FOR THE EXCLUSIVE USE OF:

COPY NO.

OrchardWay P2P Credit Fund Ltd.

AIFM:
Kinetic Partners (Luxembourg) Management Company S.à.r.l.

Portfolio Manager:
Bedrock Asset Management (UK) Ltd.

CAYMAN ISLANDS SUPPLEMENT

TO THE CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

of HCG Digital Finance LP

OrchardWay P2P Credit Fund Ltd. (the "***Fund***") is a collective investment vehicle formed to allow investors to gain indirect exposure to an investment in HCG Digital Finance LP (the "***Master Fund***"), a Delaware limited partnership. This Cayman Islands Supplement (as amended, supplemented and/or restated from time to time, the "***Cayman Supplement***") to the Confidential Private Placement Memorandum, as amended, supplemented, and/or restated from time to time, of the Master Fund attached hereto as Appendix A (the "***Memorandum***") relates to an offering of participating, redeemable shares (the "***Shares***") of the Fund. Prospective investors should carefully read and retain this Cayman Supplement as well as the Memorandum.

November 2015

THIS IS NOT AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY THE SHARES DESCRIBED HEREIN IN ANY JURISDICTION TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH AN OFFER OF SALE.

IMPORTANT DISCLOSURES

Capitalized terms used herein but not defined have the meanings ascribed to them in the Memorandum.

This Cayman Supplement forms part of, and should be read in conjunction with, the Memorandum, which is incorporated herein by this reference. Unless otherwise specified or the context requires, any reference herein to this Cayman Supplement includes the Memorandum. The delivery of this Cayman Supplement does not imply that the information contained herein or in the Memorandum is correct as of any time subsequent to the date on the cover page of this Cayman Supplement or the Memorandum, respectively. This Cayman Supplement supersedes and amends all prior written or oral information or materials relating to the Fund and the investment opportunity referred to in this Cayman Supplement and the Memorandum. To the extent that any information in the Memorandum is inconsistent with the information in this Cayman Supplement, including without limitation the information contained in the Memorandum under "Tax Considerations" the information in this Cayman Supplement prevails.

*The Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or the securities laws of any state or other jurisdiction (U.S. or foreign) and are not being offered in the U.S., nor may they be directly or indirectly offered or sold in the U.S. or in its territories or possessions or areas subject to its jurisdiction or to or for the benefit of nationals, citizens or residents thereof or persons who are normally resident therein (including the estate of such person and corporations or partnerships created or organized therein). The Shares are subject to restrictions on transferability and resale, including, without limitation, restrictions applicable to the limited partnership interests in the Master Fund, as set forth in the Memorandum. The Shares may not be transferred or sold without the prior written consent of the board of directors (the "**Directors**" or the "**Board of Directors**") of the Fund, or its authorized agent for this purpose, which consent may be conditioned, given or withheld in its sole discretion. In addition to the foregoing, the Shares may not be transferred or sold unless such transfer or sale otherwise complies with, or is exempt from, the registration requirements of applicable securities laws. There will not be any public market for the Shares, and no secondary market is anticipated.*

*Shares may generally only be purchased by non-U.S. Persons as further defined and described herein and such other persons as permitted by the Board of Directors, the alternative investment fund manager to the Fund, Kinetic Partners (Luxembourg) Management Company S.à.r.l. (the "**AIFM**") or the portfolio manager to the Fund, Bedrock Asset Management (UK) Ltd. (the "**Portfolio Manager**"). This Cayman Supplement does not constitute an offer to sell or a solicitation of an offer to buy Shares to anyone in any state or other jurisdiction (U.S. or foreign) in which it is unlawful to make such offer or solicitation. It is the responsibility of any investor purchasing Shares offered hereby to satisfy itself as to full observance of the laws of any relevant jurisdiction in connection with any such purchase, including obtaining any required governmental or other consents and observing any other applicable requirements. None of the Fund, the AIFM, the Portfolio Manager or any of their respective representatives or agents is making any representation to any investor regarding the legality of any investment in Shares. Any supplement furnished by the AIFM or the Portfolio Manager with respect to the Fund that specifically references supplementing this Cayman Supplement shall be incorporated herein by this reference. Subject to the immediately preceding sentence, no person has been authorized in connection with this offering of Shares (this "**Offering**") to give any information or make any representation other than as contained in this Cayman Supplement and the Memorandum, and any representation or information not contained herein or in the Memorandum must not be relied upon as having been authorized by the Fund, the AIFM, the Portfolio Manager or any of their respective officers, directors, employees or affiliates.*

*The Fund is registered in the Cayman Islands pursuant to Section 4(3) of the Mutual Funds Law (2015 Revision), as amended and revised from time to time (the "**Mutual Funds Law**") and, accordingly, is regulated thereby. The prescribed details in respect of this Cayman Supplement have been filed with the Cayman Islands Monetary Authority (the "**Monetary Authority**"). Registration pursuant to the Mutual Funds Law does not involve any detailed examination of the merits of the Fund or any substantive supervision of the investment performance or portfolio constitution of the Fund by the Cayman Islands Government or the Monetary Authority. There is no financial obligation or compensation scheme imposed on or by the Government of the Cayman Islands in favor of or available to participating shareholders of the Fund ("**Shareholders**"). A mutual fund license issued by the Monetary Authority does not constitute an obligation of the Monetary Authority to any Shareholder as to the performance or creditworthiness of the Fund. Furthermore, in registering the Fund, the Monetary Authority shall not be liable for any losses or default of the Fund or the correctness of any opinions or statements expressed in any prospectus or offering document. For a summary of the continuing regulatory obligations of the Fund and a description of the regulatory power of the Monetary Authority see the section entitled "Cayman Islands Regulation" of this Cayman Supplement. This Cayman Supplement does not constitute an offering, and there will not be any offering, of the Shares to the public in the Cayman Islands unless the Shares are listed on the Cayman Islands Stock Exchange.*

This Cayman Supplement constitutes an offer only if the name of a recipient appears in the appropriate space provided on the cover page of this Cayman Supplement and only if delivery of this Cayman Supplement is properly authorized by the AIFM or the Portfolio Manager, and then only to such named recipient. By accepting delivery of this Cayman Supplement, each recipient agrees not to make a photocopy or other copy of this Cayman Supplement, or to divulge the contents hereof to any person other than legal, accounting, business, investment, pension or tax advisors in connection with obtaining the advice of any such persons with respect to this Offering. If you do not purchase Shares you agree to return this Cayman Supplement, the Memorandum and the exhibits attached thereto to the AIFM or the Portfolio Manager.

An investment in the Fund is suitable only for sophisticated investors who have the financial ability and willingness to accept the significant risks and lack of liquidity inherent in an investment in the Fund. An investment in the Fund involves risks. Shareholders may lose all or substantially all of their investment. Shareholders should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time. No assurance can be given that the Fund's investment objective will be achieved and its investment results may vary substantially on a monthly, quarterly or annual basis. The Shares are suitable as an investment only for a limited portion of the risk segment of an investor's portfolio. See "Risk Factors" in the Memorandum for a further description of certain risks and certain conflicts of interest associated with investing in the Fund. You should not subscribe to purchase Shares unless you are willing to accept the risks associated with an investment in Shares.

*In arriving at a decision whether or not to invest in the Fund, investors must rely on their own examination of the Fund and the Memorandum of Association and the Amended and Restated Articles of Association of the Fund (as amended or restated from time to time, together, the "**Articles**") and the terms of this Offering, including the merits and risks involved. Prospective investors should carefully read and retain this Cayman Supplement and the Memorandum. Prospective investors are not, however, to construe the contents of this Cayman Supplement and the Memorandum as legal, accounting, business, investment, pension or tax advice. A number of factors material to a decision whether or not to invest in the Fund have been presented in the Memorandum and this Cayman Supplement in summary or in outline form in reliance on the financial sophistication of the offerees. Prior to investing in the Fund, prospective investors should consult with their own legal, accounting, business, investment, pension and*

tax advisors to determine the appropriateness and consequences of an investment in the Fund and arrive at an independent evaluation of the merits of such investment.

*As a feeder fund, the Fund invests substantially all of its assets in the Master Fund. The Fund and the Master Fund have the same investment objective, policies and strategies. For convenience of reference, the Fund and the Master Fund are sometimes referred to in this Cayman Supplement together as the "Fund". Neither the Fund nor the Master Fund is or will be registered as an investment company under the U.S. Investment Company Act of 1940, as amended (the "**Investment Company Act**"). Consequently, Shareholders will not be afforded the protections of the Investment Company Act. The AIFM and the Portfolio Manager are not currently registered as: (i) an investment adviser with the United States Securities and Exchange Commission ("**SEC**") or any state regulatory agency pursuant to an exemption under the U.S. Investment Advisers Act of 1940, as amended (the "**Advisers Act**"), and state securities laws, for private investment advisers; or (ii) a commodity pool operator under the U.S. Commodity Exchange Act, as amended (the "**CEA**").*

Neither the SEC nor any state securities commission has passed upon the merits of participating in the Fund, nor has the SEC or any state securities commission passed upon the adequacy or accuracy of this Cayman Supplement or the Memorandum. Any representation to the contrary is a criminal offense. The Fund anticipates that: (i) the offer and sale of the Shares will be exempt from registration under the Securities Act and the various state securities laws; (ii) the Fund will not be registered as an investment company under the Investment Company Act pursuant to an exemption provided by Section 3(c)(7) thereunder; (iii) the AIFM and the Portfolio Manager will not be registered as an investment adviser under the Advisers Act or any state law; and (iv) the AIFM and the Portfolio Manager will not be registered as a commodity pool operator under the CEA, based upon an exemption available under Rule 4.13(a)(3) thereunder. Consequently, you will not be entitled to certain protections afforded by those statutes.

*The Fund may be deemed to be a commodity pool under the CEA by virtue of its direct or indirect investments in commodity interests, and the Portfolio Manager may be deemed to be a "Commodity Pool Operator" ("**CPO**") as defined in the CEA in respect of the Fund. However, the Portfolio Manager intends to claim an exemption from registration as a CPO under Commodity Futures Trading Commission ("**CFTC**") Regulation 4.13(a)(3). Upon claiming this exemption, the Portfolio Manager would not be required to deliver a disclosure document (containing certain CFTC prescribed disclosure) and a certified annual report to the Fund's investors. The Portfolio Manager's eligibility for such registration exemption is set forth in Section 4.13(a)(3) of the CFTC's regulations and is based on the fact that (i) the offer and sale of the Fund's Shares are exempt from registration under the Securities Act and are not and will not be marketed to the public in the United States as a vehicle for trading in the commodity interest markets; (ii) either (a) the aggregate value of the Fund's initial margin and premiums for its commodity interest positions will not exceed 5% of the Fund's liquidation value or (b) the aggregate value of such positions will not exceed 100% of the Fund's liquidation value; and (iii) the participants in the Fund are limited to Shareholders who, among other things, are "accredited investors" and "qualified eligible persons". The CFTC has not reviewed or approved this Offering, the Memorandum or this Cayman Supplement.*

The Master Fund may in the future enter into agreements with agents to solicit investors to invest in its limited partnership interests. In making an investment decision, prospective investors should be aware that placement agents and distributors may receive a placement or distribution fee, paid by the Master Fund with respect to investors who are sourced by the placement agents and distributors, in respect of services rendered in connection with such investors' subscription for limited partnership interests. In addition, placement agents and distributors may receive recurring intermediary compensation during such investors' investment in the limited partnership interests. Accordingly,

potential investors should recognize that a placement agent's or distributor's participation as placement agent or distributor for the Master Fund's limited partnership interests may be influenced by its interest in such current or future fees and commissions. Prospective investors should consider these potential conflicts in making their investment decisions. If any placement or distribution fees are to be paid by investors who are sourced by placement agents or distributors, such fees will be disclosed and consented to by such investors before investment.

No offering literature or advertising in any form whatsoever will be employed in the Offering of the Shares other than this Cayman Supplement and the Memorandum. No person has been authorized to make any representations or provide any information with respect to the Fund or the Master Fund or the Shares except for the information contained in this Cayman Supplement and the Memorandum and the historical investment performance information of the Fund made available to prospective investors by the AIFM or the Portfolio Manager in writing. No representations or warranties of any kind are intended or should be inferred with respect to the economic return (on a pre-tax or post-tax basis) from an investment in the Shares, the magnitude of risk exposure related to an investment in the Shares or the Fund's ability to eliminate, mitigate or materially reduce any or all of the risks inherent in the investment portfolio of the Fund through monitoring, managing or hedging such risk exposure.

Although this Cayman Supplement contains summaries of certain terms of certain documents, you should refer to the actual documents (copies of which are available from the AIFM or the Portfolio Manager) for complete information concerning the rights and obligations of the parties thereto. All such summaries are qualified in their entirety by the terms of the actual documents.

*No rulings have been sought from the U.S. Internal Revenue Service ("**IRS**") with respect to any tax matters discussed in this Cayman Supplement or the Memorandum and there can be no assurance that the IRS will not successfully assert a position contrary to one or more of the tax considerations discussed herein. You are cautioned that the views contained herein are subject to material qualifications and subject to change (possibly with retroactive effect) in regulations by the IRS or by the U.S. Congress in existing tax statutes or in the interpretation of existing statutes and regulations, or to differing judicial or administrative interpretation.*

The information set forth herein is believed to be accurate as of the date hereof. The accuracy of such information, however, may change without notice. Neither the delivery of this Cayman Supplement or the Memorandum nor any offers or sales hereunder will create an implication that there has been no change in the matters disclosed herein since the date of this Cayman Supplement or the Memorandum.

Prior to investing in the Shares, prospective investors should consult an independent tax adviser as to the tax consequences of the purchase, ownership and disposition of Shares based on their particular circumstances.

This Cayman Supplement and the Memorandum include certain forward-looking statements relating to, among other things, the future financial performance and objectives of the Fund; plans and expectations regarding the operation of the Fund and the Portfolio Funds (defined below); and estimates or expectations regarding fees, costs and expenses. These forward-looking statements are typically identified by terminology such as "may," "will," "should," "expects," "anticipates," "plans," "intends," "believes," "estimates," "projects," "predicts," "seeks," "potential," "continue" or other similar terminology. Similar forward-looking statements may be contained in other documents that may accompany, or be delivered prior to, this Cayman Supplement or the Memorandum upon a prospective investor's request.

The Fund has based these forward-looking statements on the Fund's current expectations, assumptions, estimates and projections about future events. These forward-looking statements are subject to a number of risks, uncertainties, assumptions and other factors that may cause actual results, performance or achievements to differ, and these differences could be material. Some important factors that could cause actual results to differ materially from those expressed in any forward-looking statement include changes in general economic conditions; the performance of financial and other markets; political, legal and regulatory uncertainties; and the allocation of the Fund's assets and the timing thereof relative to that which was assumed, among others.

None of the Fund, the AIFM, the Portfolio Manager or any of their respective affiliates or agents has any obligation to update or otherwise revise any estimates, projections or other forward-looking statements, including any revisions that might reflect changes in economic conditions or other circumstances arising after the date hereof or reflect the occurrence of unanticipated events, even if the underlying assumptions are not borne out.

NOTE REGARDING MARKETING IN THE EUROPEAN UNION

It should be noted that, as of July 22, 2013, the Alternative Investment Fund Management Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 (the "***AIFMD***") imposes regulatory requirements with respect to each European Union ("***EU***") country in addition to those described below. Accordingly, any offering of Shares to prospective Shareholders in the EU will be made in accordance with national private placement marketing rules in force in each EU jurisdiction and the AIFMD requirements. Shares in the Fund will only be made available to those EU investors who request them at their own initiative pursuant to a bona fide and documented reverse solicitation request made to the AIFM. It is the responsibility of any recipient of this Cayman Supplement to confirm and observe all applicable laws and regulations. The following information is provided as a general guide only.

FOR PROSPECTIVE INVESTORS IN THE CAYMAN ISLANDS

This Cayman Supplement does not constitute an offering, and there will not be any offering, of the Shares to the public in the Cayman Islands. No offer or invitation to subscribe for Shares may be made to the public in the Cayman Islands unless and until the Shares are listed on the Cayman Islands Stock Exchange.

FOR PROSPECTIVE SHAREHOLDERS IN THE UNITED KINGDOM

The Fund is an "AIF" as defined in the AIFMD and the AIFM is the "AIFM" of the Fund as defined in the AIFMD. In this section, all references to Articles of AIFMD are references to those Articles as implemented in the laws of the United Kingdom. The AIFMD National Private Placement Regime ("***NPPR***") is a mechanism to allow Alternative Investment Fund Managers ("***AIFMs***") to market Alternative Investment Funds ("***AIFs***") that are not allowed to be marketed under the AIFMD domestic marketing or passporting regimes. This principally relates to the marketing of non-European Economic Area ("***EEA***") AIFs and any AIFs managed by non-EEA AIFMs. However, it also relates to the marketing of feeder AIFs where the master fund's manager is a non-EEA AIFM or the master fund is a non-EEA AIF. To use NPPR in the UK, the AIFM may notify the United Kingdom's Financial Conduct Authority. Eligible AIFMs will be able to continue to use NPPR until at least 22 July 2018, and until at least 22 July 2015, NPPR will be the sole regime available to those managers wishing to market in the EEA. After 22 July 2015, a non-EEA marketing passport may be introduced, but this depends on a number of conditions being satisfied (as set out in the AIFMD and its regulations).

FOR PROSPECTIVE SHAREHOLDERS IN LUXEMBOURG

No public offering of the Shares is being made to investors resident in Luxembourg. The Shares are being offered only to professional investors in Luxembourg. The *Commission de Surveillance du Secteur Financier* of Luxembourg has not passed upon the accuracy or adequacy of this Cayman Supplement or otherwise approved or authorized the offering of the Shares to investors resident in Luxembourg. Material information provided to investors, including information disclosed in the context of meetings relating to offers of securities, shall be disclosed to all investors to whom the offer is exclusively addressed.

FOR PROSPECTIVE SHAREHOLDERS IN SWEDEN

The Cayman Supplement and Memorandum has not been and will not be registered with or approved by the Swedish Financial Supervisory Authority (*Sw. Finansinspektionen*). Accordingly, the Cayman Supplement and Memorandum may not be made available, nor may the Shares offered hereunder be marketed and offered for sale in Sweden, other than under circumstances which are deemed not to require a prospectus under the Swedish Financial Instruments Trading Act (1991:980).

Notwithstanding the above, the Fund may be offered to investors in Sweden and in compliance with the Swedish Alternative Investment Fund Managers Act (Sw. (2013:561) *lag om förvaltare av alternativa investeringsfonder*, hereinafter the "***Swedish AIFM Act***"). The Fund is registered for marketing purposes with the Swedish Financial Supervisory Authority as a non-EU Alternative Investment Fund (AIF) targeting professional investors.

The Portfolio Manager has, in addition to the Cayman Supplement, produced a specific Swedish PPM supplement in accordance with Chapter 10 Section 1 of the Swedish AIFM Act.

The recipients of this Cayman Supplement and Memorandum and other selling material in respect of the Fund have been individually selected prior to the offer being made and exclusively targets professional investors. Accordingly, the Fund may not be, and is not being, offered or advertised publicly. This Cayman Supplement and Memorandum may not be disclosed to any other persons than the selected recipients.

Neither this Cayman Supplement and Memorandum nor any copy hereof may be taken, transmitted or distributed in Sweden by the recipient to any other persons other than those persons, if any, retained to advise such recipient. The distribution of this Cayman Supplement and Memorandum in Sweden may be restricted by law and persons into whose possession this Cayman Supplement and Memorandum comes should inform themselves about, and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of securities laws in Sweden or any securities laws of other jurisdictions.

Any investment decision with respect to the offered Fund must be made on the basis of this Cayman Supplement and Memorandum only. The Memorandum should not be considered as a recommendation that any recipient of the Memorandum should invest in the Fund.

Any prospective investors in the Fund are required to form their own opinion concerning the Fund, taking into account, among other things, the risk factors set forth herein.

Historical returns stated in the Cayman Supplement and Memorandum are no guarantee of future returns. Future returns will, among other things, depend on market trends, the skill of the manager, the risk level of the Fund and the costs associated with subscription, management and redemption. The return of

investments in the Fund may as a result be positive or negative and there is always a risk that investors will not get back their investments.

FOR PROSPECTIVE SHAREHOLDERS IN SWITZERLAND

Under the Collective Investment Schemes Act dated June 23, 2006 and revised on September 28, 2012 (the "***CISA***") and its implementing regulations, in particular the Collective Investment Schemes Ordinance (the "***CISO***"), the offering, sale and distribution to non-qualified investors of units in foreign collective investment schemes in or from Switzerland are subject to authorization by the Swiss Financial Market Supervisory Authority ("***FINMA***") and, in addition, the distribution to qualified investors of interests in such collective investment schemes is subject to the appointment of a representative and a paying agent in Switzerland, except the offering, sale and distribution to supervised financial intermediaries and insurance companies (art. 3 para. 1 CISA; art. 3 para. 4 CISO); the provision of information and the acquisition of collective investment schemes in mere executing function (art. 3 para. 2 lit. a CISA; art. 3 para. 2 lit. b CISO); the provision of information and the acquisition of collective investment schemes in the context of advisory agreements (art. 3 para. 2 lit. a CISA; art. 3 para. 2 lit. b CISO); the provision of information and the acquisition of collective investment schemes in the context of asset management mandates (art. 3 para. 2 lit. b and c CISA); the publication of prices, quotes, net asset values and tax data by supervised financial intermediaries (art. 3 para. 2 lit. d CISA; art. 3 para. 5 CISO); offers of employee stock option programs (art. 3 para. 2 lit. e CISA; art. 3 para. 6 CISO). The concept of "foreign collective investment scheme" covers, *inter alia*, foreign companies and similar schemes (including those created on the basis of a collective investment contract or a contract of another type with similar effect) created for the purpose of collective investment, whether such companies or schemes are closed-end or open-end. There are reasonable grounds to believe that the Fund would be characterized as a foreign collective investment scheme under Swiss law. As the Shares have not been and cannot be registered with or authorized by FINMA for distribution to non-qualified investors, any offering of the Shares, and any other form of solicitation of investors in relation to the Fund (including by way of circulation of offering materials or information, including this Cayman Supplement), must be restricted to investors considered as qualified investors within the meaning of the CISA and its implementing regulations. Failure to comply with the above-mentioned requirements may constitute a breach of the CISA.

FOR PROSPECTIVE SHAREHOLDERS IN THE UNITED STATES

There will be no public offering of Shares in the United States. The Shares will not be available to U.S. Persons (discussed and defined below).

Prospective investors should also consult Appendix A of the Memorandum for a listing of restrictions on offerings and sales in certain jurisdictions.

All references in this Cayman Supplement to "dollars" or "$" are to the dollar currency of the United States of America. All references to the "U.S." are to the United States of America.

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THE FUND

Organization

OrchardWay P2P Credit Fund Ltd. (the "***Fund***"), which was formed on 19 February 2015, is incorporated as an exempted company with limited liability for all Shareholders in accordance with the Cayman Islands' Companies Law (Revised) (the "***Companies Law***"). The Fund invests all of its assets in the Master Fund through a "master-feeder" structure. The Fund and the Master Fund have the same investment objective, policies, and strategies. The Master Fund was formed to generate stable, long term capital growth by investing substantially all of its assets in private investment funds organized by the general partner of the Master Fund, HCG Partners LLC (the "***General Partner***"), or one of its affiliates and managed by HCG Fund Management LP, the Investment Adviser for the Master Fund (the "***Master Fund Advisor***"), or one of its affiliates ("***Portfolio Funds***"). Each Portfolio Fund will invest primarily in securities or other financial assets ("***Peer-to-Peer Securities***") that are issued by trusts or similar special purpose vehicles ("***Peer-to-Peer Security Issuers***") and are collateralized by, or reference or otherwise track the performance of, one or more portfolios of loans ("***Peer-to-Peer Loans***") originated through peer-to-peer lending platforms sponsored by and serviced by third party companies ("***Peer-to-Peer Platform Sponsors***"). See "*Investment Objective*" in the Memorandum for a detailed summary of the investment objectives of the Fund. In pursuit of its investment objective, upon notice to the Shareholders, the Fund may in the future expand its investment focus, including investing in investment funds other than the Master Fund or making direct investments. A management fee and a performance fee, as further detailed below and in the Memorandum, will be payable by the Fund generally at the level of the Master Fund. The AIFM shall also receive a fee from the Fund as set out below. Similar to all other investors in the Master Fund, the Fund is responsible for its *pro rata* share of the Master Fund's operating and investment expenses. The Fund has been established to facilitate indirect investment into the Master Fund primarily by persons that are not "U.S. Persons" (as defined under "*Eligible Shareholders*" below) ("***Non-U.S. Persons***"). Shares will generally not be offered for sale in the United States or its territories or possessions.

Because the Fund invests in the Master Fund, the risks and conflicts of interest of investing in the Fund are substantially similar to the risks and conflicts of interest involved in an investment in the Master Fund as described in the Memorandum. Certain additional risks and considerations that are unique to the Fund are also described in this Cayman Supplement, which should be read together with the Memorandum. This Cayman Supplement is qualified in its entirety by the more detailed information set forth in the Articles and should be read in conjunction with such detailed information.

MANAGEMENT

Shareholders in the Fund do not have any right to participate in the management and control of the Fund except as specifically set forth in the Articles. Management and control of the operations of the Fund are vested exclusively in the Fund's Board of Directors, which has appointed the Fund's service providers to perform certain functions as contemplated herein. The Board of Directors has delegated certain of its authority to the AIFM relating to the management of the Fund.

AIFM

The Directors on behalf of the Fund have, pursuant to the requirements of the AIFMD, appointed Kinetic Partners (Luxembourg) Management Company S.à.r.l. (the "***AIFM***") as the AIFM of the Fund with discretionary responsibility and authority to invest and risk manage the investment assets of the Fund, in furtherance of the investment objectives and in accordance with the investment policies of the Fund, as described in this Cayman Supplement and the Memorandum. Pursuant to the terms of the Alternative Investment Fund Management Agreement between the Fund and the AIFM (as the same may be amended, supplemented or restated from time to time, the "***AIFM Agreement***"), the AIFM may appoint and delegate in whole or in part any of its functions, duties and obligations to any affiliate or third party service provider. The AIFM has presently delegated the discretionary responsibility to invest the investment assets of the Fund to the Portfolio Manager as further described below.

The AIFM is a limited liability company incorporated under the laws of Luxembourg, registered under number B 112.519 and having its registered office at 65, rue d'Eich, L-1461 Luxembourg. The AIFM is authorised and regulated by the Luxembourg Commission de Surveillance du Secteur Financier to act as an alternative investment fund manager pursuant to the AIFMD. The AIFM is not registered as an investment adviser with the SEC, or as a commodity pool operator with the CFTC. The AIFM is required to perform all of its activities on behalf of the Fund outside the United States.

Pursuant to the terms of the AIFM Agreement, the AIFM will not be liable to the Fund or the Shareholders or any other person for any action or omission in connection with the duties and obligations performed by the AIFM pursuant to the AIFM Agreement unless such act or omission constitutes gross negligence or willful misconduct. In addition, the Fund will be required to indemnify and hold harmless the AIFM, its governing body members, officers and employees of and from any costs, expenses, losses, damages, liabilities, demands, charges and claims of any kind or nature whatsoever (including, without limitation, any reasonable legal expenses and costs and expenses relating to investigating or defending any demands, charges and claims) that may be incurred directly or indirectly by it or made against it either (i) as a consequence of any breach by the Fund of the AIFM Agreement or (ii) arising out of any action properly taken or omitted by the AIFM in accordance with the AIFM Agreement and/or in accordance with proper instructions where required, or (iii) as a result of the non-payment by the Fund of any amount falling due under the AIFM Agreement.

Portfolio Manager

By an Alternative Investment Fund Portfolio Management Agreement (the "***Portfolio Management Agreement***"), the AIFM has delegated responsibility for the portfolio management functions and the day-to-day management of the investments of the Fund to the Portfolio Manager.

The Portfolio Manager is a company limited by shares incorporated in the United Kingdom on 6 July 2004. The Portfolio Manager is registered with the United Kingdom's Financial Conduct Authority. The Portfolio Manager is not registered as an investment adviser with the SEC, or as a commodity pool operator with the CFTC.

Each party to the Portfolio Management Agreement is liable to the other in case of fraud, negligence or wilful misconduct. Pursuant to Article 20.3 of the AIFMD, the AIFM's liability towards the Fund and the Shareholders is not affected by the delegation of its functions to the Portfolio Manager. Accordingly, the Portfolio Manager has agreed to indemnify and hold harmless the Fund and the AIFM, along with their officers, directors, staff and members from and against all costs, expenses, losses,

damages, liabilities, demands, charges, penalties, actions, claims, judgments, measures imposed by the courts that may be sustained, caused to or incurred by those parties and that result from the non-performance by the Portfolio Manager of any of its duties under the Portfolio Management Agreement.

Board of Directors

The Board of Directors, which is responsible for overseeing the business and affairs of the Fund, is elected by the holders of the Voting Shares (defined below) (subject to the right of the Board of Directors to appoint any person as a director, either as a result of a vacancy or as an additional director). The Board of Directors, which serves in a non-executive capacity, has delegated the day-to-day operation of the Fund to service providers including the AIFM, the Portfolio Manager and the administrator to the Fund, SS&C Technologies, Inc. (the "***Administrator***"). In performing its duties, the Board of Directors is entitled to rely upon, and generally relies upon, the work performed by and information received from such service providers.

The Board of Directors currently consists of the following members:

Dawn Cummings serves as an independent director on the boards of various funds and investment management companies.

She is Executive Director, Business Development, Caribbean at DMS Offshore Investment Services Ltd. ("***DMS***"), and in a prior role, she led a team of specialists providing governance and business process outsourcing services for a portfolio of investment management clients.

Prior to joining DMS, Mrs. Cummings served as the Manager of Mutual Funds at The Irish Trust Company (Cayman) Ltd., with primary responsibility for overseeing staff in the administration of the company's hedge fund clients, liaising with regulatory authorities, broker relationships, legal counsel and auditors.

Mrs. Cummings also served in similar roles at Fortis Fund Services (Cayman) Limited and ABN AMRO Trust Company (Cayman) Limited. Additionally, she gained experience working at Midland Bank & Trust and Price Waterhouse.

She holds a Bachelor of Science degree in Accounting from Boston College, qualified as a Certified Public Accountant in the state of Illinois, and is an Accredited Director of the Institute of Chartered Secretaries of Canada. Mrs. Cummings is also a Registered Professional Director with the Cayman Islands Monetary Authority.

Mrs. Cummings is also a member of the Cayman Islands Society of Professional Accountants, the Cayman Islands Directors Association, 100 Women in Hedge Funds and The Rotary Club of Grand Cayman.

Jason Fitzgerald is also an independent director with DMS where he oversees fund governance for a portfolio of hedge fund clients and provides oversight to a team of professionals in the administration of fund governance services.

Previously, Mr. Fitzgerald was a Manager for Citco Fund Services of Ireland, where he was responsible for managing a team of accountants across a wide variety of hedge funds. The portfolio of clients that Mr. Fitzgerald worked with had assets in excess of US$4 billion. Prior to this Mr.

Fitzgerald worked in Bermuda as an Account Manager in Butterfield Fund Services and in the audit department in Deloitte. He also trained and worked as an Audit Senior for Ernst & Young in Ireland.

Mr. Fitzgerald holds a Bachelor of Science degree in Accounting and a Higher Diploma in Software Engineering from University College Cork, Ireland. He is a Fellow Chartered Accountant (FCA), a designation he earned through Chartered Accountants Ireland. He is an Accredited Director of the Chartered Secretaries of Canada and a member of the Cayman Islands Society of Professional Accountants. Mr. Fitzgerald is a Registered Director with the Monetary Authority and a member of the Cayman Islands Directors Association

The Fund's Articles contain provisions limiting the liability of and indemnifying each of the Directors and officers of the Fund against any loss or liability incurred by them by reason of such Director or officer being or having been a Director or officer of the Fund, to the extent permitted by law, unless such loss or liability was due to the willful default, actual fraud or dishonesty of such Director or officer. Further provisions regarding the Directors are included in the Fund's Articles.

CAPITAL STRUCTURE OF THE FUND

The Fund has an authorized share capital of U.S. $50,000, consisting of 4,999,900 participating redeemable shares (the "***Shares***"), par value $0.01 per Share, which may be offered in classes, and 100 voting non-redeemable, non-participating shares ("***Voting Shares***") of par value U.S. $0.01 per Voting Share. Shares may be subdivided into multiple classes of shares. Each class of Shares may be issued in series. In addition, the Fund may from time to time offer and issue additional share classes or sub-classes with different rights and privileges, which may include, without limitation, economic terms, fee terms, informational rights and/or redemption rights that are more favorable than those described herein. Additional classes of Shares and series within a class may be created in the future by the Board of Directors without Shareholder notice or approval, and authorized Shares not in issuance may be designated or redesignated for this purpose. Such additional classes of Shares may be offered and/or sold by the Fund to a single or limited number of prospective investors pursuant to a separate supplement to this Cayman Supplement and the Memorandum, which may take the form of a side letter agreement (as further discussed below).

This Cayman Supplement relates to an offering of USD Class Shares ("***USD Class Shares***"), Euro Class Shares ("***Euro Class Shares***"), GPB Class Shares ("***GBP Class Shares***"), CHF Class Shares ("***CHF Class Shares***") and JPY Class Shares ("***JPY Class Shares***", together with the Euro Class Shares, the GBP Class Shares and the CHF Class Shares, the "***Foreign Currency Shares***") which have a par value of U.S. $0.01 per share. USD Class Shares are sold in U.S. dollars, Euro Class Shares are sold in Euros, GBP Class Shares are sold in British pounds sterling, CHF Class Shares are sold in Swiss francs and JPY Class Shares are sold in Japanese Yen. Except with respect to the currency of offering, the Shares generally have the same rights. The Shares are being offered at an initial purchase price of $1,000 per Share (or the equivalent in the applicable currency for the Foreign Currency Shares), and thereafter at the then-current net asset value per Share of each class.

The Fund may, in the discretion of the AIFM or the Portfolio Manager, seek to hedge the foreign exchange exposure against the U.S. dollar of the Foreign Currency Shares to attempt to reduce or minimize the potential impact of significant currency fluctuations on the net asset value of the Foreign Currency Shares. However, there is no guarantee that any such currency hedging will be successful, and classes of Shares issued in currencies other than the U.S. dollar may be adversely affected by currency

fluctuations between the U.S. dollar and the currency in which they are issued. The costs and financial results of any such currency hedging will be solely for the account of the relevant class of Shares.

The Shares do not generally carry voting rights and consequently voting control of the Fund at Shareholder level vests almost exclusively with the holder of the Voting Shares. Accordingly, only the holder of the Voting Shares is entitled to vote upon any Shareholder resolution and is able to control therefore the composition of the Fund's Board of Directors, if and when the Fund is placed in voluntary liquidation, change the name of the Fund, alter the Fund's purpose and amend the Fund's Articles.

The Shares confer on the holders thereof the right to receive dividends (if declared) and otherwise to participate in the profits and assets of the Fund. Upon a winding up of the Fund, the holders of the Shares will rank *pari passu* with the holders of the Voting Shares in the repayment of the nominal value paid up thereon and, in addition, they will have the right to share, *pro rata* to their respective holdings, in the Fund's surplus assets available for distribution to Shareholders after repayment of the nominal value paid up on the Voting Shares. The Voting Shares do not participate in the profits or losses of the Fund and are not redeemable. All of the Voting Shares have been issued to, and will be held on an ongoing basis by Bedrock (GCI) Ltd., a Cayman Islands exempted company affiliated with the Portfolio Manager.

All or any of the rights attached to any class of Shares for the time being issued may (unless otherwise provided by the terms of issue of the Shares of that class) from time to time be varied with the consent in writing of the holders of not less than a majority of the issued Shares of the class or with sanction of a resolution passed by at least a majority of the votes cast at a class general meeting of the holders of such Shares. For the purposes of a separate class meeting the Directors may treat two or more or all the classes of Shares as forming one class if the Directors consider that two or more or all such classes would be affected in the same way by the proposals under consideration, but in any other case shall treat them as separate classes.

The Fund may from time to time enter into letter agreements or other similar agreements (collectively, "Side Letters") with one or more investors which provide such investors with additional and/or different rights (including, without limitation, with respect to access to information, fees, minimum investment amounts, and liquidity terms) than such investors have pursuant to this Cayman Supplement and the Memorandum. As a result of such Side Letters, certain investors may receive additional benefits (including, but not limited to, reduced fee obligations, the ability to redeem on shorter notice and/or expanded informational rights) which other investors may not receive. The other Shareholders will have no recourse against the Fund in the event certain investors receive additional and/or different rights and/or terms as a result of such Side Letters. See "*Risk Factors – Risks Related to the Limited Partnership Interests – Supplementary Agreements with Limited Partners*" in the Memorandum.

The Fund has the power to issue Shares in classes and series. However, the Fund is a single legal entity and creditors of the Fund may enforce claims against all assets of the Fund. Shareholders of one or more classes or series of Shares may be compelled to bear the liabilities incurred in respect of other classes or series which such Shareholders do not themselves own if there are insufficient assets in that other class or series to satisfy those liabilities. Accordingly, there is a risk that liabilities of one class or series may not be limited to that particular class or series and may be required to be paid out of one or more other classes or series. In practice, cross-class liability will usually only arise in situations in which any class or series becomes insolvent or exhausts its assets and is unable to meet all of its liabilities.

The Fund invests, together with certain other entities, all, or substantially all, of its assets

through a "master-feeder" fund structure in the Master Fund. A "master-feeder" fund structure, in particular the existence of multiple investment vehicles investing in the same portfolio, presents certain unique risks to investors. Smaller investment vehicles investing in the Master Fund may be materially affected by the actions of larger investment vehicles investing in the Master Fund. For example, if a larger investment vehicle withdraws from the Master Fund, the remaining funds may experience higher *pro rata* operating expenses, thereby producing lower returns. Substantial withdrawals of capital by investors in the Master Fund, including, without limitation, the Fund, over a short time period could necessitate the liquidation of Master Fund investments at a time and in a manner which does not provide the most economic advantage to the Master Fund and which therefore could adversely affect the value of the Master Fund's assets. In addition to its own expenses, the Fund will be responsible for its *pro rata* share of the organizational, operating and other expenses of the Master Fund. Creditors of the Master Fund may enforce claims against all the assets of the Master Fund, including, without limitation, those invested by the Fund. A potential conflict may arise if the interests of the investors in the Fund and the interests of the investors in other investment vehicles investing in the Master Fund differ regarding tax efficiency (i.e., holding investments longer for preferential capital gains treatment).

The base currency of the Fund and the Master Fund is the U.S. dollar and most of its investments are made in U.S. dollar denominated instruments. Substantially all of the subscription amounts received by the Fund in Euros, pounds sterling, Swiss francs and Japanese Yen are converted into U.S. dollars, at the relevant exchange rate obtained by the Fund on the relevant date, prior to investment by the Fund. Holders of Foreign Currency Shares are subject to the risk that the value of the U.S. dollar will decrease versus the applicable non-U.S. dollar currency. The AIFM or the Portfolio Manager will generally attempt to hedge foreign currency exchange rate risks of the Foreign Currency Shares to changes in the value of the currency in which the interests of the Master Fund are denominated (*i.e.*, the U.S. dollar). The AIFM or the Portfolio Manager may seek to take anticipated subscriptions and redemptions into account in engaging in hedging transactions and, accordingly, may seek not to establish a perfect hedge for the Fund's currency risk. The Fund will allocate profits, income, losses, and expenses that are derived from or related to currency hedging transactions to the Foreign Currency Shares, as applicable. In addition to such allocations, the AIFM or the Portfolio Manager will seek to assure that any other liability resulting from such hedging transactions on behalf of a particular class of Shares is limited to the assets of such class of Shares, however there is no assurance that the AIFM will be successful in so limiting liability. Further, there can be no assurance that the hedging will be successful or will not itself generate significant losses. The AIFM or the Portfolio Manager may cause the Fund to enter into a hedge in which the AIFM, the Portfolio Manager or any of their affiliates is the counterparty to the Fund.

If the Directors, in consultation with the AIFM and/or the Portfolio Manager, decide that the investment strategy of the Fund is no longer viable they may resolve that the Fund be managed with the objective of realising assets in an orderly manner and distributing the proceeds to Shareholders in such manner as they determine to be in the best interests of the Fund, in accordance with the terms of the Articles and this Cayman Supplement, including, without limitation, compulsorily redeeming Shares, paying any dividend proceeds *in specie* and/or declaring a suspension while assets are realised. This process is integral to the business of the Fund and may be carried out without recourse to a formal liquidation under the Companies Law or any other applicable bankruptcy or insolvency regime, but shall be without prejudice to the right of a Shareholder to place the Fund into liquidation.

ELIGIBLE SHAREHOLDERS

Prospective investors in the Fund must generally be Non-U.S. Persons and must meet other suitability requirements described below and in the subscription documents. The Board of

Directors, in its sole and absolute discretion, may decline to accept the subscription for Shares of any prospective investor.

The term "***U.S. Person***" means, with respect to individuals, any U.S. citizen (and certain former U.S. citizens) or "resident alien" within the meaning of U.S. income tax laws as in effect from time to time. Currently, the term "resident alien" is defined under U.S. income tax laws to generally include any individual who (i) holds an Alien Registration Card (a "green card") issued by the U.S. Immigration and Naturalization Service or (ii) meets a "substantial presence" test. The "substantial presence" test is generally met with respect to any current calendar year if (i) the individual was present in the U.S. on at least 31 days during such year and (ii) the sum of the number of days on which such individual was present in the U.S. during the current year, 1/3 of the number of such days during the first preceding year, and 1/6 of the number of such days during the second preceding year, equals or exceeds 183 days.

With respect to persons other than individuals, the term "***U.S. Person***" means (i) a corporation or partnership created or organized in the United States or under the law of the United States or any state, (ii) a trust where (a) a U.S. court is able to exercise primary jurisdiction over the trust and (b) one or more U.S. persons have the authority to control all substantial decisions of the trust and (iii) an estate which is subject to U.S. tax on its worldwide income from all sources.

In addition, the term "***U.S. Person***" means any individual or entity that would be a U.S. Person under Regulation S of the Securities Act. The Regulation S definition is set forth in Appendix B to this Cayman Supplement.

