
MARKITLEND US CONSUMER CREDIT FUND, LP

a Delaware Limited Partnership

PRIVATE PLACEMENT INFORMATION MEMORANDUM

19 March 2024

General Partner
MarkitLend P2P Investments, LLC
8 The Green, Suite A
Dover, DE 19901
United States of America

This Private Placement Information Memorandum (hereafter “Memorandum”) relates to the MarkitLend US Consumer Credit Fund (“the Partnership”). Prospective Partners are urged to carefully review this Information Memorandum and the related materials and to consult their own advisors as appropriate prior to subscribing for Partnership Interests.

THIS INFORMATION MEMORANDUM CONFIDENTIAL. IT IS NOT INTENDED FOR PUBLIC DISTRIBUTION AND IS NOT AN OFFER TO SELL OR SOLICIT AN OFFER TO BUY THE PARTNERSHIP INTERESTS DESCRIBED HEREIN.

PRIVATE PLACEMENT INFORMATION MEMORANDUM

MARKITLEND US CONSUMER CREDIT FUND, LP

MarkitLend US Consumer Credit Fund, LP (the "Partnership") is a Delaware limited partnership organized on to operate as a private investment partnership. This Private Placement Memorandum relates to limited partner interests (the "Interests") in the Partnership.

THIS CONFIDENTIAL MEMORANDUM HAS BEEN PREPARED SOLELY FOR INFORMATIONAL PURPOSES AND DOES NOT CONSTITUTE AN OFFER TO SELL OR SOLICITATION OF AN OFFER TO BUY INTERESTS IN THE PARTNERSHIP.

THERE WILL BE NO PUBLIC OFFERING OF THE INTERESTS. NO OFFER TO SELL (OR SOLICITATION OF AN OFFER TO BUY) IS BEING MADE IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION WOULD BE UNLAWFUL.

THIS CONFIDENTIAL MEMORANDUM IS ACCURATE AS OF ITS DATE, AND NO REPRESENTATION OR WARRANTY IS MADE AS TO ITS CONTINUED ACCURACY AFTER SUCH DATE.

THE PARTNERSHIP'S INVESTMENT PRACTICES, BY THEIR NATURE, MAY BE CONSIDERED TO INVOLVE A SUBSTANTIAL DEGREE OF RISK.

THE INTERESTS ARE SUITABLE ONLY FOR SOPHISTICATED INVESTORS FOR WHOM AN INVESTMENT IN THE PARTNERSHIP DOES NOT CONSTITUTE A COMPLETE INVESTMENT PROGRAM AND WHO FULLY UNDERSTAND AND ARE WILLING TO ASSUME THE RISKS INVOLVED IN THE PARTNERSHIP'S SPECIALISED INVESTMENT PROGRAM.

THIS CONFIDENTIAL MEMORANDUM HAS BEEN PREPARED SOLELY FOR THE INFORMATION OF THE PERSON TO WHICH IT HAS BEEN DELIVERED BY OR ON BEHALF OF THE PARTNERSHIP, AND SHOULD NOT BE REPRODUCED OR USED FOR ANY OTHER PURPOSE. NOTWITHSTANDING THE FOREGOING, PERSONS (AND EACH EMPLOYEE, REPRESENTATIVE OR OTHER AGENT OF SUCH PERSONS) TO WHOM THIS CONFIDENTIAL MEMORANDUM IS PROVIDED MAY DISCLOSE TO ANY AND ALL OF THEIR PROFESSIONAL ADVISORS, WITHOUT LIMITATION OF ANY KIND, THE TAX TREATMENT AND TAX STRUCTURE OF (A) THE PARTNERSHIP AND (B) ANY TRANSACTIONS DESCRIBED HEREIN, AND ALL MATERIALS OF ANY KIND (INCLUDING OPINIONS OR OTHER ANALYSES).

INVESTORS CONSIDERING AN INVESTMENT IN THIS PARTNERSHIP SHOULD CAREFULLY READ THIS CONFIDENTIAL MEMORANDUM PRIOR TO INVESTING. HOWEVER, THE CONTENTS OF THIS CONFIDENTIAL MEMORANDUM SHOULD NOT BE CONSIDERED TO BE LEGAL OR TAX ADVICE, AND EACH PROSPECTIVE INVESTOR SHOULD CONSULT WITH ITS OWN COUNSEL AND ADVISERS AS TO ALL MATTERS CONCERNING AN INVESTMENT IN THE INTERESTS.

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EACH INVESTOR IS INVITED TO CONSULT WITH THE GENERAL PARTNER TO DISCUSS WITH IT, AND TO ASK QUESTIONS AND RECEIVE ANSWERS, CONCERNING THE TERMS AND CONDITIONS OF THIS OFFERING OF THE INTERESTS, AND TO OBTAIN ANY ADDITIONAL INFORMATION, TO THE EXTENT THE GENERAL PARTNER POSSESSES SUCH INFORMATION OR CAN ACQUIRE IT WITHOUT UNREASONABLE EFFORT OR EXPENSE, NECESSARY TO VERIFY THE INFORMATION CONTAINED HEREIN.

EACH INVESTOR ADMITTED INTO THE PARTNERSHIP IS REQUIRED TO REPRESENT THAT IS A QUALIFIED INVESTOR WITHIN THE MEANING OF THE CRITERIA SET FORH IN THIS MEMORANDUM, AND THAT IT IS INVESTING FOR ON ITS OWN BEHALF AS PRINCIPAL WITH NO INTENTION OF SELLING OR TRANSFERING ITS INTEREST IN THE INVESTMENT TO ANY OTHER PERSON.

NO OFFERING LITERATURE OR ADVERTISING IN WHATEVER FORM SHALL BE EMPLOYED IN THE OFFERING OF THE INTERESTS EXCEPT FOR THIS CONFIDENTIAL MEMORANDUM AND STATEMENTS CONTAINED HEREIN. NO PERSON HAS BEEN AUTHORIZED TO MAKE ANY REPRESENTATION, OR GIVE ANY INFORMATION, WITH RESPECT TO THE INTERESTS, EXCEPT THE INFORMATION CONTAINED HEREIN.

THE INTERESTS HAVE NOT BEEN REGISTERED OR APPROVED BY THE UNITED STATED SECURITIES AND EXCHANGE COMMISSION (SEC) OR ANY OTHER REGULATORY BODY IN ANY OTHER JURISIDICATION. THERE IS NO INTENTION OF SEEKING REGISTRATION OR APPROVAL OF THESE PARTNERSHIP INTERESTS. NO REGULATORY AUTHORITY AFFIRMED THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS CONFIDENTIAL INFORMATION MEMORANDUM.

THE INTERESTS ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE 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.

* * * *

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MARKITLEND US CONSUMER CREDIT FUND, LP

SUMMARY OF TERMS

The following is a summary of the principal terms of MarkitLend US Consumer Credit Fund, LP (the "Partnership"). The summary is qualified in its entirety by reference to the more detailed information appearing elsewhere in this Confidential Memorandum and by the Terms and Conditions of the Limited Partnership Agreement (the "Partnership Agreement") of the Partnership, which should be read carefully by any prospective investor.

The Partnership: The Partnership is a Delaware limited partnership organized on 23 December 2016 to operate as a private investment partnership.

The Limited Partners are individually collectively referred to herein as "Partner" or "Partners" as the case may be.

The Partnership may establish various Classes of Partnership Interests (similar to sub-funds), each having different terms and each having different investment portfolios.

Investment Program: The objective of the Partnership is to achieve a high level of Income while preserving and protecting principal.

The Partnership will invest in a diversified portfolio of credit instruments, mainly related to consumer loans issued in the United States of America. The Partnership may invest indirectly in credit instruments as well as directly in credit instruments.

The Partnership's Investment Advisor may, if he deems appropriate, invest up to 20% of the portfolio in non-consumer loans, such as business loans and corporate bonds. In addition, the Investment Advisor may hold cash equivalents such as US Treasury bills, bank deposits and money market funds.

A significant portion of the Partnership's assets is likely to be invested in consumer loans that are intermediated via loan origination companies historically known as "Peer to Peer" (P2P) marketplace providers. Many of the loan origination companies transact via the internet. They perform similar functions to those of banks and loan servicing companies. Based on the data provided by the borrowers and external credit reporting agencies they assign each prospective borrower to a risk category that determines the interest rate the borrower will pay. Once the loan is approved it is listed on the loan originator's website and lenders can choose to fund one or several of the loans. The loan originators earn fees from the borrowers upon originating the loans and earn fees from the lenders for servicing the

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loans. The potential benefit to investing in large pools of consumer and business loans is that interest income usually exceeds loan losses that occur when individual borrowers fail to pay interest and principal. Typically, the principal is repaid in monthly installments. Thus with every payment received a lender's risk exposure to each individual borrower or pool of borrowers declines. As an asset class, pools of consumer and business loans tend to provide stable predictable income over time, which is one of the fundamental reasons why banks invest in such loans.

Consumer loans are typically repaid over one to five years. Thus, the lender's risk exposure to the borrower progressively decreases over time. In contrast, corporate bonds usually pay interest semi-annually and typically do not repay principal until maturity. Thus, at all times until the maturity of a non-amortising corporate bond 100% of the lender's principal investment is at risk.

Consumer loans are usually not readily marketable. Investors might not be able to liquidate their investments prior to the maturity of the loans. Many of the loan originators offer secondary trading services in loans in order to provide some liquidity. However, as a general rule, liquidity is limited and the investor should expect to hold the investment through maturity. In contrast, there is usually a readily available liquid market for corporate bonds. Consumer loans may offer relatively attractive returns compared to business loans corporate bonds and vice-versa.

There is no minimum or maximum percentage of the amount of assets that must be invested in any type of credit instrument. There is no minimum or maximum percentage of the amount of asset that must be invested directly or indirectly. However, the General Partner's policy is to diversify the portfolio widely among many borrowers in many states, and cities. The Partnership invests in loans issued to borrowers located within the United States and denominated in US Dollars.

Consumer lending in the United States is highly regulated. Professional lenders must usually be licensed by state authorities. The Partnership is not expected to operate as a regulated professional lender and will cooperate with loan originators and other professional lenders in order to ensure a steady supply of loans in which to invest.

There can be no assurance that the investment objective of the Partnership will be achieved, and certain investment practices to be employed by the Partnership can, in some circumstances, substantially increase any adverse impact on the Partnership investment portfolio. (See "Investment Program" and "Certain Risk Factors.")

Management:

MarkitLend P2P Investments, LLC (the "General Partner"), a limited liability company established under the laws of the State of Delaware, serves as the General Partner of the Partnership. At least 4 times per year the General Partner will review and assess the investment policies and performance of the Partnership and generally supervise the conduct of its affairs.

MarkitLend Investment Advisors, LLC (the "Investment Advisor"), a limited liability company formed under the laws of the State of Delaware, has been appointed to provide Investment Advisory services to the Partnership. The Investment Advisor will be responsible for the day-to-day operations of the Partnership, selecting investments for the Partnership and executing the Partnership's investment strategy.

Fernando Sanchez and Michael Sonenshine (collectively or individually as the case may be, the "Principal(s)") is primarily responsible, on behalf of the Investment Advisor, for the arranging the investment and re-investment of the assets of the Partnership. The Principals each have more than 20 years of professional experience in the investment management, banking, telecommunications and medical technology industries. Mr. Sonenshine has specialized in credit analysis and credit selection for the past 15 years. Mr. Sanchez has managed a portfolio of peer to peer loans for more than five years and has significant experience as a senior corporate executive.

**Initial and Additional
Capital
Contributions;
Admission of New
Partners:**

The minimum initial capital contribution by an investor (each, a "Limited Partner") is \$100,000 (one hundred thousand U.S. dollars) subject to the sole and absolute discretion of the General Partner to accept lesser amounts. New Partners may be admitted to the Partnership on the first Business Day of each month, or at such other times as the General Partner will determine in its sole and absolute discretion. A "Business Day" shall be any day on which banks are open for normal banking business in the United States. A day during which the Partnership accepts incoming subscriptions is called "a Subscription Day."

Admission to the Partnership is made by application. Investors wishing to purchase Interests in the Partnership are required to complete the Partnership's Subscription Agreement and the Anti-Money Laundering (AML) Agreement, sign the Partnership Agreement and return their completed documents to MarkitLend Investment Advisors. Investments into the Partnership must be fully funded with readily available funds on deposit representing 100% (one hundred percent) of the Partner's investment placed on deposit at the Partnership's specified bank account prior to Subscription Day. The Partnership will under no circumstances accept cash deposits. All investments into the Partnership must be made by bank wire or ACH electronic funds

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transfer, from a bank account in the name of the subscribing Partner.

