were reduced, and we are told that the DSAM interests were also be paid out under a separate agreement. **[We understand that, to date, all the monies owed to DSAM have not been fully paid, so that DSAM still retains an interest in the Zwirn business.]**

- In October 2006, Zwirn called me to alert me to the fact he had terminated Perry Gruss as CFO for reasons which Zwirn initially claimed were not material. I believe that Zwirn's counsel told you a similar story, but with more details. As we know, that story later proved to be false. This precipitated a series of phone calls among Zwirn, his counsel, you and me in which I repeatedly demanded to redeem all of my interests. At the time, my investment was worth approximately $150 MM.

- In **Fall 2006,** you and Zwirn called me to ask if I would be willing to limit my redemption demand to one-half of the then current value of my investment, rather than the entire investment, and I was lead to believe that Zwirn would honor this partial redemption request. I was not notified at that time that if I complied with the request for a reduced redemption, I would, by design, fall into a different redemption category under my agreement with the Fund, and Zwirn would then be able to deny my redemption request in its entirety. Without full knowledge of the dire consequences, I then sent a demand notice for a partial redemption, as per your and Zwirn's request, of $80 MM.

- In January 2007, Highbridge demanded the remaining liquidation of its investments with Zwirn, claiming, among other things, that approximately $48 MM was missing from Highbridge's Zwirn account and should be restored. In all of my conversations with you regarding my problems with Zwirn, I was never apprised of any agreement **[JEE—what agreement are you referring to? -- Noone mentioned an agreement where Highbridge began redeeming its interests; only that Highbridge made redemption requests from its managed account.]** where Highbridge had began redeeming its interests or the fact that in 2005 and 2006 Highbridge had previously sought to redeem its entire investment from the Zwirn managed account. In fact, I believe we both recall the conversation where I asked you, if I am to stay in "are you still in," and you responded "yes."

- Additional disclosures of accounting irregularities at the end of 2006 and beginning of 2007 and my discovery of blatant misrepresentations made to me by Zwirn caused me to send an additional notice in February 2007 demanding redemption of my entire investment.

- In March 2007, Schulte Roth informed me that both my November 2006 and February 2007 redemption requests were denied. As I have stated previously, Schulte Roth claimed that my February 2007 request for complete redemption was invalid because it was made after the notice window closed and that my November 2006 partial redemption request, though timely, was also invalid. According to Schulte Roth, the reason that my November 2006 redemption request was invalid was because it was a request for a partial redemption. Shulte Roth further claimed that at the time that I sent the November redemption notice, I was only permitted to make a complete redemption, which is what I repeatedly demanded until you and Zwirn requested that I request only a partial redemption. Thus, had I not agreed to your and Zwirn's request that I demand a partial redemption, rather than the complete redemption, there would have been no basis to deem my November 2006 redemption request to be invalid.

- In September 2007, you entered into a settlement agreement with Zwirn pursuant to which you were to receive $30 MM in connection with the termination of your direct and indirect interests in the General Partner and Trading Manager of the Funds. This fact was also never disclosed to me.

- We are told that, in October 2007, you received $3.1 MM of the $30 MM settlement.

- We are told that, in February 2008, you received $9.4 MM of the $30 MM settlement.

- I believe you are still owed money. I'm sorry . . . I know that this has been a very difficult time.

Glenn, I have not adequately communicated my appreciation with regard to your liberal attitude in welcoming me as part of your family. In fifteen years, we have never had a disagreement. I know you find this as difficult as I do.

With regard to our business relationship, over the past ten years, I have paid Highbridge a total of over 57 million dollars in fees. Roughly half of that amount is attributable to the Zwirn investments.

You should be aware that, according to Kirlkland, they were not provided with adequate information or any documentation regarding Highbridge's investments with Zwirn, Highbridge's redemption requests or its January 2007 demand for liquidation of its investments. Moreover, Kirkland claims that they have been provided no information as to how Zwirn held, allocated or transferred investments among the Funds and its managed accounts or how such investments were liquidated or transferred in order to cover Highbridge's redemptions. I

understood from our last conversation that Zwirn had previously refused to give you an accounting even though you are a partner. Is this still true?

At the January 22, 2009 meeting at Davis Polk, Kirkland tells me that they were provided only sketchy information as to a breakdown of the direct or indirect interests in the Funds' general partner and manager after March 24, 2004. My lawyers were permitted to briefly review, but not copy, a few operating agreements of the Fund's general partner and manager and the general partner of the Fund's manager, respectively, but that is all. They were not even permitted to review seemingly material documents referred to in those operating agreements, including a January 2004 letter agreement and a January 2004 investment advisory agreement. Nor were my attorneys permitted to review your September 2007 settlement agreement.

Under the circumstances, without additional information and documents to clarify matters, Kirlkland does not understand how Highbridge, in a fiduciary capacity at a minimum, is not responsible for my investment. I invested my money with Highbridge. Highbridge and/or DSAM continued to receive compensation in respect of my investment before, during and after my redemption problems arose. But for the request to reduce my demand for the redemption of my entire investment, without being told of the draconian consequences of that reduction, both you and I would be free of this uncomfortable circumstance.

What should we do?