Each subscriber for Shares will be required to certify to the Fund, among other things that, the Shares are not being acquired and will not at any time be held for the account or benefit, directly or indirectly, of any U.S. Person or any Non-U.S. Person subject to the above restrictions. Shareholders are required to notify the Fund immediately of any change in such information. IT IS THE RESPONSIBILITY OF EACH SHAREHOLDER TO VERIFY THAT IT IS NOT A U.S. PERSON THAT WOULD BE PROHIBITED FROM OWNING SHARES IN THE FUND.

Furthermore, each subscriber must be an “Eligible Investor” as defined in the Memorandum, and will generally be required to represent, among other things, that it is (i) an “accredited investor” as such term is defined in rule 501 of Regulation D of the Securities Act and (ii) a “qualified purchaser” as such term is defined in Section 2(a)(51) of the Investment Company Act.

Each prospective investor is urged to consult with its own advisors to determine the suitability of an investment in the Shares, and the relationship of such an investment to the investor's overall investment program and financial and tax position. Each purchaser of Shares is required to represent further that, after all necessary advice and analysis, its investment in the Fund is suitable and appropriate, in light of the foregoing considerations.

The Articles provide that Shares may not be pledged, assigned, hypothecated, sold, exchanged or transferred except with the prior written consent of the Board of Directors, which consent may be given or withheld in its sole and absolute discretion, and that, prior to considering any request to permit a transfer of Shares, the Board of Directors may require the submission by the proposed transferee of a certification as to the matters referred to in the preceding paragraphs as well as such other documents the Board of Directors considers reasonably necessary. Any attempt to pledge, assign, hypothecate, sell, exchange or transfer Shares without the prior approval of the Board of Directors will not be valid and may subject such Shares to a compulsory redemption. The Articles of the Fund provide, and each subscriber for Shares will be required to agree, that in the event that the Board of Directors has reason to believe that

a Shareholder has violated the applicable restrictions on transfer or that any material matters set forth in the certifications referred to in the preceding paragraphs were false, the Board of Directors is entitled to compulsorily redeem all Shares held by such Shareholder. There is no independent market for the purchase or sale of Shares, and none is expected to develop. The transfer of Shares may be further limited by anti-money laundering considerations. Subscribers for Shares must represent that they are purchasing Shares for investment.

Shares will be issued in registered book-entry form. No Share certificates will be issued by the Fund.

SUBSCRIPTIONS AND REDEMPTIONS

Subscriptions for Shares in the Fund will be on the same terms and conditions as subscriptions and contributions of capital to the Master Fund except that the minimum initial investment in the Fund shall be U.S.$100,000 (or the applicable foreign currency equivalent for the Foreign Currency Shares) (or such other minimum amount as may be prescribed by the Mutual Funds Law from time to time) and the minimum additional investment amount shall be U.S.$50,000 (or the applicable foreign currency equivalent for the Foreign Currency Shares) subject to the discretion of the Board of Directors to waive such initial minimum (but not to less than U.S.$100,000 or such other minimum amount as may be prescribed by the Mutual Funds Law from time to time) or additional investment requirement. For the Foreign Currency Shares the amounts set out in U.S. dollars in the Memorandum shall be read to include the applicable foreign currency equivalent for the Foreign Currency Shares. Similarly, redemptions of Shares in the Fund will be at the same intervals and subject to the same terms and conditions as withdrawals of capital from the Master Fund (with amounts being set out in U.S. dollars being read to include the applicable foreign currency equivalent for the Foreign Currency Shares), except that if a Shareholder has acquired Shares in the Fund on more than one date, a redemption of Shares by such Shareholder may not necessarily be made on a "first-in, first-out" basis, but may be made on such other basis as the Board of Directors may from time to time determine. See "*The Offering*" and "*Withdrawals*" in the Memorandum. For the purposes of this Cayman Supplement, references in the Memorandum to Limited Partnership Interests, capital contributions, withdrawals, Withdrawal Date, limited partners and the General Partner should be read as references to Shares, subscriptions for Shares, redemptions, Redemption Date, Shareholders and the Board of Directors (and its authorized agents for such purposes), respectively.

If the Board of Directors believes that accepting a redemption request would have adverse consequences to the Fund's remaining Shareholders, they may, in their sole discretion, reject or delay the acceptance of such redemption request in whole or in part. Under such circumstances, the Shares which otherwise would have been redeemed will continue to participate in the profits and losses of the Fund until such redemption request is accepted.

The Board of Directors may at any time suspend all or any of (i) subscriptions for Shares, (ii) redemptions of Shares at the request of Shareholders, (iii) the payment of any redemption or purchase proceeds to any Shareholder and extend the period (if any) for the payment thereof, irrespective of whether the Board of Directors suspends redemptions of Shares pursuant to paragraph (ii), or (iv) the determination of the net asset value of the Fund or any class of Shares, for the whole or any part of a period (a) where the Master Fund has rejected a corresponding withdrawal request from the Fund or has delayed withdrawal payments to the Fund; or (b) when the Board of Directors otherwise determines in good faith that it is in the best interests of the Fund or the Shareholders to do so.

With effect from the Redemption Date in respect of which a redemption request for any Share is received, the Shareholder redeeming such Share will (save as provided below) cease to be

entitled to any rights in respect of such Share and accordingly his name will be removed from the Register of Members of the Fund with respect thereto. For the avoidance of doubt, notwithstanding that the name of the Shareholder remains on the Register of Members of the Fund pending determination and payment of any redemption proceeds, a Shareholder requesting the redemption of all or any part of his Shares on any particular Redemption Date will, with effect from that Redemption Date (i) be treated as a creditor of the Fund (and not as a Shareholder) in respect of the redemption proceeds, and will rank accordingly in the event of a winding up of the Fund; and (ii) have no rights as a Shareholder in respect of the Shares being redeemed, save for the right to receive the redemption proceeds in accordance with the Articles and the right to receive any dividend which has been declared in respect of such Shares prior to that Redemption Date and, in particular, will not have the right to convene, requisition, receive notice of, attend or vote at any general meetings of the Fund.

FEES AND EXPENSES; VALUATION

Fees

As an investor in the Master Fund, the Fund will be subject to a management fee ("***Management Fee***") at an annual rate of 2% on the terms set out under "*Management Fee*" in the Memorandum. The Management Fee shall be calculated at the level of the Master Fund and, generally, paid at the level of the Master Fund.

As an investor in the Master Fund, the Fund will also be subject to a performance fee ("***Performance Fee***") equal to 20% on the terms set out under "*Performance Fee*" in the Memorandum. The Performance Fee shall also be calculated at the level of the Master Fund and, generally paid at the level of the Master Fund.

Notwithstanding the foregoing, while the Management Fee and the Performance Fee will generally be calculated and paid at the level of the Master Fund, under certain circumstances, the Portfolio Manager and the Master Fund Advisor may enter into fee sharing arrangements, as a result of which the Master Fund Advisor may waive a portion of the Management Fee and/or the Performance Fee payable by the Fund to the Master Fund (the "***Waived Portion***") and instead agree that the Fund pay the equivalent of the Waived Portion to the Portfolio Manager. Any such fee sharing arrangement will not result in any change to the overall amount of fees being paid by each Shareholder.

Investments by Shareholders in the Fund will not be separately tracked for fee calculation purposes, which means that Shareholders could be charged lesser or higher fees than they would otherwise be charged if such tracking methodology was employed by the Fund.

In addition, subject to a minimum agreed annual fee, the AIFM shall receive an annual fee from the Fund which shall be calculated on a monthly basis as a percentage of the net asset value of the Fund at the end of the month in question at the following rates (such fee to accrue monthly and be payable monthly in arrears in Euro):

First €100 million:	6 basis points
€100 million to €200 million	4 basis points
Above €200 million	2 basis points.

Organizational Expenses

Organizational expenses of the Fund were paid by the Fund and, for net asset value purposes, are being amortized over a period of up to sixty (60) months from the date the Fund commenced operations (or such shorter period as determined by the Board of Directors in its sole discretion). Amortization of such expenses is a divergence from U.S. generally accepted accounting principles ("***GAAP***"). In certain circumstances, this divergence may result in a qualification of the Fund's annual audited financial statements. In such instances, the Fund may elect to (i) avoid the qualification by recognizing the unamortized expenses or (ii) make GAAP conforming changes for financial reporting purposes, but amortize expenses for purposes of calculating the Fund's net asset value (resulting in a divergence in fiscal year-end net asset values reported in the Fund's financial statements, and as otherwise applicable under the provisions of the Articles). If the Fund is liquidated within sixty (60) months of its commencement, any unamortized expenses will be recognized. If a Shareholder redeems its Shares prior to the end of the period during which the Fund is amortizing expenses, the Fund may, but is not required to, accelerate a proportionate share of the unamortized expenses based upon the amount being redeemed and reduce redemption proceeds accordingly. In addition, the Fund bears, as an investor in the Master Fund, its *pro rata* share of the Master Fund's organizational expenses, which will be amortized on the same terms on the books of the Master Fund.

Operating Expenses

The Fund bears its operational expenses, which are similar to those applicable to the Master Fund as described in the Memorandum, and also includes fees and expenses of Directors not affiliated with the AIFM or the Portfolio Manager. The Fund also bears, as an investor in the Master Fund, its *pro rata* share of the Master Fund's investment and operational expenses. The Fund's operating expenses will include, without limitation (i) all expenses incurred in connection with the ongoing offer and sale of Shares, including, but not limited to, printing of this Cayman Supplement, the Memorandum and exhibits and documentation of performance, (ii) all operating expenses of the Fund such as tax preparation fees, governmental fees and taxes, administrator fees, costs of communications with Shareholders, and ongoing legal, accounting, auditing, bookkeeping, consulting and other professional fees and expenses, (iii) all Fund trading and investment related costs and expenses (including, without limitation, travel expenses and other expenses of the AIFM and Portfolio Manager related to diligence of investment opportunities for the Fund), (iv) all fees and other expenses incurred in connection with the investigation, prosecution or defense of any claims, assertion of rights or pursuit of remedies, by or against the Fund, including, without limitation, professional and other advisory and consulting expenses, (v) fees and expenses relating to software tools, programs or other technology utilized in managing the Fund (including, without limitation, third-party software licensing, implementation, data management and recovery services and custom development costs), (vi) research and market data (including, without limitation, any computer hardware and connectivity hardware (e.g., telephone and fiber optic lines) incorporated into the cost of obtaining such research and market data), (vii) costs related to errors and omissions insurance and directors and officers insurance for the Fund, the AIFM and the Portfolio Manager, (viii) costs of printing and mailing reports and notices, (ix) regulatory expenses (including, without limitation, filing fees) and (x) indemnification expenses and other extraordinary expenses.

The AIFM and the Portfolio Manager will bear their respective overhead expenses, such as salaries and real estate lease expenses.

Valuation

The net asset value per Share of the Fund and the net asset value per Share of each class will be determined by the Administrator as of the end of each month (or other period, as the case may be) in accordance with GAAP consistently applied and the Articles. The Articles provide that the net asset

value per Share of each class of Shares shall be calculated by first determining the net asset value of the Fund as a whole and then determining the net asset value of the relevant class of Shares as follows:

(a) The net asset value of the Fund is equal to the value of all the assets of the Fund less all its liabilities. The assets of the Fund include investments held by or on behalf of the Fund, cash available to the Fund, amounts paid in advance by the Fund and amounts receivable by the Fund which are attributable to the period up to the relevant valuation time. Liabilities of the Fund include the Management Fee and the Performance Fee, if any, expenses and commissions accrued in the period up to the valuation time and not yet paid, amounts received by the Fund in advance and redemption or purchase proceeds payable by the Fund relating to a prior valuation day.

(b) The net asset value of each class of Shares is equal to the net asset value of the investments held by or on behalf of the Fund in respect of that class of Shares plus the value of any cash balances or other assets of the Fund allocated or attributable to that class of Shares less all liabilities of the Fund allocated or attributable to that class of Shares. The net asset value of each class of Shares is calculated on each valuation day, prior to taking account of any subscriptions and redemptions of Shares of the relevant class taking place on the dealing day with respect to the relevant valuation day.

(c) The net asset value per Share of each class of Shares is calculated on each valuation day by dividing the net asset value of that class of Shares by the number of outstanding Shares of the class in issue on the relevant valuation day and rounding the resulting amount off to such number of decimal places as the Board of Directors may determine.

Since the Fund invests substantially all of its assets in the Master Fund, the Fund will rely to a great extent upon the value of its interest in the Master Fund for purposes of calculating the Fund's net asset value. See the section of the Memorandum entitled "*Net Asset Value*."

Leverage

The Fund, the Master Fund and the Portfolio Funds may utilize leverage in connection with their investment programs. The use of leverage can, in certain circumstances, substantially increase the adverse impact to which the Fund's investment portfolio may be subject. (See "*Leverage*" and "*Risk Factors – Investment Risks – Leverage"* in the Memorandum).

There is no assurance that the Fund will be able to obtain borrowed funds on reasonable terms, if at all. The lender providing the borrowed funds to the Fund may require that the borrowed amounts be repaid, pursuant to an event of default or otherwise, at a time when the Fund has little or no liquidity and such lender will thereafter have certain rights with respect to the collateral, including the right to possess the collateral or liquidate the collateral. A lender under a leverage facility will likely require the Fund to pledge all or a substantial portion of its assets to secure the Fund's obligations to repay the loans under the leverage facilities. Consequently, if the Fund defaults under any of its covenants under any leverage facility, the related lender may foreclose on the pledged assets in a manner that can cause a severe or total loss of the investments made by the investors in the Fund.

While the use of leverage by the Fund increases the opportunity to achieve higher returns on the amounts invested, it also increases the risk of loss to the Fund. The level of interest rates

generally, and the rates at which such funds may be borrowed in particular, could affect the operating results of the Fund. If the interest expense on this leverage were to exceed the net return on the investments made with borrowed funds, the Fund's use of leverage would result in a lower rate of return than if the Fund were not leveraged. If the amount of leverage which the Fund may have outstanding at any one time is large in relation to its capital, any spike in losses in the Fund's portfolio will have disproportionately large effects in relation to the Fund's capital and the possibilities for profit and the risk of loss will therefore be increased. Any investment gains made with the additional leverage will generally cause the net asset value of the Fund to rise more rapidly than would otherwise be the case. Conversely, if the investment performance of the leveraged capital fails to cover its cost to the Fund, the net asset value of the Fund will generally decline faster than would otherwise be the case.

Dividends

Dividends may be paid at the sole and absolute discretion of the Board of Directors. It is generally not anticipated that the Fund will pay dividends. However, except as otherwise required by applicable law, the Fund will be required to distribute any cash distributed by the Master Fund for distribution to a Shareholder.

TAX CONSIDERATIONS

In view of the number of different jurisdictions the laws of which may be applicable to participating Shareholders, no attempt is made in this Cayman Supplement to summarise the possible local tax consequences of the acquisition, holding or disposal of Shares except as set out below. Investors should consult their professional advisers on the possible tax, exchange control or other consequences of buying, holding, selling or redeeming Shares under the laws of their country of citizenship, residence or domicile.

As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment in the Fund is made will endure indefinitely.

THE DISCUSSION HEREIN IS FOR INFORMATIONAL PURPOSES ONLY AND IS A DISCUSSION PRIMARILY OF THE U.S. TAX CONSEQUENCES TO PROSPECTIVE INVESTORS. EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS PROFESSIONAL TAX ADVISOR WITH RESPECT TO THE TAX ASPECTS OF AN INVESTMENT IN THE FUND. TAX CONSEQUENCES MAY VARY DEPENDING UPON THE PARTICULAR STATUS OF A PROSPECTIVE INVESTOR. IN ADDITION, SPECIAL CONSIDERATIONS (NOT DISCUSSED HEREIN) MAY APPLY TO PERSONS WHO ARE NOT DIRECT SHAREHOLDERS IN THE FUND BUT WHO ARE DEEMED TO OWN SHARES AS A RESULT OF THE APPLICATION OF CERTAIN ATTRIBUTION RULES.

Cayman Islands

There are no income, corporation, capital gains or other taxes in effect in the Cayman Islands on the basis of present legislation. The Fund is an exempted company under Cayman Islands' law. The Fund has applied for and expects to receive an undertaking as to tax concessions pursuant to Section 6 of the Tax Concessions Law (Revised) which provides that, for a period of 20 years from the date of issue of the undertaking, no law thereafter enacted in the Cayman Islands imposing any taxes to be levied on profits, income, gains or appreciation will apply to the Fund or its operations. No capital or stamp duties are levied in the Cayman Islands on the issue, transfer or redemption of Shares. An annual registration fee will be payable by the Fund to the Cayman Islands government which will be calculated by reference to the nominal amount of its authorized capital.

United Kingdom

The Directors intend that the affairs of the Fund should be managed and conducted so that it does not become resident in the United Kingdom for United Kingdom taxation purposes. Accordingly, and provided that the Fund and the Master Fund are not trading in the United Kingdom through a fixed place of business or agent situated therein that constitutes a "permanent establishment" for United Kingdom taxation purposes and that all their trading transactions (if any) in the United Kingdom are carried out through a broker or investment manager acting as an agent of independent status in the ordinary course of its business, the Fund will not be subject to United Kingdom corporation tax or income tax on their profits. The Directors of the Fund, the General Partner of the Master Fund and the Portfolio Manager each intend that the respective affairs of the Fund, the Master Fund and the Portfolio Manager are conducted so that these requirements are met, insofar as this is within their respective control. However, it cannot be guaranteed that the necessary conditions will at all times be satisfied.

Certain interest and other amounts received by the Fund or Master Fund which have a United Kingdom source may be subject to withholding or other taxes in the United Kingdom.

United States

The following is a summary of certain aspects of the U.S. federal income taxation of the Fund, which should be considered by a potential purchaser of Shares in the Fund. A complete discussion of all tax aspects of an investment in the Fund is beyond the scope of this Cayman Supplement. Shareholders are encouraged to consult their own tax advisors regarding the U.S. federal income tax consequences of an investment in Shares of the Fund.

This summary of certain U.S. federal income tax considerations applicable to the Fund is based on existing laws and regulations in force on the date of this Cayman Supplement. No assurance can be given that changes in existing laws or regulations or their interpretation will not occur after the date of this Cayman Supplement or that any such future guidance or interpretation will not be applied retroactively. Furthermore, no assurance can be given that the United States Internal Revenue Service ("***IRS***") will not take certain contrary positions to those set forth in the summary below. In addition, the summary is based, in significant part, on representations made by the Master Fund. Neither the Fund nor its counsel has undertaken to confirm the accuracy of such representations.

The Fund will be classified as a foreign corporation for U.S. federal income tax purposes. Accordingly, Shareholders generally will not be subject to U.S. federal income tax on the Fund's income as it is earned by the Fund.

The Master Fund will be classified as a partnership for U.S. federal income tax purposes. Accordingly, as a partner in the Master Fund, the Fund will be treated for U.S. federal income tax purposes as being engaged in the activities, and earning its proportionate share of the income, of the Master Fund.

U.S. Trade or Business

The Fund invests all of its assets in the Master Fund through a "master-feeder" structure. The Master Fund has represented that it does not intend to conduct a trade or business in the United States within the meaning of Section 864 of the United States Internal Revenue Code of 1986, as amended (the "***Code***" or the "***Internal Revenue Code***"), or to invest in securities the income from which is treated for U.S. federal income tax purposes as arising from a U.S. trade or business (hereinafter, "effectively connected income"). Accordingly, assuming that the Master Fund is operated in such a manner, as

discussed below, it is more likely than not that the income derived by the Portfolio Funds, the Master Fund (and in turn, the Fund) from the Portfolio Funds' investments discussed in the Memorandum under the heading "*Investment Objective*" will not be subject to U.S. federal income taxes on the basis of net income or branch profits tax, although the matter is not free from doubt.

As discussed in the Memorandum under the heading "*Investment Objective,*" the Master Fund will invest predominantly in Portfolio Funds that invest primarily in portfolios of Peer-to-Peer Securities that are collateralized by, or reference or otherwise track the performance of Peer-to-Peer Loans originated on the peer-to-peer online lending platforms sponsored by Lending Club, LendingHome and other Peer-to-Peer Platform Sponsors. Each Portfolio Fund's investment strategy is intended to involve the purchase of Peer-to-Peer Securities that represent a diversified cross-section of Peer-to-Peer Loans generally available on each platform. Peer-to-Peer Loans are originated by each of these Peer-to-Peer Platform Sponsors to their borrower members according to standard terms, interest rates, and credit grades assigned solely by the Peer-to-Peer Platform Sponsor. Peer-to-Peer Platform Sponsors do not permit any of their investors, including the Portfolio Funds, to provide any input into the terms of any loan, and investors, including the Portfolio Funds, do not have the ability to contact any borrower, or participate in marketing, due diligence, credit screening or negotiation of the terms of any loan. The Master Fund Advisor manages the investment activities of the Master Fund in Portfolio Funds. The Master Fund has represented that, based on the operation of the Peer-to-Peer Platform Sponsors as described herein, and assuming the Master Fund and Portfolio Funds operate in the manner described above, then, although the matter is not free from doubt, it is more likely than not that the Portfolio Funds' investment in the Peer-to-Peer Loans will not constitute the conduct of a U.S. trade or business by the Portfolio Funds or the Master Fund (and in turn, the Fund) and the interest income derived from Peer-to-Peer Loans more likely than not will not be treated as effectively connected income or subject to branch profits tax. Shareholders should consult with their own tax advisors regarding this issue.

If the Master Fund or a Portfolio Fund engages in activities that constitute the conduct of a U.S. trade or business, all or a portion of the Fund's share of the Master Fund's income would be treated as effectively connected income and would be subject to U.S. federal income tax at the graduated rates applicable to U.S. corporations and an additional 30% branch profits tax. The Master Fund would be required to withhold tax with respect to the Fund's share of such income each year, whether or not any income is paid out to the Fund. Further, the Fund would be required to file a U.S. federal income tax return and would pay any additional tax due (if its tax liability exceeds the tax withheld by the Master Fund) or claim a refund (if the tax withheld by the Master Fund exceeds the Fund's tax liability).

U.S. Withholding Tax

The Fund, will be subject to U.S. withholding taxes on some of its income, including fixed or determinable annual or periodical income, such as dividend income, considered to be from U.S. sources, whether earned directly or indirectly through the Master Fund. These taxes will apply even if the Fund complies with its obligations under FATCA (as discussed below). Generally, capital gains and qualified interest, such as portfolio interest (as defined in Section 871(h) of the Code), should not be subject to U.S. withholding tax. The Master Fund has indicated that it expects that the interest earned on Peer-to-Peer Securities and Peer-to-Peer Loans held by the Portfolio Funds generally should qualify as portfolio interest. The U.S. withholding tax rate is generally 30%. Dividends received with respect to the Promeleti interests, and any interest on any loans made by the Master Fund to Promeleti, will be subject to this withholding tax. Although capital gains from the sale of securities should generally not be subject to U.S. withholding tax, the sale of certain securities classified as United States real property interests within the meaning of Section 897 of the Code are subject to U.S. income and withholding taxes. Although the Master Fund intends to conduct its affairs to minimize its gain from disposition of securities

classified as United States real property interests, it is possible that the Master Fund may recognize gains subject to U.S. income and withholding taxes under Sections 897 and 1445 of the Code.

Non-U.S. Investors

Gain realized by Shareholders who are not U.S. persons within the meaning of the Code ("non-U.S. shareholders") upon the sale, exchange or redemption of Shares held as a capital asset should generally not be subject to U.S. federal income tax provided that the gain is not effectively connected with the conduct of a trade or business in the U.S. However, in the case of nonresident alien individuals, such gain will be subject to the 30% (or lower tax treaty rate) U.S. tax if (i) such person is present in the U.S. for 183 days or more during the taxable year (on a calendar year basis unless the nonresident alien individual has previously established a different taxable year) and (ii) such gain is derived from U.S. sources.

Generally, the source of gain upon the sale, exchange or redemption of Shares is determined by the place of residence of the Shareholder. For purposes of determining the source of gain, the Code defines residency in a manner that may result in an individual who is otherwise a nonresident alien with respect to the U.S. being treated as a U.S. resident only for purposes of determining the source of income. Each prospective investor who anticipates being present in the U.S. for 183 days or more (in any taxable year) should consult his tax advisor with respect to the possible application of this rule.

Gain realized by a non-U.S. shareholder engaged in the conduct of a U.S. trade or business will be subject to U.S. federal income tax upon the sale, exchange or redemption of Shares if such gain is effectively connected with its U.S. trade or business.

Non-U.S. Shareholders may be required to make certain certifications as to the beneficial ownership of the Shares and the non U.S. status of such beneficial owner in order to be exempt from U.S. information reporting and backup withholding tax.

Identity and Reporting of Beneficial Ownership; Withholding on Certain Payments

United States. The United States of America (U.S.) Foreign Account Tax Compliance Act ("***FATCA***") provisions enacted under the Hiring Incentives to Restore Employment Act, 2010, and regulations issued thereunder require foreign financial institutions ("***FFIs***") to agree inter alia (i) to report to the IRS certain taxpayer information (including name, address and taxpayer identification number and account details) regarding U.S. account holders (or in the case of account holders that are non-U.S. entities owned by U.S. owners, regarding those U.S. owners) and (ii) to impose U.S. withholding tax of 30 per cent (the "***Withholding Tax***") on certain payments made to a recalcitrant account holder or a non-participating FFI.

As part of the process of implementing FATCA, the U.S. government has negotiated intergovernmental agreements ("***IGAs***") with many foreign jurisdictions to make it easier for FFIs in those partner jurisdictions to comply with the provisions of FATCA. The Cayman Islands has signed a Model 1B (non-reciprocal) inter-governmental agreement with the U.S. (the "***U.S. IGA***") to give effect to the reporting rules. Broadly, FFIs in a jurisdiction with a Model 1 IGA in place will be able to report information on U.S. account holders directly to their national tax authorities, who in turn will on an automatic basis report to the IRS.

The Tax Information Authority Law (the "***TIA Law***") is the primary Cayman Islands legislation dealing with the implementation of the U.S. IGA and detailed rules are contained in regulations made under the TIA Law. The Tax Information Authority (International Tax Compliance)

(United States of America) Regulations, 2014 (the "***U.S. FATCA Regulations***") set out inter alia: (i) the general requirements for Cayman Islands Reporting Financial Institutions ("***Cayman Islands FIs***") to register under FATCA, (ii) the requirements of a Cayman Islands FI to identify reportable accounts, (iii) the reporting obligations of an Cayman Islands FI to the Cayman Islands Tax Information Authority ("***Cayman TIA***"), (iv) the procedures to be complied with by a Cayman Islands FI under the U.S. IGA, and (v) the offences for failing to comply with the reporting obligations set out in the U.S. IGA. As a Cayman Islands FI, the Fund generally will be required to register with the IRS as soon as possible and within 30 days of the Fund commencing business, and to agree to identify relevant "Specified U.S. Persons" (being any U.S. Shareholder and any non U.S. Shareholder with U.S. owners). Provided that the Fund complies with the U.S. IGA and the enabling legislation, it will not be subject to the related Withholding Tax. Shareholders will generally be required to provide to the Fund information that identifies their direct or indirect U.S. ownership. Any such information provided to the Fund will be disclosed to the Cayman TIA which will in turn report the information to the IRS annually on an automatic basis unless it is otherwise exempt from the reporting and withholding rules.

United Kingdom. The Cayman Islands has also signed an IGA with the United Kingdom of Great Britain and Northern Ireland ("U.K.") (the "***U.K. IGA***"). The Cayman Islands has issued the Tax Information Authority (International Tax Compliance) (United Kingdom) Regulations, 2014 (the "***U.K. Regulations***") setting out inter alia: (i) the requirements of a Cayman Islands FI to identify reportable accounts, (ii) the reporting obligations of a Cayman Islands FI to the Cayman TIA, (iii) the procedures to be complied with by a Cayman Islands FI under the U.K. IGA, and (iv) the offences for failing to comply with U.K. IGA. The U.K. IGA imposes similar requirements to the U.S. IGA, such that the Fund is required to identify accounts held directly or indirectly by "Specified U.K. Persons" and to report information on such persons to the Cayman TIA, which will then exchange such information annually with HM Revenue & Customs ("***HMRC***"), the U.K. tax authority. However, the U.K. IGA does not impose withholding tax obligations.

The OECD Standard for Automatic Exchange of Financial Account Information in Tax Matters - Common Reporting Standard

The Standard for automatic exchange of financial account information in tax matters (commonly referred to as the "***Common Reporting Standard***" or "***CRS***") is a regime developed by the Organisation for Economic Co-operation and Development ("***OECD***") to facilitate and standardize the exchange of information on residents' assets and income, primarily for taxation purposes, between numerous jurisdictions around the world ("***participating foreign jurisdictions***"). The Cayman Islands is a signatory to The Multilateral Convention of Mutual Administrative Assistance in Tax Matters which permits participating foreign jurisdictions to enter into agreements that provide for the automatic exchange of information with respect to certain tax matters. On 29 October 2014, the Cayman Islands signed The Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information (the "***MCAA***") which provides the legal basis through which participating foreign jurisdictions can agree to the CRS. The Cayman Islands, together with over 60 other participating foreign jurisdictions has committed to implement CRS with effect from 1 January 2016 and as a result, the Fund is required to identify accounts held directly or indirectly by residents in participating foreign jurisdictions and to report information on such persons to the Cayman TIA, which will then exchange such information annually with foreign fiscal authorities in the participating foreign jurisdictions (the "***foreign fiscal authorities***"). The Cayman Islands has issued the Tax Information Authority (International Tax Compliance) (Common Reporting Standards) Regulations, 2015 (the "***Common Reporting Standard Regulations***"), which came into force 16 October 2015, which sets out inter alia: (i) the requirements of a Cayman Islands FI to identify reportable accounts, (ii) the reporting obligations of a Cayman Islands FI to the Cayman TIA, and (iii) the procedures to be complied with by a Cayman Islands FI under the CRS.

General Points. By investing (or continuing to invest) in the Fund, Shareholders shall be deemed to acknowledge and agree, and have given their consent to, the following:

(i) the Fund (or its agent) disclosing to the Cayman TIA certain information in relation to the Shareholder or its direct or indirect shareholders, including, but not limited to, the Shareholder's name, address, tax identification number (if any), social security number (if any) and certain information relating to the Shareholder's investment;

(ii) the Cayman TIA automatically exchanging information as outlined above with the IRS, HMRC and other foreign fiscal authorities;

(iii) the Fund (or its agent) disclosing to the Cayman TIA, IRS, HMRC and other foreign fiscal authorities certain confidential information when registering with such authorities and if such authorities contact the Fund (or its agent directly) assisting with further enquiries;

(iv) the Fund will require the Shareholder to provide additional information and documentation which the Fund is required to disclose to the Cayman TIA;

(v) in the event that a Shareholder's failure to comply with any FATCA related reporting requirements results in Withholding Tax, the Fund reserves the right to ensure that any such Withholding Tax and any other withholdings or related costs, expenses, fines, interest, penalties, debts, losses or liabilities incurred by the Fund, the Administrator or any other agent, delegate, employee, director, officer or affiliate of any of the foregoing persons, arising from such Shareholder's failure to comply is economically borne by such Shareholder (including, without limitation, by deducting such amounts from redemption proceeds or from any amount paid to that Shareholder in respect of any dividend or other distribution declared and paid or to be paid by the Fund);

(vi) in the event a Shareholder does not provide the requested information or documentation and has not itself complied with the applicable requirements, whether or not that actually leads to compliance failures by the Fund, or a risk of the Fund's or its Shareholders' being subject to Withholding Taxes as a result of FATCA, or otherwise results in withholding tax being imposed or any related costs, expenses, fines, interest, penalties, debts, losses or liabilities being incurred, the Fund reserves the right to take any action and/or pursue all remedies at its disposal, including, without limitation, the immediate compulsory redemption or withdrawal of the Shareholder concerned;

(vii) no Shareholder (to include a person who has ceased to be a Shareholder) affected by any such action or remedy pursued by or on behalf of the Fund in order to comply with FATCA, or mandatory tax information reporting requirements to which the Fund is subject (or any relevant legislation, regulations or official guidance published in connection therewith) (together, the "***Reporting Requirements***") shall have any claim against the Fund, the Administrator, the Investment Manager or any other agent, delegate, employee, director, officer or affiliate of any of the foregoing person for any form of damages or liability as a result of such action or remedy and the Shareholder shall be deemed to have consented to the taking of such action or the exercise of such remedy and to have

waived any and all rights or claims in respect thereof, to the fullest extent permitted by applicable law; and

(viii) the Shareholder (to include a person who has ceased to be a Shareholder) indemnifies the Fund, the AIFM, the Portfolio Manager, the Administrator and their respective directors, officers, affiliates and agents for any withholding(s) (to include U.S. withholding tax), costs, debts, expenses, penalties, obligations, losses or liabilities (to include but not be limited to all costs, legal fees, professional fees and other costs) incurred by the Fund, the AIFM, the Portfolio Manager, the Administrator or any agent, delegate, employee, director, officer or affiliate of any of the foregoing persons for or arising out of or in connection with as a result of any failure (directly or indirectly, including by virtue of the status, action or inaction of any person related or connected to such Shareholder, including without limitation the direct and indirect shareholders or other beneficial owners of such Shareholder) to comply or untimely compliance with FATCA and the Reporting Requirements, such indemnity to be the fullest extent permitted by applicable law.

This summary does not address all of the provisions of FATCA and/ or the U.S.-IGA or U.K.-IGA or other Reporting Requirements that might be applicable to the Fund or a particular Shareholder. Moreover, changes in applicable tax and regulatory laws after the date of this Cayman Supplement may alter anticipated tax consequences or the matters referred to in this summary. None of the Fund, the AIFM, the Portfolio Manager, or any of their respective officers, directors, employees, agents, accountants, counsel or consultants assumes any responsibility for the tax consequences to any Shareholder of an investment in the Fund.

Shareholders should consult their own tax advisors regarding FATCA, UK FATCA and the Common Reporting Standard and any equivalent or similar regime and the possible implications of such rules for their investments in the Fund.

An investment in the Fund could result in significant adverse tax consequences for U.S. Shareholders and or U.K. Shareholders or other Shareholders resident in a Common Reporting Standard participating foreign jurisdictions, which are not discussed herein. Accordingly, such persons should not invest in the Fund without first consulting their tax advisors.

European Union Savings Directive

Shareholders who are individuals resident in a Member State of the European Union or certain other jurisdictions referred to below should be aware of the provisions of the EU Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments (the "***Directive***") pursuant to which income realized upon the sale or redemption of shares in undertakings for collective investment, as well as any income in the form of dividends or other distributions made by such undertakings for collective investment, may (depending upon the location, classification and investment portfolio of the undertaking) become subject to the reporting regime or withholding tax regime imposed by the Directive, if such payment is made by a paying agent established either in a Member State of the European Union or in certain other jurisdictions which have introduced an equivalent reporting or withholding tax regime in respect of such payments.

However, as a result of the classification by the Cayman Islands of funds such as the Fund established in its jurisdiction, payments made directly by the Fund through the Administrator to Shareholders who are individual beneficiaries will not be subject to the reporting (or withholding tax)

regime. Nevertheless, because these rules are complex and their implementation is effected by each Member State and the other jurisdictions referred to above through their own national legislation, application of the regime to payments deriving from the Fund but ultimately made by certain other entities (e.g. acting as nominee) located elsewhere in the European Union or in these other jurisdictions, although not anticipated, cannot be entirely excluded. Accordingly, Shareholders who are individuals or acting as nominees and who are resident in the European Union or in any of the other jurisdictions referred to above should consult their own tax advisors.

Shareholders to whom the Directive may be relevant should also be aware that the EU Commission has recently adopted a proposal to amend the Directive, and that this proposal includes a possible extension of the types of funds or other undertakings for collective investment that are within the scope of the Directive. This extension, if implemented, might mean that in the future payments made by the Fund through the Administrator to relevant Shareholders upon the redemption of Shares, or in the form of dividends or other distributions, could become subject to the reporting (or withholding tax) regime.

Other Jurisdictions

Interest, dividend and other income realized by the Fund or the Master Fund from non-U.S. sources, and capital gains realized, or gross sale or disposition proceeds received, on the sale of securities of non-U.S. issuers, may be subject to withholding and other taxes levied by the jurisdiction in which the income is sourced. It is impossible to predict the rate of foreign tax the Fund or the Master Fund will pay since the amount of the assets to be invested in various countries and the ability of the Fund or the Master Fund to reduce such taxes, are not known. Further, the Fund may be subject to state and local income taxes imposed by various jurisdictions within the United States.

Future Changes in Applicable Law

The foregoing description of U.S. and Cayman Islands income tax consequences of an investment in and the operations of the Fund is based on laws and regulations which are subject to change through legislative, judicial or administrative action. Other legislation could be enacted that would subject the Fund to income taxes or subject shareholders to increased income taxes.

Other Taxes

Prospective investors should consult their own counsel regarding tax laws and regulations of any other jurisdiction which may be applicable to them.

THE TAX AND OTHER MATTERS DESCRIBED IN THIS CAYMAN SUPPLEMENT AND THE MEMORANDUM DO NOT CONSTITUTE, AND SHOULD NOT BE CONSIDERED AS, LEGAL OR TAX ADVICE TO PROSPECTIVE INVESTORS.

ERISA AND RETIREMENT PLAN MATTERS

The following is a summary of certain aspects of laws and regulations applicable to retirement plan investments as in existence on the date hereof, all of which are subject to change. This summary is general in nature and does not address every issue that may be applicable to the Fund or a particular investor.

The Fund may accept subscriptions from pension and profit-sharing plans maintained by U.S. corporations and/or unions, individual retirement accounts and Keogh plans, entities that invest the

assets of such accounts or plans and other entities investing plan assets (all such entities are herein referred to as "***Benefit Plan Investors***") as well as subscriptions from plans maintained by governmental entities, churches and non-U.S. companies. It is not anticipated that the assets of the Fund or the Master Fund will be subject to the U.S. Employee Retirement Income Security Act of 1974, as amended ("***ERISA***"), or the prohibited transaction provisions of Section 4975 of the Code because the Fund and the Master Fund intend to limit the investments by Benefit Plan Investors. It is further anticipated that the assets of the Fund and the Master Fund will not be subject to any other law or regulation specifically applicable to governmental, church or non-U.S. plans ("***Similar Law***"). Under ERISA and the regulations thereunder, the Fund's assets will not be deemed to be plan assets subject to Title I of ERISA or Section 4975 of the Code if less than 25% of the value of each class of equity interest in the Fund is held by Benefit Plan Investors, excluding from this calculation any non-Benefit Plan Investor interests held by the Portfolio Manager and certain affiliated persons or entities. The Fund will not knowingly accept subscriptions for Shares or permit transfers of Shares to the extent that such investment or transfer would subject the Fund's assets to Title I of ERISA or Section 4975 of the Code. In addition, the Fund has the authority to require the redemption of all or some of the Shares held by any Benefit Plan Investor or other plan investor if the continued holding of such Shares, in the opinion of the Portfolio Manager or the Directors, could result in the Fund being subject to Title I of ERISA, Section 4975 of the Code, or Similar Law.

Certain duties, obligations and responsibilities are generally imposed on persons who serve as fiduciaries with respect to employee benefit plans or accounts ("***Plans***"); for example, ERISA and the Code prohibit acts of fiduciary self-dealing and certain transactions between Plans and "parties-in-interest" or "disqualified persons" (as such terms are defined in ERISA and the Code). In the Fund's subscription agreement, each Plan investor will be required to make certain representations, including that the person who is making the decision to invest in the Fund is independent and has not relied on any advice from the Fund, the Portfolio Manager, any placement agent associated with the Fund, or any of their affiliates with respect to the investment in the Fund. Accordingly, Plan fiduciaries should consult their own investment advisors and their own legal counsel regarding the investment in the Fund and its consequences under applicable law, including ERISA, the Code and any Similar Law.

All Plans subject to Title I of ERISA ("***ERISA Plans***") are required to file annual reports (Form 5500) with the U.S. Department of Labor setting forth the fair market value of all ERISA Plan assets. Under ERISA's general reporting and disclosure rules, ERISA Plans are required to include information regarding their assets, expenses and liabilities. To facilitate a plan administrator's compliance with these requirements, it is noted that the descriptions of the fees and expenses contained in this Cayman Supplement, including but not limited to any incentive and management fees payable to the Portfolio Manager and its affiliates, as supplemented annually by the Fund's audited financial statements and the notes thereto, are intended to satisfy the alternative reporting option for "eligible indirect compensation" on Schedule C of Form 5500.

CAYMAN ISLANDS REGULATION

The Fund is registered as a "mutual fund" in terms of the Mutual Funds Law (2015 Revision) of the Cayman Islands (the "***Mutual Funds Law***") and accordingly will be regulated in terms of the Mutual Funds Law. However, the Fund is not required to be licensed or to employ a licensed mutual fund administrator since the minimum interest purchasable by a prospective investor in the Fund is equal to or exceeds U.S.$100,000 or its equivalent in any other currency. Accordingly, the obligations of the Fund are:

(a) to register the Fund with the Monetary Authority of the Cayman Islands (the "***Monetary***

Authority") appointed in terms of the Mutual Funds Law;

(b) to file with the Monetary Authority prescribed details of this Cayman Supplement and any changes to it;

(c) to file annually with the Monetary Authority accounts audited by an approved auditor;

(d) to file annually with the Monetary Authority an annual return; and

(e) to pay a prescribed registration fee.

As a regulated mutual fund, the Fund will be subject to the supervision of the Monetary Authority and the Monetary Authority may at any time instruct the Fund to have its accounts audited and to submit them to the Monetary Authority within such time as the Monetary Authority specifies. In addition, the Monetary Authority may ask the Board of Directors to give the Monetary Authority such information or such explanation in respect of the Fund as the Monetary Authority may reasonably require to enable it to carry out its duty under the Mutual Funds Law.

The Fund must give the Monetary Authority access to or provide at any reasonable time all records relating to the Fund and the Monetary Authority may copy or take an extract of a record it is given access to. Failure to comply with these requests by the Monetary Authority may result in substantial fines being imposed on the Fund and may result in the Monetary Authority applying to the court to have the Fund wound up.