The General Partner reserves the right to reject any subscription for a Limited Partner interest ("Interest") for any reason or no reason in its sole and absolute discretion.

The General Partner may, in its sole and absolute discretion, admit any Partner as of the most recent Subscription Day or delay the admittance of any Partner until the next available Subscription Day.

With the consent of the General Partner, Limited Partners may make additional capital contributions of at least \$50,000 (fifty thousand U.S. dollars), subject to the sole and absolute discretion of the General Partner to accept lesser amounts.

Sales Charges:

The Partnership will not charge investors a subscription fee.

The General Partner may enter into arrangements with one or more information agents to provide investors information about the Partnership and assist those investors in arranging their investment in the Partnership, and such arrangements may provide for the compensation of such placement agents on a fully disclosed basis of up to 1.5% (one and one-half percent) of the amount subscribed. The net amount of money after deduction of the placement agent compensation fee will be applied in subscribing for Interests.

Fiscal Year:

December 31 of each year. The first fiscal year of the Partnership will ended on December 31, 2017.

Management Fees and Expenses:

The Partnership will pay to the Investment Advisor a monthly management fee, payable in arrears (the "Management Fee"), equal to $\frac{1}{12}$ (one twelfth) of 1.0% (one and one-half percent) of each Limited Partner's capital account as of the last Business Day of each month.

The General Partner may, in its sole and absolute discretion, elect to reduce, waive or calculate differently the Management Fee with respect to any Limited Partner.

Administrative expenses:

The General Partner is responsible for managing the affairs of the Partnership. The Partnership's Administrative expenses, apart from banking and similar transaction charges shall be borne by the General Partner. The General Partner has agreed to limit Administrative expenses to 1% annually. Administrative expenses are deducted from the Fund assets monthly at the rate of $\frac{1}{12}$ th (one twelfth) of 1.0% of each Limited Partner's capital account as of the last Business Day of each month.

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Allocation of Gains And Losses	At the end of each accounting period of the Partnership, any net income, net capital appreciation or net capital depreciation will be allocated to all Partners (including the General Partner) in proportion to their respective opening capital account balance for such period.
Classes of Partnership Interests:	<p>MarkitLend Class – the MarkitLend Class will contain investments that at all times have a stated maturity of 5 years or less.</p> <p>Other Partnership Classes – The General Partner may, in its sole and absolute discretion, establish other Classes of Partnership interests, which may have some of different terms as that of the MarkitLend Class.</p> <p>Tailored accounts – by special agreement with the General Partner investors can establish separately managed portfolios within the Partnership to match their specific criteria.</p>
Partnership Interests Currency:	Investors may establish their capital accounts in USD.
Principal & Interest Distributions:	Partners may elect to receive annual distributions of 90% of their pro-rata share of the Partnership's realized net income and/or principal repayments the Partnership receives in respect of investments, provided, however they provide at least 30 (thirty) days notice to the General Partner in advance of the start of the 1 st (first) calendar quarter in which their election is to take effect. The election will apply only to Principal and Net Income the Partnership receives after date on which the election takes effect. Distributions can be made monthly, quarterly or annually.

Withdrawals:

Most consumer loans generally cannot be sold or liquidated prior to maturity. Partners should be prepared that they will have to maintain their investment in the partnership until the final maturity of the loans held for the benefit of the Class of Interests in which they have invested. A Partner redeeming his or her capital can expect to receive 90% of his or her pro rata share of principal and interest the Partnership collects. The final 10% will be paid within 3 months of the fiscal year end of the year in which the last payment of principal and interest is made in respect of that partner's capital. The General Partner may, in its sole and absolute discretion, adjust the final capital payment to reflect any required accounting adjustments to the NAV.

Consumer loans typically pay interest and principal monthly. Investors seeking to liquidate their investments can opt to start taking quarterly or annual distributions and thus receive their capital back in regular installments.

The General Partner may suspend withdrawal rights, in whole or in part, among other things, during any period in which, in the sole and absolute opinion of the General Partner, disposal of a substantial portion of investments by the Partnership would not be reasonable or practical. In addition, the General Partner, by written notice to any Limited Partner, may suspend the payment of withdrawal proceeds if the General Partner, in its sole and absolute discretion, deems it necessary to do so to comply with anti-money laundering laws and regulations applicable to the Partnership, the Partnership, the General Partner, the Investment Advisor, the Investment Advisor or any of the Partnership's service providers. The General Partner may, in its sole and absolute discretion, by written notice to any Limited Partner, require the withdrawal of such Limited Partner at any time, for any reason or no reason. (See "Outline of Partnership Agreement – Withdrawals of – Limitations on Withdrawals" and "Anti-Money Laundering Regulations.")

Taxation of the Partnership and Partnership Interests:

The Partnership operates a non-publicly traded Partnership for tax purposes in the U.S. and therefore the Partnership does not pay U.S. federal or state taxes. However, the Partnership will file a tax return in the U.S.

Outside of the U.S. the Partnership operates so as not to create a Permanent Establishment and therefore the Partnership is not a taxable entity in any jurisdiction outside of the U.S.

Income the Partnership earns within the U.S. (i.e. dividend income, capital gains and interest) should not be subject to any withholding tax at the Partnership level. However, the Partnership may be required with withhold tax on distributions of such income it makes to Partners. Tax withheld by the Partnership will be report to the Partners and each

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Partner may be entitled to claim tax credit on its own tax returns. There can be no assurance that any Partner will be able to claim the tax credit from its own tax jurisdiction. Each Partner is responsible to make its own determination as to how it should report its share of the Partnership's net of tax withheld at source.

The Partnership may face withholding taxes on some or all of the income it earns outside of the U.S. The Partnership may benefit from tax treaties that enable the Partnership to pay withholding tax at reduced rates or to reclaim tax withheld.

The Partnership will report to its Partners their pro-rata share of the Partnership's capital gains, income and expenses, taxes withheld and the valuation of their interest in the Partnership.

The Partnership is a pass-through vehicle for purposes of taxation in the U.S. and accordingly, U.S. persons who are subject to U.S. taxes will be required to declare their pro-rata share of Partnership income. U.S. Partners may therefore have to pay taxes on income the Partnership reports for tax purposes (i.e. unrealised capital gains or income re-invested by the Partnership) despite the fact they may not have received such income in cash.

Outside of the U.S. tax treatment of an investment in the Partnership will depend on the jurisdiction in which each Partner files its tax returns. Many jurisdictions require investors to report only income they receive from the Partnership or capital gains they realise upon sale or liquidation of their investment.

The General Partner may, in its sole and absolute discretion, reassign or reallocate income among Partners or otherwise define the nature of Partnership Income strictly for the purposes of tax reporting. However, the General Partner will only take such action if doing so will not violate tax law to which the Partnership is subject.

Each investor in the Partnership must consult with its own tax advisor as to how to report its investment in the Partnership and any profits or losses it incurs as a result of its investment.

Fund Accountant and Auditor:

The General Partner will perform administrative and accounting tasks for the Partnership and may delegate accounting and tax preparation functions to service providers where it deems appropriate. The Fund Accountant will prepare regular accounting statements for the fund and provide investors with valuation statements of their Partnership Interests.

The General Partner may, in its sole and absolute discretion, appoint a qualified auditor to audit the Partnership's financial statements. The General Partner may, in its sole and absolute discretion elect not to

appoint an auditor.

Reports to Limited Partners:

Partners will receive at least quarterly statements prepared by the General Partner discussing the investment results of the Partnership for the quarter just ended. Each Partner shall also receive annually a Schedule K-1 report which informs the Partner of its pro-rata share of net income and any taxes withheld or paid.

Risk Factors:

The investment program of the Partnership is speculative and entails substantial risks. There can be no assurance that the investment objective of the Partnership will be achieved and that investors will not incur losses. The risks include, but are not limited to, the following:

- Investments the Partnership makes can generate losses. The Partnership can lose the full amount of the capital it invests.
- Economic downturns and general market volatility can negatively impact the value of the Partnership's investments.
- There can be no assurance the Partnership's investments will have a low correlation to a traditional securities portfolio or to other investments generally speaking.
- Poor or fraudulent corporate governance may adversely impact investments the Partnership makes.
- The pool of loans in which the Partnership invests may have high default rates and therefore cause the Partnership to lose money.
- Changes and local law and regulations may adversely impact the investments the Partnership makes.
- The Partnership might not be able to exercise legal rights to protect its investments.
- The Partnership might not find enough investment opportunities.
- The Partnership might not be able to diversify its investments.
- The Investment Advisor may fail to identify and select good investments.
- No secondary market for the Interests in the Partnerships

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exists or is expected to exist.

- The sale and transfer of Partnership Interests is restricted. Investors cannot transfer their Partnership Interests without the consent of the General Partner.
- Capital withdrawals from the Partnership can only be made to the extent the Partnership receives principal and interest payments from the loans in which it invests.
- The Partnership might have to hold its investments to maturity in the event it cannot make secondary market sales.
- Investments in fixed income investments the Partnership might make are subject to credit risk, liquidity risk and interest rate risk.
- The failure of a bank or securities broker or loan origination company where the Partnership invests may adversely impact the Partnership investments.
- It may be difficult to accurately place a value on the Partnership's investment portfolio for accounting and tax purposes.
- Partners may incur losses due to adverse impact of exchange rates between the currencies in which Partnership investments are denominated versus the currency of Partners' capital accounts.
- The General Partner and the Investment Advisor have a limited operating history pursuing the investment strategy and business of the Partnership.
- The success of the Partnership depends on the certain key individuals employed by the Investment Advisor. If the Investment Advisor were unable or unwilling to manage the Partnership the Partnership's investments may be adversely impacted.
- The Partnership is not subject to certain regulatory requirements that otherwise might protect investors if the Partnership were required to register as an Investment Company under the U.S. Investment Company Act of 1940.
- Changes in taxation rule in the U.S. and in the jurisdictions where the Partnership invests can negatively impact the value of the Partnership's investments.

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- The can be no assurance Partners will be able to reclaim taxes withheld in the various jurisdictions where the Partnership invests.
- Changes in tax laws governing investors in the Partnership can adversely impact the value of their investments or the net return to the Partners.
- Tax reporting requirements may cause Partners to pay tax on unrealized income rather than on actual cash income.
- Certain expense items in the Partnership accounts might not be deductible for tax purposes.
- The General Partner may hold back part of the withdrawal proceeds due to Partners pending finalisation of Partnership accounts.
- All power to make decisions for the Partnership is vested in the hands of the General Partner and Limited Partners have no right to participate in the management of the Partnership's affairs.
- The legal counsel to the Partnership was selected by the General Partner and does not represent the individual Limited Partners.
- The Partnership's service providers are indemnified from damages to the Partnership arising from their actions except in the event of their own bad faith, negligence or fraudulent activities.
- Terrorist acts can create disruptions in global markets that can adversely impact the value of Partnership Investments.

Certain inherent conflicts of interest arise from the fact that the General Partner, the Investment Advisor and their affiliates may perform ancillary services to the Partnerships or may perform services for other clients that are investing the same or similar securities as that of the Partnership.

Regulatory Matters: The Investment Advisor is registered with the U.S. Securities and Exchange Commission (SEC) as an Exempt Reporting Advisor (ERA). The Investment Advisor relies on certain exemptions from registration under sections 203(l) and 203(m) of the Investment Advisers Act of 1940 and related rules. Certain state securities regulatory authorities have similar exemptions based on state statutes or regulations. An ERA is required to file a report using Form ADV, but does not complete all items contained in Form ADV that a registered adviser must complete.

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The General Partner is not registered.

The Partnership is not registered as an Investment Company under the U.S. Investment Company Act of 1940, as amended (the "Company Act") and, therefore, will not be required to adhere to certain investment policies under the Company Act.

The Investment Advisor has registered the Partnership with the SEC as a private partnership. Therefore the Partnership and the Investment Advisor's management of the Partnership are subject to regulatory oversight by the SEC.

Suitability:

Investment in the Partnership is suitable only for investors who have sufficient understanding and investment experience to make their own determination as to the merits of investment in the Partnership. Investors must be willing and able to bear the risk that the full amount of their investment may be lost. Investment in the Partnership by itself does not constitute a complete investment program and an investment in Partnership should represent only a portion of an investor's overall investment portfolio.