The Monetary Authority is prohibited by the Mutual Funds Law from disclosing any information relating to the affairs of a mutual fund other than disclosure required for the effective regulation of a mutual fund or when required to by law or by the court.

The Monetary Authority may take certain actions if it is satisfied that a regulated mutual fund is or is likely to become unable to meet its obligations as they fall due or is carrying on or is attempting to carry on business or is winding up its business voluntarily in a manner that is prejudicial to its investors or creditors. The powers of the Monetary Authority include inter alia the power to cancel the registration of the regulated mutual fund, to require the substitution of the Directors, to appoint a person to advise the Fund on the proper conduct of its affairs or to appoint a person to assume control of the affairs of the Fund. There are other remedies available to the Authority including the ability to apply to the court for approval of other actions.

Pursuant to the terms of the Monetary Authority Law (Revised) of the Cayman Islands, the Fund is required to provide to the Monetary Authority, on request, information and documents in accordance with the terms of that law. The Monetary Authority is empowered to provide the same to an overseas regulatory authority in accordance with the terms of that law.

ANTI-MONEY LAUNDERING

As part of its responsibility for the prevention of money laundering and counter terrorist financing, the Fund (or any person acting on its behalf, including the Administrator, the AIFM or the Portfolio Manager) will require verification of the identity of any applicant for Shares and of the source of payment.

Depending on the circumstances of each applicant, a detailed verification may not be required where exemptions are applicable under Cayman Islands' law or regulation.

The Fund, the Administrator, the AIFM and the Portfolio Manager reserve the right to request such information as is necessary to verify the identity of an applicant. In the event of delay or failure by the applicant to produce any information required for identification purposes, the Fund, the

Administrator, the AIFM and the Portfolio Manager may refuse to accept the application and the subscription monies relating thereto.

If certain persons resident in the Cayman Islands (including the Fund) have a suspicion that another person is engaged in criminal conduct, that person is, in certain circumstances, required to report such suspicion pursuant to the anti-money laundering legislation of the Cayman Islands and such report shall not be treated as a breach of any restriction upon the disclosure of information imposed by any enactment or otherwise.

CONFLICTS OF INTEREST

Investors' attention is drawn to the following potential conflicts of interest:

The AIFM and the Portfolio Manager, their holding companies, holding company's shareholders, any subsidiaries of their holding companies and any of their directors, officers, employees, agents and affiliates ("***Interested Parties***", and each an "***Interested Party***") may be involved in other financial, investment or other professional activities which may on occasion cause conflicts of interest with the Fund and the Master Fund. These include management of other funds, purchases and sales of securities, investment and management advisory services, brokerage services, and serving as directors, officers, advisers, or agents of other funds or other companies. In particular it is envisaged that the AIFM and/or the Portfolio Manager may be involved in advising other investment funds which may have similar or overlapping investment objectives to or with the Fund and the Master Fund. The AIFM and/or the Portfolio Manager may provide services to third parties similar to those provided to the Fund and shall not be liable to account for any profit earned from any such services. Where a conflict arises the AIFM and the Portfolio Manager will endeavour to ensure that it is resolved fairly. In relation to the allocation of investment opportunities to different clients, including the Fund, the AIFM and/or the Portfolio Manager may be faced with conflicts of interest with regard to such duties but will ensure that investment opportunities in those circumstances will be allocated fairly.

Common expenses frequently will be incurred on behalf of the Fund and one or more other clients. The AIFM and/or the Portfolio Manager will seek to allocate those common expenses among the Fund and the other clients in a manner that is fair and reasonable over time. However, expense allocation decisions will involve potential conflicts of interest (e.g., conflicts relating to different expense arrangements with certain clients). The AIFM and/or the Portfolio Manager may use a variety of methods to allocate common expenses among the Fund and the other clients, including methods based on assets under management, relative use of a product or service, the nature or source of a product or service, the relative benefits derived by the Fund and the other clients from a product or service, or other relevant factors. Nonetheless, because expense allocations often depend on inherently subjective determinations, Shareholders should note that the portion of a common expense that the AIFM and/or the Portfolio Manager allocates to the Fund for a particular product or service may not reflect the relative benefit derived by the Fund from that product or service in any particular instance.

The AIFM and/or the Portfolio Manager and/or any company associated with any of them may enter into portfolio transactions for or with the Fund and the Master Fund either as agent, in which case they may receive and retain customary brokerage commissions and/or cash commission rebates, or deal as a principal with the Fund and the Master Fund in accordance with normal market practice subject to such commissions being charged at rates which do not exceed customary full service brokerage rates.

The AIFM and/or the Portfolio Manager and/or any company associated with them reserves the right to effect transactions by or through the agency of another person with whom the AIFM and/or the Portfolio Manager and/or any company associated with it have an arrangement under which that party will from time to time provide to or procure for the AIFM and/or the Portfolio Manager and/or any company associated with it goods, services or other benefits (such as research and advisory services, computer

hardware associated with specialised software or research services and performance measures) the nature of which is such that their provision can reasonably be expected to benefit the Fund and may contribute to an improvement in the performance of the Fund or of the AIFM and/or the Portfolio Manager and/or any company associated with it in providing services to the Fund and for which no direct payment is made but instead the AIFM and/or the Portfolio Manager and/or any company associated with it undertake to place business with that party. For the avoidance of doubt, such goods and services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employee salaries or direct money payments.

The Fund and the Master Fund or any wholly-owned subsidiary on behalf of the Fund or the Master Fund, may acquire securities from, or dispose of securities to, any Interested Party or any investment fund or account advised or managed by any such person, but only with the prior approval of the Directors. Any Interested Party may hold Shares and deal with them as it thinks fit. An Interested Party may buy, hold and deal in any investments for its own account notwithstanding that similar investments may be held by the Fund and the Master Fund or any subsidiary for the account of the Fund and the Master Fund.

Any Interested Party may contract or enter into any financial or other transaction with any Shareholder or with any entity any of whose securities are held by or for the account of the Fund or the Master Fund, or be interested in any such contract or transaction. Furthermore, any Interested Party may receive commissions and benefits which it may negotiate in relation to any sale or purchase of any investments of the Fund and the Master Fund effected by it for the account of the Fund and the Master Fund and which may or may not be for the benefit of the Fund and the Master Fund.

The above is not necessarily a comprehensive list of all potential conflicts of interest. See "*Potential Conflicts of Interest*" in the Memorandum.

ADDITIONAL INFORMATION

Registered Office

The registered office of the Fund is c/o DMS Corporate Services Ltd., DMS House, 20 Genesis Close, PO Box 314, George Town, Grand Cayman, Cayman Islands KY1-1104. Copies of the Articles and any annual or periodic reports may be inspected and obtained at the registered office of the Fund. Mail addressed to the Fund and received at its registered office will be forwarded unopened to the AIFM, Portfolio Manager or Administrator to be dealt with. None of the Fund, its Board of Directors, officers or service providers will bear any responsibility for any delay whatsoever caused in mail reaching the AIFM, Portfolio Manager or Administrator. In particular, the Board of Directors will not receive, open or deal directly with mail addressed to the Fund.

U.S. Counsel to the Fund

Seward & Kissel LLP represents the Fund and the Portfolio Manager as U.S. counsel. Seward & Kissel LLP does not represent the Shareholders, and no independent counsel has been retained to represent the Shareholders. This Cayman Supplement was prepared by Conyers Dill & Pearman based upon information provided by the Portfolio Manager, and reviewed by Seward & Kissel LLP. Seward & Kissel LLP is not responsible for any acts or omissions of the Fund or the Portfolio Manager (including their compliance with any guidelines, policies, restrictions or applicable law, or the selection, suitability or advisability of their investment activities) or any administrator, accountant, custodian/prime brokers or other service provider to any of them. The Fund does not have counsel separate and independent from counsel to the Portfolio Manager. Seward & Kissel LLP has not independently verified the accuracy of the information provided in this Supplement.

Cayman Counsel

Conyers Dill & Pearman is Cayman Islands legal counsel to the Fund. Conyers Dill & Pearman does not represent the Shareholders. No independent legal counsel has been instructed to represent the Shareholders.

Auditor

The Fund has retained Ernst & Young as its independent auditor. In compliance with Cayman Islands regulations, Ernst & Young Ltd., Suite 6401, Forum Lane, Camana Bay, PO Box 510, Grand Cayman KY1-1106, Cayman Islands is responsible for signing the audit opinion, although its detailed audit work is performed by Ernst & Young in Dublin.

Administrator

The Fund has entered into an administration services agreement ("***Administration Agreement***") with SS&C Technologies, Inc., a corporation incorporated under the laws of the State of Delaware (the "***Administrator***").

The services provided by the Administrator and certain of its affiliates include the following: (i) acceptance and processing of subscriptions; (ii) receipt of requests for redemptions and authorization of payments of redemption proceeds; (iii) maintenance of the books and records of the Fund (iv) coordination of the Fund's annual audit; (v) preparation of Shareholder account statements; (vi) calculation of net asset value of the Fund and (vi) other services as agreed on by the parties. The fees payable to the Administrator are based on its standard schedule of fees charged by the Administrator for similar services.

Pursuant to the Administration Agreement, the Fund has agreed to indemnify and hold harmless the Administrator, its affiliates, members, partners, employees and agents (together "***Indemnified Parties***") from and against any third party claims, liabilities, costs and expenses arising from or relating to the Administrator's provision of services under the Administration Agreement, except to the extent finally determined by a court of competent jurisdiction to have resulted from the gross negligence, willful misconduct or fraud of the Administrator or an Indemnified Party.

The Administrator is not responsible for any trading or valuation decisions of the Fund all of which decisions will be made by the AIFM and the Portfolio Manager.

THE ADMINISTRATOR WILL NOT PROVIDE ANY INVESTMENT ADVISORY OR MANAGEMENT SERVICE TO THE FUND AND THEREFORE WILL NOT BE IN ANY WAY RESPONSIBLE FOR THE FUND'S PERFORMANCE. THE ADMINISTRATOR WILL NOT BE RESPONSIBLE FOR MONITORING ANY INVESTMENT RESTRICTIONS OR COMPLIANCE WITH THE INVESTMENT RESTRICTIONS AND THEREFORE WILL NOT BE LIABLE FOR ANY BREACH THEREOF.

Reports to Shareholders

Each Shareholder will be furnished with unaudited monthly performance reports, with audited annual financial statements as soon as reasonably practicable after the receipt of financial statements from the Master Fund, and with other reports in the sole discretion of the AIFM or the Portfolio Manager. For more information regarding reports to investors and financial reporting, see "*Partner Reports*" in the Memorandum.

Fiscal Year End

The Fund's fiscal year ends on December 31st of each year.

Additional Information

Copies of all documentation relating to the formation of the Fund and this Offering of Shares are available upon request from the AIFM or the Portfolio Manager and from the Fund at the Fund's registered address. Each prospective investor or such person's authorized representative may review such documents at any reasonable time, upon reasonable written notice to the Fund. Prospective investors are invited to meet with representatives of the Fund so that they may answer any questions raised by prospective investors or their representatives in connection with this Offering and, at the request of a prospective investor, representatives of the Fund may provide them with any additional related information available to the Fund or which can be acquired without unreasonable effort or expense.

APPENDIX A

CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM OF THE MASTER FUND

[ATTACHED]

IMPORTANT NOTICE

Attached please find an electronic copy of the Confidential Private Placement Memorandum (the "*Memorandum*") relating to the offering by HCG Digital Finance LP (the "*Partnership*") of its limited partnership interests (the "*Limited Partnership Interests*").

No Registration Statement relating to the Limited Partnership Interests has been filed with the United States Securities and Exchange Commission. These securities are being offered pursuant to an exemption from the registration requirements of the United States Securities Act of 1933, as amended. This Memorandum is confidential and will not constitute an offer to sell or the solicitation of an offer to buy, nor will there be any sale of these securities in any jurisdiction where such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any jurisdiction.

Distribution of this electronic transmission of the Memorandum to any person other than (a) the person receiving this electronic transmission from a placement agent on behalf of the Partnership and (b) any person retained to advise the person receiving this electronic transmission with respect to the offering contemplated by the Memorandum (each, an "*Authorized Recipient*") is unauthorized. Any photocopying, disclosure or alteration of the contents of the Memorandum, and any forwarding of a copy of the Memorandum or any portion thereof by electronic mail or any other means to any person other than an Authorized Recipient, is prohibited. By accepting delivery of this Memorandum, each recipient hereof agrees to the foregoing.

HCG DIGITAL FINANCE LP

CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

Limited Partnership Interests

Minimum Subscription: U.S. $1,000,000

THIS CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM (AS THE SAME MAY BE SUPPLEMENTED FROM TIME TO TIME, THIS "*MEMORANDUM*") IS BEING DELIVERED TO THE INTENDED POTENTIAL INVESTOR ON A CONFIDENTIAL BASIS SOLELY IN CONSIDERATION OF A POSSIBLE INVESTMENT BY SUCH POTENTIAL INVESTOR IN THE LIMITED PARTNERSHIP INTERESTS IN HCG DIGITAL FINANCE LP, A DELAWARE LIMITED PARTNERSHIP (THE "*PARTNERSHIP*"). THIS MEMORANDUM MAY NOT BE REPRODUCED IN WHOLE OR IN PART, AND MAY NOT BE DELIVERED TO ANY PERSON OTHER THAN THE INTENDED POTENTIAL INVESTOR, ABSENT THE PRIOR WRITTEN CONSENT OF THE GENERAL PARTNER.

HCG PARTNERS LLC
General Partner

July 2015

HCG DIGITAL FINANCE LP

HCG Digital Finance LP (the "*Partnership*) is a Delaware limited partnership organized by HCG Partners LLC ("*HCG Partners*"), a Delaware limited liability company that serves as the general partner of the Partnership (the "*General Partner*"). The Partnership's investment objective is to generate stable, long term capital growth by investing substantially all of its assets in private investment funds organized by the General Partner or one of its affiliates and managed by the Investment Adviser or one of its affiliates ("*Portfolio Funds*"). Each Portfolio Fund will invest primarily in securities or other financial assets ("*Peer-to-Peer Securities*") that are issued by trusts or similar special purpose vehicles ("*Peer-to-Peer Security Issuers*") and are collateralized by, or reference or otherwise track the performance of, one or more portfolios of loans ("*Peer-to-Peer Loans*") originated through peer-to-peer lending platforms sponsored by and serviced by third party companies ("*Peer-to-Peer Platform Sponsors*").

Investment in the limited partnership interests of the Partnership offered hereby (the "*Limited Partnership Interest*") involves a high degree of risk and is suitable solely for sophisticated investors for whom such investment does not constitute a complete investment program and who fully understand and are willing to assume the substantial risks involved in investing in the Partnership, including, without limitation, the loss of the entire investment.

HCG Funds Ltd. is an offshore feeder fund (the "*Offshore Feeder*") that will invest in Limited Partnership Interests. The General Partner may permit or require certain investors to hold their interests in the Partnership through the Offshore Feeder. Investors that invest in the Offshore Feeder will invest in shares issued by the Offshore Feeder (the "*Shares*") that will correspond to the Limited Partnership Interests held by the Offshore Feeder. However, although the Offshore Feeder will be a limited partner of the Partnership, no investor in the Offshore Feeder will be deemed to be a limited partner of the Partnership by virtue of being an investor in the Offshore Feeder.

THE LIMITED PARTNERSHIP INTERESTS HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "*SECURITIES ACT*"), THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED UNLESS SUCH LIMITED PARTNERSHIP INTERESTS ARE TRANSFERRED IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, APPLICABLE STATE SECURITIES LAWS AND APPLICABLE SECURITIES LAWS OF ANY OTHER JURISDICTION. THE PARTNERSHIP IS RELYING ON AN EXEMPTION FROM REGISTRATION UNDER THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "*INVESTMENT COMPANY ACT*"), AND NO SALE OR TRANSFER OF THE LIMITED PARTNERSHIP INTERESTS MAY BE MADE WHICH WOULD CAUSE THE PARTNERSHIP TO FAIL TO QUALIFY FOR SUCH EXEMPTION AND BE REQUIRED TO REGISTER AS AN INVESTMENT COMPANY UNDER THE INVESTMENT COMPANY ACT OR TO OTHERWISE VIOLATE THE INVESTMENT COMPANY ACT OR THE INVESTMENT ADVISERS ACT OF 1940, AS AMENDED (THE "*ADVISERS ACT*"). THE LIMITED PARTNERSHIP INTERESTS ARE ALSO SUBJECT TO CERTAIN OTHER RESTRICTIONS ON TRANSFER DESCRIBED HEREIN.

NEITHER THE SEC NOR ANY STATE SECURITIES COMMISSION HAS PASSED UPON THE MERITS OF PARTICIPATING IN THE PARTNERSHIP, NOR HAS THE SEC OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ADEQUACY OR ACCURACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THE GENERAL PARTNER ANTICIPATES THAT: (I) THE OFFER AND SALE OF THE LIMITED PARTNERSHIP INTERESTS WILL BE EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT AND THE VARIOUS STATE SECURITIES LAWS; (II) THE PARTNERSHIP WILL NOT BE REGISTERED AS AN INVESTMENT COMPANY UNDER THE INVESTMENT COMPANY ACT PURSUANT TO AN EXEMPTION PROVIDED BY SECTION 3(C)(7) THEREUNDER; (III) NEITHER THE GENERAL PARTNER NOR THE INVESTMENT ADVISER WILL BE REGISTERED AS AN INVESTMENT ADVISER UNDER THE ADVISERS ACT OR ANY STATE LAW; AND (IV) NEITHER THE GENERAL PARTNER NOR THE INVESTMENT ADVISER WILL BE REGISTERED AS A COMMODITY POOL OPERATOR UNDER THE CEA, BASED UPON AN EXEMPTION AVAILABLE UNDER RULE 4.13(A)(3) THEREUNDER. CONSEQUENTLY, INVESTORS IN THE PARTNERSHIP WILL NOT BE ENTITLED TO CERTAIN PROTECTIONS AFFORDED BY THOSE STATUTES.

THE PARTNERSHIP MAY BE DEEMED TO BE A COMMODITY POOL UNDER THE U.S. COMMODITY EXCHANGE ACT OF 1936, AS AMENDED ("*CEA*") BY VIRTUE OF ITS DIRECT OR INDIRECT INVESTMENTS IN COMMODITY INTERESTS, AND THE INVESTMENT ADVISER MAY BE DEEMED TO BE A "COMMODITY POOL OPERATOR" ("*CPO*") AS DEFINED IN THE CEA IN RESPECT OF THE PARTNERSHIP. HOWEVER, THE INVESTMENT ADVISER WILL SEEK TO CLAIM AN EXEMPTION FROM REGISTRATION AS A CPO UNDER COMMODITY FUTURES TRADING COMMISSION ("*CFTC*") REGULATION 4.13(A)(3). UPON CLAIMING THIS EXEMPTION, THE INVESTMENT ADVISER WOULD NOT BE REQUIRED TO DELIVER A DISCLOSURE DOCUMENT (CONTAINING CERTAIN CFTC PRESCRIBED DISCLOSURE) AND A CERTIFIED ANNUAL REPORT TO THE PARTNERSHIP'S INVESTORS. THE INVESTMENT ADVISER'S ELIGIBILITY FOR SUCH REGISTRATION EXEMPTION IS SET FORTH IN SECTION 4.13(A)(3) OF THE CFTC'S REGULATIONS AND IS BASED ON THE FACT THAT (I) THE OFFER AND SALE OF THE LIMITED PARTNERSHIP INTERESTS ARE EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND ARE NOT AND WILL NOT BE MARKETED TO THE PUBLIC IN THE UNITED STATES AS A VEHICLE FOR TRADING IN THE COMMODITY INTEREST MARKETS; (II) EITHER (A) THE AGGREGATE VALUE OF THE PARTNERSHIP'S INITIAL MARGIN AND PREMIUMS FOR ITS COMMODITY INTEREST POSITIONS WILL NOT EXCEED 5% OF THE PARTNERSHIP'S LIQUIDATION VALUE OR (B) THE AGGREGATE VALUE OF SUCH POSITIONS WILL NOT EXCEED 100% OF THE PARTNERSHIP'S LIQUIDATION VALUE; AND (III) THE PARTICIPANTS IN THE PARTNERSHIP ARE LIMITED TO INVESTORS WHO, AMONG OTHER THINGS, ARE "ACCREDITED INVESTORS" AND "QUALIFIED ELIGIBLE PERSONS," ALL AS SET FORTH IN THIS MEMORANDUM AND THE PARTNERSHIP'S SUBSCRIPTION DOCUMENTS.

IF THE INVESTMENT ADVISER AFFIRMATIVELY DETERMINES AT ANY TIME AND IN ITS SOLE DISCRETION TO CAUSE THE PARTNERSHIP TO ENGAGE IN

ACTIVITIES (DIRECTLY OR INDIRECTLY) THAT WOULD REQUIRE ITS REGISTRATION AS A CPO IN RESPECT OF THE PARTNERSHIP OR THAT SUCH REGISTRATION IS ADVISABLE, THE INVESTMENT ADVISER MAY, IN THE FUTURE, REGISTER AS A CPO. IN SUCH EVENT, THE INVESTMENT ADVISER ANTICIPATES CLAIMING THE EXEMPTION FROM CERTAIN DISCLOSURE, REPORTING AND RECORDKEEPING REQUIREMENTS APPLICABLE TO REGISTERED CPOS UNDER CFTC REGULATION 4.7 FOR POOLS WHOSE PARTICIPANTS ARE LIMITED TO "QUALIFIED ELIGIBLE PERSONS." IN ORDER TO PRESERVE THE INVESTMENT ADVISER'S ABILITY TO SEEK THE BENEFIT OF THE AFOREMENTIONED EXEMPTION, SUBSCRIPTIONS FOR SHARES IN THE PARTNERSHIP WILL ONLY BE ACCEPTED FROM PERSONS THAT ARE QUALIFIED ELIGIBLE PERSONS AS DEFINED IN CFTC REGULATION 4.7. REGISTRATION AS A CPO COULD CAUSE THE INVESTMENT ADVISER TO BE SUBJECT TO EXTENSIVE COMPLIANCE AND REPORTING REQUIREMENTS THAT WOULD INVOLVE MATERIAL COSTS WHICH WOULD BE PASSED ON TO THE PARTNERSHIP. THE CFTC HAS NOT REVIEWED OR APPROVED THIS OFFERING OR THIS MEMORANDUM.

IN MAKING AN INVESTMENT DECISION, EACH INVESTOR MUST RELY ON HIS, HER OR ITS OWN AND SUCH INVESTOR'S ADVISERS' EXAMINATION OF THE PARTNERSHIP AND THE TERMS OF THE OFFERING OF THE LIMITED PARTNERSHIP INTERESTS, INCLUDING THE MERITS AND RISKS INVOLVED IN INVESTING IN THE LIMITED PARTNERSHIP INTERESTS. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR ANY OTHER REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THE INFORMATION CONTAINED IN THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The Limited Partnership Interests will be offered only to Eligible Investors. An "*Eligible Investor*" means a person who qualifies as (1) an "*accredited investor*" as defined in Regulation D under the Securities Act, (2) a "*qualified eligible person*" for purposes of Regulation 4.7 of the Commodity Exchange Act, as amended (the "*Commodity Exchange Act*"), (3) a "*qualified client*" as defined under Rule 205-3 of the Advisers Act, and (4) any of (a) a "*qualified purchaser*" as defined in Section 2(a)(51) of the Investment Company Act and the rules thereunder, (b) a "*knowledgeable employee*" as defined in Rule 3c-5 under the Investment Company Act, or (c) an entity beneficially owned exclusively by one or more qualified purchasers and/or knowledgeable employees. The Limited Partnership Interests will be offered, sold and transferred only to Eligible Investors, unless otherwise permitted by law and determined to be appropriate by the General Partner, in a transaction that is exempt from the registration requirements of the Securities Act and applicable state securities laws and would not cause the Partnership to violate the Investment Company Act or the Advisers Act.

THE PARTNERSHIP MAY IN THE FUTURE ENTER INTO AGREEMENTS WITH AGENTS TO SOLICIT INVESTORS TO INVEST IN ITS LIMITED PARTNERSHIP INTERESTS. IN MAKING AN INVESTMENT DECISION, PROSPECTIVE INVESTORS SHOULD BE AWARE THAT PLACEMENT AGENTS AND DISTRIBUTORS MAY RECEIVE A PLACEMENT OR DISTRIBUTION FEE, PAID BY THE PARTNERSHIP WITH

RESPECT TO INVESTORS WHO ARE SOURCED BY THE PLACEMENT AGENTS AND DISTRIBUTORS, IN RESPECT OF SERVICES RENDERED IN CONNECTION WITH SUCH INVESTORS' SUBSCRIPTION FOR LIMITED PARTNERSHIP INTERESTS. IN ADDITION, PLACEMENT AGENTS AND DISTRIBUTORS MAY RECEIVE RECURRING INTERMEDIARY COMPENSATION DURING SUCH INVESTORS' INVESTMENT IN THE LIMITED PARTNERSHIP INTERESTS. ACCORDINGLY, POTENTIAL INVESTORS SHOULD RECOGNIZE THAT A PLACEMENT AGENT'S OR DISTRIBUTOR'S PARTICIPATION AS PLACEMENT AGENT OR DISTRIBUTOR FOR THE LIMITED PARTNERSHIP INTERESTS MAY BE INFLUENCED BY ITS INTEREST IN SUCH CURRENT OR FUTURE FEES AND COMMISSIONS. PROSPECTIVE INVESTORS SHOULD CONSIDER THESE POTENTIAL CONFLICTS IN MAKING THEIR INVESTMENT DECISIONS. IF ANY PLACEMENT OR DISTRIBUTION FEES ARE TO BE PAID BY INVESTORS WHO ARE SOURCED BY PLACEMENT AGENTS OR DISTRIBUTORS, SUCH FEES WILL BE DISCLOSED AND CONSENTED TO BY SUCH INVESTORS BEFORE INVESTMENT.

Prospective investors are not to construe the contents of this Memorandum as investment, tax or legal advice. Prior to making any investment decision regarding investment in the Limited Partnership Interests, each prospective investor and such investor's professional advisers must review this Memorandum.

This Memorandum does not constitute an offer or solicitation to any person in any jurisdiction in which such an offer or solicitation is not authorized or may not be made lawfully. The distribution of this Memorandum and the offering of Limited Partnership Interests in certain jurisdictions may be restricted by law. Persons in possession of this Memorandum are required by the Partnership to inform themselves about, and to observe, any such restrictions.

This Memorandum constitutes an offer of the Limited Partnership Interests only if delivery to a prospective investor is authorized by the General Partner By accepting receipt of this Memorandum, the offeree agrees not to duplicate or provide copies of this Memorandum to persons other than such offeree's professional advisers solely for the purposes of assisting the offeree in making an investment decision in respect of the Limited Partnership Interests and agrees to return this Memorandum and all related information promptly upon request of the General Partner or at such time as the offeree is no longer considering an investment in the Limited Partnership Interests.

No offering literature or advertising in any form whatsoever will be employed in the offering of the Limited Partnership Interests other than this Memorandum. No person has been authorized to make any representations or provide any information with respect to the Partnership or the Limited Partnership Interests except for the information contained in this Memorandum and the historical investment performance information of the Partnership made available to prospective investors by the General Partner in writing. No representations or warranties of any kind are intended or should be inferred with respect to the economic return (on a pre-tax or post-tax basis) from an investment in the Limited Partnership Interests, the magnitude of risk exposure related to an investment in the Limited Partnership Interests or the Partnership's ability to eliminate, mitigate or materially reduce any or all of the risks inherent in the investment portfolio of the Partnership through monitoring, managing or hedging such risk exposure.

The information set forth herein is believed to be accurate as of the date hereof. The accuracy of such information, however, may change without notice. Neither the delivery of this Memorandum nor any offers or sales hereunder will create an implication that there has been no change in the matters disclosed herein since the date of this Memorandum.

Prior to investing in the Limited Partnership Interests, prospective investors should consult an independent tax adviser as to the U.S. federal, state, and local income and other tax consequences of the purchase, ownership and disposition of Limited Partnership Interests based on their particular circumstances.

EACH INVESTOR SHOULD REVIEW APPENDIX A FOR CERTAIN INFORMATION RELATING TO OFFERS AND SALES OF OFFERED INTERESTS TO INVESTORS IN VARIOUS STATES OF THE UNITED STATES, AND OF THE SHARES TO INVESTORS IN CERTAIN NON-U.S. JURISDICTIONS.

INVESTMENTS BY TAX-EXEMPT INVESTORS

An investor which is subject to the Employee Retirement Income Security Act of 1974, as amended ("*ERISA*"), or which is an educational institution or other entity exempt from taxation under Section 501 of the Internal Revenue Code of 1986, as amended (the "*Code*"), is urged to consult with its legal, financial and tax advisors concerning certain considerations applicable to making an investment in the Partnership. See "*ERISA Considerations*" and "*Tax Considerations*."

FORWARD-LOOKING STATEMENTS

This Memorandum includes certain forward-looking statements relating to, among other things, the future financial performance and objectives of the Partnership; plans and expectations regarding the operation of the Partnership and the Portfolio Funds; and estimates or expectations regarding fees, costs and expenses. These forward-looking statements are typically identified by terminology such as "may," "will," "should," "expects," "anticipates," "plans," "intends," "believes," "estimates," "projects," "predicts," "seeks," "potential," "continue" or other similar terminology. Similar forward-looking statements may be contained in other documents that may accompany, or be delivered prior to, this Memorandum upon a prospective investor's request.

The Partnership has based these forward-looking statements on the Partnership's or the General Partner's current expectations, assumptions, estimates and projections about future events. These forward-looking statements are subject to a number of risks, uncertainties, assumptions and other factors that may cause actual results, performance or achievements to differ, and these differences could be material. Some important factors that could cause actual results to differ materially from those expressed in any forward-looking statement include changes in general economic conditions; the performance of financial and other markets; political, legal and regulatory uncertainties; and the allocation of the Partnership's assets and the timing thereof relative to that which was assumed, among others.

None of the Partnership, the General Partner, the Investment Adviser or any of their respective affiliates has any obligation to update or otherwise revise any estimates, projections or other forward-looking statements, including any revisions that might reflect changes in economic

conditions or other circumstances arising after the date hereof or reflect the occurrence of unanticipated events, even if the underlying assumptions are not borne out.

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SUMMARY

The following is a summary description of the Partnership and the terms of offering of the Limited Partnership Interests. This summary does not purport to be complete and is qualified in its entirety by reference to the more detailed information appearing elsewhere in this Memorandum and the Partnership's limited partnership agreement (the "LP Agreement"). An investment in the Partnership is also subject to the terms of a subscription agreement to be entered into between the Partnership and each limited partner in connection with its subscription for Limited Partnership Interests (the "Subscription Agreement") and any Supplementary Agreement (as defined herein) into which such limited partner may have entered. ***Potential investors in the Partnership should carefully review this Memorandum in its entirety together with the LP Agreement, the Subscription Agreement and all applicable Portfolio Fund Documents. For a discussion of certain risk factors to be considered in connection with an investment in the Partnership, see "Risk Factors."***

Except where the context requires otherwise, references in this Memorandum to the assets, net asset value, fees and expenses, and other attributes or terms of the "Partnership" are intended to refer specifically to the limited partnership interests offered by this Memorandum.

General

The Partnership — HCG Digital Finance LP (the "*Partnership*"), a Delaware limited partnership, was formed on November 13, 2014.

General Partner — HCG Partners LLC ("*HCG Partners*"), a Delaware limited liability company, serves as the general partner of the Partnership (the "*General Partner*"). The General Partner is responsible for the management of the Partnership's affairs. The General Partner has full discretionary investment authority over the Partnership's investment activity but, pursuant to the Investment Advisory Agreement, the General Partner will delegate all of its investment authority in connection with the Partnership's investments to the Investment Adviser. Jointly, the General Partner and the Investment Adviser control all of the Partnership's operations and activities.

The General Partner may own a nominal Limited Partnership Interest or any other limited partnership interest in the Partnership. One or more affiliates of the General Partner may from time to time own Limited Partnership Interests or any other limited partnership interests in the Partnership and may enter into Supplementary Agreements (as defined herein) with the General Partner in respect of such investments.

Investment Adviser — HCG Fund Management LP, a Delaware limited partnership, serves as the Investment Adviser for the Partnership (the "*Investment Adviser*" or "*HCG Fund Management*") pursuant to

the terms of an Investment Advisory Agreement (the "*Investment Advisory Agreement*"). HCG Funds LLC, a Delaware limited liability company that is an affiliate of the General Partner, is the general partner of the Investment Adviser and controls the Investment Adviser. Pursuant to the Investment Advisory Agreement, the Investment Adviser will be responsible for making all investment decisions with respect to the Partnership's assets.

Principals

Each of the General Partner and Investment Adviser is controlled by Jose N. Penabad and Hadi F. Habal (the "*Principals*").

Registration Status

The Partnership is not registered as an investment company under the United States Investment Company Act of 1940, as amended ("*Investment Company Act*") and is not subject to the investment restrictions, limitations on transactions with affiliates and other provisions of the Investment Company Act. The Partnership is a private investment company exempt from registration under the Investment Company Act in reliance upon Section 3(c)(7) thereof, which excepts from the definition of "investment company" an issuer of which all of its security holders are "qualified purchasers" (such term as defined in Section 2(a)(51) of the Investment Company Act and the rules thereunder) and which does not conduct a public offering of its securities. A "*qualified purchaser*" generally includes a natural person who owns not less than $5 million in investments, or a company acting for its own account or the accounts of other qualified purchasers that owns and invests on a discretionary basis not less than $25 million in investments and certain trusts.

The Limited Partnership Interests have not been registered under the United States Securities Act of 1933, as amended ("*Securities Act*"), the securities laws of any U.S. state or the securities laws of any other jurisdiction, and, therefore, cannot be resold unless they are subsequently registered under the Securities Act and other applicable securities laws or unless an exemption from registration is available. It is not contemplated that registration of the Limited Partnership Interests under the Securities Act or other securities laws will ever be effected. There is no public market for the Limited Partnership Interests, and one is not expected to develop.

Neither the General Partner nor the Investment Adviser is currently registered as: (i) an investment adviser with the United States Securities and Exchange Commission ("*SEC*") or any state regulatory agency pursuant to an exemption under the Investment Advisers Act of 1940, as amended (the "*Advisers Act*"), and state

securities laws; or (ii) a commodity pool operator under the Commodity Exchange Act, as amended ("*CEA*").

None of the Partnership, the General Partner and the Investment Adviser is expected to be registered in any capacity with any U.S. federal or state regulatory agency unless and until such time as their respective activities require any such registration and no applicable exemption is available to it.

1. The Limited Partnership Interests will be offered only to Eligible Investors. An "*Eligible Investor*" means a person who qualifies as (1) an "*accredited investor*" as defined in Regulation D under the Securities Act, (2) a "*qualified eligible person*" for purposes of Regulation 4.7 of the Commodity Exchange Act, as amended (the "*Commodity Exchange Act*"), (3) a "*qualified client*" as defined under Rule 205-3 of the Advisers Act, and (4) any of (a) a "*qualified purchaser*" as defined in Section 2(a)(51) of the Investment Company Act and the rules thereunder, (b) a "*knowledgeable employee*" as defined in Rule 3c-5 under the Investment Company Act, or (c) an entity beneficially owned exclusively by one or more qualified purchasers and/or knowledgeable employees. Each investor's Subscription Agreement will contain representations and restrictions on transfers designed to ensure that that each investor in the Partnership will be an Eligible Investor.

Limited Partnership Interests

The limited partnership interests in the Partnership (the "*Limited Partnership Interests*") are being offered pursuant to this Memorandum.

The General Partner may, in its sole discretion, organize one or more other feeder funds, parallel funds or other entities if it determines in its sole discretion that such feeder funds, parallel funds or other entities are appropriate or necessary, including, without limitation, for the purpose of accommodating certain legal, regulatory and tax requirements of investors who wish to invest (directly or indirectly) in the Partnership. The General Partner may, in its sole discretion, require certain investors to hold their interests in the Partnership through one or more feeder funds, parallel funds or other entities.

HCG Funds Ltd. is an offshore feeder fund (the "*Offshore Feeder*") that will invest in Limited Partnership Interests. The General Partner may permit or require certain investors to hold their interests in the Partnership through the Offshore Feeder. Investors that invest in the Offshore Feeder will invest in shares issued by the Offshore Feeder (the "*Shares*") that will correspond

to the Limited Partnership Interests held by the Offshore Feeder. However, although the Offshore Feeder will be a limited partner of the Partnership, no investor in the Offshore Feeder will be deemed to be a limited partner of the Partnership by virtue of being an investor in the Offshore Feeder.

Investment Objective

The Partnership's investment objective is to generate stable, long term capital growth by investing substantially all of its assets in private investment funds organized by the General Partner or one of its affiliates and managed by the Investment Adviser or one of its affiliates ("*Portfolio Funds*"). Each Portfolio Fund will invest primarily in securities or other financial assets ("*Peer-to-Peer Securities*") that are issued by trusts or similar special purpose vehicles ("*Peer-to-Peer Security Issuers*") and are collateralized by, or reference or otherwise track the performance of, one or more portfolios of loans ("*Peer-to-Peer Loans*") originated through peer-to-peer lending platforms sponsored by and serviced by third party companies ("*Peer-to-Peer Platform Sponsors*"). **There can be no assurance that the Partnership will meet its investment objective**.

Portfolio Funds

Generally, each of the Portfolio Funds will be organized as onshore or offshore limited liability companies, limited partnerships or other entities formed by HCG Partners or its affiliates. It is expected that the manager, managing member, directors or general partner of each Portfolio Fund will be, or a similar function will be performed by, the General Partner, the Investment Adviser or their affiliates.

Because the Portfolio Funds are generally organized by HCG Partners (or its affiliates) for the purposes of facilitating the investment management of assets of HCG Partners' (or its affiliates') clients, interests in such Portfolio Funds may be held by one or more of HCG Partners' (or its affiliates') clients, including the Partnership. As a general partner, managing member or manager (or similar capacity) of each Portfolio Fund, HCG Partners exercises control over the issuance and transfer or other disposition of the membership interests of such Portfolio Funds.

At the time the General Partner delivers a copy of this Memorandum to any prospective investor, the General Partner will make available to such prospective investor, all material disclosure documents, organizational documents, performance information and other documents that (x) the General Partner elects to make available to limited partners and (y) are related to each Portfolio Fund in which the Partnership has invested or

expects to invest (in the sole determination of the Investment Adviser) at such time (collectively, "*Portfolio Fund Documents*"). However, prior to delivering a Portfolio Fund Document to an investor, the General Partner may require that such investor deliver a signed confidentiality agreement in form and substance satisfactory to the General Partner in its sole discretion if the Portfolio Fund, the General Partner and/or the Investment Adviser is subject to any confidentiality restriction (by contract or applicable law) in respect of such Portfolio Fund Documents. Because the Partnership will invest substantially all of its assets in Portfolio Funds, each prospective investor is urged to carefully review each Portfolio Fund Document delivered by the General Partner before making a decision to invest in the Partnership. Certain Portfolio Fund Documents will be documents prepared by or on behalf of the related Peer-to-Peer Platform Sponsor and none of the Partnership, the General Partner, the Investment Adviser, the Partnership's U.S. fund counsel, the Partnership's special tax counsel, the Partnership's auditor, the Administrator and their respective officers, directors, partners, members, employees or other agents of any of them has or will have independently checked or verified the accuracy or the completeness of the information contained in such Portfolio Fund Documents or any document referenced in such Portfolio Fund Documents.

The Administrator The General Partner may, on behalf of the Partnership, retain one or more third-party administrators. The General Partner has retained SS&C Technologies, Inc., as the initial administrator of the Partnership (the "*Administrator*"). The Administrator is unaffiliated with the Partnership, the General Partner and the Investment Adviser. Subject to the oversight of the Investment Adviser, the Administrator or an affiliate thereof performs certain day-to-day administrative services for the Partnership, including, among other things, determining the Partnership's net asset value and providing information collection and transmission services to the Partnership. The Administrator also serves as the administrator to one or more Portfolio Funds and other investment funds or other entities that are managed or advised by the General Partner or one of its affiliates.

The Offering

Initial Investment U.S. $1,000,000 minimum, subject to the discretion of the General Partner to waive such initial minimum investment requirement.

Additional Limited partners who subscribe for the initial minimum

Investments

investment may subscribe for additional investments in U.S. $250,000 increments at times determined by the General Partner in its sole discretion. The General Partner may, in its sole discretion, waive the minimum additional investment requirement.

Closings

The Limited Partnership Interests may be privately and continuously offered pursuant Section 4(2) of the Securities Act or pursuant to Regulation D or any other applicable exemption from registration available under the Securities Act. The General Partner, in its sole discretion, has the right to admit new limited partners and to accept additional funds from existing limited partners at any time. The General Partner, however, may, in its sole discretion at any time, terminate and discontinue the offering of the Limited Partnership Interests, in whole or in part, or with respect to any particular jurisdiction.

New capital for existing limited partners and new limited partners will be admitted on the first calendar day of each month, or at any other time that the General Partner determines in its sole and absolute discretion.

The Partnership will attempt to invest each such new capital contribution in one or more Portfolio Funds during the month in which such capital contribution was accepted by the Partnership (the "*Subscription Month*"). No Management Fee, Performance Fee or expenses will be charged to any limited partner during any Subscription Month in respect of any new capital contribution made by such limited partner during such Subscription Month. However, a limited partner's new capital contribution will also not share in or benefit from any distributions on or appreciation in the value of the Partnership's assets during the Subscription Month and any such new capital contribution will only participate in and benefit from distributions on or appreciation in the value of the Partnership's assets after the end of the related Subscription Month.

The Partnership may, in the sole discretion of the General Partner, use all or a portion of capital contributions from new limited partners or new capital contributions from existing limited partners to fund withdrawal requests. If the General Partner elects to do so, any such use will be effected on a pro rata basis among all capital contributions made during the relevant Subscription Month. Any portion of any capital contribution used to fund withdrawal requests will be deemed to be fully invested on the date such capital contribution is accepted and the provisions described in the paragraph above regarding what

happens to capital contributions during a Subscription Month will not apply to such portion.

"*Business Day*" means any day other than (i) a Saturday or a Sunday or (ii) a day on which banking institutions in the City of New York, New York are authorized or required by applicable law, regulation or executive order to close.