Investors in the Partnership should have as their primary investment objective an investment in a diversified pool of loans that pay interest and principal regularly. Investors should not expect that nearly all of their investment return will come from income rather than from appreciation of the capital.

THE PARTNERSHIP

MarkitLend US Consumer Credit Fund, LP (the "Partnership") is a Delaware limited partnership organized on 23 December 2017. The Partnership began operations in February 2017.

INVESTMENT PROGRAM

The Partnership's Objective is Interest Income and Preservation of Principal

The objective of the Partnership is to achieve a high level of Income while preserving and protecting principal.

The Partnership will invest in a diversified portfolio of credit instruments, mainly related to consumer loans, and issued in the United States of America. The Partnership may invest indirectly in credit instruments as well as directly in credit instruments. Generally, the investments made via loan origination companies are known as "Borrower Dependent Notes." These securities are issued by the loan origination companies. Payment in respect of the Notes is dependent upon principal and interest payments made by the underlying borrowers linked to each Note. If a borrower ceases to pay the loan origination company has no obligation to make payment in respect of that Note.

The Partnership's Investment Advisor may, if he deems appropriate, invest up to 20% of the portfolio in non-consumer loans, such as business loans and corporate bonds.. In addition, the Investment Advisor may hold cash equivalents such as US Treasury bills, bank deposits and money market funds.

A significant portion of the Partnership's assets is likely to be invested in consumer loans that are intermediated via companies called loan origination companies. Many of the loan origination companies transact via the internet. They perform similar functions to those of banks and loan servicing companies. Based on the data provided by the borrowers external credit reporting agencies they assign each prospective borrower to a risk category that determines the interest rate the borrower will pay. Once the loan is approved it is listed on the loan originator's website and lenders can choose to fund one or several of the loans. The loan originators earn fees from the borrowers upon originating the loans and earn fees from the lenders for servicing the loan. The potential benefit to investing in large pools of consumer and business loans is that interest income usually exceeds loan losses that occur when individual borrowers fail to pay interest and principal. Typically, the principal is repaid in monthly installments. Thus with every payment received a lender's risk exposure to each individual borrower or pool of borrowers declines. As an asset class, pools of consumer and business loans tend to provide stable predictable income over time, which is one of the fundamental reasons why banks invest in such loans.

Consumer loans are typically repaid over one to five years. Thus, the lender's risk exposure to the borrower progressively decreases over time. In contrast, corporate bonds usually pay interest semi-annually and typically do not repay principal until maturity. Thus, at all times until the maturity of a non-amortising corporate bond 100% of the lender's principal investment is at risk.

Consumer loans are usually not readily marketable. Investors might not be able to liquidate their investments prior to the maturity of the loans. Some of the loan origination companies offer secondary trading services in loans in order to provide some liquidity. However, as a general rule

an investor in a consumer loan should expect to hold that loan through its final maturity date. In contrast, there is usually a readily available liquid market for corporate bonds. Consumer loans may offer relatively attractive returns compared to business loans corporate bonds and vice-versa.

There policy of the General Partner is to diversify the loan portfolio among many borrowers from many states. However, there is no minimum or maximum percentage of the amount of assets that must be invested in any type of credit instrument. There is no minimum or maximum percentage of the amount of asset that must be invested directly or indirectly. The loans will be denominated in US Dollars.

Consumer lending in the United States is highly regulated. Professional lenders must usually be licensed by state authorities. The Partnership is not expected to operate as a regulated professional lender and will co-operate with loan origination platforms and other professional lenders in order to ensure a steady supply of loans in which to invest.

There can be no assurance that the investment objective of the Partnership will be achieved, and certain investment practices to be employed by the Partnership can, in some circumstances, substantially increase any adverse impact on the Partnership investment portfolio. (See "Investment Program" and "Certain Risk Factors.")

The Partnership's Investments in Loans Will Typically be Indirect Investments

Typically the Partnership's investments in loans will be indirect investments. An indirect investment is an investment whose return is linked to the return earned on a loan. The evidence underlying the Partnership's interest in the loan is usually in the form of an account statement from the entity that actually holds title to the loan and that has agreed to pass onto the Partnership the gains and losses arising from that loan. The Partnership may make loans either indirectly or directly.

The Partnership Will Hold a Diverse Portfolio of Loans

As a general principle the Partnership will build a diversified portfolio. The Partnership expects to have investments in hundreds of loans. Generally the Partnership will limit its exposure to any one loan or credit instrument (government securities and bank deposits excepted) to less than 5% (five percent) of Partnership assets.

Term to Maturity Will Vary Among Loans

Loans are issued with a wide variety of repayment terms. Usually loans are issued with an amortisation schedule. The borrower makes monthly or quarterly payments that include both principal and interest. Repayment periods vary from a few months to five years. The Partnership will be managed so as to invest in loans with a wide variety of maturity times. Therefore, the Partnership can expect to receive payments of principal and interest monthly. The principal and interest payments can be re-invested in new loans or repaid to the Partners in the form of capital distributions.

Term to Maturity Will Vary Among Loans

The Partnership will not make any loan that has maturity greater than five years.

Credit Quality Will Vary Among Loans

Lenders assess the credit worthiness of borrowers to whom loans are made. Credit worthiness is determined by analysing each borrower's potential ability and willingness to make timely payments of principal and interest. Factors impacting a positive or negative assessment of credit worthiness include borrower income and expenses, outstanding debt, occupation, housing situation, stability of business, employment history and record of past credit transactions. In the case of consumer loans a borrower with a high income level relative to expenses and debt servicing commitments with a history of timely payments is considered a high quality borrower. In contrast, a borrower with high level of expenses and debt servicing commitments and a history of missed payments is considered a lower quality borrower. On an aggregated basis, there tends to be a good correlation between credit worthiness assessments and actual performance of the pool of loans. On an individual basis, however, there future can differ markedly from the past. Good borrowers can fall on hard times and lower quality borrowers can prove more reliable and steady than originally anticipated.

Since the Partnership is investing in pools of loans among the key determinants of the investment returns the Partnership earns are the gross rate of interest earned on the loans and the level of principal losses when borrowers default. The Investment Advisor's research process includes studying the relationship between gross interest and loan loss rates in order to select pools of loans the Investment Advisor believes offer relatively high returns on investment after taking into account loan losses.

The Partnership Will Diversify Among Loan Providers and Servicers

During the past decade a process of disintermediation in the lending industry has begun. Internet technology has facilitated the rise of the private credit industry. Several companies have formed in order to create the internet websites that are accessible to borrowers and lenders. The loan originators gather and verify data from the borrowers and employ various methods of assessing credit quality and categorising borrowers in various risk bands. The credit assessment methodologies are similar to those used commonly among banks and finance companies. Lenders accessing the providers' websites are able to review individual loan applications as well as overall pools of loans and invest in the loans. The customary practice in the United States is that loan originators become the lender of record and pass through payments of interest and principal from borrower to lender.

The Investment Advisor follows a research process that include studying loan originators, their credit assessment models, their lending standards, their contractual documentation and their corporate governance arrangements. The Investment Advisor believes that by spreading the Partnership's investments among several loan originators the Investment Advisor will reduce overall risk to the Partnership stemming from the business practices and lending polices of the P2P marketplace providers as well as to broaden the overall pool of loans in which the

Partnership invests. **However, there can be no assurance that the Investment Advisor will be able to diversify among loan originators.**

In addition to studying the loan originators, the Investment Advisor studies data files presented by the loan originators about the demographics and loan performance of their borrowers. The Investment Advisor's goal is to filter the data so as to gain an understanding of factors that are more or less likely to be present among groups of borrowers who perform and who default. Such factors include the income/debt ratios, history of payment lateness, amount of borrowing requested, stated purpose of borrowing, term of borrowing, and credit scores provided by external credit agencies. The Investment Advisor's goal is to try to select loans most likely to perform and thereby generate higher investment returns.

The Partnership does not lend directly

Consumer lending in the United States is highly regulated. The Partnership is not a registered lender and does not make direct loans.

The Partnership may Invest in Syndicated Corporate Loans and Bonds

The Investment Advisor may invest up to 20% of the Partnership's assets in syndicated corporate loans and bonds. In contrast to consumer loans corporate loans and bonds are more liquid and priced regularly in the marketplace.

The Investment Advisor follows a research and investment selection process that incorporates analysis of major trends and fundamental research on individual securities as well as the risk/reward relationships among various sectors of the credit markets. When the Investment Advisor believes the syndicated loan and bond market offers returns that can better achieve the Partnership's overall objective of generating high rates of interest while preserving and protecting capital, the Investment Advisor may channel more of the Partnership's investments into that segment of the market. Alternatively, when the Investment Advisor sees better opportunities in consumer loans the Investment Advisor will select more of these investments. The Investment Advisor's research and investment process is augmented with the application of risk/reward modelling covering portfolio volatility, expected returns and target holding periods, and the impact of each security position on overall portfolio risk and diversification.

To date the Investment Advisors has not invested outside of the consumer loan sector. There is no particular stated requirement on the part of the General Partner to invest in anything other than consumer loans.

There is no minimum credit rating for the securities in which the Partnership may invest. Consumer loans and pools of consumer loans are usually unrated, unlisted with limited secondary trading. Syndicated corporate loans and bonds may be rated or unrated, listed or unlisted. However, the investment policy of the Partnership will be to maintain a diversified portfolio and to apply research methods that the Investment Advisor believes can be applied successfully.

The Investment Advisor Relies on a Research Based Process of Investment Selection

The investment process is implemented via a process that incorporates analysis of global economic trends, fundamental research on loan originators and assessment of the credit worthiness of borrowers. The process is augmented with the application of risk/reward modeling covering portfolio volatility, liquidity, expected returns, target holding periods and the impact of each security or pool of loans on overall portfolio risk and diversification. The Partnership employs both a top-down (macro-oriented) and bottom-up (fundamental and technical) approach to investment selection. The types of strategies the Investment Advisor employs are presented as follows:

Macro Driven Strategies

Macro driven strategies are investments based on the Investment Advisor's view of major economic trends driving markets and how those factors impact credit worthiness. The Investment Advisor assesses global and regional economic and political conditions. Depending on the circumstance the Investment Advisor will form a view that certain types of credit instruments are likely to perform better or worse in the near and medium term. For example, in an improving economy default rates on consumer loans could be likely to fall and borrowers in potentially riskier categories that are paying high rates of interest could be likely to improve over time in terms of their ability and willingness to repay principal and interest timely. Conversely, in economic downturns credit worthiness is likely to fall, leading to higher default rates and lower investment returns.

Relative Value Strategies

Relative value strategies are based on a combination of fundamental security and credit analysis and comparisons of risk metrics. The goal is to assess whether certain securities or asset class segments appear expensive or inexpensive in terms of the potential returns given the various risks. Depending on the Investment Advisor's view the Investment Advisor will tend to favor certain types and bonds or loans over others.

Directional Strategies

Directional strategies are implemented where the Investment Advisor believes certain securities or pools of loans are undervalued and poised to generate superior returns as a result.

Elements of the Research Process

The Investment Advisor employs an investment process that is highly research intensive. The Investment Advisor's research comes from a number of sources, including, but not limited to:

Market research on global, regional and country fundamentals;

Studies of consumer credit worthiness and default rates;

Discussions with marketplace providers, bankers and other investors in consumer and business loans;

Discussions with senior industrial economic and political analysts and public policy makers;

Fundamental evaluation of pools of consumer and business loans and the historical performance of the loans;

Analysis of correlations between borrower demographics and credit indicators;

Calculation of return/risk ratios;

PORTFOLIO MANAGEMENT POLICIES

The Investment Advisor believes in the benefits of diversification and will seek to develop a portfolio diverse terms of its exposure to individual borrowers and times to maturity.

The Investment Advisor also believes in the benefits of continual research and assessment of credit risk. The Investment Advisor will seek to avoid relatively risky credit categories when the Investment Advisor believes risks of loss outweigh the potential gains. There is no guarantee the Investment Advisor will be able to avoid losses.

The Investment Advisor will seek to reinvest interest and principal payments from performing loans and bonds. The Investment Manager believes that by having a sufficient flexibility to select among types of investments the Investment Manager has a wider range of possibilities to protect Partnership capital and generate investment returns.

The Investment Advisor will seek to diversify across various times to maturity. This diversification will ensure the portfolio is able to effectively lock-in relatively attractive returns for longer dated maturities, while also generating a continual stream of income and principal payments that can be re-invested.