Upon any admission of a new limited partner or receipt of additional capital contributions from an existing limited partner, the Limited Partnership Interests of the Partners will be readjusted in accordance with their capital accounts, subject to the provisions regarding the application of capital for investment during the Subscription Month and/or the application of capital to fund withdrawal requests as described above. In connection with any additional capital contribution by an existing limited partner, the General Partner may (i) treat such additional capital contribution as a capital contribution with respect to one of such limited partner's existing capital accounts or (ii) establish a new capital account to which such capital contribution will be credited and which will be maintained for the benefit of such limited partner separately from any existing capital account of such limited partner. Such separate capital accounts may be maintained for any purpose, in the discretion of the General Partner, including the calculation of the applicable Performance Fee.

All funds invested in the Partnership by limited partners will be held in the Partnership's name and the Partnership will not commingle its funds with any other party.

In order to subscribe for Limited Partnership Interests, each potential investor must execute and deliver a Subscription Agreement of the Partnership relating to such Limited Partnership Interest and provide other related information required pursuant to such Subscription Agreement (collectively, the "*Subscription Documents*") to the Partnership, in each case in a form substantially satisfactory to the General Partner, indicating, among other things, the dollar amount of the Limited Partnership Interest for which such potential investor wishes to subscribe. Following acceptance by the General Partner, in its sole discretion, of the Subscription Documents received from a potential investor, the Partnership will send to such potential investor evidence of its acceptance of the subscription of such potential investor. Generally, the General Partner intends to accept subscriptions for Limited Partnership Interests at the beginning of a calendar month. The General Partner may, in its

sole discretion, waive any time deadline requirement relating to the receipt of Subscription Documents, wire transfer of funds from an investor or acceptance of any subscriptions for Limited Partnership Interests.

The General Partner may change the subscription procedures at any time, without prior notice to the Partnership's limited partners or potential investors. Any prospective investor who decides to not subscribe for a Limited Partnership Interest is requested to return this Memorandum and the Subscription Agreement to the General Partner.

Marketing Fees and Sales Charges

The General Partner and/or the Investment Adviser may sell Limited Partnership Interests through broker-dealers, placement agents and other persons and pay a marketing fee or commission in connection with such activities, including ongoing payments, at the General Partner's or the Investment Adviser's own expense. In certain cases, the General Partner and/or the Investment Adviser reserve the right to deduct a percentage of the amount invested by a limited partner in the Partnership to pay sales fees or charges, on a fully disclosed basis, to a broker-dealer, placement agent or other person based upon the capital contribution of the limited partner introduced to the Partnership by such broker-dealer, agent or other person. Any such sales fees or charges would be assessed against the referred limited partner and would reduce the amount actually invested by such limited partner in the Partnership.

Eligible Investors

The Limited Partnership Interests are being offered only to persons who qualify as (1) an "accredited investor" as defined in Regulation D under the United States Securities Act of 1933, as amended (the "*Securities Act*"), (2) a "qualified eligible person" for purposes of Regulation 4.7 of the Commodity Exchange Act, (3) a "qualified client" as defined under Rule 205-3 of the Advisers Act, and (4) any of (a) a "qualified purchaser" as defined in Section 2(a)(51) of the Investment Company Act and the rules thereunder, (b) a "knowledgeable employee" as defined in Rule 3c-5 under the Investment Company Act, or (c) an entity beneficially owned exclusively by one or more qualified purchasers and/or knowledgeable employees. The Limited Partnership Interests will be offered, sold or transferred only to Eligible Investors, unless otherwise permitted by law and determined to be appropriate by the General Partner, in a transaction that is exempt from the registration requirements of the Securities Act and applicable state securities laws and would not cause the Partnership to violate the Investment Company Act

or the Advisers Act.

Use of Proceeds

The Partnership will generally invest the proceeds of the offering of Limited Partnership Interests in Portfolio Funds. A portion of the proceeds of the offering will be used to pay the fees and expenses of the Partnership, including, without limitation, organizational and offering costs and operating expenses described in "*Summary – Fees and Expenses*." In addition, the Partnership may, in the sole discretion of the General Partner, use the proceeds to fund withdrawal requests.

Funds not invested in Portfolio Funds or used to pay fees and expenses or to fund withdrawal requests may be invested in cash-equivalent securities at the sole discretion of the Investment Adviser. The Partnership may hold a certain amount of cash or cash-equivalent securities at any given time either directly or indirectly in the Portfolio Funds. Such cash could represent a majority of the Partnership's net asset value from time to time. The amount of cash or cash-equivalent securities held by the Partnership at any time will depend on the Investment Adviser's determination, which will be made in its sole judgment, regarding investment opportunities, market conditions and risks, and other relevant factors. Pending investment of any proceeds of new subscriptions for Limited Partnership Interests, Partnership assets may be invested in obligations issued or guaranteed by the U.S. government, its agencies or instrumentalities, bank deposits, money market instruments and short term debt instruments.

Distributions and Withdrawals

Distributions

The Partnership does not intend to make any distributions to its limited partners, except upon withdrawal of Limited Partnership Interests, but may do so in special circumstances, as determined in the sole discretion of the General Partner. No distribution may be made pursuant to the LP Agreement if such distribution would violate the Delaware Revised Uniform Limited Partnership Act ("Delaware Act"), any applicable law, treaty, rule or regulation, or the terms of any loan or credit agreement to which the Partnership is a party.

Withdrawals

A limited partner may withdraw some or all of its Limited Partnership Interest by delivering to the General Partner and the Administrator a written withdrawal request notice (such notice, a "*Withdrawal Notice*") at least five Business Days prior to the last day of any month. The General Partner may, in its sole discretion, permit withdrawals at other times or on shorter notice.

Withdrawal of less than all of a limited partner's Limited Partnership Interest, subject to the withdrawal provisions set forth below, will be permitted in increments having a net asset value of U.S. $50,000, *provided* that following any such withdrawal the limited partner must continue to own a Limited Partnership Interest having a net asset value of at least U.S. $250,000 as of the date of withdrawal (or the dollar amount of such limited partner's initial purchase of its Limited Partnership Interest, if less). The General Partner may waive or modify these amounts at any time in its sole discretion.

Subject to the payment and withdrawal restrictions described below, the effective date of any withdrawal (any such date, a "*Withdrawal Date*") will be the date on which the General Partner accepts the withdrawal request set forth in the Withdrawal Notice and the General Partner expects that the Withdrawal Date will generally be the last day of the month in which the Withdrawal Notice is received.

Once the General Partner accepts the withdrawal request set forth in a Withdrawal Notice, the withdrawal will be effective as of the Withdrawal Date and the withdrawal will be processed based on the net asset value (determined as of the Withdrawal Date) of the Limited Partnership Interest being withdrawn on such Withdrawal Date. Any withdrawn Limited Partnership Interest will be deemed to be withdrawn as of the Withdrawal Date and will not participate in the gains or losses of the Partnership's assets after the Withdrawal Date. A withdrawal request may be revoked only with the consent of the General Partner, which consent may be granted or withheld in its sole discretion.

Although the General Partner may exercise its discretionary authority to accept withdrawal requests for certain limited partners at other times or on shorter notice, such acceptances are at the sole discretion of the General Partner, and the General Partner may choose to refrain from exercising its discretionary authority under the LP Agreement in the future.

To the extent the Partnership has received multiple withdrawals requested from multiple limited partners on different Withdrawal Dates, the General Partner will use its best efforts to effect all withdrawal requests in the chronological order of Withdrawal Dates, starting with all withdrawal requests for the earliest Withdrawal Date; provided, however, that, to the extent that a new withdrawal request is made when one or more prior withdrawal requests are not fully processed, all withdrawal requests that are not fully processed as of the Withdrawal Date

related to such new withdrawal request (including the new withdrawal request) will be effected on a pro rata basis, based on the withdrawal amounts that are outstanding as of such Withdrawal Date.

If multiple limited partners request withdrawals on the same Withdrawal Date, the General Partner will use its best efforts to effect such withdrawal requests on a pro rata basis, based on the relative sizes of the requested withdrawals.

If a limited partner has made multiple capital contributions to the Partnership, a withdrawal of capital by such limited partner will be made on a "first-in, first-out" basis, unless otherwise instructed by such limited partner.

Notwithstanding the foregoing, the General Partner may choose to reject or delay acceptance of any withdrawal request in its sole discretion as described under "*Rejection or Delay of Withdrawal Requests; Deferral of Payments of Withdrawal Proceeds*" below. In choosing to reject or delay acceptance of withdrawal requests, the General Partner may, but is not obligated to, consider the liquidity constraints of the Portfolio Funds, frequency of withdrawal requests by limited partners and the general availability of funds of the Partnership to satisfy such withdrawal requests. While the Partnership may borrow to fund withdrawals of Limited Partnership Interests, it is under no obligation to do so and does not expect to do so in most instances.

The General Partner may enter into side letters or similar agreements with certain investors providing for, among other things, the General Partner's agreement to exercise its discretionary authority under the LP Agreement for the benefit of such investors with respect to certain terms of their investment in the Partnership, including, without limitation, fees, redemption and withdrawal rights and notice periods and information rights. See "*Risk Factors – Risks Related to the Limited Partnership Interests – Supplementary Agreements with Limited Partners*" below for a more detailed description.

The General Partner may force the complete or partial withdrawal of any limited partner's Limited Partnership Interest at any time on 30 calendar days' notice. In addition, the General Partner may, in its sole discretion, require a limited partner to withdraw all or any amount of the value of the limited partner's capital account at any time if the General Partner determines, in its sole discretion, that, without such withdrawal, (x) the assets of the Partnership would be reasonably likely to be characterized as

"plan assets" for purposes of ERISA or would be subject to the provisions of ERISA, the Code or any applicable similar law, whether or not such plan is subject to ERISA, the Code, or the applicable provisions of any similar law, (y) the General Partner would become a fiduciary with respect to the assets of any existing or contemplated ERISA Partner, pursuant to ERISA, the Code, or the applicable provisions of any similar law, or otherwise, or (z) a material adverse tax, legal or regulatory effect on the Partnership, the General Partner, the Investment Adviser, and their respective affiliates, the other limited partners, or any investment by the Partnership or future investments is likely to result. The effective date of a required withdrawal will be the date specified on the written notice of such required withdrawal submitted by the General Partner to the limited partner.

Payment of Withdrawal Proceeds

The Partnership's ability to fund and accept withdrawal requests is dependent on its ability to withdraw from the Portfolio Funds, which may have substantial liquidity restrictions. A Portfolio Fund may have substantial liquidity restrictions depending on the Peer-to-Peer Securities in which such Portfolio Fund invests or any restrictions imposed by a leverage facility agreement to which the Portfolio Fund is a party. The Investment Adviser will have complete discretion in selecting the Portfolio Funds from which the Partnership withdraws to fund withdrawals by limited partners. While the Partnership may borrow to fund withdrawals of Limited Partnership Interests, it is under no obligation to do so and does not expect to do so in most instances. In addition, the Partnership may, in the sole discretion of the General Partner, use capital contributions from new limited partners or new capital contributions from existing limited partners to fund withdrawal requests. All withdrawals will be subject to the General Partner's establishment of necessary reserves for loss contingencies and liabilities existing as of the Withdrawal Date.

If a limited partner withdraws all or substantially all of its Limited Partnership Interest, to the extent such withdrawal has been accepted by the General Partner in its sole discretion, the General Partner will use commercially reasonable efforts to cause the Partnership to pay at least 90% of the aggregate withdrawal amount calculated as described herein within 120 calendar days following the Withdrawal Date. However, any such payment may be delayed to the extent there is a delay in the Partnership's receipt of funds from one or more Portfolio Funds from which the Partnership may be required to withdraw the funds necessary to fund the limited partner's withdrawal. The remainder of such withdrawal amount generally will be paid out as promptly as practicable after the Partnership receives its annual audit for the

year of withdrawal. The Partnership may adjust such remaining portion of the withdrawal amount to set-off any adjustments identified during the course of the Partnership's annual audit for the year of withdrawal or otherwise made to the net asset value used to calculate the aggregate withdrawal proceeds payable to such withdrawing limited partner. Any such remainder amounts will be held in the name of the Partnership, but will not participate in the profits and losses of the Partnership.

If a limited partner withdraws less than substantially all of its Limited Partnership Interest (as determined by the General Partner and to the extent such withdrawal has been accepted by the General Partner in its sole discretion), the Partnership generally will not withhold any portion of the estimated withdrawal amount to be paid in respect of such withdrawal, but the Partnership may adjust, during the course of the Partnership's annual audit for the year of withdrawal or otherwise, the net asset value of such limited partner's remaining Limited Partnership Interest in connection with the finalization of such Limited Partnership Interest's estimated net asset value used to calculate such partial withdrawal amount.

The Partnership generally expects to pay the full estimated value of such withdrawal proceeds within 120 calendar days following the Withdrawal Date, but such payment may be delayed to the extent there is a delay in the Partnership's receipt of funds from one or more Portfolio Funds from which the Partnership may be required to withdraw the funds necessary to fund the limited partner's withdrawal. If a limited partner submits Withdrawal Notices requesting a series of partial withdrawals that the General Partner determines, in its sole discretion, constitutes a request to withdraw substantially all of such limited partner's Limited Partnership Interest, the General Partner will treat such Withdrawal Notices as a Withdrawal Notice requesting a withdrawal of substantially all of such limited partner's Limited Partnership Interest that will be subject to the withholding described in the paragraph above. Each limited partner's capital account will be reduced by amounts withdrawn or distributed to such limited partner.

The Partnership intends to distribute cash upon withdrawals. However, the Partnership may distribute securities or other financial instruments in lieu of cash if the General Partner determines, in its sole discretion, that such distribution is in the best interests of the Partnership or the remaining limited partners.

Rejection or Delay No withdrawal will be permitted (i) if such withdrawal would

of Withdrawal Requests; Deferral of Payments of Withdrawal Proceeds	violate the Delaware Act, any applicable law, treaty, rule or regulation or the terms of any loan or credit agreements to which the Partnership is a party or (ii) to the extent that the Partnership, as determined by the General Partner in its sole discretion, (x) does not have sufficient assets to satisfy such withdrawal or (y) would cease to be treated as a partnership for U.S. federal income tax purposes. If the General Partner believes that accepting a withdrawal request would have adverse consequences to the Partnership's remaining limited partners, it may, in its sole discretion, reject or delay the acceptance of such withdrawal request in whole or in part. Under such circumstances, the Limited Partnership Interest which otherwise would have been withdrawn will continue to participate in the profits and losses of the Partnership until such withdrawal request is accepted. In addition, the General Partner may elect to postpone the payment of withdrawal proceeds to any limited partner if it determines, in its sole discretion, that such payment would have adverse consequences to the Partnership's other limited partners. Under such circumstances, the withdrawn Limited Partnership Interest will be deemed to be withdrawn as of the Withdrawal Date but the payment of withdrawal proceeds to the limited partner will be postponed until the General Partner determines that such payment would not have adverse consequences to the Partnership's other limited partners.
No Withdrawal Charges	Limited partners are not subject to withdrawal charges by the Partnership or the Portfolio Funds.
Transfer Restrictions	The Limited Partnership Interests have not been and will not be registered under the Securities Act, the securities laws of any state of the United States or the securities laws of any other jurisdiction and may not be offered, sold or otherwise transferred unless such Limited Partnership Interests are transferred in a transaction exempt from the registration requirements of the Securities Act, applicable state securities laws and applicable securities laws of any other jurisdiction. No sale or transfer of the Limited Partnership Interests may be made which would cause the Partnership to fail to qualify for an exemption from the registration requirements under the Investment Company Act and subject it to such registration requirements or to otherwise violate the Investment Company Act or the Advisers Act. Transfers of Limited Partnership Interests may be made only with the prior written consent of the General Partner, which may be given or withheld in its sole discretion, and pursuant to any certifications,

representations, warranties, acknowledgements and agreements required by the General Partner. Each transferee of a Limited Partnership Interest must be an Eligible Investor.

Withdrawals by the General Partner

Withdrawals of Limited Partnership Interests held by the General Partner, the Investment Adviser and the Principals will be subject to the same terms that are applicable to the withdrawals of Limited Partnership Interests held by other limited partners, as described above.

Fees and Expenses

Organizational and Offering Costs

The Partnership may, in the General Partner's discretion, pay or reimburse the General Partner, the Investment Adviser and/or their affiliates for all expenses related to the organization and initial offering expenses of the Partnership and the Offshore Feeder, including, but not limited to, legal and accounting fees, printing and mailing expenses and government filing fees (including blue sky filing fees). The Partnership's organizational and initial offering expenses may be, for accounting purposes, amortized by the Partnership for up to a sixty (60) month period. Amortization of such expenses is a divergence from U.S. generally accepted accounting principles ("*GAAP*"). In certain circumstances, this divergence may result in a qualification of the Partnership's annual audited financial statements. In such instances, the Partnership may elect to (i) avoid the qualification by recognizing the unamortized expenses or (ii) make GAAP conforming changes for financial reporting purposes, but amortize expenses for purposes of calculating the Partnership's net asset value (resulting in a divergence in fiscal year-end net asset values reported in the Partnership's financial statements, and as otherwise applicable under the provisions of the LP Agreement). If the Partnership is terminated within sixty (60) months of its commencement, any unamortized expenses will be recognized. If a limited partner makes a withdrawal prior to the end of the period during which the Partnership is amortizing expenses, the Partnership may, but is not required to, accelerate a proportionate share of the unamortized expenses based upon the amount being withdrawn and reduce withdrawal proceeds accordingly.

Operating Expenses

The Partnership will pay or reimburse the General Partner, the Investment Adviser and their affiliates for (i) all expenses incurred in connection with the ongoing offer and sale of Limited Partnership Interests, including, but not limited to, printing of this Memorandum and exhibits and documentation of performance and the admission of limited partners, (ii) all operating expenses

of the Partnership such as tax preparation fees, governmental fees and taxes, administrator fees, costs of communications with limited partners, and ongoing legal, accounting, auditing, bookkeeping, consulting and other professional fees and expenses, (iii) all Partnership trading and investment related costs and expenses (including, without limitation, travel expenses and other expenses of the Investment Adviser related to diligence of investment opportunities for the Partnership), (iv) all fees and other expenses incurred in connection with the investigation, prosecution or defense of any claims, assertion of rights or pursuit of remedies, by or against the Partnership, including, without limitation, professional and other advisory and consulting expenses, (v) fees and expenses relating to software tools, programs or other technology utilized in managing the Partnership (including, without limitation, third-party software licensing, implementation, data management and recovery services and custom development costs), (vi) research and market data (including, without limitation, any computer hardware and connectivity hardware (e.g., telephone and fiber optic lines) incorporated into the cost of obtaining such research and market data), (vii) costs related to errors and omissions insurance and directors and officers insurance for the General Partner and the Investment Adviser, (viii) costs of printing and mailing reports and notices, (ix) regulatory expenses (including, without limitation, filing fees) and (x) indemnification expenses and other extraordinary expenses. The Partnership will also bear all of the expenses of any feeder fund organized by the Partnership to invest in the Partnership. The Partnership also will bear its *pro rata* share of the organizational costs, operating costs, investment related expenses and any other expenses of each of the Portfolio Funds.

The General Partner and the Investment Adviser will bear their respective overhead expenses, such as salaries and real estate lease expenses.

Management Fee

The Partnership will pay to the Investment Adviser a management fee ("*Management Fee*") at an annual rate of 2% of the net asset value of the Partnership (prior to reduction for the accrued Management Fee being calculated and for any contingent or actual Performance Fee payable to the Investment Adviser). The Management Fee will accrue and be determined as of the last calendar day of each month and be paid quarterly in arrears, prorated for partial periods based upon the Withdrawal Date of any withdrawals. At the sole discretion of the Investment Adviser, the Investment Adviser may, for administrative, accounting or tax considerations, elect to receive the Management

Fee from the Offshore Feeder in respect of the assets attributable to the Offshore Feeder's investment in the Partnership instead of receiving such Management Fee directly from the Partnership.

The Investment Adviser may, in its discretion, waive any portion of its fees that would otherwise be allocable to any particular Limited Partnership Interest or class of Limited Partnership Interests, and may effect such waiver by means of a reimbursement to a limited partner or partners.

The Investment Advisory Agreement between the Partnership and the Investment Adviser provides for termination by either party on 90 calendar days' notice and for indemnification of the Investment Adviser by the Partnership for losses incurred in the absence of willful misconduct, bad faith or gross negligence by the Investment Adviser in performing its duties under the Investment Advisory Agreement.

Performance Fee

The Partnership will pay to the Investment Adviser a performance fee ("*Performance Fee*") based on the performance of the Partnership with respect to each fiscal year. The amount of the Performance Fee is determined separately for the capital account of each limited partner and is equal to 20% of an amount (if positive) equal to (a) the result of (i) Year-End Value of such capital account for such fiscal year *minus* (ii) the Beginning Year Value of such capital account for such fiscal year, *minus* (b) the applicable Hurdle Amount for such capital account for such fiscal year.

- "*Beginning Year Value*" means the net asset value of each capital account as of the first day of the fiscal year, which will be the net asset value of such capital account as of end of the fiscal year immediately preceding such fiscal year (after charging the Performance Fee, if any, in respect of such capital account in such preceding fiscal year), as adjusted for any additional capital contributions made into such capital account as of such date.

- "*Hurdle Amount*" means, for each capital account, with respect to each fiscal year, an amount equal to the product of (x) Beginning Year Value for such fiscal year and (y) the applicable Hurdle Rate for such fiscal year, as adjusted for any additional capital contributions made into, or any withdrawals or distributions made from, such capital account during the fiscal year on any day

other than the first and last day of such fiscal year, respectively.

- "*Hurdle* Rate" means for each fiscal year, with respect to the capital account of each limited partner, 6% per annum.

- "*Year-End Value*" means the net asset value of each capital account as of the end of each fiscal year (before charging the Performance Fee, if any, for such fiscal year), as adjusted for any additional capital contributions made into, or any withdrawals or distributions made, from such capital account during such fiscal year on any day other than the last day of such fiscal year.

The Performance Fee is calculated and paid to the Investment Adviser as of the end of every fiscal year. In the event that a limited partner makes a capital contribution to or withdrawal from its capital account during any fiscal year, then the Performance Fee, if any, attributable to the amount of such contribution or withdrawal, as the case may be, will be separately calculated on that portion of the limited partner's account, on a proration basis for the partial period during which the applicable amount was actually invested in the Partnership, including a prorated Hurdle Amount for the applicable period.

Generally, the Partnership will pay to the Investment Adviser 100% of the Performance Fee (if any) on or before March 15th in the calendar year following the calendar year for which the Performance Fee was earned. In the event that a Performance Fee is calculated as of a Withdrawal Date, such fee will be paid within five Business Days following the Withdrawal Date. In the event that the Partnership is terminated other than at the end of a fiscal year, payment of the Performance Fee to the Investment Adviser will be calculated as of the termination date and paid within 60 days following the termination date.

At the sole discretion of the Investment Adviser, the Investment Adviser may, for administrative, accounting or tax considerations, elect to receive the Performance Fee from the Offshore Feeder in respect of the assets attributable to the Offshore Feeder's investment in the Partnership instead of receiving such Performance Fee directly from the Partnership.

The Investment Adviser may, in its discretion, waive any portion

of its Performance Fee.

The General Partner has the right to amend, without the approval of the limited partners but with the consent of the Investment Adviser, the provisions of the LP Agreement related to the Performance Fee to conform the terms of the Performance Fee to any applicable requirements of the U.S. Securities and Exchange Commission and other regulatory authorities but no such amendment will increase the percentage rate at which the Performance Fee is calculated without the approval of the requisite limited partners required under the LP Agreement.

The Partnership will not be charged any management fees or performance fees in connection with its investment in any Portfolio Fund.

Administrator Fee

The Partnership has entered into an agreement (the "*Services Agreement*") with the Administrator to provide certain administrative services to the Partnership. The Administrator is also expected to provide administrative services to the Offshore Feeder and some or all of the Portfolio Funds. Under the Services Agreement, the Administrator will be paid fees that will vary based on the net assets of the Partnership. See "Administration" below for a description of the terms of the Services Agreement.

Notwithstanding the above, the General Partner may, in its discretion, replace the Administrator, retain additional administrators other than the Administrator and may use different administrators for different classes of Limited Partnership Interests. Each Portfolio Fund may retain a different administrator.

Allocation of Fees and Expenses

Fees and expenses paid or incurred by the Partnership that are attributable to only one class of partnership interests will be specially allocated to that class. Fees and expenses that may be attributable to more than one class or all classes of partnership interests will be allocated among such classes in a manner that the General Partner determines to be fair and equitable.

Net Asset Value

The net asset value of the Partnership will be the excess of the Partnership's assets over its liabilities (including, without limitation, direct and indirect expenses of Portfolio Funds that are allocable to the Partnership) determined using accounting principles generally accepted in the United States of America as a guideline, applied on a consistent basis.

If the Partnership has issued more than one class of limited partnership interests in the Partnership, then the General Partner will determine net asset value, or cause net asset value to be determined, separately for each class of limited partnership interests.

The net asset value of each capital account of a partner relating to a class of partnership interests owned by such partner will be an amount equal to (a) the net asset value determined for the class of partnership interests related to such capital account *multiplied* by (b) the ownership percentage of such partner in the applicable class of partnership interests. The capital accounts for Limited Partnership Interests in a class owned by the same partner may be consolidated by the General Partner.

The Partnership's ability to properly value the Partnership's investment in a Portfolio Fund may be limited by the accuracy and timeliness of the Partnership's receipt of valuation information related to such Portfolio Fund's Peer-to-Peer Securities reported by Peer-to-Peer Platform Sponsors, servicers, trustees and other outside sources responsible for providing valuation information regarding such Peer-to-Peer Securities.

Leverage

Although the Partnership may borrow funds on a secured or unsecured basis, at such times and in such amounts as the General Partner may determine in its sole discretion, the Partnership does not expect to do so.

The General Partner expects that each Portfolio Fund will actively pursue leverage for the Partnership to enhance returns. The terms and conditions of any leverage agreement entered into by a Portfolio Fund will be made available to any limited partner for review following the General Partner's receipt from such limited partner of a signed non-disclosure agreement.

Partner Reports

Each limited partner will receive the following: (i) annual financial statements of the Partnership audited by an independent certified public accounting firm; (ii) a quarterly letter from the Investment Adviser discussing the results of the Partnership's investments; (iii) copies of such limited partner's Schedule K-1 to the Partnership's tax returns; (iv) monthly updates on each limited partner's net asset value as calculated by the Partnership's Administrator; and (v) other reports as determined by the General Partner in its sole discretion. The Partnership will bear all fees incurred in providing such tax returns and reports.

The General Partner may, but is not required to, agree to provide

certain limited partners with additional information on the underlying investments of the Partnership, as well as heightened access to the General Partner, the Investment Adviser and their respective employees for relevant information.

Voting Rights

As limited partners, holders of Limited Partnership Interests will not have any voting rights regarding the management of the Partnership or otherwise, other than in relation to certain proposed amendments to the LP Agreement that would have a material adverse effect on the rights of such limited partners. Generally, the LP Agreement may be amended by the General Partner without the consent of the limited partner but no amendment to the LP Agreement may be made if such amendment would have a material adverse effect on the rights of any limited partner without the approval of the limited partners holding a majority of each class of limited partnership interests adversely affected by such amendment. Notwithstanding the foregoing, the General Partner may, without the consent of any of the limited partners, amend the LP Agreement even if such amendment would adversely affect the rights of limited partners under certain circumstances, including to comply with any rule, regulation or statute, including without limitation, the Investment Company Act, the Commodity Exchange Act, the Delaware Act or federal or state tax provisions.

Tax Treatment

The Partnership intends to be classified as a partnership for U.S. federal income tax purposes. As a result, the Partnership should not be subject to U.S. federal income tax and each partner will be required to take into account its distributive share of Partnership income, gain, loss and deduction substantially as though such items had been realized directly by the partner, without regard to whether any distribution from the Partnership has been or will be received. Prospective investors should consult their own tax advisors with specific reference to their own situations. See "*Tax Considerations*" below.

ERISA Considerations

Entities subject to the U.S. Employee Retirement Income Security Act of 1974, as amended ("*ERISA*"), may subscribe for and purchase Limited Partnership Interests. Investment in Limited Partnership Interests by entities subject to ERISA requires special consideration. Trustees or administrators of such entities are urged to carefully review the matters discussed in this Memorandum. The Partnership will not limit investments by "benefit plan investors", as defined in Section 3(42) of ERISA and any regulations promulgated thereunder ("*Benefit Plan Investors*"), except to the extent that such investments would cause the assets of the Partnership to be treated as "plan assets"

(as defined in Section 3(42) of ERISA and any regulations promulgated thereunder). Accordingly, the Partnership will limit the participation of Benefit Plan Investors to the extent necessary to ensure that Benefit Plan Investors in the aggregate will own less than 25%, or such greater percentage as may be provided in regulations promulgated by the Department of Labor ("*DOL*"), of the value of each class of equity interests in the Partnership. See "*ERISA Considerations*" below.

Tax Exempt Investors

It is expected that Portfolio Funds may use leverage and otherwise borrow in pursuing their investment strategies. Accordingly, the Partnership, through its investment in Portfolio Funds, may generate for its tax-exempt limited partners "*unrelated business taxable income*," or UBTI, arising from their ownership of Limited Partnership Interests in the Partnership. Trustees and administrators of tax-exempt investors should consider these and other factors and consult their own legal and tax advisers before making an investment in the Partnership.

Non-U.S. Investors

Interest from U.S. sources earned on bank deposits and "portfolio interest" as defined under the U.S. Internal Revenue Code of 1986, as amended, are not subject to withholding for U.S. federal income tax. However, dividend income and certain other interest from U.S. sources are subject to 30% withholding. Neither the Partnership nor any of the Portfolio Funds intends to conduct a trade or business in the United States within the meaning of Section 864 of the Code, or to invest in securities the income from which is treated for U.S. federal income tax purposes as arising from a U.S. trade or business (hereinafter, "*effectively connected income*"). Accordingly, as discussed below, it is more likely than not that the income derived by the Portfolio Funds (and in turn, the Partnership) from the Portfolio Funds' expected investments discussed in the Memorandum under the heading "Investment Objective" will not be subject to U.S. federal income taxes on the basis of net income or branch profits tax. See "*Tax Considerations – Non-US Investors*" below.

U.S. Legal Counsel

Schulte Roth & Zabel LLP ("*SRZ*"), 919 Third Avenue, New York, New York 10022, will act as United States counsel to the Partnership in connection with this offering of Limited Partnership Interests except with respect to tax advice (which is rendered by Fenwick & West LLP). SRZ also acts as United States counsel to the General Partner, the Investment Adviser and certain of their respective affiliates with respect to certain matters. In connection with this offering of Limited Partnership Interests and ongoing advice to the Partnership, the General Partner, the Investment Adviser and their respective affiliates, SRZ will not

be representing limited partners of the Partnership. No independent counsel has been retained to represent limited partners of the Partnership.

Special Tax Counsel Fenwick & West LLP ("*Fenwick*") acts as special tax counsel to the Partnership, the Investment Adviser, the General Partner and certain of their affiliates in connection with U.S. tax matters related to the offering of Limited Partnership Interests. Fenwick does not represent the limited partners and each limited partner is urged to consult with its, his or her own tax counsel.

Independent Auditor Ernst & Young has been engaged by the Partnership to act as the auditor of the Partnership. Notwithstanding the above, the General Partner may, in its discretion, replace the auditor of the Partnership. Each Portfolio Fund may retain a different auditor.

Fiscal Year The Partnership's fiscal year-end is December 31st of each calendar year, except that the final fiscal year will end on the date on which the winding up of the Partnership is completed pursuant to the terms of the LP Agreement.

MANAGEMENT

HCG Digital Finance LP (the "*Partnership*"), a Delaware limited partnership, was formed on November 13, 2014.

HCG Partners LLC ("*HCG Partners*"), a Delaware limited liability company, serves as the general partner of the Partnership (the "*General Partner*"). The General Partner is responsible for the management of the Partnership's affairs. The General Partner has full discretionary investment authority over the Partnership's investment activity but, pursuant to the Investment Advisory Agreement, the General Partner will delegate all of its investment authority in connection with the Partnership's investments to the Investment Adviser. Jointly, the General Partner and the Investment Adviser control all of the Partnership's operations and activities.

The General Partner may own a nominal Limited Partnership Interest or any other limited partnership interest in the Partnership. One or more affiliates of the General Partner may from time to time own Limited Partnership Interests or any other limited partnership interests in the Partnership and may enter into Supplementary Agreements with the General Partner in respect of such investments.

HCG Fund Management LP, a Delaware limited partnership, serves as the Investment Adviser for the Partnership (the "*Investment Adviser*") pursuant to the terms of an Investment Advisory Agreement (the "*Investment Advisory Agreement*"). HCG Funds LLC, a Delaware limited liability company that is an affiliate of the General Partner, is the general partner of the Investment Adviser and controls the Investment Adviser. Pursuant to the Investment Advisory Agreement, the Investment Adviser will be responsible for making all investment decisions with respect to the Partnership's assets.

Each of the General Partner and Investment Adviser is controlled by Jose N. Penabad and Hadi F. Habal (the "*Principals*").

Background of the Principals

Jose N. Penabad

Mr. Penabad is a co-founder of the General Partner and the Investment Adviser. Mr. Penabad is a manager of the General Partner and a manager of the general partner of the Investment Adviser. A company that Mr. Penabad controls is a member of the General Partner, a member of the general partner of the Investment Adviser and a limited partner of the Investment Adviser.

Mr. Penabad oversees the day-to-day activities of the General Partner, the general partner of the Investment Adviser and the Investment Adviser. Mr. Penabad also works in an advisory capacity for a venture fund in the United States.

Mr. Penabad has been managing third party capital in both public and private markets since 2003. Since 2013, Mr. Penabad has managed HCG Consumer Credit I, L.P., an alternative investment vehicle that is focused primarily on investing in fractional interests of consumer loans originated by LendingClub Corporation with $60 million of assets under management. Between 2010 and 2013, he served as a co-portfolio manager at HCG Absolute Return Onshore, a $75 million long/short portfolio focused on financials and REITs. Prior to joining the General Partner, he served as a senior analyst at SAB Capital Management from 2006 through 2010, with primary research responsibilities on financials, REITs, and finance-related entities. Before SAB Capital, Mr. Penabad was an Associate at JPMorgan Partners, the private equity arm of JPMorgan Chase, spending three years executing transactions across multiple industry sectors and geographies, including the U.S., Europe and Latin America. Mr. Penabad began his finance career as a mergers and acquisitions banker at Morgan Stanley in 2002, serving in their Latin American division.

Mr. Penabad has a B.A. in International Finance and Marketing and a B.A. in Computer Information Systems from the University of Miami, FL. Mr. Penabad is fluent in Spanish, and has lived and worked in the U.S. and Latin America. He currently resides in Raleigh, North Carolina.

Hadi F. Habal

Mr. Habal is a co-founder of the General Partner and the Investment Advisor, and a company that Mr. Habal controls is a member of the General Partner, a member of the general partner of the Investment Adviser and a limited partner of the Investment Adviser. Mr. Habal has held various roles at the General Partner, the Investment Advisor and their affiliates.

Mr. Habal has been managing third party capital for over seventeen years, in both the public and private markets. He has been a portfolio manager at BlueCrest Capital Management, HCG Fund Management, Decade Capital, and Millennium Partners, where Mr. Habal co-founded the firm's first public real estate investment equities portfolio.

Before Millennium, Mr. Habal was a principal at JPMorgan Partners, the private equity arm of JPMorgan Chase, where he spent six (6) years originating investment ideas and executing transactions across a variety of sectors and geographies, including the U.S., Europe and Latin America. Mr. Habal was one of the team members that launched JPMorgan's first third-party private equity fund, JPMorgan Latin America Capital Partners, LP. Mr. Habal started his finance career as an M&A banker at JPMorgan in 1996. His prior career was in the telecom services sector with GTE (n/k/a Verizon), where he spent five (5) years as a Member of the Technical Staff.

Mr. Habal has an MBA from the Sloan School of Management at MIT, an M.S. in Electrical Engineering from Tufts University, and a B.S. in Electrical Engineering from Lehigh University. Mr. Habal has lived and worked in the U.S., Europe, Latin America and the Middle East and holds US patent # 5519760 entitled "Cellular Network-Based Location System."

Other Activities of the General Partner, the Investment Adviser, the Principals and Affiliates

None of the General Partner, the Investment Adviser and their managers, members, officers, employees, agents and affiliates is required to manage the Partnership as its sole and exclusive function. The General Partner, the Investment Adviser and their managers, members, officers, employees, agents and affiliates may engage in other business activities, and are only required to devote such time to the Partnership as the General Partner or the Investment Adviser deems necessary to accomplish the purposes of the Partnership. Similarly, although the Principals devote a significant amount of their time to the business of the General Partner, the Investment Adviser and the Partnership, each of them is only required to devote so much of his time to these entities as he determines in his sole discretion.

In addition to managing the Partnership's investments, the General Partner, the Investment Adviser, the Principals and their respective affiliates may provide investment management and other services to Portfolio Funds and other parties and may manage other accounts and/or establish other private investment funds in the future (both domestic and offshore), including those which may employ an investment strategy similar to that of the Partnership.

Investments by the General Partner, the Investment Adviser, the Principals and Affiliates

Capital contributions by the General Partner, the Investment Adviser, any Principal and their respective affiliates will generally be on the same basis as capital contributions made by investors, except that, in the discretion of the Investment Adviser, no Performance Fee or Management Fee may be assessed to such persons. The LP Agreement and the Investment Advisory Agreement do not require the General Partner, the Investment Adviser, any Principal or such affiliates to maintain any minimum capital account balance.

Liability of the General Partner, the Investment Adviser, the Principals and Affiliates

The General Partner and the Investment Adviser will not be liable to the Partnership or to the limited partners for any act or omission performed or omitted by them in the absence of willful misconduct, bad faith or gross negligence. The Partnership will indemnify the General Partner, the Investment Adviser, their affiliates and all of their respective officers, members, directors, agents and employees for any loss or damage incurred by any of them on behalf of the Partnership or arising out of or in connection with the Partnership, except for losses incurred by the General Partner or the Investment Adviser, as applicable, arising from its own willful misconduct, bad faith or gross negligence.

INVESTMENT OBJECTIVE

The Partnership's investment objective is to generate stable, long term capital growth by investing substantially all of its assets in private investment funds organized by the General Partner or one of its affiliates and managed by the Investment Adviser or one of its affiliates ("*Portfolio Funds*"). Each Portfolio Fund will invest primarily in securities or other financial assets ("*Peer-to-Peer Securities*") that are issued by trusts or similar special purpose vehicles ("*Peer-to-Peer Security Issuers*") and are collateralized by, or reference or otherwise track the performance of, one or more portfolios of loans ("*Peer-to-Peer Loans*") originated through peer-to-peer lending platforms sponsored by and serviced by third party companies ("*Peer-to-Peer Platform Sponsors*"). Peer-to-Peer Loans are generally private consumer loans that were not historically available to capital market investors.

The Partnership offers investors a single point of access to participate in the emerging asset class of Peer-to-Peer Loans by allocating Partnership assets across one or more Portfolio Funds. Each Portfolio Fund will consist of a diversified portfolio of loans within a specific discipline, sector, and/or credit profile, and originated via one or more Peer-to-Peer marketplaces. Most loans in each Portfolio Fund will have terms between 12 and 60 months, resulting in average portfolio life between 1 and 2 years. By applying an investment strategy of participating in a variety of loan types across numerous platforms, the Partnership will seek to diversity its investment platform and credit risk. Furthermore, the Investment Adviser will have the flexibility to allocate new as well as reinvestment capital to the Portfolio Fund that the Investment Adviser believes will provide the Partnership with the best risk-reward opportunity.

The Partnership expects the Peer-to-Peer Securities in each Portfolio Fund to generate monthly cash interest, which is the primary source of the Partnership's capital growth. The Investment Advisers expects that the Partnership will generally reinvest amortized and prepaid loan principal. Each Portfolio Fund will experience some capital loss due to loan charge offs, which will be absorbed by a loan loss reserve that accrues on a monthly basis. If and when leverage is added to a Portfolio Fund, interest expense on that leverage will be absorbed by that Portfolio Fund.

There can be no assurance that the Partnership will meet its investment objective, and investment results may vary substantially over time and from period to period.

Paradigm Shift: Following the financial crisis of 2008, the combination of increased regulatory burdens, escalating bank capital requirements, and compressing interest rates for bank products caused many banks to reduce their lending activities. They refrained from product innovation in loans historically dominated by a small group of lenders (e.g., personal loans) or stopped providing credit altogether to borrowers who relied exclusively on banks for credit (e.g., small businesses, single family rehabilitation companies). At the same time, online behavior, financial technology, and the Internet led to the birth of online direct lending platforms, or Peer-to-Peer marketplaces, that have started to disintermediate traditional banking and lending activity. This confluence of regulation, technology and online behavior paved the way for the emergence of a sustained paradigm shift in the traditional funding channel. It is this paradigm shift that enabled the Partnership's opportunity in the new reality of digital finance.

Utilizing banking's best underwriting practices and marrying them to the principles of transparency, data and speed that dominate today's "Internet 2.0" world, direct lending platforms such as **LendingClub** (ticker: LC) and **OnDeck** (ticker: ONDK) emerged to fill the gap vacated by traditional lending institutions. These Peer-to-Peer Platform Sponsors created an alternative to traditional lending institutions for borrowers, and in the process enabled a virtuous circle whereby borrowers have faster access to capital at a more attractive rate and savers earn more attractive risk-adjusted returns than otherwise available. There is no turning back from this paradigm shift because the value proposition and net economic benefits makes sense to all constituents, namely borrowers, lenders, savers, and channel operators (i.e., the marketplaces).

Investment Process: The Partnership is positioned to achieve the investment objective of sustained attractive risk-adjusted capital growth because of a well-honed investment process centered on three core elements: Platform Access and Selection, Portfolio Construction and Management, Debt Origination and Structuring.

1. **Platform Access and Selection**. The Investment Adviser will seek to identify and evaluate prospective platforms early in their life cycle, and in the process develops collaborative relationships with the platforms' founders and executive teams. The Investment Adviser intend to conduct iterative and extensive due diligence on various aspects of each platform to determine the platform's risk underwriting capability, value proposition to savers and borrowers, market opportunity, growth tendencies, and operational robustness before committing to start an investment program with the platform. The Investment Adviser expects that early and value-added engagement will provide the Investment Adviser the opportunity to get a seat at the table as a prospective platform investor. The Principals' experience in private equity across multiple disciplines will guide the Investment Adviser's evaluation and decision-making process.

2. **Portfolio Construction and Management**. The Investment Adviser will bring its own proprietary processes and algorithms to optimize the selection of loans for each of the Portfolio Funds. Each Portfolio Fund will be constructed and managed to achieve an optimal balance between risk and reward. The Investment Adviser expects to achieve this goal by monitoring a series of macro-economic factors, industry-specific trends, credit statistics, and platform specific loan performance to determine how best to allocate capital and estimate credit losses. The Principals' experience in portfolio construction across different market contexts will guide the Investment Adviser's risk management philosophy.

3. **Debt Origination and Structuring**. The Partnership seeks to employ modest levels to leverage in each Portfolio Fund to enhance returns while maintaining reasonable credit risk within the individual asset pool. Leverage is possible for this asset class because of high monthly cash generation whether through cash interest, cash principal amortization, and/or full loan prepayments, leading to healthy coverage ratios (e.g., EBITDA/interest ratio and debt to equity ratio).

   The Investment Adviser believes that attractive returns can be generated along a spectrum that ranges from higher coupon loans with higher risk that do not have

leverage to lower coupon loans with lower credit risk that employ some prudent leverage. Within the current macroeconomic context, current U.S. credit cycle, and global interest rate environment, the Investment Adviser's view is that risk-adjusted returns on lower coupon/lower risk loans with some leverage is better than the alternative. The Investment Adviser will draw on the Principals' experience in structuring debt for leveraged investments to originate and implement leverage that makes sense for each Portfolio Fund.

Portfolio Funds Generally

Generally, each of the Portfolio Funds will be organized as onshore or offshore limited liability companies, limited partnerships or other entities formed by HCG Partners or its affiliates. It is expected that the manager, managing member, directors or general partner of each Portfolio Fund will be, or a similar function will be performed by, the General Partner, the Investment Adviser or their affiliates.

Because the Portfolio Funds are generally organized by HCG Partners (or its affiliates) for the purposes of facilitating the investment management of assets of HCG Partners' (or its affiliates') clients, interests in such Portfolio Funds may be held by one or more of HCG Partners' (or its affiliates') clients, including the Partnership. As a general partner, managing member or manager (or similar capacity) of each Portfolio Fund, HCG Partners exercises control over the issuance and transfer or other disposition of the membership interests of such Portfolio Funds.

At the time the General Partner delivers a copy of this Memorandum to any prospective investor, the General Partner will make available to such prospective investor, all material disclosure documents, organizational documents, performance information and other documents that (x) the General Partner elects to make available to limited partners and (y) are related to each Portfolio Fund in which the Partnership has invested or expects to invest (in the sole determination of the Investment Adviser) at such time (collectively, "*Portfolio Fund Documents*"). However, prior to delivering a Portfolio Fund Document to an investor, the General Partner may require that such investor deliver a signed confidentiality agreement in form and substance satisfactory to the General Partner in its sole discretion if the Portfolio Fund, the General Partner and/or the Investment Adviser is subject to any confidentiality restriction (by contract or applicable law) in respect of such Portfolio Fund Document. Because the Partnership will invest substantially all of its assets in Portfolio Funds, each prospective investor is urged to carefully review each Portfolio Fund Document delivered by the General Partner before making a decision to invest in the Partnership. Certain Portfolio Fund Documents will be documents prepared by or on behalf of the related Peer-to-Peer Platform Sponsor and none of the Partnership, the General Partner, the Investment Adviser, the Partnership's U.S. fund counsel, the Partnership's special tax counsel, the Partnership's auditor, the Administrator and their respective officers, directors, partners, members, employees or other agents of any of them has independently checked or verified the accuracy or the completeness of the information contained in such Portfolio Fund Documents or any document referenced in such Portfolio Fund Documents.

Current Portfolio Funds

As of the date of this Memorandum, the Investment Adviser expects that the Partnership will invest substantially all of its assets in HCG Consumer Credit I, LP ("*Portfolio Fund I*"), HCG Real Estate LLC ("*Portfolio Fund II*") and HCG Consumer Credit II LLC ("*Portfolio Fund III*"). Because the Partnership's assets will be heavily concentrated in these Portfolio Funds, each prospective investor is urged to carefully review the Portfolio Fund Documents related to such Portfolio Funds delivered to them by the General Partner.

Portfolio Fund I

Portfolio Fund I is a limited partnership organized under the laws of the state of Delaware for the purpose of investing in fractional interests in consumer loans originated by LendingClub Corporation, a Delaware corporation ("*LendingClub*") or one of its affiliates. Portfolio Fund I indirectly invests in such loans by making investments in one or more master global trust certificates issued by one or more trusts sponsored by LendingClub ("*LC Trust Certificates*"). LendingClub is a publicly traded company that originates and services peer-to-peer consumer loans directly or through one of its affiliates. LC Trust Certificates are not obligations of LendingClub but the payments on LC Trust Certificates are dependent on the performance of pools of consumer loans purchased by the issuing trust from LendingClub. LC Trust Certificates that Portfolio Fund I is expected to purchase are limited recourse securities that are backed solely by a pool of consumer loans purchased by the issuing trust from LendingClub.

LendingClub is a publicly traded company that originates and services peer-to-peer consumer loans, among other types of loans, directly or through one of its affiliates. LendingClub filed a registration statement with the SEC with respect to the offer and sale of its common stock.

LendingClub's Form S-1 can be found in the SEC website at the following address: http://www.sec.gov/Archives/edgar/data/1409970/000119312514435442/d766811ds1a.htm.

Portfolio Fund II

Portfolio Fund II is a limited liability company organized under the laws of the state of Delaware, disregarded as a separate entity for federal income tax purposes, for the purpose of investing indirectly in business-purpose mortgage loans secured by residential property ("*LH Loans*") originated through the online peer-to-peer lending platform established by LendingHome Funding Corporation, a wholly-owned subsidiary of LendingHome Corporation (together with LendingHome Funding Corporation, "*LendingHome*"). LendingHome Corporation is a privately held company.

The General Partner expects that Portfolio Fund II will indirectly invest in LH Loans by holding 100% of the owner trust certificate issued by HCG Real Estate I Trust or a similar trust ("*HCG RE Trust Certificates*"), which is expected to own the LH Loans. In addition, Portfolio Fund II is also expected to own 100% of the membership interests issued by HCG REO, LLC ("*HCG REO LLC Interests*"), which is a Delaware limited liability company that will hold all real properties received in any foreclosure action with respect to any of the LH Loans. Neither the HCG RE Trust Certificates nor HCG REO LLC Interests are obligations of LendingHome

but the payments on HCG RE Trust Certificates are dependent on the performance of pools of LH Loans purchased by the issuing trust from LendingHome. HCG RE Trust Certificates that Portfolio Fund II is expected to purchase are limited recourse securities that are backed solely by a pool of LH Loans purchased by the issuing trust from LendingHome.

Over the last 10 years, the value of single family residential homes in the United States that have been sold through foreclosure processes each year has ranged from $15 billion to $105 billion. While the absolute amount of residential foreclosure activity will vary year to year, there is a large and unmet need for capital access by small businesses which specialize in rehabilitating homes for resale (commonly referred to as "*fix and flip*"). Currently, the rehabilitation loan market is highly fragmented, regionalized and inefficient. LendingHome provides an alternative source of capital in this market with a peer-to-peer solution that provides the borrower with a faster underwriting process, reliable capital and lower-cost capital.

LH Loans are typically fixed rate, interest only loans with a balloon maturity in the final payment, with terms of either 6 or 12 months. The range of interest rates on a LH Loan varies from 8% to 18% per annum. The interest charged on a LH Loan will be dependent on LendingHome's underwriting and scoring process which takes into account, among other factors, the appraised loan-to-value ("LTV") of the subject property and the borrower's experience in rehabilitating homes. LendingHome originates the LH Loans out of its own funds several days before issuing Peer-to-Peer Securities with respect to LH Loans, during which time LendingHome owns the LH Loans. As of May 2015, LendingHome is actively originating loans in AZ, CA, CO, FL, GA, MI, NV, NC, OR, TN, TX, WA, WV, VA. The average LH Loan has a principal balance under $200,000, weighted average loan to appraised value of approximately 70%, and a gross interest rate of approximately 11% per annum. Loan terms are either 6 or 12 months, with weighted average life at 9.5 months.

Portfolio Fund III

Portfolio Fund III is a limited liability company organized under the laws of the state of Delaware, disregarded as a separate entity for federal income tax purposes, for the purpose of investing indirectly in unsecured whole consumer loans originated through the online peer-to-peer lending platform established by LendingClub.

The General Partner expects that Portfolio Fund III will indirectly invest in whole "standard" unsecured consumer loans originated and serviced by LendingClub by investing in the owner trust certificate issued by HCG Consumer Credit II Trust or a similar trust ("*HCG CCII Trust Certificates*"), which is expected to own such loans.

In addition, Portfolio Fund III is also expected to indirectly invest in whole "custom" unsecured consumer loans originated and serviced by LendingClub by investing in the membership interests issued by Promeleti, LLC ("*Promeleti Interests*") that is expected to own such loans. Promeleti, LLC ("*Promeleti*") is a Delaware limited liability company that made an election to be treated as a corporation for U.S. federal income tax purposes. LendingClub 's current guidelines specify that its "custom" loans are unsecured consumer loans made to consumers with FICO ranges of 620-660 and are only available for purchase by institutional

investors, such as Portfolio Fund III. Portfolio Fund III intends to sell a majority interest in Promeleti to third parties that are unaffiliated with the Partnership or the Investment Manager.

Neither the HCG CCII Trust Certificates nor Promeleti Interests are obligations of LendingClub but the payments on HCG CCII Trust Certificates are dependent on the performance of consumer loans originated and serviced by LendingClub. HCG CCII Trust Certificates are limited recourse securities that are backed solely by a pool of consumer loans originated and serviced by LendingClub and Promeleti Interests are equity interests in a limited liability company with assets that consist primarily of whole "custom" unsecured consumer loans originated and serviced by LendingClub.

ADMINISTRATION

The Partnership has entered into an administration agreement ("*Administration Agreement*") with SS&C Technologies, Inc., a corporation incorporated under the laws of the State of Delaware (the "*Administrator*").

The services provided by the Administrator and certain of its affiliates include the following: (i) acceptance and processing of subscriptions; (ii) receipt of requests for withdrawals and authorization of payments of withdrawal proceeds; (iii) maintenance of the books and records of the Partnership (iv) coordination of the Partnership's annual audit; (v) preparation of limited partner account statements; (vi) calculation of net asset value of the Partnership and (vi) other services as agreed on by the parties. The fees payable to Administrator are based on its standard schedule of fees charged by the Administrator for similar services.

Under the Administration Agreement, the Partnership has agreed to indemnify and hold harmless the Administrator, its affiliates, members, partners, employees and agents (together "*Indemnified Parties*") from and against any third party claims, liabilities, costs and expenses arising from or relating to the Administrator's provision of services under the Administration Agreement, except to the extent finally determined by a court of competent jurisdiction to have resulted from the gross negligence, willful misconduct or bad faith of the Administrator or an Indemnified Party and, except with respect to damages finally determined by a court of competent jurisdiction to have resulted directly from the gross negligence, willful misconduct or bad faith of the Administrator or an Indemnified Party, neither the Administrator nor any other Indemnified Party will be liable to the Partnership, the General Partner or any Limited Partner or any other person on account of any action taken, omitted or suffered by the Administrator or any other Indemnified Party pursuant to the Administration Agreement in the performance of the services to be performed by the Administrator thereunder.

The Administrator is not responsible for any trading or valuation decisions of the Partnership all of which decisions will be made by the General Partner.

THE ADMINISTRATOR WILL NOT PROVIDE ANY INVESTMENT ADVISORY OR MANAGEMENT SERVICE TO THE PARTNERSHIP AND THEREFORE WILL NOT BE IN ANY WAY RESPONSIBLE FOR THE PARTNERSHIP'S PERFORMANCE. THE ADMINISTRATOR WILL NOT BE RESPONSIBLE FOR MONITORING ANY INVESTMENT RESTRICTIONS OR COMPLIANCE WITH THE INVESTMENT RESTRICTIONS AND THEREFORE WILL NOT BE LIABLE FOR ANY BREACH THEREOF.

RISK FACTORS

Prospective investors should be aware that an investment in the Partnership involves a high degree of risk. Investors could lose the entire amount of their investments or recover only a small portion of their investments if the Partnership suffers substantial losses. The list of risk factors below does not purport to be a complete enumeration or explanation of the risks involved in an investment in the Partnership. Potential investors in the Partnership should carefully review this Memorandum in its entirety together with the LP Agreement, the Subscription Agreement and all applicable Portfolio Fund Documents and consult with their own financial, tax and/or other advisers before deciding whether to invest in the Partnership.

The principal risk factors associated with an investment in the Partnership include the following:

Risks Related to the Limited Partnership Interests

Dependence Upon the General Partner, the Investment Adviser and the Principals. The Partnership's success will depend on the investment advice and recommendations of the Investment Adviser, the General Partner's investment decisions, and on the skill and acumen of the Principals. Further, if the Principals should cease to participate in the Partnership's business, the Partnership's ability to select attractive investments and manage its portfolio could be severely impaired. Limited partners have no right or power to take part in the management of the Partnership and will have no opportunity to select or evaluate any of the Partnership's investments or strategies. As limited partners, holders of Limited Partnership Interests will not have any voting rights regarding the management of the Partnership or otherwise, other than in relation to proposed amendments to the LP Agreement that would have a material adverse effect on the rights of such limited partners. Accordingly, no person should purchase a Limited Partnership Interest unless such person is willing to entrust all aspects of the management of the Partnership and its investments to the discretion of the General Partner and the Investment Adviser.

Limited Operating History. The Partnership, the General Partner and the Investment Adviser have limited operating histories upon which prospective investors may evaluate the Partnership's future performance. The General Partner has limited prior experience as a general partner of any investment fund. The Investment Adviser has limited prior experience as an investment adviser of any investment fund. The Principals have experience (through another investment advisory firm controlled by the Principals) in managing the assets of HCG Consumer Credit I, LP, which will be one of the Portfolio Funds of the Partnership. However, the Principals have limited experience in managing a fund of funds similar to the Partnership. Moreover, past performance of any investment fund, client or account managed by a Principal is not indicative of future results that the General Partner or the Investment Adviser may achieve for the Partnership and there can be no assurance that the Partnership will achieve results comparable to those achieved by the Principals and their other investment advisory entities in their prior investment activities.

Failure to Meet Investment Objective. There is no guarantee of specific or minimum performance and there can be no assurance that the Partnership will meet its investment objective. The possibility of full or partial loss of the Partnership's capital will exist, and prospective investors should not subscribe for Limited Partnership Interests unless they can readily bear the loss of their entire investment.

Limited Liquidity of Limited Partnership Interests. An investment in the Partnership involves substantial restrictions on liquidity and its Limited Partnership Interests are not freely transferable. There is no market for the Limited Partnership Interests in the Partnership, and no market is expected to develop. Additionally, transfers are subject to the consent of the General Partner, which consent may be granted or withheld in the General Partner's sole discretion. Moreover, transfers of Limited Partnership Interests may be affected by restrictions on resale imposed by federal and state securities laws and are subject to the approval of the General Partner, which it may withhold in its sole discretion. Therefore, there is not expected to be any market for the Limited Partnership Interests and an investment in the Partnership should be considered illiquid. Consequently, limited partners will be unable to liquidate their Limited Partnership Interests except by withdrawing from the Partnership in accordance with the LP Agreement. Limited partners may be unable to liquidate their investment promptly in the event of an emergency or for any other reason. Although a limited partner may attempt to increase its liquidity by borrowing from a bank or other institution, Limited Partnership Interests may not readily be accepted as collateral for a loan. In addition, the transfer of an Limited Partnership Interest as collateral or otherwise to achieve liquidity may result in adverse tax consequences to the transferor.

Lack of Registration. The Limited Partnership Interests have neither been registered under the Securities Act nor under the securities laws of any state and, therefore, are subject to transfer restrictions. In connection with your purchase of an Limited Partnership Interest, you must represent that you are purchasing the Limited Partnership Interest for investment purposes only and not with a view toward resale or distribution. Neither the Partnership nor the General Partner has any plans nor has assumed any obligation to register these Limited Partnership Interests. Accordingly, the Limited Partnership Interests may not be transferred without documentation acceptable to the General Partner, which may include an opinion of counsel to the Partnership that the transfer will not involve a violation of the registration requirements of the Securities Act. These restrictions on transfer are in addition to those found in the LP Agreement. Ordinarily, this means that transfers will be restricted to instances of death, gift or passage by operation of law.

Multiple Classes of Limited Partnership Interests. The Partnership may issue separate classes of limited partnership interests other than the Limited Partnership Interests. Such other classes of interests likely will have terms, performance objectives, access to information, investments, risk guidelines, withdrawal rights and other provisions that differ from those of the Limited Partnership Interests, and which may affect the Limited Partnership Interests. In light of such differing terms and provisions, certain of the Partnership's assets and liabilities may be effectively segregated on the books of the Partnership between and among the classes of the limited partnership interests, if necessary. As a general matter, contractual and other liabilities assumed by the Partnership are liabilities of all classes of partnership interests unless such liabilities are contractually limited to a particular class. Accordingly, liabilities assumed by the

Partnership for one class could have an adverse effect on the investment returns of other classes, including the Limited Partnership Interests. The General Partner, however, currently does not expect to segregate the assets or liabilities of the Partnership except in limited circumstances.

Withdrawal of Capital. A limited partner's right to withdraw its Limited Partnership Interest is restricted. Limited partners must provide notice before withdrawing Limited Partnership Interests, may only withdraw on specified Withdrawal Dates, and are subject to certain restrictions that are set forth in the LP Agreement and are summarized herein. See "*Summary – Distributions and Withdrawals*." Furthermore, the illiquid nature of the Partnership's holdings requires a prolonged period over which capital is returned to investors. The Partnership's ability to fund and accept withdrawal requests is dependent on its ability to withdraw from the Portfolio Funds, which may have substantial liquidity restrictions because of the illiquid nature of the Peer-to-Peer Securities in which the Portfolio Funds invest.

If the General Partner believes that accepting any withdrawal request would have adverse consequences to the Partnership's remaining limited partners, it may, in its sole discretion, delay the acceptance of such withdrawal request in whole or in part. Under such circumstances, the Limited Partnership Interest which otherwise would have been withdrawn will continue to participate in the profits and losses of the Partnership until such withdrawal request is accepted. In addition, the General Partner may elect to postpone the payment of withdrawal proceeds to any limited partner if it determines, in its sole discretion, that such payment would have adverse consequences to the Partnership's other limited partners. While the Partnership may borrow to fund withdrawals of Limited Partnership Interests, it is under no obligation to do so and does not expect to do so in most instances.

Reduction in the size of the Partnership as a result of withdrawals could make it more difficult to generate a positive return or to recoup losses due to, among other things, reductions in the Partnership's ability to take advantage of particular investment opportunities or decreases in the ratio of its income to its expenses.

Forced Withdrawal. The General Partner may, in its sole discretion, force the complete or partial withdrawal of any limited partner's Limited Partnership Interest at any time on 30 calendar days' notice. Among other reasons, the General Partner may require the complete or partial withdrawal of any limited partner's Limited Partnership Interest at any time if, in the opinion of the General Partner, the limited partner has breached, or is likely to breach, any of its representations, warranties, covenants or agreements that it made to the Partnership in connection with its subscription for the Limited Partnership Interest or effecting such a compulsory redemption is required by the General Partner's fiduciary obligations to the Partnership.

In addition, the General Partner may, in its sole discretion, require a limited partner to withdraw all or any amount of the value of the limited partner's capital account at any time if the General Partner determines, in its sole discretion, that, without such withdrawal, (x) the assets of the Partnership would be reasonably likely to be characterized as "plan assets" for purposes of ERISA or would be subject to the provisions of ERISA, the Code or any applicable similar law, whether or not such plan is subject to ERISA, the Code, or the applicable provisions of any similar law, (y) the General Partner would become a fiduciary with respect to the assets of any

existing or contemplated ERISA Partner, pursuant to ERISA, the Code, or the applicable provisions of any similar law, or otherwise, or (z) a material adverse tax, legal or regulatory effect on the Partnership, the General Partner, the Investment Adviser, and their respective affiliates, the other limited partners, or any investment by the Partnership or future investments is likely to result. The effective date of a required withdrawal will be the date specified on the written notice of such required withdrawal submitted by the General Partner to the limited partner.

Any forced withdrawal may create adverse tax and economic consequences to the affected limited partners depending on the terms of such withdrawal.

Strategy Restrictions. Certain institutions may be restricted from directly utilizing investment strategies of the type in which the Partnership and Portfolio Funds may engage. Such institutions should consult their own advisors, counsel and accountants.

Supplementary Agreements with Limited Partners. In connection with an investor's subscription for a Limited Partnership Interest, or a subscription for interests in another investment fund that is managed by the General Partner or one of its affiliates and that makes a corresponding investment in the Limited Partnership Interest, the General Partner may enter into side letters or similar agreements (a "*Supplementary Agreement*") with such new investors.

A Supplementary Agreement may provide for, among other things, (i) the General Partner's agreement to exercise its discretionary authority under the LP Agreement in certain respects for the benefit of the new investor in a specified manner, e.g., with respect to redemption and withdrawal rights, notice periods, different terms regarding fees and expenses or additional classes of limited partnership interests; (ii) the General Partner's agreement to extend certain information rights or additional reporting to such new investor, in some cases to accommodate special regulatory or other circumstances of the new investor; or (iii) restrictions on, or special rights of the new investor with respect to, the activities of the General Partner. The General Partner may enter into such Supplementary Agreements with any party as the General Partner may determine in its absolute discretion at any time without the consent of any limited partner of the Partnership unless such Supplementary Agreement constituted or required an amendment to the LP Agreement requiring such a vote or consent in accordance with the terms of the LP Agreement Also, pursuant to Supplementary Agreements, certain limited partners may be provided with access to certain information that is not generally available to other limited partners and, as a result, may be able to act on such additional information (i.e., request withdrawals) that other limited partners do not receive. The General Partner will not be required to notify any or all of the other limited partners of any such Supplementary Agreements or any of the rights and/or terms or provisions thereof, nor will the General Partner be required to offer such additional and/or different rights and/or terms to any or all of the other limited partners.

The general effect of Supplementary Agreements is that limited partners who are parties to such agreements will have rights that may provide them certain material advantages relative to other limited partners. For example, if the Partnership experiences a decline in performance over a period of time, a limited partner who is party to a Supplementary Agreement that permits less notice and/or different withdrawal times may be able to withdraw its Limited Partnership Interests prior to other limited partners. The other limited partners will have no recourse against

the Partnership, the General Partner and/or any of their affiliates in the event that certain limited partners receive additional and/or different rights and/or terms as a result of such Supplementary Agreements. As a result, the General Partner may face potential conflicts of interest if it manages the assets of the Partnership in accordance with such risk parameters in order to preserve the investments of such limited partners.

As of the date of this Memorandum, the Partnership has entered into a Supplementary Agreement with the Partnership's initial limited partners. Such Supplementary Agreement gives the initial limited partners special fee terms and withdrawal terms. If the initial limited partners elect to withdraw from the Partnership pursuant to the special withdrawal terms of their Supplementary Agreement and the General Partner determines that the capital of the Partnership that remains after fulfilling such withdrawal request is insufficient to continue operating the Partnership or to achieve the Partnership's investment objective, the General Partner may, in its sole discretion, elect to liquidate all of the assets of the Partnership and wind down the affairs of the Partnership.

Fees and Expenses. The Partnership will be subject to significant fees and expenses that must be covered by investment profits for the Partnership to be profitable and for the limited partners to realize any profits on their investments. In particular, the Investment Adviser will be paid the Management Fee and the Performance Fee and the Administrator will be paid the Administrator fee. The Partnership also will pay all of its other operating expenses and investment related expenses, including, without limitation, interest charges; transactional charges; due diligence costs; expenses associated with acquiring or disposing of investments; the cost of data collection services provided by any third-party data providers; the Administrator fees; accounting, audit, tax, legal, reporting, printing, filing and other operating costs not covered by the Administrator fees; the cost of any liability insurance obtained on behalf of the Partnership; interest expenses and commitment fees with respect to Partnership borrowings, including any borrowings to satisfy requests for withdrawals by any limited partner; and all costs and expenses, including legal fees, associated with the restructuring of the Partnership and the creation, offer and sale of additional classes of interests. Such fees and expenses of the Partnership may change in the future as a result of, among other reasons, the re-negotiation of such fees and expenses by the Partnership's service providers. Additionally, the cost of operation of the Partnership may increase as a result of, among other factors, changes to laws, rules or regulations that require or impose on the Partnership or the General Partner a higher standard of care or an increased environment of regulations or compliance compared to that which is currently required of or imposed on the Partnership. The Partnership will bear most of these costs regardless of its profitability. If the expenses of operating the Partnership (including the Management Fee) exceed its income, thereby requiring that the difference be paid out of the Partnership's capital, reducing the Partnership's investments and potential for profitability.

Effect of Performance Fees. The Investment Adviser's Performance Fee may create an incentive for it to make investments that are riskier or more speculative than would be the case in the absence of such fee because the Investment Adviser benefits from fees that will increase based on the appreciation in value (including unrealized appreciation) of the Portfolio Funds. Additionally, since the Performance Fee is calculated on a basis which includes unrealized appreciation of the Partnership's assets, such allocation may be greater than if it were based solely on realized gains.

No Minimum Size of Partnership. The Partnership may begin operations without attaining any particular level of capitalization. At low asset levels, the Partnership may be unable to make its investments as fully as would otherwise be desirable or to take advantage of potential economies of scale, including the ability to obtain the most timely and valuable research and trading information from securities brokers. It is possible that even if the Partnership operates for a period with substantial capital, investors' withdrawals could diminish the Partnership's assets to a level that does not permit the most efficient and effective implementation of the Partnership's investment program. As a result of losses or withdrawals, the Partnership may not have sufficient capital to diversify its investments to the extent desired or currently contemplated by the Investment Adviser or the General Partner.

Liability of a limited partner for the Return of Capital Contributions. If the Partnership should become insolvent, the Partners may be required to return any property distributed to them at the time the Partnership was insolvent, and forfeit their capital accounts.

Delayed Schedule K-1s. The General Partner will endeavor to provide a Schedule K-1 to each limited partner for any given calendar year prior to April 15 of the following year. In the event that the Schedule K-1 is not available by such date, a limited partner will have to pay taxes based on an estimated amount or file for tax return extensions in order to allow sufficient time for the completion of their income tax returns. Each limited partner will be responsible for the preparation and filing of such limited partner's own income tax return.

No Assurance of Most Favorable Terms. Affiliates of the General Partner act as general partner and Investment Adviser for other investment funds. The General Partner and its affiliates may also act in these or similar capacities for, and receive fees, allocations and other benefits from, other investment funds that may co-invest with the Partnership in Portfolio Funds. Accordingly, investors in such other investment funds who may or may not be similarly situated to the limited partners of the Partnership may, at any time, be invested directly or indirectly in such other investment funds on terms that are different from, and possibly more favorable than, the terms on which limited partners hold their Limited Partnership Interests. Among the terms and conditions that may differ are, without limitation, rights of optional or mandatory redemption, fees or allocations payable or allocable to the General Partner or its affiliates or unaffiliated service providers and information rights and investment minimums. None of the General Partner, the Investment Adviser, the Administrator or any of their affiliates can give any assurance to any limited partner of the Partnership that an investment in the Limited Partnership Interests is the most beneficial or efficient manner in which to participate in the investment program represented by the Partnership and the selected Portfolio Funds.

Tax Risk. The tax aspects of an investment in the Partnership are complicated and each investor should have them reviewed by professional advisers familiar with such investor's personal tax situation and with the tax laws and regulations applicable to the investor and private investment vehicles. The Partnership is not intended and should not be expected to provide any tax shelter, but is organized as a limited partnership to permit any distributions it might make to be made without being taxed as dividends. You should review the section entitled "Tax Considerations" for a more complete discussion of certain of the tax risks inherent in the acquisition of Limited Partnership Interests. See "*Tax Considerations*" below.

Tax Treatment of Realized Losses. As discussed under "Investment Objectives," the Partnership's primary investments will consist of Peer-to-Peer Securities classified as debt instruments for U.S. tax purposes. It is expected that the Partnership will hold the Peer-to-Peer Securities as capital assets for U.S. federal income tax purposes. Accordingly, losses realized with respect to Peer-to-Peer Securities generally will be characterized as capital loss and unable to offset ordinary interest income or original issue discount with respect to such Peer-to-Peer Securities. This tax treatment may adversely affect the after-tax return of a Partner that is a "U.S. Person" (as defined below) from investment in the Partnership. See "Tax Considerations – Taxation of Debt Instruments" below.

Non-U.S. Investors and Tax Exempt Entities. Certain prospective limited partners may be subject to federal and state laws, rules and regulations which may regulate their participation in the Partnership, or their engaging, directly or indirectly through an investment in the Partnership, in investment strategies of the types which the Partnership utilizes from time to time. Investments in the Partnership by non-U.S. investors and tax-exempt entities require special consideration. In particular, non-U.S. investors and tax-exempt organizations should consider the applicability to them of the provisions relating to "effectively connected income" and "unrelated business taxable income." Entities subject to ERISA, as well as other investors that are exempt from taxation (or that are entities composed primarily of tax-exempt U.S. persons), may be subject to U.S. federal, state and local laws, rules and regulations, which may regulate their participation in the Partnership or their engaging, directly or indirectly through an investment in the Partnership, in investment strategies of the types which Portfolio Funds may utilize from time to time (*e.g.*, short sales of securities and the use of leverage and limited diversification). Each type of exempt organization may be subject to different laws, rules and regulations, and prospective investors should consult with their own advisers as to the advisability and tax consequences (including "*unrelated business taxable income*") of an investment in the Partnership. See "*Tax Considerations*" and "*ERISA Considerations*" below.

Potential Conflicts of Interest. The General Partner is accountable to the Partnership as a fiduciary and, consequently, must exercise good faith and integrity in handling the business of the Partnership. Nevertheless, in the conduct of such business, conflicts may arise between the interests of the General Partner (and its affiliates) and those of investors, and you should be aware of these conflicts of interest before investing.

None of the General Partner, the Investment Adviser and the Principals has any obligation to devote its full time to the business of the Partnership. Each is only required to devote such time and attention to the affairs of the Partnership as it decides is appropriate, and it may engage in other activities or ventures, including competing ventures and/or unrelated employment, which result in various conflicts of interest between it and the Partnership. In addition to managing the Partnership's investments, the General Partner, the Investment Adviser, the Principals and their respective affiliates may provide investment management or advisory services to other persons, including other private investment funds that may employ an investment program and strategy substantially similar to that used by the Partnership ("*Affiliated Funds*"). From time to time, any of these vehicles or management companies may employ a similar investment strategy to the Partnership, or part of its portfolio. The trades made by Affiliated Funds or other client accounts that may be managed by the General Partner, the Investment Adviser or their respective principals or affiliates in the future may compete with

trades for the Partnership's account, and the General Partner, the Investment Adviser or its principals or affiliates may decide to invest the funds of these accounts or clients rather than the assets of the Partnership in a particular security or strategy. In addition, the General Partner will determine the allocation of funds from the Partnership and such other accounts and clients to investment strategies and techniques on whatever basis it decides is appropriate. Nonetheless, in the event that certain securities, instruments and other assets are suitable for acquisition by the Partnership and by other accounts managed by the General Partner, the Investment Adviser or its principals or affiliates, and the General Partner, the Investment Adviser or such other persons are not able to acquire the desired aggregate amount of such securities, instruments and other assets on terms and conditions which they deem advisable, the General Partner, the Investment Adviser and such persons will endeavor in good faith to allocate the limited amount of such investment opportunities among the various accounts for which they consider to be suitable, on whatever basis they consider appropriate or desirable in their sole and absolute discretion. The Investment Adviser may also aggregate purchase and sale orders of investments held by the Partnership with similar orders being made simultaneously for other accounts or entities if, in its reasonable judgment, such aggregation is reasonably likely to result in an overall economic benefit to the Partnership based on an evaluation that the Partnership will be benefited by relatively better purchase or sale prices, lower commission expenses or beneficial timing of transactions, or a combination of these and other factors. In other instances, the purchase or sale of investments for the Partnership will be effected simultaneously with the purchase or sale of like investments for other accounts or entities. Such transactions may be made at slightly different prices, due to the volume of investments purchased or sold. In such event, at the Investment Adviser's sole discretion, the average price of all investments purchased or sold in such transactions may be determined and the Partnership may be charged or credited, as the case may be, with the average transaction price.

The limited partners may include taxable and tax-exempt entities and persons or entities resident of or organized in various jurisdictions. As a result, conflicts of interest may arise in connection with decisions made by the General Partner or the Investment Adviser that may be more beneficial for one type of limited partner than for another. In making such decisions, the General Partner and the Investment Adviser intend to consider the investment objectives of the Partnership as a whole, not the investment objectives of any limited partner individually.

The Investment Adviser may enter into fee sharing arrangements with third party marketers or solicitors who refer investors to the Partnership. Such third party marketers may have a conflict of interest in advising prospective investors whether to purchase or redeem Limited Partnership Interests.

The General Partner, the Investment Adviser and their principals and affiliates may make trades and investments for their own accounts. In these accounts, any such person may use trading and investment methods that are similar to, or substantially different from, the methods used by them to direct the Partnership's account. The records of these personal accounts will not be made available to limited partners.

Neither the LP Agreement nor any of the agreements, contracts and arrangements between the Partnership, on the one hand, and the General Partner, the Investment Adviser and/or any Portfolio Fund on the other hand, were or will be the result of arm's-length

negotiations. The attorneys, accountants and others who have performed services for the Partnership in connection with this offering, and who will perform services for the Partnership in the future, have been and will be selected by the General Partner. No independent counsel has been retained to represent the interests of prospective investors or limited partners, and the LP Agreement has not been reviewed by any attorney on their behalf. You are therefore urged to consult your own counsel as to the terms and provisions of the LP Agreement and all other related documents.

Dependence on Third-Party Services Providers. The Partnership will be dependent on the services of the Administrator and other third-party service providers retained from time to time. The General Partner relies on third-party service providers to adequately and timely provide reports to limited partners. If the Administrator or any other third-party service provider resigns or is unable or unwilling to perform its duties and obligations under the relevant service agreements, the ability of the Partnership to adequately (i) maintain its operations, (ii) value its investments, (iii) implement its risk monitoring programs or (iv) provide timely reports to limited partners will be impaired until a replacement service provider can assume such duties and obligations. Therefore, any resignation of a third-party service provider or any refusal or unwillingness of a third party service provider to perform its duties and obligations may adversely affect the operations of the Partnership and the ability of the General Partner to provide timely reports (such as net asset value reports and other portfolio reports) to limited partners.

Disruption Events. The General Partner's ability to prepare and deliver reports or notices that are required by the LP Agreement or any Supplementary Agreement or to perform other obligations of the General Partner under the LP Agreement or any Supplementary Agreement may be affected by certain disruption events beyond the control of the General Partner (each, a "*Disruption Event*"). The following is a list of potential Disruption Events, but this is not an exhaustive list of all possible Disruption Events that may occur:

- a suspension, absence or material limitation of trading in the assets of the Partnership or the Portfolio Funds in their primary market, as determined by the General Partner in its sole discretion;

- the inability of or any other failure by any third-party service provider retained by the Partnership or the Portfolio Fund including, without limitation, the Administrator, to deliver any information (whether financial or otherwise) necessary for the Partnership to prepare reports or notices that are required by the LP Agreement or any Supplementary Agreement or perform other obligations of the General Partner under the LP Agreement or any Supplementary Agreement, as determined by the General Partner in its sole discretion;

- any failure of the computer systems or technology platform used by the Partnership or a Portfolio Fund to provide information necessary to prepare reports or notices that are required by the LP Agreement or any Supplementary Agreement or perform other obligations of the General Partner under the LP Agreement or any Supplementary Agreement; or

- any disruptive event such as disruptions of electrical power, computer virus infections, general software or hardware failures, severe weather, natural disasters, terrorist activities, wars or any similar events that are beyond the reasonable control of the General Partner, the Partnership or the Portfolio Funds.

The occurrence of a Disruption Event may adversely impact the limited partners because it may adversely impact the General Partner's ability to deliver reports or notices that are required by the LP Agreement or any Supplementary Agreement and/or perform another obligation of the General Partner under the LP Agreement or any Supplementary Agreement. For example, the General Partner may be unable to properly perform valuation calculations related to the Partnership's assets, including investments in a Portfolio Fund and such inability to properly value the Partnership's assets may limit the ability of limited partners to redeem their Limited Partnership Interests or to accurately measure the Partnership's performance.

Investment Risks

Unspecified Investments. The Investment Adviser has complete discretion to select investments for the Partnership as investment opportunities arise. A limited partner must rely upon the ability of the Investment Adviser to identify and implement investments consistent with the Partnership's investment objective. The Partnership's assets will be primarily invested in Portfolio Funds. Each Portfolio Fund will invest primarily in Peer-to-Peer Securities that are issued by Peer-to-Peer Security Issuers and are collateralized by, or reference or otherwise track the performance of, one or more portfolios of Peer-to-Peer Loans originated through a peer-to-peer lending platform sponsored by and serviced by Peer-to-Peer Platform Sponsors. The Investment Adviser has complete discretion to select the Portfolio Funds and the Investment Adviser or other entities controlled by the Principals will have complete discretion to organize the Portfolio Funds and select the Peer-to-Peer Securities in which such Portfolio Funds will invest. No limited partner will have any right under the LP Agreement to require the Investment Adviser to invest in a particular Portfolio Fund or require any Portfolio Fund to make investments in any particular Peer-to-Peer Securities, Peer-to-Peer Loans or Peer-to-Peer Platform Sponsors.

Concentration Risk. The Partnership's assets will be primarily invested in Portfolio Funds. Each Portfolio Fund will invest virtually all of its assets in Peer-to-Peer Securities referencing Peer-to-Peer Loans originated by a single Peer-to-Peer Platform Sponsor. As a result, a Portfolio Fund's portfolio will be concentrated almost exclusively in securities issued by Peer-to-Peer Security Issuers sponsored by a single Peer-to-Peer Platform Sponsor even though the Portfolio Fund's Peer-to-Peer Securities will reference a diverse portfolio of Peer-to-Peer Loans originated by the Peer-to-Peer Platform Sponsor. This concentration of risk will substantially increase the risk of material losses, even total losses, of investments held by the Portfolio Fund and the Partnership. This absence of diversity could expose Portfolio Funds to losses disproportionate to market movements in general if the Peer-to-Peer Security Issuers and/or Peer-to-Peer Platform Sponsor become insolvent or run into significant financial difficulties. Peer-to-Peer Securities are not expected to have any active trading markets. Upon the purchase of Peer-to-Peer Securities, a Portfolio Fund (and therefore, the Partnership) will have a very limited ability to liquidate assets to meet withdrawal requests of limited partners, or to reposition the portfolio in response to a change in economic events. In the event a forced

liquidation were to take place, the Partnership may be subject to sizable capital losses if a Portfolio Fund is forced to create a market into which it would sell these assets.

Risks of Peer-to-Peer Securities. Each Portfolio Fund will invest primarily in Peer-to-Peer Securities Each Peer-to-Peer Security is a security evidencing an interest in the Peer-to-Peer Security Issuer backed by Peer-to-Peer Loans linked to such Peer-to-Peer Security. A Peer-to-Peer Security may not be secured by the Peer-to-Peer Loans that are linked to such Peer-to-Peer Security. Typically, none of the Peer-to-Peer Security Issuer, a trustee of the Peer-to-Peer Security Issuer, the Portfolio Funds, the Partnership, the General Partner, the Investment Adviser and the limited partners will have any right to service the Peer-to-Peer Loans linked to the Peer-to-Peer Securities held by Portfolio Funds or any direct recourse to the obligors under such Peer-to-Peer Loans. Only Peer-to-Peer Platform Sponsor and any successor servicer of Peer-to-Peer Loans under the Peer-to-Peer Platform Sponsor's platform will have the right to enforce claims against the borrowers of Peer-to-Peer Loans.

Reliance on Peer-to-Peer Platform Sponsor. The peer-to-peer lending industry is a relatively new industry. Peer-to-Peer Platform Sponsors are typically new companies with limited operating histories. A Portfolio Fund, as an investor in Peer-to-Peer Loans through its investment in the related Peer-to-Peer Securities, will rely exclusively on the internet-based platforms established and maintained by the related Peer-to-Peer Platform Sponsor to screen loan applicants, set interest rates on the loans, and service and enforce collection of the loans. Given the short history of the peer-to-peer lending industry and the limited historical data about the performance of Peer-to-Peer Loans, there is substantial uncertainty about the robustness and reliability of any Peer-to-Peer Platform Sponsor's internet platform, including its largely automated credit-decision models, underwriting process, loan pricing models and collection infrastructure. In addition, the loan origination process effected through a Peer-to-Peer Platform Sponsor's internet platform may not be transparent and Portfolio Funds will not be able to verify the robustness and reliability of that process.