While the investment program of the partnership may facilitate the Investment Manager's ability to achieve Partnership's objective of generating high interest income while preserving and protecting capital, investors are advised to consider the risks associated with an investment in the Partnership. The investment program of the Partnership is speculative and may entail substantial risks. Since market risks are inherent in all securities investments to varying degrees, there can be no assurance that the investment objective of the Partnership will be achieved. In fact, certain investment practices described above can, in some circumstances, potentially increase the risks of adverse impact on the Partnership's investment portfolio. (See "Certain Risk Factors.")

MANAGEMENT OF THE PARTNERSHIP

MarkitLend P2P Investments, LLC (the "General Partner"), a limited liability company formed under the laws of the State of Delaware, will serve as the General Partner of the Partnership. The General Partner assesses the investment policies and performance of the Partnership, and generally supervises the conduct of its affairs.

The General Partner's interest in the Partnership is in the form a cash investment the General Partner has made in the Partnership. The General Partner receives no terms or conditions relating to its investment in the Partnership that are in any way preferential to those of the Limited Partners.

The General Partner may, from time to time, provide liquidity to the Partnership in order to help the Partnership meet redemptions or make investments. The General Partner will be entitled to repayment of funds lends to the Partnership for such purposes and to charge the Partnership interest at a rate not exceeding more than 1% over and above that of a 2 year US government bond.

THE INVESTMENT ADVISOR

MarkitLend Investment Advisors, LLC (the "Investment Advisor"), a company formed under the laws of the State of Delaware, has been appointed to provide investment advisory services to the Partnership. The Investment Advisor has registered as an "investment adviser" under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act"). Pursuant to exemptions under rules of the CFTC, the Investment Advisor has not registered as a commodity pool operator or a commodity trading Investment Advisor.

Mr. Michael Sonenshine, Chief Investment Officer and Head of Research at MarkitLend Investment Advisors, will be responsible for conducting the day-to-day affairs of the Partnership and implementing the Partnership objective and strategy.

Mr. Sonenshine has more than 20 years of professional experience in investment management, and is a specialist in the credit and fixed income markets. Prior to founding MarkitLend Investment Advisors Mr. Sonenshine founded Symfonie Capital, which launched a US Consumer Finance Fund and a Peer to Peer Investment Platform. Prior to that he was an investment principal for MT Thaler Investment Management, where he where he was responsible for investments in credit and fixed income. In co-operation with Ceska Sporitelna, the Czech investment management subsidiary of the Erste Bank Group, Mr. Sonenshine developed the ISCS High Yield Fund, which has a successful track record. He also was CEO and Head of Research at MT Thaler Investment Management, LLP. Mr. Sonenshine was also for selecting credit investments for the MT Thaler New Europe Fund, which also had a history of successful investing in credit instruments. Prior to founding MT Thaler Mr. Sonenshine was a senior investment analyst at Credit Suisse First Boston from 2000 to 2003, where he was Vice-President of European High Yield Research. Prior to joining CSFB he spent six years in the ING Group. From 1994 to 1996 he was a senior analyst covering Russian and Central European equities. From 1996 to 1998 he was General Investment Advisor of ING Investment

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Management, Czech Republic. From 1998 to 2000 he was a senior analyst specializing in European High Yield bonds. Mr. Sonenshine's career in Emerging Europe began in 1992, when he served as an Investment Advisor to Evrobanka under the auspices of the MBA Enterprise Corps. Upon completing his assignment at Evrobanka, Mr. Sonenshine followed Central and East European equity markets for Chicago-based Driehaus Capital Management. Mr. Sonenshine earned his CFA designation in 1999. He holds an MBA from the William E. Simon Graduate School of Business Administration at the University of Rochester and a B.A. in History from Tufts University.

Mr. Fernando Sanchez, Chief Executive Officer of MarkitLend Investment Advisors LLC is an Investment Principal at the Investment Advisor and will exercise oversight over the Partnership.

Mr. Sanchez is a seasoned business executive and professional investor with more than 30 years of experience. Prior to founding MarkitLend Mr. Sanchez developed Software for MarketPlace Lending, which uses a sophisticated set of algorithms to select consumer loans from peer to peer platforms. Mr. Sanchez's algorithm and software have produced consistent returns over the last several years of more than 8% per annum. Apple iPhone users with a Lending Club account can download the application and have their accounts professionally managed.

Mr. Sanchez began his career in the mobile telephony industry in the 1980s, rising to the CFO position at Racal Telecommunications and being a member of the management team that took Racal Telecom public. Mr; Sanchez went on to become CEO of Milgo Credit Corporation a Racal company, where he managed a captive high technology device leasing operation comparable to GE Capital. In the 1990s Mr. Sanchez developed a career in the healthcare industry. In the course of his career Mr. Sanchez's led divisions of international companies and was responsible at times for a portfolio of real estate worth \$2.2 bn and a credit leasing portfolio of \$300 mn. He restructured operations at plants in Latin America, Asia and Europe. He was a senior executive at Johnson & Johnson and its subsidiary, Cordis. He went on to Medtronic, where he led the Vascular Group and was responsible for rationalising the company's global operations. Finally he was CEO of Body Media, where he led the company to a six-fold increase in sales.

Mr. Sanchez was born in Cuba and emigrated to the United States at an early age. He is a naturalized US citizen (1975). He has a B.A. from the University of Miami and an MBA from the University of Michigan.

Investment Advisory Agreement

The Partnership appointed MarkitLend Investment Advisors, LLC as Investment Advisor pursuant to an agreement dated 15 January 2017 (the "Investment Advisory Agreement"). Under the Investment Advisory Agreement, the Investment Advisor is entitled to receive a Management Fee (defined below). The Investment Advisory Agreement will continue in force until terminated.

The Investment Advisory Agreement provides that neither the Investment Advisor nor its directors, shareholders, officers, employees and affiliates (each an "Indemnified Party") shall be liable to the Partnership, nor to the Investors in the Partnership for any loss suffered by them in connection with the performance by the Investment Advisor of its obligations except those resulting from the willful default, fraud or gross negligence of the Investment Advisor. The Partnership has agreed to indemnify each Indemnified Party from and against any and all losses, liabilities, damages, expenses or costs suffered, incurred or sustained by such Indemnified Party, except those resulting from such Indemnified Party's willful default, fraud or gross negligence.

USE OF PROCEEDS

The proceeds from the sale of Interests in the Partnership will be available for the investment program of the Partnership, after the payment of the Partnership's expenses, including organizational and offering expenses.

MANAGEMENT FEES

The Partnership will pay to the Investment Advisor a monthly management fee, payable in arrears (the "Management Fee"), equal to approximately $\frac{1}{12}$ of 1.0% (one twelfth or one and one half percent) of each Limited Partner's capital account as of the last Business Day of each month. The capital account of the General Partner will not be debited for Management Fee. The General Partner may, in its sole and absolute discretion, elect to reduce, waive or calculate differently the Management Fee with respect to any Limited Partner, including, without limitation, Limited Partners that are affiliates or employees of the General Partner or the Investment Advisor, members of the immediate families of such persons, and trusts or other entities for their benefit.

FUND ADMINISTRATION EXPENSES

The Partnership will pay to the General Partner a monthly fund administration fee, payable in arrears (the "Administration Fee"), equal to approximately $\frac{1}{12}$ of 1.0% (one twelfth or one percent) of each Limited Partner's capital account as of the last Business Day of each month. The capital account of the General Partner will not be debited for Management Fee. The General Partner may, in its sole and absolute discretion, elect to reduce, waive or calculate differently the Administration Fee with respect to any Limited Partner, including, without limitation, Limited Partners that are affiliates or employees of the General Partner or the Investment Advisor, members of the immediate families of such persons, and trusts or other entities for their benefit. The General Partner may, in its sole and absolute discretion, lower the Administration Fee for any period of time.

ALLOCATION OF GAINS AND LOSSES

At the end of each accounting period¹ of the Partnership, any net income, net capital appreciation² or net capital depreciation³ will be allocated to all Partners (including the General Partner) in proportion to each such Partner's opening capital account balance for such period.

CERTAIN RISK FACTORS

The following list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in the Partnership. Prospective investors should read this entire Confidential Memorandum and consult with their own legal, tax and financial advisers before deciding to invest in the Partnership. No assurance can be made that profits will be achieved or that substantial losses will not be incurred.

An Investment in the Partnership Involves a High Degree of Risk, Including the Risk that the Entire Amount Invested May be Lost

The Partnership will invest in financial instruments using a variety of strategies and investment techniques with significant risk characteristics, including the risks arising from the volatility of the equity, fixed-income and currency markets, the risks of borrowings and short sales, the risks arising from leverage associated with hedging currency exposure and the risk of loss from counterparty defaults.

No guarantee or representation is made that the investment program will be successful or that the Partnership's returns will exhibit low correlation with an investor's traditional securities portfolio.

Investment in the Partnership is considered suitable only for sophisticated investors with the knowledge, willingness, experience necessary to undertake such an investment and accordingly to bear the risks associated. Investment in the Partnership should not be considered a complete investment program and investors are strongly advised to consider an investment in the

¹ An "accounting period" refers to the following periods: the initial accounting period will begin upon the initial opening of the Partnership. Each subsequent accounting period will begin immediately after the close of the preceding accounting period. Each accounting period will close at the close of business on the first to occur of (i) the last Business Day of each month (and the next Accounting Period shall begin only after giving effect to withdrawals and to contributions made on the immediately following Business Day), (ii) the date immediately prior to the effective date of the admission of a new Partner, (iii) the date immediately prior to the effective date of an increase in a Partner's capital account as a result of an additional capital contribution, (iv) a Withdrawal Date, (v) the date when the Partnership dissolves or (vi) any date the General Partner determines, in its sole and absolute discretion.

A "Business Day" shall be any day on which banks are open for normal banking business in New York.

² "Net capital appreciation" means the increase in the value of the Partnership's net assets, including unrealized gains, from the beginning of each accounting period to the end of such accounting period (before payment of the Management Fee and giving effect to withdrawals).

³ "Net capital depreciation" means the decrease in the value of the Partnership's net assets, including unrealized losses, from the beginning of each accounting period to the end of such accounting period (before payment of the Management Fee and giving effect to withdrawals).

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Partnership in the context of their overall portfolio objectives, liquidity requirements and risk tolerance.

Prospective investors should consider the following additional factors, which should in no way be construed so as to be a complete presentation of all risk factors, in determining whether an investment in the Partnership is a suitable investment:

Availability of Investment Strategies

The success of the Partnership's investment activities will depend on the Investment Advisor's ability to identify investment opportunities as well as to assess the import of news and events that may affect the financial markets. Identification and exploitation of the investment strategies to be pursued involves a high degree of uncertainty. No assurance can be given that the Investment Advisor will be able to locate suitable investment opportunities in which to deploy all of the Partnership's assets.

Limited Liquidity

An investment in the Partnership is suitable only for sophisticated investors who have no need for immediate liquidity. An investment in the Partnership is not freely transferable. The investments the Partnership makes might not be liquid. Also, Limited Partners are generally expected to remain invested in the Partnership for a period of years. To the extent they may withdraw the Partnership, withdrawals are subject to various terms and conditions that include notice periods in excess of 60 (sixty) days, fees payable for early withdrawal and the ability of the General Partner in its sole and absolute discretion to limit or otherwise restrict capital withdrawals. For further information investors are referred to "Outline of Partnership Agreement – Withdrawals of Capital")

Investments in Undervalued Assets

The Partnership may seek to invest in undervalued assets. The identification of investment opportunities in undervalued securities is a difficult task, and there are no assurances that such opportunities will be successfully recognized or acquired. While investments in undervalued securities offer the opportunity for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from the Partnership's investments may not adequately compensate for the business and financial risks assumed.

Investments in Loans and Pools of Loans

The Partnership will invest in loans and pools of loans. Risks associated with those investments include limited liquidity and loss of principal resulting from failure on the part of borrowers to repay principal and make timely payments. If the level of losses exceeds the interest earned from performing loans the Partnership is likely to incur losses in the absence of profitable investment made apart from the loans.