Because investors in a Peer-to-Peer Security must rely on the related Peer-to-Peer Platform Sponsor to originate and service the related Peer-to-Peer Loans, the Partnership and the Portfolio Funds rely heavily on Peer-to-Peer Platform Sponsors. Consequently, although a Peer-to-Peer Platform Sponsor is typically not the issuer of Peer-to-Peer Securities, a bankruptcy of Peer-to-Peer Platform Sponsor or financial difficulties of Peer-to-Peer Platform Sponsor would have several materially adverse effects on the Partnership. If a Peer-to-Peer Platform Sponsor became insolvent or suffered financial difficulties, the servicing of the related Peer-to-Peer Loans in which the Partnership is invested through its Portfolio Funds may be disrupted for an extended period of time, creating cash flow issues for the Partnership as a whole, and could lead to significant capital losses to the extent leverage is being employed by the related Portfolio Fund. In addition, if a Peer-to-Peer Platform Sponsor became insolvent, the bankruptcy court might consolidate the assets of the Peer-to-Peer Platform Sponsor and the Peer-to-Peer Security Issuers sponsored by the Peer-to-Peer Platform Sponsor under a doctrine of substantive consolidation or invalidate the Peer-to-Peer Platform Sponsor's transfer of Peer-to-Peer Loans to the Peer-to-Peer Security Issuers that are related to the Peer-to-Peer Securities held by a Portfolio Fund. In either case, the Portfolio Fund will have only a general unsecured creditor's claim against the bankruptcy estate of such Peer-to-Peer Platform Sponsor. Therefore, upon the occurrence of a bankruptcy or financial difficulties of a Peer-to-Peer Platform Sponsor, the

Portfolio Fund may recover only a small fraction of the aggregate principal balance of its Peer-to-Peer Securities from its claims against the company or recover nothing.

Any disruption in a Peer-to-Peer Platform Sponsor's operations may result in a disruption of cash flows being generated by the related Portfolio Fund's portfolio, and hence could create cash flow issues for the Partnership that could result in losses for limited partners.

The Partnership is assuming a certain level of generation of Peer-to-Peer Loans by the Peer-to-Peer Platform Sponsors to enable the Portfolio Funds to successfully invest their capital in Peer-to-Peer Securities. In the event a Peer-to-Peer Platform Sponsor experiences meaningful decreases in Peer-to-Peer Loan originations on its platform, the related Portfolio Fund may find it is unable to invest all of the capital under management in a reasonable timeframe, or may be unable to fully use its asset selection processes due to a lack of loans available on the platform. In either event, the Portfolio Fund's returns may be hampered by this lack of platform assets, and may be forced to return capital to the Partnership due to an inability to invest on the Peer-to-Peer Platform Sponsor platform. The failure of Peer-to-Peer Platform Sponsor as a company would eliminate the related Portfolio Fund's ability to reinvest in substantially similar assets in the future.

Accuracy of Peer-to-Peer Platform Sponsor Information. Typically, the Investment Adviser's advice and recommendations about the investments for the Partnership will be formulated on the basis of information and data provided by the borrowers on the Peer-to-Peer Platform Sponsor's platform and obtained through the Peer-to-Peer Platform Sponsor itself. The Investment Adviser has a very limited ability to independently verify the information being provided by Peer-to-Peer Platform Sponsor and is not in a position to confirm the completeness, genuineness or accuracy of such information and data. The results from investments made by the Partnership may be impacted by errors, omissions or fraud by a Peer-to-Peer Platform Sponsor that, in the presence of correct, complete and truthful information, may have resulted in the Partnership making a different investment decision, and for which the Partnership and the related Portfolio Fund has limited recourse against Peer-to-Peer Platform Sponsor.

Risks of Peer-to-Peer Loans. Investments in secured or unsecured individual consumer loans, such as the Peer-to-Peer Loans that will be backing Peer-to-Peer Securities in which the Portfolio Funds expect to invest, may be subject to high levels of loss in the event of defaults by the borrowers. This risk is particularly severe for unsecured Peer-to-Peer Loans. Borrowers of unsecured Peer-to-Peer Loans may also view such loans as lower in payment priority than other unsecured revolving consumer loans, such as credit card loans, because such Peer-to-Peer Loans are typically not revolving loans and don't provide the incentive of additional future draws for the borrowers to be current on their payments. Therefore, the credit risks of Peer-to-Peer Loans tend to be higher than for traditional consumer loans made to borrowers of similar credit standing (e.g., same FICO score). In addition, unlike an asset-backed or secured loan in which the lender has recourse against the relevant collateral, unsecured Peer-to-Peer Loans are not secured by any collateral. Unsecured consumer loans rank relatively low in the hierarchy of repayments in the event of a bankruptcy of the borrower, falling well behind delinquent taxes, mortgage loans and other secured obligations of the borrower. Therefore, if the borrower on an unsecured Peer-to-Peer Loan that is linked to an Peer-to-Peer Security purchased by the

Partnership defaults, the portion of the principal of the Peer-to-Peer Security that corresponds to the defaulted loan will suffer a partial or total principal loss.

Fraud by Borrowers of Peer-to-Peer Loans. While a Peer-to-Peer Platform Sponsor typically makes efforts to ensure that the borrowers under Peer-to-Peer Loans are honest and truthful in their submission of information, it is possible that the borrowers under Peer-to-Peer Loans may successfully fabricate data and otherwise defraud the Peer-to-Peer Platform Sponsor in connection with their loan applications. While the Peer-to-Peer Platform Sponsor may have some recourse against the borrowers in this event and the Portfolio Fund may have some recourse against the Peer-to-Peer Platform Sponsor in this case, the Portfolio Fund may nonetheless suffer a partial or complete loss in respect of the portion of the principal of any Peer-to-Peer Security that corresponds to such Peer-to-Peer Loans.

Limitations on Risk Management. Although the Investment Adviser attempts to identify, monitor and manage significant risks, these efforts do not take all risks into account and there can be no assurance that these efforts will be effective. Many risk management techniques are based on observed historical market behavior, but future market behavior may be entirely different. Any inadequacy or failure in the Investment Adviser's risk management efforts could result in material losses for the Partnership. The ability of the Investment Adviser to manage the risks related to the Partnership's investments through hedging activity or otherwise will also be limited by its lack of control over the origination and servicing activities of the Peer-to-Peer Platform Sponsors. Therefore, the Partnership, the Investment Adviser and each Portfolio Fund must rely on the experience and competency of each Peer-to-Peer Platform Sponsor to conduct origination and servicing activities properly. Moreover, even where the Investment Adviser or the Portfolio Funds undertake such hedging activity, there is the possibility that such hedging activity may not effectively mitigate the risks, may not result in achieving positive risk-adjusted returns and may otherwise increase the loss of Partnership assets.

Lack of Insurance. The assets of the Partnership are not insured by any government or private insurer except to the extent portions may be deposited in bank accounts insured by the United States Federal Deposit Insurance Corporation or with brokers insured by the United States Securities Investor Protection Corporation and such deposits and securities are subject to such insurance coverage (which, in any event, is limited in amount). Therefore, in the event of the insolvency of a depository or custodian, the Partnership may be unable to recover all of its funds or the value of its securities so deposited.

Valuation of the Investments. The value of the Partnership's investments in Portfolio Funds will be determined primarily by using the values provided by the Portfolio Funds. Each Portfolio Fund will value the Peer-to-Peer Securities and other assets as described in its Portfolio Fund Documents. Both interests in Portfolio Funds and Peer-to-Peer Securities held by Portfolio Funds are typically illiquid securities for which market prices are not available. The Partnership's ability to properly value the Partnership's investment in a Portfolio Fund may be limited by the accuracy and timeliness of the Partnership's receipt of valuation information related to such Portfolio Fund's Peer-to-Peer Securities reported by Peer-to-Peer Platform Sponsors, servicers, trustees and other outside sources responsible for providing valuation information regarding such Peer-to-Peer Securities. Illiquid investments and other assets and liabilities for which no such market prices are available may be carried on the books of a

Portfolio Fund at fair value (which may be cost). There is no guarantee that fair value will represent the value that will be realized by the Partnership or a Portfolio Fund on the eventual disposition of the investment or that would, in fact, be realized upon an immediate disposition of the investment.

Use of Estimated and Unaudited Information. The Partnership will use estimated and unaudited data and information to calculate, account for and report the Partnership's assets, liabilities and investment performance for any period. Accordingly, the net asset value of the Partnership and a Limited Partnership Interest (and any other data or information derived therefrom) will be estimated and unaudited for any date other than December 31st of each year. Such estimated and unaudited data and information is subject to adjustment based on any errors or changes that are discovered by the Partnership, the General Partner, the Administrator, the Investment Adviser or their service providers, and any such adjustments may be effected in the accounting period in which it was discovered or following its discovery rather than the accounting period to which the adjustment relates. Such adjustments could be material and, to the extent related to a past accounting period, could cause a significant change in the Partnership's previously reported assets, liabilities or net asset values. Because it may be impractical for the Partnership to restate the Partnership's assets, liabilities, net asset values or other information reported for past accounting periods, the Partnership may adjust current accounting period values in connection with any such changes, regardless of whether all or any current holders of Limited Partnership Interests held such interests during the accounting period to which the adjustment relates. Furthermore, none of the Partnership, the General Partner, the Investment Adviser, the Administrator or other service providers would be obligated to return to the Partnership any portion of any asset based fees or allocations previously paid or made by the Partnership to such party and later discovered to be in excess of the amount that the Partnership would have otherwise owed based on the actual net or gross asset values of the Partnership.

Leverage. Although the Partnership may borrow funds on a secured or unsecured basis, at such times and in such amounts as the General Partner may determine in its sole discretion, the Partnership does not expect to do so. The General Partner expects that each Portfolio Fund will actively pursue leverage for the Partnership to enhance returns.

A Portfolio Fund may borrow funds on a secured or unsecured basis, in order to: (*i*) fund capital withdrawals to investors in such Portfolio Fund; (*iii*) pay operating expenses on an interim basis; (*iv*) meet other working capital needs; and (v) leverage its investments in the Peer-to-Peer Securities.

There is no assurance that any Portfolio Fund will be able to obtain such borrowed funds on reasonable terms, if at all. The lender providing the borrowed funds to a Portfolio Fund may require that the borrowed amounts be repaid, pursuant to an event of default or otherwise, at a time when the Portfolio Fund has little or no liquidity and such lender will thereafter have certain rights with respect to the collateral, including the right to possess the collateral or liquidate the collateral. A lender under a leverage facility will likely require the Portfolio Fund to pledge all or a substantial portion of its assets to secure the Portfolio Fund's obligations to repay the loans under the leverage facilities. Also, in general, lenders to a Portfolio Fund and other creditors of a Portfolio Fund will have claims on such Portfolio Fund's assets that are senior to any obligations that the Portfolio Fund may have to the Partnership. Consequently, if the Portfolio Fund defaults

under any of its covenants under any leverage facility, the related lender may foreclose on the pledged assets in a manner that can cause a severe or total loss of the investments made by the investors in the Portfolio Fund, including the Partnership.

While the use of leverage by a Portfolio Fund increases the opportunity to achieve higher returns on the amounts invested, it also increases the risk of loss to such Portfolio Fund. The level of interest rates generally, and the rates at which such funds may be borrowed in particular, could affect the operating results of such Portfolio Fund. If the interest expense on this leverage were to exceed the net return on the investments made with borrowed funds, the Portfolio Fund's use of leverage would result in a lower rate of return than if the Portfolio Fund were not leveraged. If the amount of leverage which a Portfolio Fund may have outstanding at any one time is large in relation to its capital, any spike in losses in such Portfolio Fund's portfolio will have disproportionately large effects in relation to such Portfolio Fund's capital and the possibilities for profit and the risk of loss will therefore be increased. Any investment gains made with the additional leverage will generally cause the net asset value of such Portfolio Fund to rise more rapidly than would otherwise be the case. Conversely, if the investment performance of the leveraged capital fails to cover its cost to such Portfolio Fund, the net asset value of such Portfolio Fund will generally decline faster than would otherwise be the case.

Consequences of Withdrawal from Portfolio Funds. The Partnership could be required to withdraw from Portfolio Funds at disadvantageous times in order to fund amounts due to any withdrawing limiting partners of the Partnership. Additionally, to the extent that the Partnership is co-invested in a Portfolio Fund along with other investment vehicles managed by the General Partner or its affiliates, any withdrawal by such other investment vehicles from the Portfolio Fund may adversely affect the Partnership's investment in such Portfolio Fund. The withdrawal by the Partnership from one or more Portfolio Funds in order to satisfy a withdrawal request or otherwise may result in realized capital gains or losses that will be allocated to the capital accounts relating to the remaining outstanding limited partnership interests. In addition, simultaneous withdrawals by the Partnership and any other investment vehicles managed by the General Partner or its affiliates from a Portfolio Fund may adversely affect the liquidity of such Portfolio Fund.

In the event that there are substantial withdrawals by limited partners within a limited period of time, the Investment Adviser may find it difficult to adjust its asset allocation and trading strategies to the suddenly reduced amount of assets under management. Under such circumstances, in order to provide funds to pay withdrawal proceeds, the Investment Adviser might be required to liquidate positions at an inappropriate time or on unfavorable terms. The Investment Adviser may be required to commence liquidation well in advance of the applicable Withdrawal Date, thereby having excess cash in the Partnership to satisfy the withdrawal request on a timely basis. On an ongoing basis, irrespective of the period over which substantial withdrawals occur, it may be more difficult for the Partnership to generate favorable returns operating on a smaller asset base and, as a result of liquidating assets to fund withdrawals, the Partnership may be left with a much less liquid portfolio.

Portfolio Funds may have issued, and may in the future issue, partnership or membership interests to investors other than the Partnership (including to other investment funds or other entities or persons that are either managed or advised by the General Partner or one of its

affiliates). In the event that there are substantial withdrawals by any of the members of a Portfolio Fund other than the Partnership, the Portfolio Fund may find it difficult to adjust its asset allocation and trading strategies to the suddenly reduced amount of assets under management or might be required to liquidate positions at an inappropriate time or on unfavorable terms to fund such withdrawals, in each case as discussed above, thereby causing adverse consequences to the Portfolio Fund's remaining members, including the Partnership.

Potential of Insufficient Investment Opportunities. Depending on the market conditions, the Partnership may not be able to identify and obtain a sufficient number of investment opportunities to fully invest the investment proceeds received by the Partnership at any time. Also, pending such investment, to the extent that any funds are invested in cash equivalents, at the sole discretion of the Investment Adviser, such cash equivalents may not earn a return sufficient to cover the Partnership's operating expenses and, therefore, the result would be a loss of capital invested by limited partners in the Partnership.

Allocation of Participation. If the General Partner determines for tax, regulatory or any other reason that a limited partner or class of partners should not participate fully or in any part of the profit or loss attributable to any asset or transaction, or should have no interest in a particular asset or transaction, the interest of that asset or transaction may be set forth in a separate memorandum account in which such limited partners or class of partners will not participate, and the profit or loss attributable thereto for each such memorandum account will be calculated separately and allocated by the General Partner accordingly.

General Risks

General Economic and Market Conditions. The success of the Partnership's activities will be affected by general economic and market conditions, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of the Partnership's investments), trade barriers, currency exchange controls, and national and international political circumstances (including wars, terrorist acts or security operations). These factors may affect the financial health of Peer-to-Peer Security Issuers and Peer-to-Peer Platform Sponsors and the performance of the Partnership's investments, including, without limitation, the Peer-to-Peer Securities and the Peer-to-Peer Loans linked to the Peer-to-Peer Securities. Volatility or illiquidity could impair the Partnership's profitability or result in losses. The Partnership may maintain substantial trading positions that can be adversely affected by the level of volatility in the financial markets.

Interest Rate Risk. The Portfolio Funds may employ leverage in their investment strategies. As this leverage may take the form of variable interest payments dependent on the general level of interest rates in the market, any sharp spike in market interest rates could lead to a material increase in the Portfolio Fund's expenses, and could lead to a sharp decline in the Portfolio Fund's performance for its investors.

Prepayment Risk. A borrower of a typical Peer-to-Peer Loan will have the ability to repay the entire amount of the loan outstanding at any time. This "prepayment risk" exposes a Portfolio Fund to the risk of being forced to reinvest the loan proceeds on Peer-to-Peer Securities backed by Peer-to-Peer Loans with interest rates that are lower than the ones it enjoyed on the

Peer-to-Peer Loan that prepaid, thereby reducing the future return prospects of the Portfolio Fund.

Systemic Risk. Credit risk may arise through a default by or because of one of several large institutions that are dependent on one another to meet their liquidity or operational needs. A default by or because of one institution may cause a series of defaults by the other institutions. This is sometimes referred to as a "systemic risk" and may adversely affect financial intermediaries, such as clearing houses, banks, securities firms and exchanges with which the Partnership interacts, including, without limitation, Peer-to-Peer Platform Sponsors, Peer-to-Peer Security Issuers and their affiliates, as well as obligors under Peer-to-Peer Loans. A systemic failure could have material adverse consequences on the Partnership and on the markets for the securities in which the Portfolio Funds seek to invest, including, without limitation, Peer-to-Peer Securities.

Assumption of Business, Terrorism and Catastrophe Risk. The Partnership may be subject to the risk of loss arising from exposure that it may incur, directly or indirectly, due to the occurrence of various events, including, without limitation, hurricanes, earthquakes, and other natural disasters, terrorism and other catastrophic events affecting the Partnership, the General Partner, the Investment Adviser, obligors under Peer-to-Peer Loans, Peer-to-Peer Platform Sponsors, Peer-to-Peer Security Issuers and their affiliates. These risks of loss can be substantial and could have a material adverse effect on the Partnership and the limited partners' investments therein.

Lack of Regulation. Neither the Partnership nor any of the Portfolio Funds will be registered as an investment company under the Investment Company Act, which provides a number of protections to investors in registered investment companies. Neither the General Partner nor the Investment Adviser is currently registered as: (i) an investment adviser with the SEC or any state regulatory agency pursuant to an exemption under the Advisers Act and state securities laws; or (ii) a commodity pool operator under the CEA. None of the Partnership, the Portfolio Funds, the General Partner and the Investment Adviser is expected to be registered in any capacity with any U.S. federal or state regulatory agency unless and until such time as their respective activities require any such registration and no applicable exemption is available to it. This lack of regulation over the Partnership, the Portfolio Funds, the General Partner and the Investment Adviser means that investors in the Partnership will have less regulatory protection than investors in regulated entities.

Current Market Conditions and Governmental Actions. The equity and debt markets of the world have been marked by periods of extreme uncertainty and volatility in recent years. Beginning in the fourth quarter of 2008, world financial markets experienced extraordinary market conditions, including, among other things, extreme losses and volatility in securities markets and the failure of credit markets to function. These economic conditions have also contributed to severe unemployment and underemployment in the United States not seen since the Great Depression. These events have largely been attributed to the combination of (i) a residential real estate bubble in the United States, (ii) the securitization and deregulation of residential real estate mortgages in a way that made the risks of mortgage-backed securities difficult to assess and (iii) massive losses suffered by various financial institutions and other investors in connection with their investments in mortgage-backed securities and certain other

asset-backed securities, structured products and derivatives. In reaction to these events, regulators in the U.S. and several other countries undertook unprecedented regulatory actions. Today, such regulators continue to consider and implement additional measures to stabilize and encourage growth in U.S. and global financial markets. Nevertheless, it is uncertain whether the regulatory actions taken by regulators or any other regulatory actions will be able to prevent further losses and volatility in securities markets or stimulate the credit markets. In addition, such regulatory actions may collectively have a chilling effect on economic activities such as lending and other business investments, which in turn may prevent job growth or even increase unemployment and underemployment. These economic conditions may increase defaults of loans and other obligations throughout the United States, including Peer-to-Peer Loans backing Peer-to-Peer Securities, which may increase the volatility and decrease the value of Peer-to-Peer Securities. The Partnership may be materially and adversely affected by the foregoing events or by similar or other events in the future. In the long term, there may be significant new regulations that could limit the Partnership's activities and investment opportunities or change the functioning of capital markets, and there is the possibility the severe worldwide economic downturn could continue for a period of years. Consequently, the Partnership may not be capable of, or successful at, preserving the value of its assets, generating positive investment returns, or effectively managing its risks.

Furthermore, in August 2011, the credit rating of the United States government was downgraded by Standard & Poor's, a Division of the McGraw Hill Companies, Inc. ("*S&P*"), based on rising debt levels and the prolonged controversy over raising the U.S. government debt ceiling, and Moody's Investors Service, Inc. ("*Moody's*") confirmed the "Aaa" bond rating of the United States government but assigned a negative outlook to the rating, and Fitch, Inc. ("*Fitch*") confirmed its "AAA" sovereign rating of the United States while noting that its projections for the rise in U.S. government debt over the medium term was not consistent with maintaining a "AAA" rating. There can be no assurance that further downgrades will not occur. It is not yet clear how the S&P downgrade, and potential downgrades by Moody's and/or Fitch or potential further downgrades by S&P, will impact market conditions in the long term, and there can be no assurance that they will not have a material adverse effect. In addition, sovereign defaults or downgrades of one or more foreign countries may also have a material adverse effect on market conditions. To the extent that marketplace events worsen, this may have an adverse impact on the availability of credit to businesses generally and could lead to a further overall weakening of the U.S. and global economies. Continued high unemployment and limited availability of credit may lead to increased default rates on Peer-to-Peer Loans, which in turn would result in partial or total losses in respect of Peer-to-Peer Securities and materially and adversely affect the financial health of Peer-to-Peer Security Issuers, Peer-to-Peer Platform Sponsors, Portfolio Funds and the Partnership. Various market circumstances could restrict the ability of Portfolio Funds to sell or liquidate investments at favorable times or for favorable prices.

Business and Regulatory Risks of Alternative Investment Funds. Market disruptions and the dramatic increase in the capital allocated to alternative investment strategies during recent years, combined with several well-publicized frauds, have led to increased governmental and self-regulatory scrutiny of the alternative investment fund industry in general. In addition, legislation proposing greater regulation of the alternative investment fund industry is currently being considered by the U.S. Congress, as well as the governing bodies of non-U.S. jurisdictions.

Increased regulatory oversight may also impose additional administrative burdens on the General Partner and the Investment Adviser, including, without limitation, responding to investigations, implementing new policies and procedures and complying with reporting obligations. Such burdens may divert the General Partner's and the Investment Adviser's time, attention and resources from portfolio management activities.

In addition, securities and futures markets are subject to comprehensive statutes, regulations and margin requirements. The SEC, other regulators, self-regulatory organizations and exchanges are authorized to take extraordinary actions in the event of market emergencies. The regulation of derivatives transactions and funds that engage in such transactions is an evolving area of law and is subject to modification by government and judicial actions.

The U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act (the "*Dodd-Frank Act*") was enacted in July 2010. The Dodd-Frank Act covers a broad range of market participants including banks, non-banks, rating agencies, mortgage brokers, credit unions, insurance companies, payday lenders, broker-dealers and investment advisers. The Dodd-Frank Act requires extensive rulemaking and regulatory changes that will affect private fund managers, the funds that they manage and the financial industry as a whole. Additionally, under the Dodd-Frank Act, the SEC is expected to mandate new recordkeeping and reporting requirements for investment advisers, which would add costs to the legal, operational and compliance obligations of the Investment Adviser and possibly the Partnership and increase the amount of time that the Investment Adviser spends on non-investment related activities.

In the area of derivatives, the Dodd-Frank Act requires that swaps and security-based swaps be traded through an exchange with few exceptions. This may limit the ability to hedge certain risks. In addition, all swaps and security-based swaps will be required to have initial and variation margin. It is impossible to predict what, if any, changes in regulations may occur, but any regulations which restrict the ability of the Portfolio Funds to trade in securities or the ability of the Portfolio Funds to employ, or brokers and other counterparties to extend, credit in its trading (as well as other regulatory changes that result) could have a material adverse impact on the Partnership's portfolio.

The Dodd-Frank Act will affect a broad range of market participants with whom the Partnership will interact or may interact, including banks, broker-dealers, non-bank financial institutions and rating agencies and may change the way in which the Partnership conducts business with its counterparties. It may take years to understand the impact of the Dodd-Frank Act on the financial industry as a whole, and therefore, the continued uncertainty may make markets more volatile and make it difficult for the Partnership to execute its investment program.

From time to time, in the ordinary course of operations, the General Partner, the Investment Adviser, the Partnership, the Portfolio Funds and/or their respective affiliates will be subject to regulatory inquiries, and may also be subject to investigations and enforcement proceedings from U.S. and non-U.S. governmental agencies, regulatory bodies and securities commissions, which can be costly and occupy significant staff time and resources. Any such inquiry, investigation or enforcement proceeding could include civil or criminal proceedings resulting in a censure, fine, penalty and/or other sanction, including, without limitation, asset freezes, the issuance of a cease and desist order or the suspension or expulsion of an individual.

Any such inquiry, investigation or enforcement proceeding could have a material adverse impact on the Partnership.

The U.S. and non-U.S. laws and regulations governing trading in the securities markets (and governing investing in other kinds of markets) are often complex and difficult to implement and monitor, and are subject to re-interpretation, which could expose the Partnership, the Portfolio Funds, the General Partner, the Investment Adviser and their respective affiliates to liability.

Investors should understand that the Partnership's business is dynamic and is expected to change over time. Therefore, the Partnership may be subject to new or additional regulatory constraints in the future. This Memorandum cannot address or anticipate every possible current or future regulation that may affect the General Partner, the Investment Adviser, the Portfolio Funds, the Partnership, the markets in which they trade and invest or the counterparties with which they do business. Such regulations may have a significant impact on the Partners or the operations of the Partnership or the Portfolio Funds, including, without limitation, restricting the types of investments the Portfolio Funds may make, requiring the Partnership to disclose the identity of its investors or otherwise. The effect of any future regulatory change on the Partnership could be substantial and adverse. The General Partner may, in its sole discretion, cause the Partnership to be subject to such regulations if it believes that an investment or business activity is in the Partnership's interest, even if such regulations may have a detrimental effect on one or more partners. The effect of any future regulatory change on the Partnership could be substantial and adverse. Prospective limited partners are therefore encouraged to consult their own advisors regarding the impact of potential future regulatory changes on any investment in the Partnership.

Litigation and Enforcement Risk. Investment activities by the Partnership and the Portfolio Funds may subject them to substantial risks of litigation and adverse regulatory proceedings, whether in respect of transactions with their clients, counterparties, service providers or otherwise. Under such circumstances, the Partnership or a Portfolio Fund could be named as a defendant in a lawsuit or regulatory action. There have been a number of reported instances of violations of securities laws by investment managers through the misuse of confidential information, diverting or absconding with Portfolio Fund assets, falsely reporting portfolio values and performance, and other violations of securities laws and regulations. Such violations may result in substantial liabilities for damages caused to others, for the disgorgement of profits realized and for penalties. Furthermore, if the alleged violations involved assets or transactions for the Portfolio Funds, the Partnership could be exposed to liabilities or losses.

Recent Developments Potentially Impacting Taxation to Non-U.S. Investors and Foreign Accounts. The recently enacted Foreign Account Tax Compliance Act ("*FATCA*") imposes new reporting and withholding rules designed to induce foreign financial institutions and other foreign entities to report information to the IRS regarding their U.S. accountholders and investors. Generally, in order to avoid a U.S. withholding tax of 30% on a non-U.S. investor's share of certain payments (including payments of gross proceeds) made with respect to certain actual and deemed U.S. investments, (i) such non-U.S. investor will generally be required to provide identifying information with respect to certain of its direct and indirect U.S. owners or (ii) if such non-U.S. investor is a "foreign financial institution" within the meaning of

Section 1471(d)(4) of the Code, such non-U.S. investor generally was required to enter into an agreement with the IRS that will require such foreign financial institution to identify certain direct and indirect U.S. account holders (including debtholders and equity holders). It is possible that the Partnership, in order to be in compliance with FATCA, will be required to obtain information from limited partners, conduct diligence on its limited partners, ascertain their status as U.S. investors, and to report contributions, distributions, and investment values with respect to its investors. Any such information provided to the Partnership will be shared with the IRS. Non-U.S. investors should consult their own tax advisors regarding the possible implications of these rules on their investment in Limited Partnership Interests.

Alternative Investment Fund Managers Directive. The Alternative Investment Fund Managers Directive (the "*AIFM Directive*") of the European Union ("*EU*") took effect across the EU on July 22, 2013. The AIFM Directive regulates (i) alternative investment fund managers ("*AIFM*") based in the EU, (ii) the management of any alternative investment fund ("*AIF*") established in the EU (irrespective of where an AIF's AIFM is based), and (iii) the marketing in the EU of the securities of any AIF, such as the Partnership, whether conducted by an EU AIFM, a non-EU AIFM or a third party. An AIFM authorized to market the Partnership in the EU will be required to comply with numerous obligations in relation to its own operations and in relation to the AIFs that it manages, which may create significant compliance costs and burdens. In addition, the Partnership, as a non-EU AIF managed by a non-EU AIFM, may only be marketed to investors in the EU in accordance with applicable national private placement rules. Each EU country has discretion over its own national private placement rules and has the authority to remove these rules or enact new rules that may require AIFs to become registered with the local regulator before securities can be offered in that country. Consequently, none of the Partnership, the Offshore Feeder, the General Partner and the Investment Adviser intends to make an offering or placement of Limited Partnership Interests or Shares at their initiative to prospective investors in the EU unless such offering and placement are accordance with national private placement marketing rules in force in each EU jurisdiction and the AIFM Directive requirements. Currently, the General Partner and the Investment Adviser expect that Limited Partnership Interests and Shares will only be issued to those EU investors who request them at their own initiative pursuant to a bona fide reverse solicitation request made to the Investment Adviser.

Competition. The securities industry and the varied strategies and techniques to be engaged in by the Investment Adviser are extremely competitive and each involves a degree of risk. The Partnership will compete with firms, including many of the larger securities and investment banking firms, which have substantially greater financial resources and research staffs.

TAX CONSIDERATIONS

Introduction

The following is a summary of certain aspects of the U.S. federal income taxation of the Partnership and its Partners, which should be considered by a potential purchaser of a Limited Partnership Interest in the Partnership. A complete discussion of all tax aspects of an investment in the Partnership is beyond the scope of this Memorandum. The following summary is only intended to identify and discuss certain issues related to U.S. federal income taxation.

This summary of certain U.S. federal income tax considerations applicable to the Partnership is considered to be a correct interpretation of existing laws and regulations in force on the date of this Memorandum. No assurance can be given that changes in existing laws or regulations or their interpretation will not occur after the date of this Memorandum or that any such future guidance or interpretation will not be applied retroactively. No assurance can be given that the Internal Revenue Service ("*IRS*") will not take certain contrary positions to those set forth in the summary below.

The following summary is not intended as a substitute for careful tax planning. The tax matters relating to the Partnership are complex and are subject to varying interpretations. Moreover, the effect of existing income tax laws and of proposed changes in income tax laws on partners will vary with the particular circumstances of each partner. Accordingly, each prospective investor must consult with and rely solely on his or her professional tax advisors with respect to the tax results of his or her investment in the Partnership. In no event will the General Partner, its affiliates, counsel or other professional advisors be liable to any limited partner for any federal, state, local or other tax consequences of an investment in the Partnership, whether or not such consequences are as described below.

Classification of the Partnership

Under the provisions of the U.S. Internal Revenue Code of 1986, as amended ("*Code*") and the Treasury Regulations promulgated thereunder ("*Regulations*"), as in effect on the date of this Memorandum, so long as the Partnership complies with the LP Agreement, the Partnership should be classified for U.S. Federal income tax purposes as a partnership and not as an association taxable as a corporation.

The Partnership has not sought and will not seek a ruling from the IRS with respect to its status as a partnership. If the Partnership should be classified as an association taxable as a corporation, the taxable income of the Partnership would be subject to corporate income taxation when recognized by the Partnership; and distributions from the Partnership to the limited partners would be treated as dividend income when received by the limited partners to the extent of the current or accumulated earnings and profits of the Partnership.

Certain partnerships may be taxable as corporations for U.S. federal income tax purposes under the publicly traded partnership rules set forth in the Code and the Regulations, and the Partnership may not qualify for one of the safe harbors under the Regulations if the Partnership has more than 100 Partners. The Partnership expects that under the facts and circumstances test set forth in the Regulations, the Limited Partnership Interests will not be readily tradable on a

secondary market (or the substantial equivalent thereof) and therefore, the Partnership will not be treated as a publicly traded partnership under the Regulations. It is assumed in the following discussion of tax considerations that the Partnership will be treated as a partnership for U.S. federal income tax purposes.

Taxation of Partnership Operations

As a partnership, the Partnership is not itself subject to U.S. federal income tax but will file an annual partnership information return with the IRS. Each limited partner is required to report separately on his or her income tax return his or her distributive share of the Partnership's net long-term capital gain or loss, net short-term capital gain or loss, net ordinary income, deductions and credits. The Partnership will send annually to each limited partner a form showing his or her distributive share of the Partnership items of income, gain, loss deduction or credit.

Subject to the discussions below regarding tax-exempt investors and Partners who are not U.S. Persons, each limited partner will be subject to tax, and liable for such tax, on his or her distributive share of the Partnership's taxable income regardless of whether the limited partner has received or will receive any distribution of cash from the Partnership. Thus, in any particular year, a limited partner's distributive share of taxable income from the Partnership (and, possibly, the taxes imposed on that income) could exceed the amount of cash, if any, such limited partner received or is entitled to withdraw from the Partnership.

Under Section 704 of the Code, a limited partner's distributive share of any Partnership item of income, gain, loss deduction or credit is governed by the LP Agreement unless the allocation provided by the LP Agreement does not have "substantial economic effect." The Regulations promulgated under Section 704(b) of the Code provide certain "safe harbors" with respect to allocations, which, under the Regulations, will be deemed to have substantial economic effect. The validity of an allocation which does not satisfy any of the "safe harbors" of these Regulations is determined by taking into account all facts and circumstances relating to the economic arrangements among the Partners. The allocations provided by the LP Agreement are intended to have substantial economic effect. However, if it were determined by the IRS or otherwise that the allocations provided in the LP Agreement with respect to a particular item do not have substantial economic effect, each limited partner's distributive share of that item would be determined for tax purposes in accordance with that limited partner's interest in the Partnership, taking into account all facts and circumstances.

In general, non-liquidating cash distributions and withdrawals, to the extent they do not exceed a limited partner's tax basis in his or her interest in the Partnership, should not result in taxable gain to that limited partner, but reduce the tax basis in the Partnership interest by the amount distributed or withdrawn. Cash distributed to a limited partner in excess of the basis of his or her Limited Partnership Interest is generally taxable either as capital gain or ordinary income, depending on the circumstances. A distribution of property other than cash generally will not result in taxable income or loss to the limited partner to whom it is distributed until such time that the property is sold.

In the event a limited partner withdraws all of the capital in its capital account from the Partnership, the General Partner will have the discretion to specially allocate an amount of the Partnership's taxable gains or losses to the withdrawing partner to the extent that the partner's capital account exceeds, or is less than, its federal income tax basis in its Limited Partnership Interest. However, there can be no assurances that the IRS will accept such a special allocation. If the special allocation were to be successfully challenged by the IRS, the Partnership's taxable gains or losses allocable to the remaining Partners would be increased.

All securities held by the Partnership will be marked to market at the end of each accounting period and the net gain or loss from marking to market will be reported as income or loss for financial statement presentation and capital account maintenance purposes. This treatment differs from the general tax rule applicable to many securities transactions that a transaction does not result in gain or loss until it is closed by an actual sale or other disposition. The divergence between such accounting and tax treatments frequently may result in substantial variation between financial statement income (or loss) and taxable income (or loss) reported by the Partnership.

Taxation of Debt Instruments

As described in "*Investment Objective*" above, it is expected that the Portfolio Funds' primary investments will consist of debt instruments. The taxation of debt instruments under the Code is complex; the following discussion is intended to provide only a general description of these rules and does not address all tax considerations that may be relevant to an investor based on the investor's particular circumstances. Generally, interest income and income items similar to interest, such as original issue discount (in general, the annual portion of the discount on original issuance of debt instruments issued for less than their stated principal amount) and market discount (the amount by which debt instruments are acquired in the secondary market for less than their principal) are treated as items of ordinary income.

Generally, debt instruments held as capital assets that are disposed of in a taxable transaction for an amount greater than their adjusted cost basis give rise to capital gain, which will be long-term if the debt instruments is held for longer than one year, and short-term, if held for a period of one year or less. Generally, debt instruments held as capital assets that are disposed of in a taxable transaction for an amount less than their adjusted cost basis give rise to capital loss, which will be long-term if the debt instrument is held for longer than one year, and short-term if held for a period of one year or less. Where a debt instrument held as a capital asset is retired for less than its face amount and or becomes completely worthlessness, the holder will also generally realize a capital loss. Capital losses generally may be deducted only to the extent of capital gains, except for non-corporate taxpayers who are allowed to deduct $3,000 of excess capital losses per year against ordinary income.

It is expected that the Partnership will hold the debt instruments represented by the Peer-to-Peer Securities as capital assets for U.S. federal income tax purposes and not as debts acquired in connection with the conduct of a trade or business by the Partnership. Accordingly, losses realized by the Partnership with respect to the Peer-to-Peer Securities generally will be characterized as capital loss and will be unable to offset ordinary income, including ordinary interest income and original issue discount received by the Partnership with respect to other

Peer-to-Peer Securities in the portfolio. The treatment of losses with respect to Peer-to-Peer Securities as capital losses may adversely affect the after-tax return of a Partner that is a "U.S. Person" (as defined below).

A Partner who is a U.S. person may consider investing in the Partnership through the Offshore Feeder to potentially mitigate the tax effect of capital losses with respect to Peer-to-Peer Securities. In such a case, the tax considerations described in "Special Tax Considerations for Partners who are not U.S. Persons" would also apply to such Partner, as well as certain other tax considerations set forth in the separate Memorandum for the Offshore Feeder.

Limitations on Losses and Deductions

The Code provides several limitations on a limited partner's ability to deduct his or her share of Partnership losses and deductions. Certain of these limitations, such as the "passive activity loss" rules, likely will not be applicable to the Partnership's operations. To the extent that the Partnership has interest expense, a non-corporate limited partner will likely be subject to the "investment interest expense" limitations of Section 163(d) of the Code. Investment interest expense is interest paid or accrued on indebtedness properly allocable to property held for investment. The deduction for investment interest expense is limited to net investment income; i.e., the excess of investment income over investment expenses. Excess investment interest expense that is disallowed is not lost permanently but may be carried forward to succeeding years subject to the Section 163(d) limitation. Net capital gain (i.e., net long-term capital gain over net short-term capital loss) on property held for investment and qualified dividends is only included in investment income to the extent the taxpayer elects to take such capital gain into account as net investment income (thus subjecting some or all of such gain to taxation at ordinary income tax rates). If the Partnership's operations constitute a trade or business for purposes of Section 163(d) of the Code, then the Section 163(d) limitations will apply at the partner level in determining the amount of interest expense that is deductible as an expense in arriving at adjusted gross income with regard to the Partnership's interest expense. If some or all of the Partnership's operations do not constitute a trade or business for purposes of Section 163(d) of the Code, then the Section 163(d) limitations will apply at the partner level in determining the amount of interest expense that is deductible as an itemized deduction with regard to the Partnership's interest expense (see below for additional limitations on itemized deductions). Whether all or any portion of the Partnership's operations constitutes a trade or business is a question of fact. As the Partnership's operations may encompass a variety of strategies, the Partnership cannot predict to what extent its operations will constitute a trade or business.

Under Section 67 of the Code, for non-corporate partners certain miscellaneous itemized deductions are allowable only to the extent they exceed a "floor" amount equal to 2% of adjusted gross income. If, or to the extent that, the Partnership's operations do not constitute a trade or business within the meaning of Section 162 and other provisions of the Code, a non-corporate limited partner's distributive share of the Partnership's investment expenses, including the Management Fee and Performance Fee payable to the Investment Adviser, would be deductible only as miscellaneous itemized deductions, subject to the 2% floor (and subject also the section 163(d) limitation described above). In addition, the Code restricts the ability of an individual with an adjusted gross income in excess of specified amounts to deduct certain itemized

deductions. Under such provision, investment expenses in excess of 2% of adjusted gross income may only be deducted to the extent such excess expenses (along with certain other itemized deductions not including investment interest expense) exceed the lesser of (i) 3% of the excess of the individual's adjusted gross income over the specified amount or (ii) 80% of the amount of such itemized deductions otherwise allowable for the taxable year. Moreover, investment expenses are miscellaneous itemized deductions, which are not deductible by a non-corporate taxpayer in calculating its alternative minimum tax liability.

As noted above, capital losses generally may be deducted only to the extent of capital gains, except for non-corporate taxpayers who are allowed to deduct $3,000 of excess capital losses per year against ordinary income. Corporate taxpayers may carry back unused capital losses for three years and may carry forward such losses for five years; non-corporate taxpayers may not carry back unused capital losses but may carry forward unused capital losses indefinitely.

Section 465 of the Code limits certain taxpayers' losses from certain activities to the amount they are "at risk" in the activities. Taxpayers subject to the "at risk" rules include individuals, an S corporation and certain closely held corporations. The activities subject to the "at risk" limitations are, in general, all activities except the holding of real estate (other than mineral property) and equipment leasing by closely held corporations. A partner subject to the "at risk" rules will not be permitted to deduct in any year losses arising from his interest in the Partnership to the extent the losses exceed the amount he is considered to have "at risk" in the subject Partnership activity at the close of that year. Each limited partner will be at risk initially for the amount of his capital contribution. In general, a partner's amount "at risk" will be increased by his distributive share of income from the Partnership and will be decreased by his distributive share of losses from the Partnership and distributions to him. If a partner's amount "at risk" decreases to zero, he can take no further losses until he has an "at risk" amount to cover the losses.

Tax Elections; Returns; Tax Audits

The Code provides for optional adjustments to the basis of partnership property upon distributions of partnership property to a partner and transfers of partnership interests (including by reason of death) provided that a partnership election has been made pursuant to Section 754 of the Code. Under the LP Agreement, the General Partner, in its sole discretion, may cause the Partnership to make such an election. Any such election, once made, cannot be revoked without the IRS's consent. Additionally, Section 734 of the Code provides for a mandatory basis adjustment on distributions by partnerships with substantial built in losses, which could cause the Partnership to decrease the basis of assets in such circumstances.

The General Partner will decide how to report partnership items on the Partnership's tax returns. Since the Partnership may engage in transactions whose treatment for tax purposes is not clear, there is a risk that a claim of tax liability could be asserted against the Partnership or its Partners. In the event the income tax returns of the Partnership are audited by the IRS, the tax treatment of Partnership income and deductions generally is determined at the partnership level in a single proceeding rather than by individual audits of the Partners. The General Partner, as the "*Tax Matters Partner*," has considerable authority to make decisions affecting the tax

treatment and procedural rights of all Partners. In addition, the Tax Matters Partner has the authority to bind certain Partners to settlement agreements and the right on behalf of all Partners to extend the statute of limitations relating to the Partners' tax liabilities with respect to Partnership items.