Investments in Borrower Dependent Notes

The Partnership will invest a substantial portion of its assets in loans originated by loan origination companies. The Partnership does not hold title to those loans directly. Instead, the Partnership owns Borrower Dependent Notes that are subject to timely payments of principal and interest by the underlying Borrowers. The Partnership will therefore be subject to credit, liquidity, interest rate and business risks. Evaluating credit risk for consumer loans involves uncertainty because consumer loan originators and credit rating agencies in the credit industry have different standards, making comparison across originators difficult. Many loan originators have limited experience gathering and verifying borrower data, managing credit and implementing credit scoring policies and procedures. Loan originators might not verify the full suite of data borrowers provide on their applications. They may rely instead on spot checks to ascertain the overall quality of the data they gather, with the assumption that they have gathered a representative sample that indicates the validity of the overall set of data. Statistical analysis, however, are prone to error. Loan originators may underestimate default and loan loss rates and therefore assign borrowers to the wrong risk categories. Alternatively, the reality may differ than what credit models predict. This can occur because the models were not calibrated well, or because economic conditions worsened after the loans were issued. The Partnership may suffer losses because or otherwise be unable to meet its return objectives because the loan losses will offset or exceed the gains from payments of interest.

Required Holding Period for Loans

Due to the nature of loans the Partnership may be required to maintain its investment in the loans for a substantial period of time before realising their anticipated value. During this period, a portion of the Partnership's capital would be committed to the loans purchased, thus possibly preventing the Partnership from investing in other opportunities. In addition, the Partnership may not be able to sell, liquidate or otherwise dispose of the loans and therefore not be able to meet requests by Partners for withdrawals of capital.

Non-Recourse Loans

Loan originators substantially limit the recourse lenders have to borrowers in case of loan default. For reasons associated with security and identity protection, most loan originators providers do not reveal the actual identity of the borrowers to the lenders. Policies of loan originators with respect to non-performing borrowers vary and are subject to change. In some instances when borrowers fail to repay timely originators may attempt to restructure the loan in hopes it will perform. In other instances the loan originators will sell, assign or transfer bad loans once they believe the costs of pursuing recovery outweigh the potential benefits of recovery. Investors in originated loans have little or no redress in case of defaults and are likely to see limited or zero recovery of capital.

Investments in Fixed Income Securities

The Partnership may invest in bonds or other fixed income securities, including, without limitation, commercial paper and "higher yielding" (including non-investment grade) (and, therefore, higher risk) debt securities. The Partnership will therefore be subject to credit, liquidity and interest rate risks. Higher-yielding debt securities are generally unsecured and may be subordinated to certain other outstanding securities and obligations of the issuer, which may be secured on substantially all of the issuer's assets. The lower rating of debt obligations in the higher-yielding sector reflects a greater probability that adverse changes in the financial condition of the issuer or in general economic conditions or both may impair the ability of the issuer to make payments of principal and interest. Non-investment grade debt securities may not be protected by financial covenants or limitations on additional indebtedness. In addition, evaluating credit risk for debt securities involves uncertainty because credit rating agencies throughout the world have different standards, making comparison across countries difficult. Also, the market for credit spreads is often inefficient and illiquid, making it difficult to accurately calculate discounting spreads for valuing financial instruments. It is likely that a major economic recession could disrupt severely the market for such securities and may have an adverse impact on the value of such securities. In addition, it is likely that any such economic downturn could adversely affect the ability of the issuers of such securities to repay principal and pay interest thereon and increase the incidence of default for such securities.

Investments in Illiquid Instruments

Consumer loans in addition to bonds that the Partnership invests in, may not be fully liquid. It may be difficult for the Partnership to realise the full value or any part thereof by selling the investments. At certain times during periods of general market volatility and illiquidity the realisable value of the Partnership's investments could be negatively impacted should the Partnership sell assets. Because of the absence of any trading market for these investments, it may take longer to liquidate, or it may not be possible to liquidate investments prior to their stated maturity.

Concentration of Investments

Although it is the policy of the Partnership to diversify the investment portfolio, there may be times when the Partnership holds relatively few investments. There is no quantified restriction on the amount of the portfolio that may be invested in any single security or any single class of securities. There is no restriction on the amount of the portfolio that may be invested via any single loan originator. There is no restriction on the amount of the portfolio that may be invested or held on deposit at any single bank or broker. If the Partnership holds relatively large positions in a particular security or group of securities that Partnership may suffer large losses or report relatively large declines in the value of its investments if the value of any particular security or any particular group of securities is adversely impacted for any reason.

Vulnerability of Credit Markets to Economic Downturn

It is likely that a major economic recession could disrupt severely the market for such securities and may have an adverse impact on the value of such securities. In addition, it is likely that any such economic downturn could adversely affect the ability of the issuers of such securities to repay principal and pay interest thereon and increase the incidence of default for such securities.

Highly Volatile Markets

The prices of financial instruments in which the Partnership may invest can be highly volatile. The Partnership is subject to the risk of failure of any of the exchanges on which its positions trade or of its clearinghouses, in addition to the risk of failure of the loan originators.

Limited Operating Experience Among Consumer Loan Originators

Consumer loan originators have limited experience gathering and maintaining client data. Lack of data, poor or inaccurate data can compromise the quality of credit scoring models and can also hinder efforts to recover loan losses. There have been publicised instances where lenders via loan originators websites suffered significant losses due to higher than anticipated levels of borrower defaults. There have also been instances where loan originators were forced to suspend or cease operations due to regulatory and legal challenges.

Corporate Governance of Loan Originators

Corporate governance, rules, policies and procedures among loan originators vary widely and are subject to change. Although a loan originators may present itself and its operating policies as following a set of procedures that appear to be fair and reasonable with respect to lenders and borrowers, there can be no assurance that in practice any particular loan originators will actually follow those rules or alter its behaviour in a way that adversely impacts the value of the Partnership's investments made via that provider.

Financial Performance of Loan Originators

Loan originators act as intermediaries between borrowers and lenders. If, for any reason, any particular loan originator provider fails to perform on its financial obligations to lenders the value of the Partnership's investments that are subject to that loan originator's performance could be negatively impacted and the Partnership could suffer financial losses.

General Risk of New Markets and New Types of Securities

Investment in new types of market securities involves a greater degree of risk than investment in securities that have already become common practice in financial markets. Among other things, investments in new types of market securities may carry the risks of less publicly available information, more volatile markets, less strict securities market regulation,, and less favorable tax provisions.

Markets in new types of securities are generally are not as efficient as those in cases where the securities have become common practice in financial markets. In some cases, a market for the security may not exist locally. Volume and liquidity levels are typically lower with respect to new types of securities than with respect to widely used securities. When seeking to sell new type of market securities, little or no market may exist for the securities. In addition, there risks of fraud or other deceptive practices may be higher for new types of securities than for commonly traded securities. Furthermore, the quality and reliability of data published about new types of securities may not accurately reflect the actual circumstances being reported.

Exchange Rate Fluctuations and Currency Considerations

While the Partnership will operate in US dollars, and its assets will be denominated in US Dollars, global currency markets may impact the overall health of the US economy and the ability of borrowers to repay.

Limited Operating History

The Partnership, the General Partner and the Investment Advisor have a limited operating history pursuing the current strategy upon which prospective investors may base an evaluation of the likely performance of the Partnership. While the Investment Principal responsible for implementing the strategy has a long history and experience investing in credit instruments such as corporate bonds, the consumer loan and private debt investment opportunity is only a recent innovation in financial markets and accordingly there may be risks that the Investment Advisor is not aware of or might not have considered. The past performance of the MarkitLend Investment Advisors and its Principals may not be indicative of the future performance of the Partnership.

Business Dependent Upon Key Individuals

The success of the Partnership depends upon the ability of the Investment Principals to develop and implement investment strategies that achieve the Partnership's objective. If the Principals were to become unable to participate in the management of the Partnership, the consequence to the Partnership would be material and adverse and could lead to the premature termination of the Partnership.

Limited Regulatory Oversight

While the Partnership may be considered similar to an investment company, the Partnership is not required and has no intention to register with the U.S. Securities and Exchange Commission

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(SEC) as such under the Investment Company Act of 1940, as amended (the "1940 Act"). Accordingly, the provisions of the 1940 Act (which require, among other things, investment companies to have a majority of disinterested directors, that securities be held in custody and be individually segregated from the securities of any other person and marked to clearly identify such securities as the property of such investment company) are not applicable to investors in the Partnership.

The Investment Manager has registered the Partnership with the SEC as a private equity partnership. Accordingly, the SEC may enquire about the affairs of the partnership and the Investment Managers conduct of the Partnership's business affairs and investment activity.

Additionally, pursuant to exemptions available under rules of the CFTC neither of the General Partner, nor the Investment Advisor is registered with the CFTC as a commodity pool operator or commodity trading Investment Advisor.

The General Partner relies on an exemption from registration with the Commodity Futures Trading Commission ("CFTC") as a Commodity Pool Operator ("CPO") pursuant to CFTC rule 4.13(A)(3). Therefore, unlike a registered CPO, the General Partner is not required to deliver a CFTC disclosure document to prospective Limited Partners, nor is it required to provide limited partners with certified annual reports that satisfy the requirements of CFTC rules applicable to registered CPOS.

The Partnership qualifies for the exemption under CFTC rule 4.13(A)(3) on the basis that, among other things (i) each Limited Partner is an "Accredited Investor" as defined under Securities and Exchange Commission rules; (ii) interests in the Partnership are exempt from registration under the Securities Act of 1933 and are offered and sold without marketing to the public in the United States and (iii) at all times either (a) the Partnership's interest in the aggregate initial margin and premiums required to establish commodity interest positions will not exceed five percent of the liquidation value of the Partnership's portfolio; or (b) the aggregate net notional value of the Partnership's interest in the commodity interest positions will not exceed one hundred percent of the liquidation value of the Partnership's portfolio.

Risks Relating to Taxation

An investment in the Partnership involves complex tax risks and considerations. For example, certain conflicts of interest may exist due to different tax considerations applicable to the Partnership and the various jurisdiction in which the Partnership invests. Prospective investors are urged to consult their own tax investment advisors regarding the possible U.S. federal, state, local and non-U.S. tax risks and consequences of an investment in the Partnership. See "Tax Aspects."

Where the Partnership invests in securities that are not subject to withholding tax at the time of the acquisition, there can be no assurance that tax may not be withheld in the future as a result of any change in applicable laws, treaties, rules or regulations or the interpretation thereof.

An investment in the Partnership may generate "phantom income" (i.e., items of taxable income as determined for U.S. federal income tax purposes, in the advance of the receipt of cash

payments associated with such income). Thus, the tax liability of investors in the Partnership for any profits of the Partnership may exceed any distributions received from the Partnership.

For individuals, estates and trusts, certain miscellaneous itemized deductions are deductible for U.S. federal income tax purposes only to the extent that they exceed two percent (2%) of the adjusted gross income of the taxpayer (i.e., Section 212 expenses). The Management Fee, operating expenses, amortized organizational expenses, and other items of expense incurred by or allocable to the Partnership likely will constitute miscellaneous itemized deductions for these purposes. Accordingly, Limited Partners that are U.S. individuals, estates or trusts may be subject to substantial deductibility limitations for U.S. federal income tax purposes in respect of such items.

Payment of Withdrawal Proceeds to Limited Partners Based on Unaudited Data

Calculation and payment of a Limited Partner's withdrawal proceeds will generally be based on estimated and unaudited data. Accordingly, adjustments and revisions may be made to the capital accounts of the Partners following the year-end audit of the Partnership. The General Partner has the discretion to decide whether to pay a withdrawing Limited Partner the whole balance of its capital account prior to the year-end audit of the Partnership, in which case such adjustments and revisions to the Partners' capital accounts may either increase or decrease the capital accounts of Partners, which will affect the holders of Interests at the time that such adjustment or revision is made.

Restriction on Auditors' Liability

The laws of certain jurisdictions do not restrict the ability of auditors to limit their liability and consequently the engagement letter entered into with the auditors may contain such a provision as well as contain provisions indemnifying the auditors in certain circumstances.

No Participation in Management

The management of the Partnership's operations is and will be vested solely in the General Partner. Limited Partners will have no right to take part in the conduct or control of the Partnership.

Lack of separate representation

The Partnership Agreement, Subscription Agreement and this Information Memorandum were prepared by the General Partner. Legal counsel, accountants and other who have performed and will perform services to the Partnership have been and will be selected by the General Partner.

Liability of Limited Partners

The liability of Limited Partners is limited to the amount of the capital they have invested. The General Partner is responsible for the Partnership's debts. However, a Limited Partner that receives a capital distribution may be liable to the Partnership for an amount equal to that distribution if, at the time of such distribution, the Limited Partner knew that the Partnership was prohibited from make such distribution under Delaware Law.

Limitation of General Partner's Liability and Indemnification of the General Partner

Under Delaware law a general partner is accountable to the limited partners as a fiduciary and is required to exercise good faith in the handling the Partnership's affairs. The Limited Partnership Agreement provides that neither the General Partner nor its directors, shareholders, officers, employees and affiliates (each an "Indemnified Party") shall be liable to the Partnership, nor to the Investors in the Partnership for any loss suffered by them in connection with the performance by the General Partner of its obligations except those resulting from the willful default, fraud or gross negligence of the General Partner. The Partnership has agreed to indemnify each Indemnified Party from and against any and all losses, liabilities, damages, expenses or costs suffered, incurred or sustained by such Indemnified Party, except those resulting from such Indemnified Party's willful default, fraud or gross negligence.

Terrorist Action

There is a risk of terrorist attacks causing significant loss of life and property damage and disruptions in global markets. Economic and diplomatic sanctions may be in place or imposed on certain states and military action may be commenced. The impact of such events is unclear, but could have a material effect on general economic conditions and market liquidity.

* * *

The foregoing list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in the Partnership. Prospective investors should read this entire Confidential Memorandum and consult with their own legal, tax and financial advisers before deciding to invest in the Partnership. No assurance can be made that profits will be achieved or that substantial losses will not be incurred.

OTHER ACTIVITIES OF MANAGEMENT; POTENTIAL CONFLICTS OF INTEREST

The Partnership is subject to a number of actual and potential conflicts of interest. Certain inherent conflicts of interest arise from the fact that the General Partner, the Investment Advisor and their respective affiliates (including, without limitation, the Investment Advisor) will provide management and investment management services to the Partnership, and may, in the future, carry on investment activities for other clients, including, without limitation, other investment partnerships, client accounts and proprietary accounts in which the Partnership will have no interest (collectively, "Other Accounts") and whose respective investment programs may or may not be substantially similar. The portfolio strategies employed for such Other Accounts could conflict with the transactions and strategies employed in managing the Partnership's portfolio and affect the prices and availability of the securities and instruments in which the Partnership invests. Conversely, participation in specific investment opportunities may be appropriate, at times, for both the Partnership and the Other Accounts. In such case, participation in such opportunities will be allocated on an equitable basis, taking into account such factors as the relative amounts of capital available for new investments, relative exposure to short-term market trends, and the respective investment programs and portfolio positions of the Partnership and the Other Accounts. Such considerations may result in allocations of certain investments among the Partnership and Other Accounts on other than a pari passu basis.

The General Partner and the Investment Advisor and their members, officers and employees will devote as much of their time to the activities of the Partnership and the Partnership as they deem necessary and appropriate. The Investment Advisor and its affiliates are not restricted from forming additional investment funds, from entering into other investment management relationships or from engaging in other business activities, even though such activities may be in competition with the Partnership and/or may involve substantial time and resources of the Investment Advisor and its affiliates.

Subject to internal compliance policies and approval procedures, members, officers and employees of the Investment Advisor may engage, from time to time, in personal trading of securities and other instruments, including securities and instruments in which the Partnership may invest.

The General Partner, the Investment Advisor and the Accountant may also from time to time provide services to or be otherwise involved with other investment programs established by parties other than the Partnership which may have similar objectives to those of the Partnership. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interest with the Partnership. However, the General Partner, the Investment Advisor and the Accountant will, at all times, pay regard to its obligation to act in the best interests of the Partnership and the General Partner will use its best efforts to ensure that all such potential conflicts of interest are resolved fairly and in the interests of the Limited Partners. In addition, subject to applicable law, any of the service providers to the Partnership (including the General Partner and the Investment Advisor) may deal, as principal or agent, with the Partnership or the Partnership, provided that such dealings are on normal commercial terms negotiated on an arm's length basis.

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It should also be noted that some of the managers and employees of the General Partner may also be managers or employees of the Investment Advisor.

From time to time, brokers may assist the Partnership in raising additional funds from investors. In addition, from time to time, an investor may request that the Investment Advisor direct brokerage to a broker affiliated with an adviser to the investor who had recommended that the investor invest in the Partnership. Subject to its obligation to seek best execution, the Investment Advisor may consider referrals of investors to the Partnership, and requests by investors to direct brokerage, in determining its selection of brokers. However, the Investment Advisor will not commit to an investor or broker to allocate a particular amount of brokerage in any such situation.

The above is not necessarily a comprehensive list of all potential conflicts of interest.

FUND ADMINISTRATION

The General Partner is responsible for the fund administration, accounting and investor reporting functions and the costs thereof. The General Partner may engage its affiliates as well as independent third party firms to perform certain financial, accounting, corporate, administrative and other services, including, but not limited to, calculation of the NAV of the Partnership, the value of each Partner's capital account, the allocation of gains and losses to each Partner's account, maintenance of the books and records of the Partnership, maintenance of the register Partners of the Partnership and preparation of schedule K-1 reports to Limited Partners detailing the gains and losses allocated to Limited Partners during the course of each accounting year.

Legal recourse to third party firms the General Partner engages may be limited. In particular, third parties the General Partner engages may only provide services on the basis that they shall not be liable to for any damages to the Partnership or to any individual Partner except for damages finally determined by a court of competent jurisdiction to have resulted directly from their wilful misconduct, negligence or bad faith. The Partnership, the General Partner and the Investment Advisor may agreed to indemnify and hold harmless third parties from claims, liabilities, costs and expenses arising from or relating to their services except to the extent finally determined by a court of competent jurisdiction to have resulted from their wilful misconduct, negligence or bad faith.

FISCAL YEAR

The Partnership's fiscal year ends on December 31 of each calendar year.

OUTLINE OF PARTNERSHIP AGREEMENT

The following outline summarizes the material provisions of the Limited Partnership Agreement of the Partnership (the "Partnership Agreement") which are not discussed elsewhere in this Confidential Memorandum. This outline is only a summary and is not definitive, and each prospective Limited Partner should carefully read the Partnership Agreement in its entirety.

Limited Liability

A Limited Partner (or former Limited Partner) will be liable for the debts and obligations of the Partnership to the extent of such Partner's interest in the Partnership in the fiscal year (or a portion thereof) to which such debts and obligations are attributable. In order to meet a particular debt or obligation, a Limited Partner or former Limited Partner may be required to make additional contributions or payments up to, but in no event in excess of, the aggregate amount of capital and other amounts actually received by such Limited Partner from the Partnership during or after the fiscal year to which such debt or obligation is attributable.

Term

The Partnership will terminate on the earlier of (i) a determination by the General Partner that the Partnership should be dissolved or (ii) the insolvency, bankruptcy, dissolution or termination of

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the General Partner. Upon a determination by the General Partner to dissolve the Partnership, withdrawal requests and distributions in respect thereof will be made.

Capital Accounts

Each Partner will have a capital account established on the books of the Partnership that will be credited with its capital contributions. A partnership percentage will be determined for each Partner for each accounting period, by dividing its capital account as of the beginning of such accounting period by the aggregate capital accounts of all Partners as of the beginning of such accounting period (such Partner's "Partnership Percentage").

At the beginning of each accounting period of the Partnership, the capital account of each Partner will be (i) increased by the amount of any capital contributions made by such Partner and (ii) decreased by the amount of any withdrawals made by such Partner as of the applicable Withdrawal Date and any distributions made to such Partner. At the end of each accounting period of the Partnership, the capital account of each Partner will be increased by its share of any net income and capital appreciation, or decreased by its share of any net loss and capital depreciation, for such period. At the end of each month, the capital account of each Limited Partner will be decreased by the amount of the Management Fee paid in respect of such Limited Partner's capital account for such month.

Management

The management of the Partnership will be vested exclusively in the General Partner. Except as authorised by the General Partner, the Limited Partners will have no part in the management of the Partnership and will have no authority or right to act on behalf of the Partnership in connection with any matter. The General Partner, any of its affiliates (including, without limitation, the Investment Advisor and their respective members, directors, shareholders, partners, officers and employees (collectively, excluding the General Partner, "Affiliates")) may engage directly or indirectly in any other business venture, and no Limited Partner will have any right in or to such ventures or the income or profits derived therefrom.

Withdrawals of Capital

Each Limited Partner has the right to withdraw all or portion of its capital account, subject to any and all restrictions, terms and conditions governing the Class of Partnership Interest in which the Limited Partner's capital is invested.

In case of any conflict between Terms and Conditions of the Partnership Agreement generally governing withdrawals of capital and Terms and Conditions specifically relating any Class of Partnership Interest, the Terms and Conditions specifically relating to that Class of Partnership Interest shall prevail.

In case of any ambiguity or dispute as to the applicability of any Term and Condition of the Partnership Agreement governing the rights of Limited Partners to withdraw from the Partnership, or any ambiguity or dispute regarding the procedure to be followed when Partner exercises its right to withdraw from the Partnership, all authority is vested in the General Partner,

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in its sole and absolute discretion, to make a determination and the General Partner's determination shall be final and absolute.

When a Limited Partner is invested in more than one Class of Partnership Interests the terms and conditions governing the Limited Partner's withdrawal shall be those terms and conditions specifically governing the Class of Partnership Interests in which the capital to be withdrawn. Therefore, in respect of all capital withdrawal requests Limited Partners must specify which Class of Partnership Interests the capital to be withdrawn relates to.

Each date on which a withdrawal is permitted is referred to as a "Withdrawal Date." Unless the General Partner specifies otherwise, any Partner wishing to withdraw must provide at notice at least 60 (sixty) days in advance of the Investor's desired Withdrawal Date.

Payment of Withdrawal Proceeds

Withdrawals shall be deemed effective immediately following the applicable Withdrawal Date. Payment of withdrawal proceeds generally will be made as soon as possible, but in any event not later than 30 (thirty) days after the Withdrawal Date; *provided, however*, that the General Partner reserves the right to retain up to 10% (ten percent) of the withdrawal proceeds (a "Hold-back") which will be paid to the withdrawing Limited Partner after confirmation to the satisfaction of the General Partner as to the value of the Partnership Interests at the time Withdrawal date and completion of the audit of the Partnership for the year in which such Withdrawal Date falls. The Partnership will not be obliged to pay interest with respect to the hold-back and the Partnership management fees and expenses will accrue in respect of the hold-back until such time as it is paid to the withdrawing partner.

Limitations on Withdrawals

The right of any withdrawing Partner or its legal representatives to receive amounts withdrawn is subject to the provision by the General Partner for all Partnership liabilities in accordance with Delaware law and for reserves and holdbacks for estimated accrued expenses, liabilities and contingencies (even if such reserves or holdbacks are not in accordance with U.S. generally accepted accounting principles).

The General Partner may, in its sole and absolute discretion, at any time and for any reason, treat any withdrawal request as being subject to and limited to the withdrawing Partner's pro-rata share of realised net income and principal repayments to date (net of reinvestments thereof), with satisfaction of the withdrawal being subject to receipt by the Partnership of repayments of principal and net income from Partnership investments.

The General Partner may establish reserves and holdbacks for estimated accrued expenses, liabilities and contingencies (even if such reserves or holdbacks are not otherwise required by U.S. generally accepted accounting principles) which could reduce the amount of a distribution upon withdrawal.

If capital withdrawal requests are received for any Withdrawal Date, when aggregated with any requests to withdraw/redeem for more than 5% of the net asset value of the Partnership as of such date, the General Partner may, in its sole discretion, (i) satisfy all such withdrawal requests or (ii) reduce all withdrawal requests *pro rata* in accordance with the withdrawing Partners'

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capital accounts so that only 10% (or more, at the sole discretion of the General Partner) of the net asset value of the Partnership as of the Withdrawal Date is withdrawn. Additionally, the General Partner may, in its sole and absolute discretion, limit withdrawal requests to such levels as monthly receipts or principal and interest in respect of the Partnership's investments are received by the Partnership.

A withdrawal request that is not satisfied because of restrictions imposed by the General Partner, as described above, will be deemed to be made as of the next Withdrawal Date in priority to withdrawal requests received in subsequent months (but not compulsory withdrawals), unless withdrawn and will be subject to the same restrictions. Until the Withdrawal Date as of which a withdrawal becomes effective, the Interests of the withdrawing Partner will remain at risk of the Partnership's performance.