Investment in Promeleti, LLC

A portion of Portfolio Fund III is expected to be invested in equity interests in Promeleti, a Delaware limited liability company electing to be taxed as a C corporation for U.S. federal income tax purposes. As a C corporation, Promeleti will be subject to U.S. corporate income tax on its taxable income. In addition, Partners who are U.S. Persons (as defined below) will be subject to tax on dividends received by the Partnership from Promeleti and gains from the Partnership's sale or exchange of the Promeleti Interests. In addition, while more than 50% owned by the Partnership, Promeleti will likely be considered a "personal holding company" ("*PHC*") subject to taxation under Sections 541 through 565 of the Code. If Promeleti were considered to be a PHC, it would be subject to an additional 20% corporate level tax on certain of its net income, reduced by a deduction for certain dividends paid by Promeleti during its taxable year. However, if sufficient Promeleti interests were acquired by third parties that are unaffiliated with the Partnership or the Investment Manager, then Promeleti would not be treated as a PHC.

Special Considerations for Tax-Exempt Investors

If the Partnership derives income which would be considered "unrelated business taxable income" ("*UBTI*") as defined in Section 512 of the Code if derived directly by a limited partner which is an organization exempt from tax under Sections 401 or 501(a) of the Code ("*Tax Exempt Investor*"), such limited partner's allocable share of the Partnership's income would be subject to tax. A tax-exempt investor which is subject to tax on its allocable share of the Partnership's unrelated business taxable income may also be subject to the alternative minimum tax with respect to items of tax preference which enter into the computation of unrelated business taxable income.

UBTI is generally the excess of gross income from any unrelated trade or business conducted by an exempt organization (or by a partnership of which the exempt organization is a member) over the deductions attributable to such trade or business. UBTI generally does not include dividends, interest, annuities, royalties and gain or loss from the disposition of property other than stock in trade or property held for sale in the ordinary course of the trade or business.

While UBTI itself is taxable, the receipt of UBTI by a tax-exempt investor generally has no effect upon that entity's tax-exempt status or upon the exemption from tax of its other income.

A tax-exempt organization under Section 501 (a) of the Code (and an IRA) also includes in its UBTI its "*unrelated debt-financed income*" (and its allocable share of the "unrelated debt-financed income" of any partnership in which it invests) pursuant to Section 514 of the Code. In general, unrelated debt-financed income consists of: (i) income derived by a tax-exempt organization (directly or through a partnership) from income producing property with respect to

which there is "acquisition indebtedness" at any time during the taxable year; and (ii) gains derived by a tax-exempt organization (directly or through a partnership) from the disposition of property with respect to which there is "*acquisition indebtedness*." Such income and gains derived by a tax-exempt organization from the ownership and sale of debt-financed property are taxable in the proportion to which such property is financed by "acquisition indebtedness" during the relevant period of time.

A limited partner that is a tax-exempt investor should expect to be subject to tax on the proportion of its distributive share of the Partnership's income, which is unrelated debt-financed income. In addition, to the extent a tax-exempt investor borrows money to finance its investment in the Partnership, such organization would be subject to tax on the portion of its income, which is unrelated debt-financed income even though such income may constitute an item otherwise excludable from UBTI, such as dividends.

The Partnership and certain transactions executed by the Partnership may be subject to tax shelter disclosure registration and listing requirements under applicable U.S. tax laws and regulations.

Special Considerations for Partners who are not U.S. Persons

A "*U.S. Person*" is (a) a citizen or resident of the United States, (b) a corporation, partnership, or other entity organized under the laws of the United States, any state, or the District of Columbia, other than a partnership that is not treated as a U.S. Person under the Regulations, (c) an estate whose income is subject to United States income tax, regardless of its source, or (d) a trust if a court within the United states is able to exercise primary supervision over the administration of the trust and one or more U.S. Persons have the authority to control all substantial decisions of the trust or, to the extent provided in the Regulations, certain trusts in existence on August 20, 1996, and treated as U.S. Persons prior to such date, that elect to be treated as U.S. Persons.

The Partnership does not intend to conduct a trade or business in the United States, or to invest in securities the income from which is treated for U.S. federal income tax purposes as arising from a U.S. trade or business (hereinafter, "*effectively connected income*"). The following discussion assumes that, and is limited to, a partner who is not otherwise engaged in the conduct of a U.S. trade or business.

As discussed in this Memorandum, the Partnership will invest predominantly in Portfolio Funds that invest primarily in portfolios of Peer-to-Peer Securities are collateralized by, or reference or otherwise track the performance of Peer-to-Peer Loans originated on the peer-to-peer online lending platforms sponsored by Lending Club, LendingHome and other Peer-to-Peer Platform Sponsors. Each Portfolio Fund's investment strategy is intended to involve the purchase of Peer-to-Peer Securities that represent a diversified cross-section of Peer-to-Peer Loans generally available on each platform. Peer-to-Peer Loans are originated by each of these Peer-to-Peer Platform Sponsors to their borrower members according to standard terms, interest rates, and credit grades assigned solely by the Peer-to-Peer Platform Sponsor. Peer-to-Peer Platform Sponsors do not permit any of their investors, including the Portfolio Fund, to provide any input into the terms of any loan, and investors, including the Portfolio Fund, do not have the

ability to contact any borrower, or participate in marketing, due diligence, credit screening or negotiation of the terms of any loan. In addition, the Peer-to-Peer Securities in which the Portfolio Funds invest will represent either interests in Peer-to-Peer Loans of a type that are available to a broad class of investors through the Platform Sponsor's website, orthat will be acquired by the Portfolio Fund after the original issuance of the underlying Peer-to-Peer Loan (including a purchase from Promeleti). Other than certain late fees properly characterized as interest for U.S. federal income tax purposes, the Portfolio Funds will not receive any fee income from the investments in Peer-to-Peer Securities. The Investment Adviser manages the investment activities of the Partnership in Portfolio Funds. Based on the operation of the Peer-to-Peer Platform Sponsors as described herein, and assuming the Partnership and Portfolio Funds operate in the manner described above, then, although the matter is not free from doubt, it is more likely than not that the Portfolio Funds' investment in the Peer-to-Peer Loans will not constitute the conduct of a U.S. trade or business by the Portfolio Funds or the Partnership and the interest income derived from Peer-to-Peer Loans more likely than not will not be treated as effectively connected income. Partners should consult with their own tax advisors regarding this issue.

Offshore investors will be directly or indirectly subject to U.S. withholding taxes on some of their income, including fixed or determinable annual or periodical income, such as dividend income, considered to be from U.S. sources. The U.S. withholding tax rate is generally 30%. Generally, capital gains and qualified interest, such as portfolio interest (as defined in Section 871(h) of the Code), should not be subject to U.S. withholding tax. It is expected that the interest earned on Peer-to-Peer Securities and Peer-to-Peer Loans held by the Portfolio Funds generally should qualify as portfolio interest. Dividends received with respect to the Promeleti interests will be subject to U.S. withholding tax at the 30% rate, as will interest on any loans made by the Partnership to Promeleti. Capital gains from the sale of stocks or securities, including gains realized by the Partnership on a sale or exchange of Promeleti Interests, should generally not be subject to U.S. withholding tax. However, the sale or exchange of certain United States real property interests within the meaning of Section 897 of the Code are subject to U.S. income and withholding taxes. Although the Partnership intends to conduct its affairs to minimize its gain from disposition of United States real property interests, it is possible that Portfolio Fund II may recognize gains subject to U.S. income and withholding taxes under Sections 897 and 1445 of the Code.

Other Taxes

Partners may be subject to other taxes, such as the alternative minimum tax, state and local income taxes, and estate, inheritance or intangible property taxes that may be imposed by various jurisdictions. Each prospective investor should consider the potential consequences of such taxes on an investment in the Partnership. It is the responsibility of each prospective investor to become satisfied as to the legal and tax consequences of an investment in the Partnership under all applicable tax laws, including the laws of the state(s) of his or her domicile and residence, by obtaining advice from his or her own tax advisors, and to file all appropriate tax returns that may be required.

Further, income received by the Partnership or the Portfolio Funds from sources within non-U.S. countries may be subject to withholding and other taxes imposed by such countries.

Future Tax Legislation

Future amendments to the Code, other legislation, new or amended Regulations, administrative rulings or guidance by the IRS, or judicial decisions may adversely affect the federal income tax aspects of an investment in the Partnership, with or without advance notice, and retroactively or prospectively.

THE FOREGOING DISCUSSION OF CERTAIN MATERIAL U.S. FEDERAL TAX CONSEQUENCES IS PROVIDED FOR INFORMATION PURPOSES ONLY AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OR DISCUSSION OF ALL POTENTIAL TAX EFFECTS RELEVANT THE ACQUISITION OF AN INTEREST IN THE PARTNERSHIP. THE FOREGOING DISCUSSION NEITHER BINDS THE IRS NOR PRECLUDES IT FROM ADOPTING A CONTRARY POSITION. ALL PROSPECTIVE INVESTORS SHOULD CONSULT WITH THEIR OWN TAX ADVISORS AS TO THE SPECIFIC UNITED STATES FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES TO THEM OF SUCH INVESTMENT.

ERISA CONSIDERATIONS

General

Persons who are fiduciaries with respect to a U.S. employee benefit plan or trust within the meaning of and subject to the provisions of ERISA (an "*ERISA Plan*"), an individual retirement account or a Keogh plan subject solely to the provisions of the Code[*] (an "*Individual Retirement Fund*") should consider, among other things, the matters described below before determining whether to invest in the Partnership (directly or through a feeder that invests in the Partnership).

ERISA imposes certain general and specific responsibilities on persons who are fiduciaries with respect to an ERISA Plan, including prudence, diversification, avoidance of prohibited transactions and compliance with other standards. In determining whether a particular investment is appropriate for an ERISA Plan, DOL regulations provide that a fiduciary of an ERISA Plan must give appropriate consideration to, among other things, the role that the investment plays in the ERISA Plan's portfolio, taking into consideration whether the investment is designed reasonably to further the ERISA Plan's purposes, the risk and return factors of the potential investment, the portfolio's composition with regard to diversification, the liquidity and current return of the total portfolio relative to the anticipated cash flow needs of the ERISA Plan, the projected return of the total portfolio relative to the ERISA Plan's funding objectives, and the limitation on the rights of limited partners to withdraw all or a portion of their Limited Partnership Interests or to transfer their Limited Partnership Interests. Before investing the assets of an ERISA Plan in the Partnership (directly or through a feeder that invests in the Partnership), a fiduciary should determine whether such an investment is consistent with its fiduciary responsibilities and the foregoing regulations. For example, a fiduciary should consider whether an investment in the Partnership (directly or through a feeder that invests in the Partnership) may be too illiquid or too speculative for a particular ERISA Plan and whether the assets of the ERISA Plan would be sufficiently diversified. If a fiduciary with respect to any such ERISA Plan breaches its responsibilities with regard to selecting an investment or an investment course of action for such ERISA Plan, the fiduciary may be held personally liable for losses incurred by the ERISA Plan as a result of such breach.

Plan Assets Defined

ERISA and applicable DOL regulations describe when the underlying assets of an entity in which "benefit plan investors", as defined in Section 3(42) of ERISA and any regulations promulgated thereunder ("*Benefit Plan Investors*"), invest are treated as "plan assets" for purposes of ERISA. Under ERISA, the term Benefit Plan Investors is defined to include an "employee benefit plan" that is subject to the provisions of Title I of ERISA, a "plan" that is subject to the prohibited transaction provisions of Section 4975 of the Code, and entities the assets of which are treated as "plan assets" by reason of investment therein by Benefit Plan Investors.

[*] References hereinafter made to ERISA include parallel references to the Code.

Under ERISA, as a general rule, when an ERISA Plan invests assets in another entity, the ERISA Plan's assets include its investment, but do not, solely by reason of such investment, include any of the underlying assets of the entity. However, when an ERISA Plan acquires an "equity interest" in an entity that is neither: (a) a "publicly offered security"; nor (b) a security issued by an investment fund registered under the Company Act, then the ERISA Plan's assets include both the equity interest and an undivided interest in each of the underlying assets of the entity, unless it is established that: (i) the entity is an "operating company"; or (ii) the equity participation in the entity by Benefit Plan Investors is limited.

Under ERISA, the assets of an entity will not be treated as "plan assets" if Benefit Plan Investors hold less than 25% (or such greater percentage as may be provided in regulations promulgated by the DOL) of the value of each class of equity interests in the entity. Equity interests held by a person with discretionary authority or control with respect to the assets of the entity and equity interests held by a person who provides investment advice for a fee (direct or indirect) with respect to such assets or any affiliate of any such person (other than a Benefit Plan Investor) are not considered for purposes of determining whether the assets of an entity will be treated as "plan assets" for purposes of ERISA. The Benefit Plan Investor percentage of ownership test applies at the time of an acquisition by any person of the equity interests. In addition, an advisory opinion of the DOL takes the position that a redemption of an equity interest by an investor constitutes the acquisition of an equity interest by the remaining investors (through an increase in their percentage ownership of the remaining equity interests), thus triggering an application of the Benefit Plan Investor percentage of ownership test at the time of the redemption.

Limitation on Investments by Benefit Plan Investors

It is the current intent of the General Partner to monitor the investments in the Partnership to ensure that the aggregate investment by Benefit Plan Investors does not equal or exceed 25% (or such greater percentage as may be provided in regulations promulgated by the DOL) of the value of any class of equity interests in the Partnership so that assets of the Partnership will not be treated as "plan assets" under ERISA. Equity interests held by the General Partner or its affiliates are not considered for purposes of determining whether the assets of the Partnership will be treated as "plan assets" for the purpose of ERISA. If the assets of the Partnership were treated as "plan assets" of a Benefit Plan Investor, the General Partner would be a "fiduciary" (as defined in ERISA and the Code) with respect to each such Benefit Plan Investor, and would be subject to the obligations and liabilities imposed on fiduciaries by ERISA. In such circumstances, the Partnership would be subject to various other requirements of ERISA and the Code. In particular, the Partnership would be subject to rules restricting transactions with "parties in interest" and prohibiting transactions involving conflicts of interest on the part of fiduciaries which might result in a violation of ERISA and the Code unless the Partnership obtained appropriate exemptions from the DOL allowing the Partnership to conduct its operations as described herein. The General Partner may, in its sole discretion, compulsorily redeem all or any portion of the Limited Partnership Interests held by any holder of Limited Partnership Interests, including, without limitation, to ensure compliance with the percentage limitation on investment in the Partnership by Benefit Plan Investors as set forth above. Similar compulsory redemption terms apply to investors in any feeder that invests in the Partnership. The General Partner reserves the right, however, to waive the percentage limitation on

investment indirectly in the Partnership by Benefit Plan Investors and thereafter to comply with ERISA.

If the assets of the Partnership are treated as "plan assets" for purposes of ERISA, the General Partner will not purchase a fidelity bond satisfying the requirements of Section 412 of ERISA with respect to the assets of the Partnership owned by ERISA Plans. If an investor is an ERISA Plan, it must cause the General Partner to be covered under its bond with respect to the assets invested by such investor in the Partnership.

Representations by Plans

An ERISA Plan proposing to invest in the Partnership (directly or through a feeder that invests in the Partnership) will be required to represent that it is, and any fiduciaries responsible for the ERISA Plan's investments are, aware of and understand the Partnership's and the Partnership's investment policies and strategies, and that the decision to invest plan assets in the Partnership (directly or through a feeder that invests in the Partnership) was made with appropriate consideration of relevant investment factors with regard to the ERISA Plan and is consistent with the duties and responsibilities imposed upon fiduciaries with regard to their investment decisions under ERISA.

Whether or not the assets of the Partnership are treated as "plan assets" for purposes of ERISA, an investment in the Partnership (directly or through a feeder that invests in the Partnership) by an ERISA Plan is subject to ERISA. Accordingly, fiduciaries of ERISA Plans should consult with their own counsel as to the consequences under ERISA of an investment in the Partnership (directly or through a feeder that invests in the Partnership).

ERISA Plans and Individual Retirement Funds Having Prior Relationships with the General Partner or its Affiliates

Certain prospective ERISA Plan and Individual Retirement Fund investors may currently maintain relationships with the General Partner or other entities that are affiliated with the General Partner. Each of such entities may be deemed to be a party in interest to, and/or a fiduciary of, any ERISA Plan or Individual Retirement Fund to which any of the General Partner or its affiliates provides investment management, investment advisory or other services. ERISA prohibits ERISA Plan assets to be used for the benefit of a party in interest and also prohibits an ERISA Plan fiduciary from using its position to cause the ERISA Plan to make an investment from which it or certain third parties in which such fiduciary has an interest would receive a fee or other consideration. Similar provisions are imposed by the Code with respect to Individual Retirement Funds. ERISA Plan and Individual Retirement Fund investors should consult with counsel to determine if participation in the Partnership (directly or through a feeder that invests in the Partnership) is a transaction that is prohibited by ERISA or the Code.

Eligible Indirect Compensation

The disclosures set forth in this Memorandum constitute the Investment Adviser's good faith efforts to comply with the disclosure requirements of Form 5500, Schedule C and allow for the treatment of its compensation as eligible indirect compensation.

Future Regulations and Rulings

The provisions of ERISA are subject to extensive and continuing administrative and judicial interpretation and review. The discussion of ERISA contained herein is, of necessity, general and may be affected by future publication of regulations and rulings. Potential investors should consult with their legal advisers regarding the consequences under ERISA of the acquisition and ownership of Limited Partnership Interests.

ANTI-MONEY LAUNDERING

Identity Verification

As part of the Partnership's responsibility to comply with regulations aimed at the prevention of money laundering and terrorist financing, the Partnership or the Administrator may require a detailed verification of the identity of any subscriber or limited partner, the identity of any beneficial owner of a subscriber or limited partner, and the source of any limited partner's capital contribution.

The Partnership and the Administrator each reserves the right to request such information as is necessary to verify the identity of any subscriber, limited partner and any beneficial owner of a subscriber or limited partner. Each of the Partnership and the Administrator also reserves the right to request such identification evidence in respect of a transferee of Limited Partnership Interests. In the event of delay or failure by a subscriber or limited partner to produce any information required for verification purposes, the Partnership or the Administrator may (i) refuse to accept or delay the acceptance of a capital contribution, (ii) in the case of a transfer of Interests, refuse to consent to the relevant transfer of Interests, or (iii) cause the withdrawal of any such limited partner from the Partnership.

Freezing Accounts

Each of the General Partner and the Administrator reserves the right, and the Partnership may be obligated, pursuant to any applicable anti-money laundering laws or the laws, regulations, and Executive Orders administered by the U.S. Department of Treasury's Office of Foreign Assets Control ("**OFAC**"), or other laws or regulations in any relevant jurisdiction (collectively, "**AML/OFAC Obligations**"), to "freeze the account" of a subscriber or limited partner, either by (i) rejecting the capital contribution of a subscriber or limited partner; (ii) segregating the assets in the account in compliance with applicable laws or regulations; (iii) declining any withdrawal request of a limited partner; (iv) suspending payment of withdrawal proceeds to a limited partner; and/or (v) refusing to make any distribution to a limited partner. The Partnership may be required to report such action and to disclose the subscriber's or limited partner's identity to OFAC or other applicable governmental and regulatory authorities.

Required Representations

Each subscriber and limited partner will be required to make such representations to the Partnership as the Partnership, the General Partner, the Investment Adviser or the Administrator will require in connection with applicable AML/OFAC Obligations, including, without limitation, representations to the Partnership that such subscriber or limited partner (or any person controlling or controlled by the subscriber or limited partner; if the subscriber or limited partner is a privately held entity, any person having a beneficial interest in the subscriber or limited partner; or any person for whom the subscriber or limited partner is acting as agent or nominee in connection with the investment) is not (i) a country, territory, individual or entity named on an OFAC list; (ii) a person or entity prohibited under the programs administered by

OFAC; or (iii) a senior foreign political figure,[*] or any immediate family member[**] or close associate[***] of a senior foreign political figure. Further, such subscriber or limited partner must represent to the Partnership that it is not a prohibited foreign shell bank[****].

Such subscriber or limited partner will also be required to represent to the Partnership that amounts contributed by it to the Partnership were not directly or indirectly derived from activities that may contravene U.S. federal, state or international laws and regulations, including, without limitation, any applicable anti-money laundering laws and regulations.

Each subscriber and limited partner must notify the Partnership promptly in writing should it become aware of any change in the information set forth in its representations.

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[*] For these purposes, the term "senior foreign political figure" means a current or former senior official in the executive, legislative, administrative, military or judicial branches of a non-U.S. government (whether elected or not), a current or former senior official of a major non-U.S. political party, or a current or former senior executive of a non-U.S. government-owned commercial enterprise. In addition, a "senior foreign political figure" includes any corporation, business or other entity that has been formed by, or for the benefit of, a senior foreign political figure. For purposes of this definition, the term "senior official" or "senior executive" means an individual with substantial authority over policy, operations, or the use of government-owned resources.

[**] For these purposes, an "immediate family member" of a senior foreign political figure means spouses, parents, siblings, children and a spouse's parents and siblings.

[***] For these purposes, a "close associate" of a senior foreign political figure means a person who is widely and publicly known (or is actually known) to be a close associate of a senior foreign political figure.

[****] For these purposes, the term "prohibited foreign shell bank" means a non-U.S. bank that does not have a physical presence in any country, and is not a "regulated affiliate", *i.e.*, (i) an affiliate of a depository institution, credit union, or non-U.S. bank that maintains a physical presence in the U.S. or a non-U.S. country, as applicable, and (ii) is subject to supervision by a banking authority in the country regulating the affiliated depository institution, credit union, or foreign bank.

ADDITIONAL INFORMATION

The offices of the General Partner and the Investment Adviser are located at 4208 Six Forks Road, #1000, Raleigh, North Carolina 27609 (telephone: 1-646-283-2769 / email: info@hcgfunds.com). Prospective investors and purchaser representatives are invited to review any materials available to the General Partner relating to the Partnership, the operations of the Partnership, this offering, the experience and trading history of the Principals and affiliates of the General Partner and any other matters relating to this offering, except to the extent the Partnership or the General Partner is restricted from providing any such information or as otherwise provided below. The Principals will seek to answer all appropriate inquiries from prospective investors and purchaser representatives relating thereto. The foregoing materials will be made available at any mutually convenient location at any reasonable hour after reasonable prior notice. The General Partner will afford prospective investors and purchaser representatives the opportunity to obtain any additional information necessary to verify the accuracy of any information set forth in this Memorandum to the extent that the General Partner possesses such information or can acquire it without unreasonable effort or expense. Such review is limited only by the proprietary and confidential nature of the risk management and money management principles to be utilized by the General Partner and by the confidentiality of personal information relating to investors.

U.S. Legal Counsel

Schulte Roth & Zabel LLP ("*SRZ*"), 919 Third Avenue, New York, New York 10022, has been engaged by the General Partner and the Investment Adviser to represent them and the Partnership as U.S. fund counsel in connection with the organization of the Partnership, the offering of Limited Partnership Interests and other related transactions, except with respect to tax advice (which is rendered by Fenwick). No separate counsel has been engaged to independently represent the limited partners in connection with the formation of the Partnership, or the offering of the Limited Partnership Interests. Each limited partner is urged to consult with its, his or her own counsel.

SRZ will represent the Partnership on matters for which it is retained to do so by the General Partner. Other counsel may also be retained where the General Partner, on behalf of the Partnership, or the Investment Adviser, on its own behalf, determines that to be appropriate.

SRZ's representation of the Partnership is limited to specific matters as to which it has been consulted by the Partnership. There may exist other matters that could have a bearing on the Partnership as to which SRZ has not been consulted. In advising the General Partner and the Investment Adviser with respect to the preparation of this Memorandum, SRZ has relied upon information that has been furnished to it by the General Partner, the Investment Adviser and their affiliates, and has not independently investigated or verified the accuracy or completeness of the information set forth herein. In addition, SRZ does not monitor the compliance of the General Partner, the Investment Adviser or the Partnership with the investment guidelines, valuation procedures and other guidelines set forth in this Memorandum, the Partnership's terms or applicable laws.

If a conflict of interest or dispute arises between the General Partner and the Investment Adviser, on the one hand, and the Partnership or any limited partner, by investing in the Partnership, the limited partners acknowledge that SRZ will be counsel to the General Partner and the Investment Adviser and not counsel to the Partnership or limited partners, notwithstanding the fact that, in certain cases, the fees paid to SRZ are paid through or by the Partnership. In general, the Partnership will not retain separate independent counsel to represent the interests of the Partnership or the limited partners.

Special Tax Counsel

Fenwick & West LLP ("*Fenwick*") has been engaged by the General Partner and the Investment Adviser to represent them and the Partnership as special tax counsel to the Partnership in connection with U.S. tax matters related to the offering of Limited Partnership Interests and other related transactions. No separate counsel has been engaged to independently represent the limited partners in connection with such tax matters. Each limited partner is urged to consult with its, his or her own counsel.

Fenwick will represent the Partnership on tax matters for which it is retained to do so by the General Partner. Other tax counsel may also be retained where the General Partner, on behalf of the Partnership, or the Investment Adviser, on its own behalf, determines that to be appropriate.

Fenwick's representation of the Partnership is limited to specific tax matters as to which it has been consulted by the Partnership. There may exist other tax matters that could have a bearing on the Partnership as to which Fenwick has not been consulted.

If a conflict of interest or dispute arises between the General Partner and the Investment Adviser, on the one hand, and the Partnership or any limited partner, by investing in the Partnership, the limited partners acknowledge that Fenwick will be special tax counsel to the General Partner and the Investment Adviser and not counsel to the Partnership or limited partners, notwithstanding the fact that, in certain cases, the fees paid to Fenwick are paid through or by the Partnership. In general, the Partnership will not retain separate independent counsel to represent the interests of the Partnership or the limited partners.

APPENDIX A

OFFERING LEGENDS

THE PARTNERSHIP INTERESTS ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. PROSPECTIVE INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME. FURTHERMORE, ANY TRANSFER WILL BE SUBJECT TO APPROVAL BY THE INVESTMENT ADVISER, WHICH MAY BE DENIED IN ITS ABSOLUTE AND SOLE DISCRETION. NO MARKET FOR THE PARTNERSHIP INTERESTS CAN BE EXPECTED. NEITHER THE FUND NOT THE U.S. FEEDER WILL BE REGISTERED AS AN INVESTMENT COMPANY UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE PARTNERSHIP INTERESTS HAVE NOT BEEN RECOMMENDED BY ANY U.S. FEDERAL, STATE OR CAYMAN ISLANDS SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

REFERENCES TO THE "FUND" AS USED IN THIS APPENDIX A WILL, UNLESS THE CONTEXT OTHERWISE REQUIRES, BE DEEMED TO BE REFERENCES TO THE OFFSHORE FEEDER, THE PARTNERSHIP OR BOTH, AS APPLICABLE.

THE INFORMATION SET FORTH IN APPENDIX A WAS OBTAINED FROM A THIRD-PARTY LAW FIRM THAT PREPARED SUCH INFORMATION (I) IN CONSULTATION WITH LOCAL COUNSEL, WHERE NECESSARY, AND (II) BASED ON A HYPOTHETICAL OFFERING STRUCTURE COMMONLY USED BY PRIVATE INVESTMENT FUNDS. NEITHER SCHULTE ROTH & ZABEL LLP ("*SRZ*") NOR FENWICK & WEST LLP ("*FENWICK*") PREPARED THE INFORMATION SET FORTH IN APPENDIX A (OTHER THAN THE INFORMATION FOR PROSPECTIVE INVESTORS IN THE UNITED KINGDOM, WHICH WAS PREPARED BY SRZ. NEITHER SRZ NOR FENWICK HAS RESEARCHED OR VERIFIED THE ACCURACY OR COMPLETENESS OF THE INFORMATION. NONE OF THE INVESTMENT ADVISER, THE GENERAL PARTNER OR THE PARTNERSHIP PREPARED, RESEARCHED OR VERIFIED THE CONTENTS OF SUCH INFORMATION.

FOR FLORIDA RESIDENTS ONLY

THE PARTNERSHIP INTERESTS HAVE NOT BEEN REGISTERED UNDER THE FLORIDA SECURITIES ACT.

IF THE INVESTOR IS NOT A BANK, A TRUST COMPANY, A SAVINGS INSTITUTION, AN INSURANCE COMPANY, A DEALER, AN INVESTMENT COMPANY AS DEFINED IN THE INVESTMENT COMPANY ACT, A PENSION OR PROFIT-SHARING TRUST, OR A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE 1933 ACT), THE INVESTOR ACKNOWLEDGES THAT ANY SALE OF PARTNERSHIP INTERESTS TO THE INVESTOR IS VOIDABLE BY THE INVESTOR EITHER WITHIN THREE DAYS AFTER THE FIRST TENDER OF CONSIDERATION IS MADE BY THE INVESTOR TO THE ISSUER, OR AN AGENT OF THE ISSUER, OR WITHIN THREE DAYS AFTER THE AVAILABILITY OF THAT PRIVILEGE IS COMMUNICATED TO THE INVESTOR, WHICHEVER OCCURS LATER.

THE PARTNERSHIP INTERESTS ARE NOT INSURED OR GUARANTEED BY ANY GOVERNMENTAL AGENCY OF ANY COUNTRY. THE PARTNERSHIP INTERESTS ARE NOT DEPOSITS OR OTHER OBLIGATIONS OF ANY BANK OR OTHER FINANCIAL INSTITUTION, AND ARE NOT GUARANTEED BY ANY BANK OR OTHER FINANCIAL INSTITUTION. THE PARTNERSHIP INTERESTS ARE SUBJECT TO INVESTMENT RISKS, INCLUDING THE POSSIBLE LOSS OF THE ENTIRE AMOUNT INVESTED. THE PARTNERSHIP INTERESTS ARE SUITABLE ONLY FOR INVESTORS WHO DO NOT REQUIRE IMMEDIATE LIQUIDITY FOR THEIR INVESTMENTS, FOR WHOM AN INVESTMENT IN THE FUND DOES NOT CONSTITUTE A COMPLETE INVESTMENT PROGRAM, AND WHO FULLY UNDERSTAND AND ARE WILLING TO ASSUME THE RISKS INVOLVED IN THE FUND'S INVESTMENT PROGRAM.

FOR GEORGIA RESIDENTS ONLY

THE PARTNERSHIP INTERESTS HAVE BEEN ISSUED OR SOLD IN RELIANCE ON PARAGRAPH (13) OF CODE SECTION 10-5-9 OF THE "GEORGIA SECURITIES ACT OF 1973," AND MAY NOT BE SOLD OR TRANSFERRED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER SUCH ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION UNDER SUCH ACT.

FOR NEW HAMPSHIRE RESIDENTS ONLY

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE INVESTOR, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

FOR RESIDENTS IN OTHER U.S. STATES

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE APPLICABLE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY U.S. FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

FOR ALL NON-U.S. INVESTORS GENERALLY

IT IS THE RESPONSIBILITY OF ANY PERSONS WISHING TO SUBSCRIBE FOR THE SHARES TO INFORM THEMSELVES OF AND TO OBSERVE ALL APPLICABLE LAWS AND REGULATIONS OF ANY RELEVANT JURISDICTIONS. TO THE EXTENT ANY OF THE CONFIDENTIALITY PROVISIONS CONTAINED IN SOME NON-U.S. LEGENDS BELOW IMPOSE GREATER CONFIDENTIALITY RESTRICTIONS THAN THOSE ALREADY IMPOSED HEREIN, SUCH ADDITIONAL CONFIDENTIALITY PROVISIONS WILL BE INTERPRETED TO APPLY ONLY TO THE EXTENT THAT SUCH PROVISIONS ARE REASONABLY NECESSARY TO COMPLY WITH THE SECURITIES LAWS OF THE APPLICABLE JURISDICTION. PROSPECTIVE PURCHASERS SHOULD INFORM THEMSELVES AS TO THE LEGAL REQUIREMENTS AND TAX CONSEQUENCES WITHIN THE COUNTRIES OF THEIR CITIZENSHIP, RESIDENCE, DOMICILE AND PLACE OF BUSINESS WITH RESPECT TO THE ACQUISITION, HOLDING OR DISPOSAL OF THE SHARES, AND ANY FOREIGN EXCHANGE RESTRICTIONS THAT MAY BE RELEVANT THERETO. IN THE EVENT THAT THE NON-U.S. LEGEND BELOW APPLICABLE TO A NON-U.S. RESIDENT PURCHASER OR PROSPECTIVE PURCHASER DOES NOT CONTAIN ANY SPECIFIC CONFIDENTIALITY PROVISION, SUCH PURCHASER OR PROSPECTIVE PURCHASER MAY NOT REPRODUCE OR DISTRIBUTE THIS MEMORANDUM, IN WHOLE OR IN PART, OR DISCLOSE ITS CONTENTS, WHERE SUCH DISCLOSURE WOULD VIOLATE THE SECURITIES LAWS OF THE APPLICABLE JURISDICTION.

NOTE REGARDING MARKETING IN THE EUROPEAN UNION

It should be noted that the AIFM Directive imposes regulatory requirements with respect to each EU country in addition to those described below. Accordingly, any offering or placement of Shares at the initiative of the AIFM (or on behalf of the AIFM) to prospective Shareholders in the EU will be made in accordance with national private placement marketing rules in force in each EU jurisdiction and the AIFM Directive requirements. The Shares will not

be offered or placed at the initiative of the AIFM (or on behalf of the AIFM) to prospective Shareholders in the EU. Shares will only be issued to those EU investors who request them at their own initiative pursuant to a bona fide reverse solicitation request made to the Investment Adviser.

FOR PROSPECTIVE SHAREHOLDERS IN ARGENTINA

No public offering of Shares is being made to investors resident in Argentina. Shares are being offered only to a limited number of institutional investors and sophisticated individual investors capable of understanding the risks of their investment. The National Securities Commission of Argentina has not passed upon the accuracy or adequacy of this Memorandum or otherwise approved or authorized the offering of Shares to investors resident in Argentina.

FOR PROSPECTIVE SHAREHOLDERS IN AUSTRALIA

The Fund is not, and is not required to be, a registered foreign body corporate in Australia, and this Memorandum is not a prospectus lodged or required to be lodged with the Australian Securities and Investments Commission. The Shares will only be offered in Australia to persons to whom such securities may be offered without a prospectus under Chapter 6D of the Corporations Act 2001 (Cth). The Shares subscribed for by investors in Australia must not be offered for resale in Australia for 12 months from allotment except in circumstances where disclosure to investors under the Corporations Act 2001 (Cth) would not be required or where a compliant prospectus is produced. Prospective investors in Australia should confer with their professional advisers if in any doubt about their position.

FOR PROSPECTIVE SHAREHOLDERS IN AUSTRIA

The Shares have not been registered at or otherwise authorized by the Austrian Financial Market Authority for the offering or distribution in the Republic of Austria. The Shares may not be marketed and distributed to investors domiciled in the Republic of Austria, unless the distribution has occurred at the initiative of the investor or on his behalf. This Memorandum, any other document relating to the Shares and the information contained therein, may only be used in connection with an offer or distribution of the Shares if the offer or distribution has occurred at the initiative of the investor or on his behalf. Any investor intending to offer and resell the Shares in Austria is solely responsible that any such offer and resale takes place in compliance with the provisions of the applicable securities regulation.

The Shares may only be offered in the Republic of Austria in compliance with the provisions of the Austrian Capital Market Act, the Austrian Investment Fund Act and other laws applicable in the Republic of Austria governing the offer, issue and sale of the Shares in the Republic of Austria. The Fund does not qualify as alternative investment fund within the meaning of the Austrian Alternative Investment Fund Managers Act. Further, the Shares are being offered exclusively to a limited number of investors in Austria and are therefore not subject to the public offering requirements of the Austrian Capital Market Act or the Austrian Investment Fund Act. The Shares are not registered or otherwise authorized for public offer either under the Austrian Capital Market Act, the Austrian Investment Fund Act or any other securities regulation in Austria. The recipients of this Memorandum and other selling material in

respect to the Shares have been individually selected and are targeted exclusively on the basis of a private placement. This offer may not be made to any persons other than the recipients to whom this Memorandum is personally addressed. Any investor intending to offer and resell the Shares in Austria is solely responsible that any offer and resale takes place in compliance with the applicable provisions of the Austrian Capital Market Act, the Austrian Investment Fund Act or any other applicable securities regulation.

FOR PROSPECTIVE SHAREHOLDERS IN THE BAHAMAS

This Memorandum in connection with the offer of Shares has not been filed with the Securities Commission of The Bahamas because the Fund is a non-Bahamas based investment fund for the purposes of the Investment Funds Act, 2003 and is therefore exempted from the prospectus filing requirements of the Securities Industry Act, 2011. No offer or sale of Shares will be made in The Bahamas unless the offer of the Shares is made by or through a representative of the Fund in The Bahamas in accordance with the provisions of the Investment Funds Act, 2003 and the Investment Funds Regulations, 2003 and in compliance with Bahamian Exchange Control Regulations.

FOR PROSPECTIVE SHAREHOLDERS IN THE STATE OF BAHRAIN

This offer is a private placement. It is not subject to the regulations of the Central Bank of Bahrain that apply to public offerings of securities and the extensive disclosure requirements and other protections that these regulations contain. This Memorandum is, therefore, intended only for "accredited investors", as defined in the applicable rules of the Central Bank of Bahrain.

The Shares offered pursuant to this Memorandum may only be offered in Bahrain in minimum subscriptions of $100,000 (or equivalent in other currencies). The Central Bank of Bahrain assumes no responsibility for the accuracy and completeness of the statements and information contained in this Memorandum and expressly disclaims any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the contents of this Memorandum.

The Investment Adviser accepts responsibility for the information contained in this Memorandum. To the best of the knowledge and belief of the Investment Adviser, who has taken all reasonable care to ensure that such is the case, the information contained in this Memorandum is in accordance with the facts and does not omit anything likely to affect the reliability of such information.

FOR PROSPECTIVE SHAREHOLDERS IN BELGIUM

The public offering of the Shares in Belgium within the meaning of the Belgian Act of August 3, 2012, the Belgian Act of April 19, 2014 and the Belgian Act of June 16, 2006 on the public offering of investment instruments and the admission of investment instruments to listing on a regulated market has not been authorized by the Fund. The offering may therefore not be advertised, and the Shares may not be offered, sold, transferred or delivered to, or subscribed to by, and no memorandum, information circular, brochure or similar document may be distributed to, directly or indirectly, any individual or legal entity in Belgium, except (i) subject to the restriction of a minimum investment of €250,000 per investor or (ii) in any other circumstances

in which the present offering does not qualify as a public offering in accordance with the aforementioned Belgian Act of August 3, 2012 and Belgian Act of April 19, 2014. This Memorandum has been issued to the intended recipient for personal use only and exclusively for the purpose of the offering. Therefore, it may not be used for any other purpose, nor passed on to any other person in Belgium.

FOR PROSPECTIVE SHAREHOLDERS IN BERMUDA

Shares may not be marketed, offered or sold directly or indirectly to the public in Bermuda and neither this Memorandum, which is not subject to and has not received approval from either the Bermuda Monetary Authority or the Registrar of Companies and no statement to the contrary, explicit or implicit, is authorized to be made in this regard, nor any offering material or information contained herein relating to Shares, may be supplied to the public in Bermuda or used in connection with any offer for the subscription or sale of Shares to the public in Bermuda. Bermuda investors may be subject to foreign exchange control approval and filing requirements under the relevant Bermuda foreign exchange control regulations, as well as offshore investment approval requirements.

FOR PROSPECTIVE SHAREHOLDERS IN BRAZIL

The Fund is not listed with any stock exchange, organized over the counter market or electronic system of securities trading. The Shares have not been and will not be registered with any securities exchange commission or other similar authority, including the Brazilian Securities and Exchange Commission (*Comissão de valores Mobiliários* or the "CVM"). The Shares will not be directly or indirectly offered or sold within Brazil through any public offering, as determined by Brazilian law and by the rules issued by the CVM, including Law No. 6,385 (Dec. 7, 1976) and CVM Rule No. 400 (Dec. 29, 2003), as amended from time to time, or any other law or rules that may replace them in the future.

Acts involving a public offering in Brazil, as defined under Brazilian laws and regulations and by the rules issued by the CVM, including Law No. 6,385 (Dec. 7, 1976) and CVM Rule No. 400 (Dec. 29, 2003), as amended from time to time, or any other law or rules that may replace them in the future, must not be performed without such prior registration. Persons in Brazil wishing to acquire the Shares should consult with their own counsel as to the applicability of these registration requirements or any exemption therefrom. Without prejudice to the above, the sale and solicitation of the Shares is limited to qualified investors as defined by CVM Rule No. 409 (Aug. 18, 2004), as amended from time to time, or as defined by any other rule that may replace it in the future.

This Memorandum is confidential and intended solely for the use of the addressee and cannot be delivered or disclosed in any manner whatsoever to any person or entity other than the addressee.

FOR PROSPECTIVE SHAREHOLDERS IN THE BRITISH VIRGIN ISLANDS

This Memorandum does not constitute, and there will not be, an offering of securities to the public in the British Virgin Islands.

FOR PROSPECTIVE SHAREHOLDERS IN BRUNEI

This Memorandum has not been delivered to, licensed or permitted by the Autoriti Monetari Brunei Darussalam as designated under the Securities Markets Order of 2013.

FOR PROSPECTIVE SHAREHOLDERS IN CANADA

This Memorandum is not, and under no circumstances is to be construed as, a public offering of securities or an offering of securities in any jurisdiction in which such offering would be unlawful. No securities commission or similar authority in Canada has in any way passed upon the merits of the Shares offered hereby and any representation to the contrary is unlawful. Persons who will be acquiring Shares pursuant to this Memorandum will not have the benefit of a review of the material by any securities regulatory authority in Canada.

By accepting their subscription agreements, the Fund will be granting to shareholders in the provinces of Canada who have received this Memorandum a contractual and/or statutory right of action for damages or rescission against the Fund if this Memorandum, or any amendment thereto, contains a misrepresentation.

This right of action is in addition to any other right or remedy available to the shareholder at law.

FOR PROSPECTIVE SHAREHOLDERS IN THE CAYMAN ISLANDS

This Memorandum does not constitute an offering, and there will not be any offering, of the Shares to the public in the Cayman Islands. No offer or invitation to subscribe for Shares may be made to the public in the Cayman Islands unless and until the Shares are listed on the Cayman Islands Stock Exchange.

FOR PROSPECTIVE SHAREHOLDERS IN CHILE

This Memorandum, and the Shares to which it relates, may not be advertised, marketed, distributed or otherwise made available to the public in Chile. In connection with the offering of the Shares, no prospectus has been registered with or approved by the Securities Superintendence of Chile or any other regulatory body in Chile. The Shares are being offered on a limited private basis, and do not constitute marketing, offering or sales to the public in Chile. Therefore, this Memorandum is strictly private and confidential and may neither be reproduced, used for any other purpose, nor provided to any other person than the intended recipient hereof.

FOR PROSPECTIVE SHAREHOLDERS IN CHINA

The Shares may not be marketed, offered or sold directly or indirectly to the public in China and neither this Memorandum, which has not been submitted to the Chinese Securities and Regulatory Commission, nor any offering material or information contained herein relating to the Shares, may be supplied to the public in China or used in connection with any offer for the subscription or sale of the Shares to the public in China. The Shares may only be marketed, offered or sold to Chinese institutions which are authorized to engage in foreign exchange business and offshore investment from outside China. Chinese investors may be subject to

foreign exchange control approval and filing requirements under the relevant Chinese foreign exchange regulations, as well as offshore investment approval requirements.

FOR PROSPECTIVE SHAREHOLDERS IN COLOMBIA

Neither this Memorandum nor the Shares have been reviewed or approved by the Financial Superintendency of Colombia or any other governmental authority in Colombia, nor has the Fund or any related person or entity received authorization or licensing from the Financial Superintendency of Colombia or any other governmental authority in Colombia to market or sell the Shares within Colombia. No public offering of the Shares is being made in Colombia or to Colombian residents. By receiving this Memorandum, the recipient acknowledges that it contacted the Investment Adviser at its own initiative and not as a result of any promotion or publicity by the Investment Adviser. This Memorandum is strictly private and confidential and may not be reproduced, used for any other purpose or provided to any person other than the intended recipient.

FOR PROSPECTIVE SHAREHOLDERS IN COSTA RICA

This offer is a private placement executed outside the Costa Rican territory, and must be ruled by the laws and jurisdiction of the Cayman Islands. The investor accepts that the security offered has no negotiation market and may not be offered through any media or any other way of publicity that could be interpreted by the Costa Rican governmental authorities as a public offer.

FOR PROSPECTIVE SHAREHOLDERS IN DENMARK

This Memorandum has not been and will not be filed with or approved by the Danish Financial Supervisory Authority or any other regulatory authority in Denmark and the Shares have not been and are not intended to be listed on a Danish regulated market. The Shares have not been and will not be offered in Denmark under the AIFM Directive (as implemented into Danish law). Consequently, this Memorandum may not be made available and the Shares may not be marketed or offered for sale directly or indirectly to any natural or legal person in Denmark except as permitted under applicable rules.

FOR PROSPECTIVE SHAREHOLDERS IN ECUADOR

The Fund is not managed or represented by a fund management company or trust administrator in Ecuador and has not been registered with or approved by the National Securities Council or the Superintendency of Companies of Ecuador. Shares are therefore not eligible for advertising, placement or circulation in Ecuador. The information provided in this Memorandum is not an offer to sell, or an invitation to make an offer to purchase, Shares in Ecuador to, or for the benefit of, any Ecuadorian person or entity. This Memorandum may not be distributed or reproduced, in whole or in part, in Ecuador by the recipients of this Memorandum. This Memorandum has been distributed on the understanding that its recipients will only participate in the issue of Shares outside of Ecuador on their own account and will undertake not to transfer, directly or indirectly, Shares to persons or entities in Ecuador.

FOR PROSPECTIVE SHAREHOLDERS IN EGYPT

Neither this Memorandum nor the Shares have been approved, disapproved or passed on in any way by the Egyptian Financial Supervisory Authority or any other governmental authority in Egypt, nor has the Fund received authorization or licensing from the Egyptian Financial Supervisory Authority or any other governmental authority in Egypt to market or sell Shares within Egypt. This Memorandum does not constitute and may not be used for the purpose of an offer or invitation. No services relating to Shares, including the receipt of applications and the allotment or redemption of such Shares, may be rendered by the Fund within Egypt.

FOR PROSPECTIVE SHAREHOLDERS IN FINLAND

Shares will be offered in Finland exclusively to investors qualifying as "professional investors" as defined under the Finnish Act on Mutual Funds (*sijoitusrahastolaki*, 29.1.1999, as amended, the "MFA"). Accordingly, prospective investors should acknowledge that this Memorandum is not a fund prospectus as meant in the MFA and the marketing of Shares is not subject to marketing permission from the Finnish Financial Supervisory Authority (*Rahoitustarkastus*; "FIN-FSA"). Furthermore, even if Shares were to be construed as "securities" as defined in the Finnish Securities Markets Act (*arvopaperimarkkinalaki*, 14.12.2012/746, as amended, the "SMA"), based on the exemptions set forth in Decree 317/2012 issued by the Ministry of Finance, the offering of Shares would be exempted from the prospectus requirements of the SMA. Accordingly, prospective investors must acknowledge that this Memorandum is not a prospectus within the meaning set forth in the SMA. Prospective investors should also note that neither the sponsor of the Fund nor any of its affiliates is an investment firm (*sijoituspalveluyritys*) as meant in the Finnish Investment Services Act (*sijoituspalvelulaki* 747/2012) and they are not subject to the supervision of the FIN-FSA. The FIN-FSA has not authorized any offering for the subscription of Shares; accordingly, Shares may not be offered or sold in Finland or to residents thereof except as permitted by Finnish law. This Memorandum has been prepared for private information purposes only and it may not be used for, and will not be deemed, a public offering of Shares. This Memorandum is strictly for private use by its holder and may not be passed on to third parties or otherwise distributed publicly.

FOR PROSPECTIVE SHAREHOLDERS IN FRANCE

This Memorandum (including any amendment, supplement or replacement thereto) is not being distributed in the context of a public offering in France within the meaning of Article L. 411-1 of the French Monetary and Financial Code (*Code monétaire et financier*). This Memorandum has not been and will not be submitted to the French *Autorité des marchés financiers* ("AMF") for approval in France and accordingly may not and will not be distributed to the public in France.

Pursuant to Article 211-3 of the AMF General Regulation, French residents are hereby informed that:

(a) the transaction does not require a prospectus to be submitted for approval to the AMF;

(b) persons or entities referred to in Point 2°, Section II of Article L.411-2 of the Monetary and Financial Code may take part in the transaction solely for their own account, as

provided in Articles D. 411-1, D. 734-1, D. 744-1, D. 754-1 and D. 764-1 of the Monetary and Financial Code; and

(c) the financial instruments thus acquired cannot be distributed directly or indirectly to the public otherwise than in accordance with Articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 to L. 621-8-3 of the Monetary and Financial Code.

This Memorandum is not to be further distributed or reproduced (in whole or in part) in France by the recipients of this Memorandum. This Memorandum has been distributed on the understanding that such recipients will only participate in the issue or sale of the Shares for their own account and undertake not to transfer, directly or indirectly, the Shares to the public in France, other than in compliance with all applicable laws and regulations and in particular with Articles L. 411-1 and L. 411-2 of the French Monetary and Financial Code.

FOR PROSPECTIVE SHAREHOLDERS IN GERMANY

This Memorandum has not been and will not be submitted to, nor has it been approved by, the *Bundesanstalt für Finanzdienstleistungsaufsicht* (the German Federal Financial Supervisory Authority or "BaFin"). The Fund has not been notified for marketing in Germany to the BaFin. Therefore, no sale of Shares to German residents is permitted, unless the sale did not involve any "marketing" (as this term is construed under the German Capital Investment Code (*Kapitalanlagegesetzbuch* - "KAGB")) by any party (*i.e.*, where the investor invests in the Fund solely on its own initiative). Furthermore, a sale of Shares to professional or semi-professional investors resident in Germany is permitted if the marketing has not occurred on the initiative of the Investment Adviser or on its behalf. Neither this Memorandum nor any other document relating to the Fund may be circulated or supplied to persons resident in the Federal Republic of Germany other than (i) in case an investor has contacted the Investment Adviser solely on his/her/its own initiative or (ii) to professional or semi-professional investors by persons not acting on the initiative of the Investment Adviser or on its behalf.

FOR PROSPECTIVE SHAREHOLDERS IN GREECE

Neither the Fund nor this Memorandum has been, or is intended to be, registered with and approved by the Greek Capital Market Committee. The Shares are therefore not eligible for advertising, placement or public circulation in Greece. The information provided in this Memorandum is not an offer, or an invitation to make offers, to sell, exchange or otherwise transfer Shares in Greece to or for the benefit of any Greek person or entity. This Memorandum is not to be distributed or reproduced, in whole or in part, in Greece by the recipients of this Memorandum. This Memorandum has been distributed on the understanding that its recipients will only participate in the issue of the Shares outside of Greece on their own account and undertake not to transfer, directly or indirectly, the Shares to the public in Greece.

FOR PROSPECTIVE SHAREHOLDERS IN GUERNSEY

This Memorandum is only being, and may only be, made available in or from within the Bailiwick of Guernsey and the offer that is the subject of this Memorandum is only being, and may only be, made in or from within the Bailiwick of Guernsey:

(i) by persons licensed to do so under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended); or

(ii) to persons licensed under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended), the Banking Supervision (Bailiwick of Guernsey) Law, 1994 (as amended), the Regulation of Fiduciaries, Administration Business and Company Directors, etc. (Bailiwick of Guernsey) Law, 2000 (as amended) or the Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002 (as amended).

The offer referred to in this Memorandum and this Memorandum are not available in or from within the Bailiwick of Guernsey other than in accordance with the above paragraphs (i) and (ii) and must not be relied upon by any person unless made or received in accordance with such paragraphs.

Neither the Guernsey Financial Services Commission nor the States of Guernsey Policy Council take any responsibility for the financial soundness of the Fund or for the correctness of any of the statements made or opinions expressed with regard to it. If you are in any doubt about the contents of this memorandum you should consult your accountant, legal or professional adviser or financial adviser. The directors of the Fund has taken all reasonable care to ensure that the facts stated in this memorandum are true and accurate in all material respects, and that there are no other facts the omission of which would make misleading any statement in this memorandum, whether of fact or opinion. The Fund accepts responsibility accordingly. It should be remembered that the price of interests in the Fund can go down as well as up.

FOR PROSPECTIVE SHAREHOLDERS IN HONG KONG

The contents of this Memorandum have not been reviewed or approved by any regulatory authority in Hong Kong. This Memorandum does not constitute an offer or invitation to the public in Hong Kong to acquire Shares. Accordingly, unless permitted by the securities laws of Hong Kong, no person may issue or have in its possession for the purposes of issue, this Memorandum or any advertisement, invitation or document relating to the Shares, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong other than in relation to Shares which are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" (as such term is defined in the Securities and Futures Ordinance of Hong Kong (Cap. 571) (the "SFO") and the subsidiary legislation made thereunder) or in circumstances which do not result in this Memorandum being a "prospectus" as defined in the Companies Ordinances of Hong Kong (Cap. 32) (the "CO") or which do not constitute an offer or an invitation to the public for the purposes of the SFO or the CO. The offer of the Shares is personal to the person to whom this Memorandum has been delivered by or on behalf of the Fund, and a subscription for Shares will only be accepted from such person. No person to whom a copy of this Memorandum is issued may issue, circulate or distribute this Memorandum in Hong Kong or make or give a copy of this Memorandum to any other person. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this Memorandum, you should obtain independent professional advice.

FOR PROSPECTIVE SHAREHOLDERS IN ICELAND

This Memorandum has been issued to the recipient, for personal use only, exclusively in connection with a private placement of Shares. Accordingly, this Memorandum may not be used by the recipient for any other purpose nor forwarded to any other person or entity in Iceland. The offering of Shares described in this Memorandum is a private placement under Icelandic law and the Shares may only be offered and sold (as well as resold) in Iceland to institutional investors as provided under the Icelandic Act on Undertakings for Collective Investments in Transferable Securities (UCITS), Investment Funds and Funds Marketed to Institutional Investors No. 128/201 (the "UCITS Act"). Also, any subsequent transfer or resale of Shares in Iceland will need to comply with the applicable provisions of the UCITS Act. Prospective Icelandic investors should consult with their own tax advisers as to the tax consequences of an investment in the Fund.

FOR PROSPECTIVE SHAREHOLDERS IN INDIA

This issue is being made strictly on a private placement basis. This Memorandum is not a prospectus or a statement in lieu of a prospectus. It is not, and should not be deemed to constitute an offer to the public in general. It cannot be acted upon by any person other than the person to whom it has been specifically addressed. Multiple copies hereof given to the same entity will be deemed to be offered to the same person.

The information contained in this Memorandum is believed by the Investment Adviser to be accurate in all material respects as of the date hereof. The Investment Adviser does not undertake to update this Memorandum to reflect subsequent events. This Memorandum has been prepared to provide general information about the Fund to potential investors evaluating the proposal to subscribe for the Shares and it does not purport to contain all the information that any such potential investor may require. Potential investors should conduct their own due diligence, investigation and analysis of the Investment Adviser and the Fund.

Prior to applying for the Shares, potential investors should verify if they have the necessary power and competence to apply for the Shares under their constitutional documents as well as all relevant laws and regulations in force in India, including relevant foreign exchange restrictions and neither the Investment Adviser nor the Fund will be responsible for any filings required to be made by the Indian investor. They should also consult their own tax advisers on the tax implications of the acquisition, ownership and sale of Shares, and income arising thereon.

Although the information contained herein has been obtained from sources that are reliable to the best of the Investment Adviser's knowledge and belief, the Investment Adviser makes no representation as to the accuracy or completeness of any information contained herein or otherwise provided by the Investment Adviser. Neither the Investment Adviser nor any officer or employee of the Investment Adviser accept any liability whatsoever for any direct or consequential loss arising from any use of this Memorandum or its contents.

The Shares have not been registered or listed in any securities exchanges.

FOR PROSPECTIVE SHAREHOLDERS IN INDONESIA

This numbered Memorandum is for the exclusive use of the person named on the front cover of this Memorandum. If the number on the front cover of this Memorandum does not appear in red, there is a presumption that this Memorandum has been improperly reproduced and circulated, in which case the Fund and its affiliates disclaim any responsibility for its content or use. This Memorandum may not be photocopied, reproduced or distributed, in whole or in part, to any other person at any time. Distribution of this Memorandum to any person other than in compliance with the terms of this Memorandum is unauthorized. If the offeree does not proceed with the transaction or if it is so requested, it will return this Memorandum to the Investment Adviser promptly. Shares will not be offered or sold, directly or indirectly, in the Republic of Indonesia or to Indonesian citizens, nationals or corporations, wherever located, or entities or residents in Indonesia in a manner which constitutes a public offering of the Shares under the laws and regulations of Indonesia.

FOR PROSPECTIVE SHAREHOLDERS IN IRELAND

This Memorandum is private and confidential and is for the use only of the persons to whom it is addressed who may not otherwise distribute it in Ireland. No person other than the addressee receiving a copy of this Memorandum may treat it as constituting a solicitation or an invitation to them to subscribe for an interest in the Fund. This Memorandum does not constitute an offer or solicitation to anyone other than the addressee and accordingly does not constitute an offer to the public in Ireland.

FOR PROSPECTIVE SHAREHOLDERS IN THE ISLE OF MAN

No public offering of Shares is being made to investors resident in the Isle of Man. Shares are being offered only to institutional investors and a limited number of other investors in the Isle of Man. The Fund is not subject to approval in the Isle of Man and investors are not protected by any statutory compensation arrangements in the event of the Fund's failure. The Isle of Man Financial Supervision Commission does not vouch for the financial soundness of the Fund or for the correctness of any statement made or opinion expressed with regard to it.

FOR PROSPECTIVE SHAREHOLDERS IN ISRAEL

The Shares have not been registered and are not expected to be registered under the Israeli Securities Law — 1968 (the ''Securities Law") or under the Israeli Joint Investment Trust Law - 1994. Accordingly, the Shares will only be offered and sold in Israel pursuant to applicable private placement exemptions, to either (i) qualified investors described in Section 15A(b)(1) of the Securities Law or (ii) to 35 or fewer offerees as determined for purposes of the Securities Law. If any recipient in Israel of a copy of this Memorandum is not qualified as such, such recipient should promptly return this Memorandum to the Fund. Neither the Fund nor the Investment Adviser is a licensed investment marketer under the Law for the Regulation of Provision of Investment Advice, Marketing Investments and Portfolio Management – 1995 (the "Investment Advisor Law") and neither the Fund nor the Investment Adviser maintains insurance as required under such law. Accordingly, the Shares will only be offered and sold in Israel to parties which qualify as "eligible customers" for purposes of Section 3(a)(11) of the

Investment Advisor Law. The Fund and the Investment Adviser may be deemed to be providing investment marketing services but are not investment advisers for purposes of Israeli law. Any investment advice which may be deemed provided under Israeli law in connection with an investment in the Fund is deemed provided on a one time only basis and neither the Fund nor the Investment Adviser will provide any ongoing investment marketing services to the investor.

FOR PROSPECTIVE SHAREHOLDERS IN ITALY

The Fund is not a UCITS fund. The offering of the Shares in Italy has not been nor will it be authorized by the Bank of Italy and the *Commissione Nazionale per la Società e la Borsa*. The Shares are offered upon the express request of the investor, who has directly contacted the Fund or its sponsor on the investor's own initiative. No active marketing of the Fund has been made nor will it be made in Italy, and this Memorandum has been sent to the investor at the investor's unsolicited request. The investor acknowledges and confirms the above and hereby agrees not to sell or otherwise transfer any Shares or to circulate this Memorandum in Italy unless expressly permitted by, and in compliance with, applicable law.

FOR PROSPECTIVE SHAREHOLDERS IN JAPAN

No public offering of the Shares is being made to investors resident in Japan and no securities registration statement pursuant to Article 4, paragraph 1, of the Financial Instruments and Exchange Law (the "FIEL") has been made or will be made in respect to the offering of the Shares in Japan. The Shares may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan unless they are offered or sold pursuant to an exemption from the registration requirements of, and in compliance with, the FIEL and any applicable laws and regulations of Japan. Neither the Financial Services Agency of Japan nor the Kanto Local Finance Bureau has passed upon the accuracy or adequacy of this Memorandum or otherwise approved or authorized the offering of the Shares in Japan or to investors resident in Japan.

FOR PROSPECTIVE SHAREHOLDERS IN JERSEY

No public offering of Shares is being made to investors resident in Jersey. Shares are being offered only to a limited number of institutional and sophisticated individual investors in Jersey.

FOR PROSPECTIVE SHAREHOLDERS IN KUWAIT

This Memorandum is not for general circulation to the public in Kuwait. The Shares have not been licensed for offering in Kuwait by the Kuwait Capital Markets Authority, or any other relevant Kuwaiti governmental agency. The offering of the Shares in Kuwait on the basis of a private placement or public offering is, therefore, restricted in accordance with Decree Law No. 31 of 1990 and the implementing regulations thereto (as amended) and Law No. 7 of 2010 and the bylaws thereto (as amended). No private or public offering of the Shares is being made in Kuwait, and no agreement relating to the sale of the Shares will be concluded in Kuwait. No marketing or solicitation or inducement activities are being used to offer or market the Shares in Kuwait.

FOR PROSPECTIVE SHAREHOLDERS IN LEBANON

Neither this Memorandum nor the Shares have been approved, disapproved or passed on in any way by the Lebanese Central Bank (the "BDL"), the Capital Market Authority (the "CMA") or any other governmental authority in Lebanon, nor has the Fund received authorization or licensing from the BDL, the CMA or any other governmental authority in Lebanon to market or sell the Shares within Lebanon. This Memorandum does not constitute and may not be used for the purpose of an offer or invitation. No services relating to the Shares, including the receipt of applications and the allotment or redemption of such Shares, may be rendered by the Fund within Lebanon.

FOR PROSPECTIVE SHAREHOLDERS IN LIECHTENSTEIN

The Shares have not been and will not be offered or sold, directly or indirectly, to the public in Liechtenstein. No public advertising or promotion was, is or may be carried out with respect to the Shares in Liechtenstein. This Memorandum does neither constitute a public offering nor a complete or simplified prospectus as understood pursuant to the Liechtenstein Investment Undertakings Act. Thus, the Shares may now and in the future not be offered to the public or by means of public advertising or promotion in Liechtenstein. By accepting this Memorandum, each Shareholder agrees irrevocably to the foregoing selling restrictions and conditions, concludes the subscription documents for the purchase of the Shares on their grounds and agrees to fulfill these conditions. In case of reselling the Shares to other persons in Liechtenstein, the Shareholder is obliged to transfer these obligations validly to any subsequent purchaser of such Shares.

FOR PROSPECTIVE SHAREHOLDERS IN LUXEMBOURG

No public offering of the Shares is being made to investors resident in Luxembourg. The Shares are being offered only to a limited number of sophisticated and professional investors in Luxembourg. The *Commission de Surveillance du Secteur Financier* of Luxembourg has not passed upon the accuracy or adequacy of this Memorandum or otherwise approved or authorized the offering of the Shares to investors resident in Luxembourg. Material information provided to investors, including information disclosed in the context of meetings relating to offers of securities, shall be disclosed to all investors to whom the offer is exclusively addressed.

FOR PROSPECTIVE SHAREHOLDERS IN MALAYSIA

The offering made under this Memorandum does not constitute, and should not be construed as constituting an offer or invitation to subscribe for or purchase any securities in Malaysia. The Fund, by the dispatch of this Memorandum, has not made available any securities for subscription or purchase in Malaysia. This Memorandum is distributed in Malaysia for information purposes only. This Memorandum does not constitute and should not be construed as offering or making available any Shares for purchase in Malaysia.

FOR PROSPECTIVE SHAREHOLDERS IN MEXICO

The offering made pursuant to this Memorandum does not constitute a public offering of securities under Mexican law and therefore is not subject to obtaining the prior authorization of

the Mexican National Banking and Securities Commission or the registration of Shares with the Mexican National Registry of Securities.

FOR PROSPECTIVE SHAREHOLDERS IN MONACO

No public offering of Shares is being made to investors resident in Monaco. Shares are being offered only to a limited number of institutional investors (*i.e.*, duly licensed banks and portfolio management companies), capable of understanding the risks of their investment. The *Commission de Contrôle des Activités Financières* of Monaco has not passed upon the accuracy or adequacy of this Memorandum or otherwise approved or authorized the offering of Shares to investors resident in Monaco.

FOR PROSPECTIVE SHAREHOLDERS IN MOROCCO

No public offering of Shares is being made to investors resident in Morocco. Shares are being offered only to a limited number of institutional investors capable of understanding the risks of their investment. Neither the *Conseil Déontologique des Valeurs Mobilières* nor the Ministry of Finance has passed upon the accuracy or adequacy of this Memorandum or otherwise approved or authorized the offering of Shares to investors resident in Morocco.

FOR PROSPECTIVE SHAREHOLDERS IN THE NETHERLANDS

In the Netherlands, Shares may only be offered, sold, transferred or assigned, as part of their initial distribution or at any time thereafter, to natural persons who or legal entities which are "qualified investors", as defined in Section 1:1 of the Dutch Act on Financial Supervision (*Wet op het financieel toezicht*). Shares may not otherwise be offered, directly or indirectly, in the Netherlands.

FOR PROSPECTIVE SHAREHOLDERS IN NEW ZEALAND

No public offering of the Shares is being made to investors in New Zealand. The Shares are being offered to investors in New Zealand pursuant to exemptions from the prospectus requirements under the Securities Act of 1978. The New Zealand Financial Markets Authority has not passed upon the accuracy or adequacy of this Memorandum or otherwise approved or authorized the offering of the Shares to investors resident in New Zealand.

FOR PROSPECTIVE SHAREHOLDERS IN NORWAY

This Memorandum does not constitute an invitation or a public offer of securities in the Kingdom of Norway. It is intended only for the original recipient and is not for general circulation in the Kingdom of Norway. The offer herein is not subject to the prospectus requirements laid down in the Norwegian Securities Trading Act. This Memorandum has not been nor will it be registered with or authorized by any governmental body in Norway.

FOR PROSPECTIVE SHAREHOLDERS IN OMAN

This Memorandum, and the Shares to which it relates, may not be advertised, marketed, distributed or otherwise made available to the general public in Oman. In connection with the

offering of the Shares, no prospectus has been registered with or approved by the Central Bank of Oman, the Oman Ministry of Commerce and Industry, the Oman Capital Market Authority or any other regulatory body in the Sultanate of Oman. The offering and sale of the Shares described in this Memorandum will not take place inside Oman. The Shares are being offered on a limited private basis, and do not constitute marketing, offering or sales to the general public in Oman. Therefore, this Memorandum is strictly private and confidential, and is being issued to a limited number of sophisticated investors, and may neither be reproduced, used for any other purpose, nor provided to any other person than the intended recipient hereof.

FOR PROSPECTIVE SHAREHOLDERS IN PANAMA

No public offering of Shares is being made to investors resident in Panama. The Shares are being offered only to institutional investors and a limited number of other investors in Panama. The *Superintendencia del Mercado de Valores* has not passed upon the accuracy or adequacy of this Memorandum or otherwise approved or authorized the offering of Shares to investors resident in Panama.

FOR PROSPECTIVE SHAREHOLDERS IN PERU

Shares have not been and will not be approved by the Peruvian *Superintendencia del Mercado de Valores* ("SMV") or any other regulatory agency in Peru, nor have they been registered under the Securities Market Law (*Ley del Mercado de Valores*), or any SMV regulations. Shares may not be offered or sold within Peru except in private placement transactions.

FOR PROSPECTIVE SHAREHOLDERS IN THE PHILIPPINES

The Shares being offered or sold have not been registered with the Philippine Securities and Exchange Commission under the Philippine Securities Regulation Code (the "SRC"). Any future offer or sale thereof is subject to registration requirements under the SRC unless such offer or sale qualifies as an exempt transaction.

FOR PROSPECTIVE SHAREHOLDERS IN POLAND

This Memorandum (including any amendment, supplement or replacement thereto) is not being distributed in the context of a public offering in Poland within the meaning of Article 3.1 Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies dated July 29, 2005 (the "Act of the Public Offering"). The Shares are being offered only to a limited number of investors in Poland pursuant to exemptions from the registration requirements of the Act of the Public Offering. This Memorandum has not been and will not be submitted to the Polish Financial Supervisory Authority (*Komisja Nadzoru Finansowego*) for approval in Poland and accordingly may not and will not be distributed to the public in Poland.

For the avoidance of doubt, please be also advised that this Memorandum does not and will not constitute (i) an offering (in particular a public offering) of any securities, (ii) an invitation to negotiate the sale of securities, (iii) an invitation to place offers to buy securities,

(iv) an invitation to subscribe for securities, or (v) legal grounds entitling the Fund to conclude any other agreement, dispose of a right, or contract any other obligation.

No entity (in particular the Fund, the Investment Adviser and other person acting on behalf of or on the order of the Fund) makes any representation or warranty about the exactitude, completeness or accuracy of the information or opinions included in this Memorandum. Therefore, the persons reviewing this Memorandum should not assume that the information included in this Memorandum is exact, complete or accurate. All such assumptions are made at the sole risk of the person reviewing this Memorandum.

In view of the above, this Memorandum should not be relied upon as a source of information when making any investment decisions, or other decisions, including, for example, a decision to conclude a contract or dispose of a right or contract an obligation.

The forecasts, information or statements concerning future events, results or phenomena that are included in this Memorandum should not be treated as binding; this applies in particular to forecasts of revenues to be earned from certain markets or projected growth of the Fund. Neither the Fund, nor the Investment Adviser, nor other persons acting on behalf of or on the order of the Fund, nor any other entities warrant that such information, statements and projections will materialize. In particular, there is no guarantee that future events, results or phenomena will be consistent with the information, statements, predictions or projections about the future included in this Memorandum.

It is not the intention of the Fund or any other persons acting on behalf of or on the order of the Fund, or any other entities to (i) update the wording of this Memorandum, (ii) verify the wording of this Memorandum, or (iii) inform about inaccuracies in or changes of this Memorandum, if any. All the opinions and conclusions contained in this Memorandum may be changed without notice.

FOR PROSPECTIVE SHAREHOLDERS IN PORTUGAL

This offering is addressed only to institutional investors, as so qualified pursuant to the Portuguese Securities Code (Decree Law 486/99 dated November 13, 2000, as amended), and a limited number of identified investors, and does not qualify as marketing of participation units in undertakings for collective investments, as per Article 1 No. 3 ex vi Article 15 of the Undertakings for Collective Investment Law.

FOR PROSPECTIVE SHAREHOLDERS IN QATAR

The Shares described in this Memorandum have not been offered, sold or delivered, and will not be offered, sold or delivered at any time, directly or indirectly, in the State of Qatar in a manner that would constitute a public offering. This Memorandum has not been reviewed or registered with the Qatari Central Bank or any other Qatari government authorities and does not constitute a public offer of securities in the State of Qatar under Qatari law. Therefore, this Memorandum is strictly private and confidential, and is being issued to a limited number of sophisticated investors, and may neither be reproduced, used for any other purpose, nor provided to any person other than the intended recipient hereof.

FOR PROSPECTIVE SHAREHOLDERS IN THE RUSSIAN FEDERATION

Under Russian law, the Shares may be considered securities of a foreign issuer. Neither the Fund nor this Memorandum has been, or is intended to be, registered with the Federal Service for Financial Markets of the Russian Federation, and hence the Shares are not eligible for advertising, initial placement and public circulation in the Russian Federation. The information provided in this Memorandum (including any amendment or supplement thereto or replacement thereof) is not an offer, or an invitation to make offers, to sell, exchange or otherwise transfer the Shares in the Russian Federation to or for the benefit of any Russian person or entity.

This Memorandum is not to be distributed or reproduced (in whole or in part) in the Russian Federation by the recipients of this Memorandum. This Memorandum has been distributed on the understanding that its recipients will only participate in the issue of the Shares outside the Russian Federation on their own account and undertake not to transfer, directly or indirectly, the Shares to the public in the Russian Federation.

FOR PROSPECTIVE SHAREHOLDERS IN SAUDI ARABIA

Neither this Memorandum nor the Shares have been approved, disapproved or passed on in any way by the Capital Market Authority or any other governmental authority in the Kingdom of Saudi Arabia, nor has the Fund received authorization or licensing from the Capital Market Authority or any other governmental authority in the Kingdom of Saudi Arabia to market or sell the Shares within the Kingdom of Saudi Arabia. This Memorandum does not constitute and may not be used for the purpose of an offer or invitation. No services relating to the Shares, including the receipt of applications and the allotment or redemption of the Shares, may be rendered by the Fund within the Kingdom of Saudi Arabia.

FOR PROSPECTIVE SHAREHOLDERS IN SINGAPORE

This Memorandum and any other material in connection with the offer or sale is not a prospectus as defined in the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"). Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. Prospective investors should consider carefully whether an investment in the Fund is suitable for them.

This Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore (the "MAS") and this offering is not regulated by any financial supervisory authority pursuant to any legislation in Singapore. The Fund is not authorized or recognized by the MAS and the Shares are not allowed to be offered to the retail public. Accordingly, this Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Shares may not be circulated or distributed, nor may Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 4A of the SFA, (ii) to a relevant person under Section 305(1) of the SFA, (iii) to any person pursuant to an offer referred to in Section 305(2) of the SFA, or (iv) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Certain resale restrictions apply to the offer and investors are advised to acquaint themselves with such restrictions.

Where the Shares are subscribed or purchased under Section 305 of the SFA by a relevant person which is:

- a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

- a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor;

shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust will not be transferred within 6 months after that corporation or that trust has acquired interests pursuant to an offer made under Section 305 except:

- to an institutional investor or to a relevant person defined in Section 305(5) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights and interest in that trust are acquired at a consideration of not less than S$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for corporations, in accordance with the conditions specified in Section 275 of the SFA;

- where no consideration is or will be given for the transfer; or

- where the transfer is by operation of law.

FOR PROSPECTIVE SHAREHOLDERS IN SOUTH AFRICA

Neither this Memorandum nor the Shares have been approved, disapproved or passed on in any way by the Financial Services Board or any other governmental authority in South Africa, nor has the Fund received authorization or licensing from the Financial Services Board or any other governmental authority in South Africa to market or sell Shares within South Africa. This Memorandum is strictly confidential and may not be reproduced, used for any other purpose or provided to any person other than the intended recipient.

FOR PROSPECTIVE SHAREHOLDERS IN SOUTH KOREA

Neither the Fund nor any of its affiliates is making any representation with respect to the eligibility of any recipients of this Memorandum to acquire the Shares under the laws of Korea, including, but without limitation, the Foreign Exchange Transaction Law and Regulations thereunder. The Shares are being offered and sold in Korea only to persons prescribed by Article 301, Paragraph 2 of the Enforcement Decree of the Financial Investment Services and Capital Markets Act, and none of the Shares may be offered, sold or delivered, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except

pursuant to applicable laws and regulations of Korea. Furthermore, the Shares may not be re-sold to Korean residents unless the purchaser of the Shares complies with all applicable regulatory requirements (including, but not limited to, governmental approval requirements under the Foreign Exchange Transaction Law and its subordinate decrees and regulations) in connection with purchase of the Shares.

FOR PROSPECTIVE SHAREHOLDERS IN SPAIN

The Shares may not be offered or sold in Spain except in accordance with the requirements of applicable Spanish law and the interpretations thereof by the Comisión Nacional del Mercado de Valores (the "CNMV"). This Memorandum is neither verified nor registered with the CNMV, and therefore no marketing or advertizing activity, as defined by Act 35/2003, of 4 November, on collective investment schemes, with respect to the Shares will be carried out in Spain.

FOR PROSPECTIVE SHAREHOLDERS IN SWEDEN

This Memorandum has not been nor will it be registered with or approved by *Finansinspektionen* (the Swedish Financial Supervisory Authority). Accordingly, this Memorandum may not be made available, nor may the Shares offered hereunder be marketed and offered for sale in Sweden, other than under circumstances which are deemed not to require a prospectus under the Swedish Financial Instruments Trading Act (1991:980) (Sw. lag (1991:980) *om handel med finansiella instrument*) nor to constitute fund operations in Sweden under the Swedish Investment Funds Act (2004:46) (Sw. lag (2004:46) *om investeringsfonder*). Accordingly, the offering of the Shares will only be directed to persons in Sweden who subscribe for Shares for a total consideration of at least €100,000 per investor.

FOR PROSPECTIVE SHAREHOLDERS IN SWITZERLAND

Under the Collective Investment Schemes Act dated June 23, 2006 and revised on September 28, 2012 (the "CISA"), the offering, sale and distribution to non-qualified investors of units in foreign collective investment schemes in or from Switzerland are subject to authorization by the Swiss Financial Market Supervisory Authority ("FINMA") and, in addition, the distribution to certain qualified investors of interests in such collective investment schemes may be subject to the appointment of a representative and a paying agent in Switzerland. The concept of "foreign collective investment scheme" covers, *inter alia*, foreign companies and similar schemes (including those created on the basis of a collective investment contract or a contract of another type with similar effect) created for the purpose of collective investment, whether such companies or schemes are closed-end or open-end. There are reasonable grounds to believe that the Fund would be characterized as a foreign collective investment scheme under Swiss law. As the Shares have not been and cannot be registered with or authorized by FINMA for distribution to non-qualified investors, any offering of the Shares, and any other form of solicitation of investors in relation to the Fund (including by way of circulation of offering materials or information, including this Memorandum), must be restricted to investors considered as qualified investors within the meaning of the CISA and its implementing regulations. Failure to comply with the above-mentioned requirements may constitute a breach of the CISA.

FOR PROSPECTIVE SHAREHOLDERS IN TAIWAN

The Shares have not been registered in the Republic of China, nor is approval by the Financial Supervisory Commission, Executive Yuan, the Republic of China ("FSC") compulsory. Subscribers should review the financial information and relevant documents, consult with an independent consultant, and bear the risks of this investment. Subscribers within the territory of the Republic of China are required to meet certain requirements set forth in the Rules Governing Offshore Funds and conditions promulgated by the FSC. Subscribers cannot resell the Shares (except in accordance with resale restrictions) nor solicit any other purchasers for this offering.

FOR PROSPECTIVE SHAREHOLDERS IN THAILAND

This Memorandum is provided to you solely at your request and is not intended to be an offer, sale or invitation for subscription or purchase of securities in Thailand. This Memorandum has not been registered as a prospectus with the Office of the Securities and Exchange Commission of Thailand. Accordingly, this Memorandum and any other documents and material in connection with the offer, sale or invitation for subscription or purchase, of the Shares may not be circulated or distributed, nor may Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to the public or any members of the public in Thailand. Neither the Fund, any of its affiliates or any of their respective representatives maintain any license, authorization or registration in Thailand nor is the Fund registered in Thailand. The offer and sale of securities within Thailand and the provision of securities services in Thailand or to Thai persons or entities may not be possible or may be subject to legal restriction or conditions.

FOR PROSPECTIVE SHAREHOLDERS IN TURKEY

An issuance certificate relating to the Shares has not been approved by the Turkish Capital Markets Board pursuant to the provisions of the Capital Markets Law. No offering or other sale or solicitation will be made until an issuance certificate relating to the Shares has been approved by the Turkish Capital Markets Board pursuant to the provisions of the Capital Markets Law. The Shares may be offered in Turkey only to qualified investors, as this term is provided in Article 30 of the Foreign Securities and Mutual Funds Communiqué and as defined in applicable capital markets regulations. Each investor in the Fund in Turkey will be required to provide documents evidencing that it is a qualified investor pursuant to Article 30 of the Foreign Securities and Mutual Funds Communiqué. Qualified investors are presumed to be aware that the Fund has not made any advertisement or public disclosure, and should request any information necessary to make an informed investment decision directly from the Fund. The approval by the Capital Markets Board of an issuance certificate would not constitute a guarantee by the Capital Markets Board in relation to the Shares. This Memorandum is not intended to be an advertisement, promotion or solicitation of the Fund or any Shares. The Capital Markets Board or Borsa Istanbul does not have any discretion relating to the determination of the price of the Shares.

FOR PROSPECTIVE SHAREHOLDERS IN THE UNITED ARAB EMIRATES (ABU DHABI AND DUBAI)

By receiving this Memorandum, the person or entity to whom it has been issued understands, acknowledges and agrees that neither this Memorandum nor the Shares have been approved, disapproved or passed on in any way by the Central Bank of the United Arab Emirates (the "UAE"), the UAE Securities and Commodities Authority (the "SCA") or any other authority in the UAE, nor has the entity conducting the placement in the UAE received authorization or licensing from the Central Bank of the UAE, the SCA or any other authority in the UAE to market or sell the Shares within the UAE. The SCA accepts no liability in relation to the Fund and is not making any recommendation with respect to an investment in the Fund. No services relating to the Shares, including the receipt of applications and/or the allotment or redemption of such Shares, have been or will be rendered within the UAE by the Fund. Nothing contained in this Memorandum is intended to constitute UAE investment, legal, tax, accounting or other professional advice. This Memorandum is for the information of prospective investors only and nothing in this Memorandum is intended to endorse or recommend a particular course of action. Prospective investors should consult with an appropriate professional for specific advice rendered on the basis of their situation. No offer or invitation to subscribe for Shares or sale of Shares has been or will be rendered in, or to any persons in, or from, the Dubai International Finance Centre.

FOR PROSPECTIVE SHAREHOLDERS IN THE UNITED KINGDOM

This Memorandum is being distributed in the United Kingdom only to persons to whom it may lawfully be issued under The Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 including persons who are authorized under the Financial Services and Markets Act 2000 of the United Kingdom (the "UK FSMA"), certain persons having professional experience in matters relating to investments, high net worth companies, high net worth unincorporated associations and partnerships and trustees of high value trusts. This document is exempt from the prohibition in Section 21 of the UK FSMA on the communication by persons not authorized under the UK FSMA of invitations or inducements to engage in investment activity on the ground that it is being issued only to such types of person and only such persons may act on or rely on this document or any of its contents. The Fund is not regulated by the Financial Conduct Authority and investors may not have the benefit of the Financial Services Compensation Scheme and other protections afforded by the UK FSMA or any of the rules and regulations made thereunder.

FOR PROSPECTIVE SHAREHOLDERS IN URUGUAY

The Fund is not established under the system provided by Uruguayan Law 16,774 of September 27, 1996, and has not been registered with the Central Bank of Uruguay. The Shares have not been registered with the Central Bank of Uruguay and will not be offered or sold in Uruguay through public offerings.

APPENDIX B

REGULATION S DEFINITION OF U.S. PERSON

(1) Pursuant to Regulation S of the Securities Act, "U.S. person" includes:

(i) any natural person resident in the United States;

(ii) any partnership or corporation organized or incorporated under the laws of the United States;

(iii) any estate of which any executor or administrator is a U.S. person;

(iv) any trust of which any trustee is a U.S. person;

(v) any agency or branch of a non-U.S. entity located in the United States;

(vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;

(vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; or

(viii) any partnership or corporation if:

(A) organized or incorporated under the laws of any non-U.S. jurisdiction; and

(B) formed by a U.S. person principally for the purpose of investing in securities not registered under the U.S. Securities Act of 1933, unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the U.S. Securities Act of 1933, as amended) who are not natural persons, estates or trusts.

(2) Notwithstanding (1) above, any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. person by a dealer or other professional fiduciary organized, incorporated, or (if an individual) resident in the United States shall not be deemed a "U.S. person."

(3) Notwithstanding (1) above, any estate of which any professional fiduciary acting as executor or administrator is a U.S. person shall not be deemed a U.S. person if:

(i) an executor or administrator of the estate who is not a U.S. person has sole or shared investment discretion with respect to the assets of the estate; and

(ii) the estate is governed by foreign law.

(4) Notwithstanding (1) above, any trust of which any professional fiduciary acting as trustee is a U.S. person shall not be deemed a U.S. person if a trustee who is not a U.S. person has sole or

shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. person.

(5) Notwithstanding (1) above, an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country shall not be deemed a U.S. person.

(6) Notwithstanding (1) above, any agency or branch of a U.S. person located outside the United States shall not be deemed a "U.S. person" if:

(i) the agency or branch operates for valid business reasons; and

(ii) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located.

(7) The International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organizations, their agencies, affiliates and pension plans shall not be deemed "U.S. persons."