The General Partner may suspend withdrawal rights, in whole or in part, (i) during any period in which any stock exchange on which a substantial portion of the Partnership's or the Partnership's investments are quoted is closed, other than for ordinary holidays and weekends, or during periods in which dealings in such stock exchange are restricted or suspended; (ii) during any period in which, in the sole and absolute opinion of the General Partner or the Partnership Directors (as the case may be), disposal of a substantial portion of investments by the Partnership or the Partnership would not be reasonable or practical; (iii) during any breakdown in the means of communication normally employed in determining the price or value of any Partnership or Partnership investment or current prices in any securities market, or when for any other reason the prices or values of any investments owned by the Partnership or Partnership cannot be reasonably or promptly ascertained; (iv) during any period in which the transfer of funds involved in the realization or acquisition of any investments by the Partnership or the Partnership cannot be effected at normal rates of exchange; (v) when there exists in the opinion of the General Partner or the Partnership Directors a state of affairs where disposal of the Partnership's or the Partnership's assets, or the determination of the net asset value of the capital accounts or of the Partnership (in either case, as applicable), would not be reasonably practicable or would be seriously prejudicial to the non-withdrawing Limited Partners; and (vi) for any period during which the withdrawal of capital would cause a breach or default under any covenant in any agreement entered into by the Partnership or the Partnership for borrowing for cash management purposes.

In addition, the General Partner, by written notice to any Limited Partner, may suspend the withdrawal rights of such Limited Partner (including, without limitation, payment of withdrawal proceeds) if the General Partner, in its sole and absolute discretion, deems it necessary to do so to comply with anti-money laundering laws and regulations applicable to the Partnership, the Partnership, the General Partner or any of the Partnership's service providers. (See "Anti-Money Laundering Regulations.")

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A distribution in respect of a withdrawal may be made in cash or in kind, or in a combination thereof, as determined by the General Partner in its sole and absolute discretion.

Suspension of Withdrawal Rights

The General Partner may suspend withdrawal rights, in whole or in part, among other things, during any period in which, in the sole and absolute opinion of the General Partner, disposal of a substantial portion of investments by the Partnership would not be reasonable or practical. In addition, the General Partner, by written notice to any Limited Partner, may suspend the payment of withdrawal proceeds if the General Partner, in its sole and absolute discretion, deems it necessary to do so to comply with anti-money laundering laws and regulations applicable to the Partnership, the Partnership, the General Partner, the Investment Advisor, the Investment Advisor or any of the Partnership's service providers. The General Partner may, in its sole and absolute discretion, by written notice to any Limited Partner, require the withdrawal of such Limited Partner at any time, for any reason or no reason.

Required Withdrawals

The General Partner may, in its sole and absolute discretion, terminate the Interest of any Limited Partner in the Partnership at any time, for any reason or no reason, in the General Partner's sole and absolute discretion, upon at least five Business Days' prior written notice, including if the General Partner determines that such Partner's continued participation in the Partnership would cause the Partnership to fail to qualify for the "private placement" safe harbor from publicly traded partnership status set forth in Treasury Regulations Section 1.7704-1(h). Any Limited Partner receiving such a notice will be treated as a Partner who has given notice of withdrawal.

Withdrawal, Death, Disability, Etc. of a Limited Partner

The withdrawal, death, disability, incapacity, adjudication of incompetency, termination, bankruptcy, insolvency or dissolution of a Limited Partner will not dissolve the Partnership.

In the event of the death, disability, incapacity, adjudication of incompetency, termination, bankruptcy, insolvency or dissolution of a Limited Partner, the interest of such Limited Partner will continue at the risk of the Partnership's business until the last Business Day of the month following 90 days' notice of such event.

The legal representative(s) of a Limited Partner will succeed as assignee(s) to such Limited Partner's interest in the Partnership upon the death, disability, incapacity, adjudication of incompetency, termination, bankruptcy, insolvency or dissolution of such Limited Partner, but will not be admitted as a substitute partner without the consent of the General Partner, which consent may be given or withheld in its sole and absolute discretion.

The Interest of a Limited Partner that has given a notice of withdrawal will not be included in calculating the Partnership Percentages of the Limited Partners required to take any action under the Partnership Agreement. Withdrawal proceeds will be paid to such Limited Partner (or its legal representative) in the manner described above.

Types of Securities in which the Partnership May Invest

Subject to any restrictions or limitations in respect of investments made for the benefit of any specific Class of Partnership Interests, the Partnership Agreement authorises the Partnership to invest, directly or indirectly by investing on margin or otherwise, in securities and other financial instruments of United States and foreign entities, including, without limitation, capital stock; shares of beneficial interest; partnership interests and similar financial instruments; interests in real estate and real estate related assets; bonds, notes and debentures (whether subordinated, convertible or otherwise); currencies; commodities; interest rate, currency, commodity, equity and other derivative products, including, without limitation, (i) futures contracts (and options thereon) relating to stock indices, currencies, United States Government securities and securities of foreign governments, other financial instruments and all other commodities, (ii) swaps, options, warrants, caps, collars, floors and forward rate agreements, (iii) spot and forward currency transactions and (iv) agreements relating to or securing such transactions; mortgage-backed obligations issued or collateralized by U.S. federal agencies (including, without limitation, fixed-rate pass-throughs, adjustable rate mortgages, collateralized mortgage obligations, stripped mortgage-backed securities and REMICs); equipment lease certificates; equipment trust certificates; loans; credit paper; accounts and notes receivable and payable held by trade or other creditors; trade acceptances; contract and other claims; executory contracts; participations; mutual funds; money market funds; obligations of the United States or any state thereof, foreign governments and instrumentalities of any of them; commercial paper; certificates of deposit; bankers' acceptances; choses in action; trust receipts; and any other obligations and instruments or evidences of indebtedness of whatever kind or nature; in each case, of any person, corporation, government or other entity whatsoever, whether or not publicly traded or readily marketable (all such items being called herein a "Security" or "Securities").

Valuation of Assets

The Partnership's assets will be valued by the General Partner as set forth below:

- (A.) Loans will be valued at acquisition cost, less principal repaid. The Partnership is expected to be invested in hundreds of loans. The basis for valuation will usually be the account statement provided by the loan originator that facilitated the loans. In calculating the value and interest accrued on the loan portfolio the Accountant will be entitled to rely on summary data provided by the loan originator or the relevant loan servicing agent as the basis for calculation of accrued interest and realised payments of principal and interest.
- (B.) Loan loss reserves – The General Partner, in its sole and absolute discretion, will determine the amount of a loan loss reserve. The loan loss reserve shall be determined based on the General Partner's reasonable expectations as to the percentage of loans into which the Partnership invests will not be repaid (in full or in part). The amount of loan loss reserve shall be accounted so as to reduce the Partnership's interest income balance sheet accounts. Bad debt recovered shall be taken as income received. The General Partner shall periodically review the actual level of loan losses versus the estimated loan losses and adjust the loan loss reserve accordingly.

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- (C.) Bonds will be valued depending on whether they are classified as being held until maturity or subject to trading and the following valuation rules will apply:
- (i) In the case of bonds classified as held to maturity they will be valued at cost plus accrued interest. The difference between acquisition cost net of accrued interest and maturity value will be amortised or accreted over the remaining life of the bond.
 - (ii) In the case of bonds classified as subject to trading the bond will be valued at its last traded price on the relevant Valuation Day (defined below) or, if no trades occurred on such day, the mean of the bid and offer prices, as at the relevant Valuation Day, and as adjusted in such manner as the General Partner thinks fit, having regard to the size of the holding, and where prices are available on more than one exchange or system for a particular security the price will be the mean of the bid and the offer prices, as the case may be, on the exchange which constitutes the main market for such security or the one which provides the fairest criteria in ascribing a value to such security, as determined in the General Partner's reasonable discretion. In the case that there is no regularly available or reliable price the value will be determined by the
- (D.) any Security which is listed or quoted on any securities exchange or similar electronic system and regularly traded thereon will be valued at its last traded price on the relevant Valuation Day (defined below) or, if no trades occurred on such day, the mean of the bid and offer prices, as at the relevant Valuation Day, and as adjusted in such manner as the General Partner thinks fit, having regard to the size of the holding, and where prices are available on more than one exchange or system for a particular security the price will be the mean of the bid and the offer prices, as the case may be, on the exchange which constitutes the main market for such security or the one which provides the fairest criteria in ascribing a value to such security, as determined in the General Partner's reasonable discretion, with the General Partner acting in good faith having regard to its cost price, the price at which any recent transaction in the security may have been effected, the size of the holding having regard to the total amount of such security in issue, and such other factors as the General Partner in its reasonable discretion deems relevant in considering a positive or negative adjustment to the valuation;
- (E.) any Security not listed or quoted on any securities exchange or similar electronic system or if, being so listed or quoted, is not regularly traded thereon or in respect of which no prices as described above are available, will be valued at its probable realization value as determined by the General Partner in good faith having regard to its cost price, the price at which any recent transaction in the security may have been effected, the size of the holding having regard to the total amount of such security in issue, and such other factors as the General Partner in its reasonable discretion deems relevant in considering a positive or negative adjustment to the valuation;

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- (F.) any Securities which are dealt in or traded through a clearing firm or an exchange or through a financial institution will be valued by reference to the most recent official settlement price quoted by that clearinghouse, exchange or financial institution. If there is no such price, then the average will be taken between the lowest offer price and the highest bid price at the close of business on any market on which such investments are or can be dealt in or traded, provided that where such investments are dealt in or traded on more than one market, the General Partner may determine at its reasonable discretion which market will prevail;
- (G.) Securities which are not dealt in or traded through a clearing firm or an exchange or through a financial institution will be valued on the basis of the latest available valuation provided by the relevant counterparty;
- (H.) deposits will be valued at their cost plus accrued interest;
- (I.) all other assets of the Partnership (except goodwill, which will not be taken into account) will be assigned such value as the General Partner may reasonably determine;
- (J.) any value (whether of an investment or cash) other than in U.S. dollars will be converted into U.S. dollars at the rate (whether official or otherwise) which the General Partner, in its absolute discretion, deems applicable as at close of business on the relevant Valuation Day, having regard, among other things, to any premium or discount which it considers may be relevant and to costs of exchange; and
- (K.) if the General Partner determines that the valuation of any Securities pursuant hereto does not fairly represent market value, it may permit any other method of valuation to be used if it considers that such method of valuation better reflects value and is in accordance with good accounting practice.
- (L.) The Partnership will create and maintain a reserve against losses and asset impairments, such reserve to be determined in a manner the General Partner deems appropriate. The General Partner will periodically specify (usually upon investing in one or more loans, bonds or other Securities, but at least on a monthly basis), the amount by which reserves for losses should be adjusted. The amount of the reserve to be established will depend upon the General Partner's assessment of the anticipated loss rates in connection with that loan or pool of loans. At the end of each calendar quarter the General Partner will review the loss reserve versus the level of actual losses. In sole and absolute discretion of the General Partner the loss reserve may be adjusted to reflect differences between actual losses and the level of loss reserves.

A "Valuation Day" will be the last Business Day of each month, unless otherwise determined by the General Partner. All values assigned to Securities and other assets by the Accountant will be final and conclusive as to all of the Partners.

The General Partner may delegate to the Accountant the valuation of the Partnership's assets, which shall at all times be entitled to rely on the valuations of such Securities made by the General Partner. The valuation guidelines to be used by the General Partner are similar to the valuation guidelines described above however the valuation of certain assets may differ.

Assignability of Interests

Without the prior written consent of the General Partner, which may be given or withheld in its sole and absolute discretion, (i) a Partner may not pledge, assign, hypothecate, sell, exchange or transfer its Interest in the Partnership, in whole or in part and (ii) no pledgee, assignee, purchaser or transferee may be admitted as a substitute Limited Partner.

Admission of New Partners

In the sole and absolute discretion of the General Partner, Partners may be admitted to the Partnership as of the first Business Day of each calendar month, or at such other times as the General Partner, in its sole and absolute discretion, may allow. Each new Partner will be required to execute an agreement pursuant to which it becomes bound by the terms of the Partnership Agreement.

When a new Partner is admitted the Accountant will adjust the percentage of each Partner's interest in the Partnership and in the relevant Class of Partnership Interests.

New Partners are entitled only to their pro rata share of Partnership gains and losses in subsequent periods to date of their admittance to the Partnership.

Amendments to Partnership Agreement

The Partnership Agreement may be modified or amended at any time by the written consent of Limited Partners having in excess of 50% of the Partnership Percentages of the Limited Partners, subject to the written consent of the General Partner. Without the consent of the other Partners, however, the General Partner may amend the Partnership Agreement to: (i) reflect changes validly made in the membership of the Partnership and the capital contributions and Partnership Percentages of the Partners; (ii) change the Incentive Allocation provisions to the extent required to comply with any applicable regulatory requirements; (iii) reflect a change in the name of the Partnership; (iv) make a change that is necessary or, in the opinion of the General Partner, advisable to qualify the Partnership as limited partnership or a partnership in which the Limited Partners have limited liability in all jurisdictions in which the Partnership conducts or plans to conduct business, or to ensure that the Partnership will not be treated as an association taxable as a corporation or a publicly traded partnership taxable as a corporation for U.S. federal income tax purposes; (v) make a change that does not adversely affect the Limited Partners in any material respect; (vi) make a change that is necessary or desirable to cure any ambiguity, or to correct or supplement any provision in the Partnership Agreement that would otherwise be inconsistent with any other provision in the Partnership Agreement, or to otherwise provide for matters or questions arising under the Partnership Agreement so long as such change will not be inconsistent with the provisions of the Partnership Agreement, in each case so long as such change does not adversely affect the Limited Partners in any material respect; (vii) make a change that is necessary or desirable to satisfy any requirements, conditions or guidelines contained in any opinion, directive, order, statute, ruling or regulation of any U.S. federal, state or non-U.S. governmental entity, so long as such change is made in a manner which minimizes any adverse effect on the Limited Partners; (viii) make a change that is required or contemplated by the Partnership Agreement; (ix) make a change in any provision of the Partnership Agreement that requires any action to be taken by or on behalf of the General Partner or the Partnership

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pursuant to applicable Delaware law, if the provisions of applicable Delaware law are amended, modified or revoked so that the taking of such action is no longer required; (x) prevent the Partnership from being deemed in any manner an "investment company" subject to the provisions of the Investment Company Act of 1940, as amended; or (xi) make any other amendments similar to the foregoing. Each Partner, however, must approve of any amendment which would (a) amend its capital account or rights of withdrawal or (b) amend the provisions of the Partnership Agreement relating to amendments.

Reports to Partners

The Partnership's auditors will be selected by the General Partner and will audit the Partnership's books and records as of the end of each fiscal year. The General Partner, in its sole and absolute discretion, may waive selection of an auditor and may decide not to prepare and audit if the General Partner deems it appropriate to not prepare an audit.

Irrespective of whether or not the General Partner commissions an audit, then as soon as practicable, or, at the latest within six months after the end of the fiscal year the General Partner will prepare and mail, or cause the Fund Accountant to prepare and mail, to each Partner an unaudited report of the Partnership's activities during the past year together with unaudited financial statements or audited statements as the case may be.

As soon as practical after the close of each fiscal year, and at latest within six months therefore the General Partner will mail or cause to be mailed to each current and former Partner (or its legal representatives), a report setting forth in sufficient detail such information as will enable such Partner or former Partner (or such Partner's legal representatives) to prepare its U.S. federal income tax return in accordance with the laws, rules and regulations then prevailing.

The General Partner will prepare unaudited quarterly reports to current Partners of the Partnership for the quarter most recent ended, together with a statement of Partnership Interests prepared such report and statement to be distributed within 30 (thirty) days of the close of the respective calendar quarter.

Exculpation

The Partnership Agreement provides that neither the General Partner nor any of its Affiliates will be liable to any Partner for mistakes of judgment or for action or inaction that did not constitute willful default, fraud or gross negligence, or for losses due to such mistakes, action or inaction of any broker or agent of the Partnership, provided that such broker or agent was selected, engaged or retained by the General Partner or any Affiliate in accordance with the standard of care set forth above. Each of the General Partner and its Affiliates may consult with counsel and accountants in respect of the Partnership's affairs and will be fully protected and justified in any action or inaction that is taken in accordance with the advice or opinion of such counsel or accountants, provided that they were selected in accordance with the standard of care set forth above. The foregoing provisions (as well as the indemnification provisions described below), however, will not be construed to relieve the General Partner and any Affiliate of any liability to the extent that such liability may not be waived, modified or limited under applicable law (including liability under U.S. federal securities laws which, under certain circumstances, impose

liability even on persons that act in good faith), but will be construed so as to effectuate the above mentioned provisions to the fullest extent permitted by law.

Indemnification

The Partnership Agreement provides that the Partnership will, to the fullest extent permitted by law, indemnify and hold harmless the General Partner, each Affiliate and the legal representatives of any of them (each, an "Indemnified Party"), from and against any and all liability, damage, loss, cost or expense suffered, incurred or sustained by it, him or her by reason of the fact that it, he or she is or was an Indemnified Party, including, without limitation, any judgment, settlement, reasonable attorneys' fees and other costs or expenses incurred in connection with the defense of any actual or threatened action, suit or proceeding, provided that such liability, damage, loss, cost or expense resulted from a mistake of judgment on the part of an Indemnified Party, or from action or inaction that did not constitute willful default, fraud or gross negligence or for losses due to such mistakes, action or inaction of any broker or agent of an Indemnified Party, provided that such broker or agent was selected, engaged or retained by the Indemnified Party in accordance with the standard of care set forth above. The Partnership Agreement also provides that the Partnership may, in the sole and absolute discretion of the General Partner, advance to any Indemnified Party reasonable attorneys' fees and other costs and expenses incurred in connection with the defense of any action, suit or proceeding which arises out of such conduct. In the event that such an advance is made by the Partnership, the Indemnified Party will agree to reimburse the Partnership to the extent that it is finally determined that it was not entitled to indemnification.

EXPENSES

The General Partner will bear the Partnership's organizational and administrative costs and expenses. The Partnership will bear its own transaction and investment related expenses including, but not limited to, (i) bank charges (ii) brokerage and similar charges (iii) interest charges (iv) currency conversion charges.

In the event the General Partner determines to commission an audit of the Partnership the Partnership shall bear the costs of the audit up to the level of 0.25% of the Partnership assets at the time the audit is performed.

TAX ASPECTS

CIRCULAR 230 NOTICE. THE FOLLOWING NOTICE IS BASED ON U.S. TREASURY REGULATIONS GOVERNING PRACTICE BEFORE THE U.S. INTERNAL REVENUE SERVICE: (1) ANY DISCUSSION OF U.S. FEDERAL TAX ISSUES CONTAINED HEREIN, INCLUDING ANY OPINION OF COUNSEL REFERRED TO HEREIN, IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED BY ANY TAXPAYER, FOR THE PURPOSE OF AVOIDING U.S. FEDERAL TAX PENALTIES THAT MAY BE IMPOSED ON THE TAXPAYER; (2) ANY SUCH DISCUSSION IS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS DESCRIBED HEREIN (OR IN ANY SUCH OPINION OF COUNSEL); AND (3) EACH TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX INVESTMENT ADVISOR.

U.S. Taxation

The following is a summary of certain aspects of the U.S. federal income taxation of the Partnership and investment in the Partnership by Limited Partners who are U.S. Persons. The Partnership has not sought a ruling from the Internal Revenue Service (the "Service") or any other U.S. federal, state or local agency with respect to any of the tax issues affecting the Partnership, nor has it obtained an opinion of counsel with respect to any tax issues.

For purposes of the following summary, a "U.S. Person" is (i) an individual who is a citizen or resident of the United States, (ii) a corporation or other entity treated as a corporation for U.S. federal income tax purposes that is created or organized under the laws of the United States or any state thereof, (iii) an estate, the income of which is subject to U.S. federal income taxation regardless of its source or (iv) a trust (a) the administration over which a U.S. court can exercise primary supervision and all of the substantial decisions of which one or more U.S. persons have the authority to control or (b) that has a valid election in place under the U.S. Treasury Regulations to be treated as a U.S. person for U.S. federal income tax purposes.

In the case of a Limited Partner that is treated as a partnership for U.S. federal income tax purposes, the U.S. federal income tax treatment of a partner therein will generally depend on the status of the partner and upon the activities of the partnership. Partners in partnerships purchasing Interests should consult their own tax advisors.

This summary does not address tax consequences that may apply to tax-exempt investors (i.e., investors that are exempt from U.S. federal income tax under Section 501(a) of the Code) or to non-U.S. investors. Such investors should consult their own tax advisers regarding all aspects and consequences of acquiring, holding and disposing of Interests.

This summary of certain aspects of the U.S. federal income tax treatment of the Partnership is based upon the Internal Revenue Code of 1986, as amended (the "Code"), judicial decisions, Treasury Regulations (the "Regulations") and rulings in existence on the date hereof, all of which are subject to change. This summary does not discuss the impact of various proposals to amend the Code which could change certain of the tax consequences of an investment in the Partnership. This summary also does not discuss all of the tax consequences that may be

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relevant to a particular investor or to certain investors subject to special treatment under the U.S. federal income tax laws, such as banks, dealers in securities, tax-exempt entities and insurance companies. In addition, these summaries do not discuss any aspect of U.S. state, local, or non-U.S. tax law and is written for investors that will hold their Limited Partnership Interests as capital assets within the meaning of Section 1221 of the Code.

EACH PROSPECTIVE LIMITED PARTNER SHOULD CONSULT WITH ITS OWN TAX ADVISER IN ORDER FULLY TO UNDERSTAND THE U.S. FEDERAL, STATE, LOCAL AND NON-U.S. TAX CONSEQUENCES OF AN INVESTMENT IN THE PARTNERSHIP.

Tax Treatment of Partnership Operations and Classification of the Partnership

The Partnership intends to operate as a partnership for U.S. federal income tax purposes that is not a publicly traded partnership taxable as a corporation, provided that the Partnership has, and will have, fewer than 99 partners (taking into account the attribution rules in the Treasury Regulations under Section 7704 of the Code). If it were determined that the Partnership should be taxable as a corporation for U.S. federal income tax purposes (as a result of changes in the Code, the Regulations or judicial interpretations thereof, a material adverse change in facts, or otherwise), the taxable income of the Partnership would be subject to U.S. federal corporate income tax when recognized by the Partnership; distributions of such income, other than in certain redemptions of Interests, would be treated as dividend income when received by the Partners to the extent of the current or accumulated earnings and profits of the Partnership; and Partners would not be entitled to report profits or losses realized by the Partnership.

The Partnership intends to operate as a partnership for U.S. federal income tax purposes and not as an entity taxable as a corporation. Unless otherwise indicated, references in the following discussion to the tax consequences of Partnership investments, activities, income, gain and loss, include the direct investments, activities, income, gain and loss of the Partnership, and those indirectly attributable to the Partnership as a result of it being a member of the Partnership.

As a partnership, the Partnership is not itself subject to U.S. federal income tax. The Partnership files an annual partnership information return with the Service which reports the results of operations.

A Partner who is required under U.S. law to submit tax returns is required to report separately on its income tax return their distributive share of the Partnership's net long-term capital gain or loss, net short-term capital gain or loss and all other items of ordinary income or loss. Each U.S. Partner is taxed on its distributive share of the Partnership's taxable income and gain regardless of whether it has received or will receive a distribution from the Partnership.

Income the Partnership derives from non-U.S. sources, such as P2P marketplace providers and entities may be the subject of withholding tax at source. The Partnership will specify to each Partner its *pro rata* share of tax that was withheld at source. Depending on each Partner's specific tax domicile and the applicable rules and regulations Partners may be able to re-claim such tax. However, there can be no assurance or guarantee that taxes withheld at source can be reclaimed, credited or otherwise deducted from reported income. Each Partner must rely on the advice of its own tax advisor.

U.S. Taxation on Allocation of Profits and Losses

Under the Partnership Agreement, the Partnership's net capital appreciation or net capital depreciation for each accounting period is allocated among the Partners and to their capital accounts without regard to the amount of income or loss actually recognized by the Partnership for U.S. federal income tax purposes. The Partnership Agreement provides that items of income, deduction, gain, loss or credit actually recognized by the Partnership for each fiscal year generally are to be allocated for income tax purposes among the Partners pursuant to the principles of Regulations issued under Sections 704(b) and 704(c) of the Code, based upon amounts of the Partnership's net capital appreciation or net capital depreciation allocated to each Partner's capital account for the current and prior fiscal years.

Under the Partnership Agreement, the General Partner has the discretion to allocate specially an amount of the Partnership's ordinary income and/or capital gain (including short-term capital gain) and deductions, ordinary loss and/or capital loss (including long-term capital loss) for U.S. federal income tax purposes to a withdrawing Partner to the extent that the Partner's capital account exceeds, or is less than, as the case may be, its U.S. federal income tax basis in its partnership interest. There can be no assurance that, if the General Partner makes any such special allocations, the Service will accept such allocations. If such allocations are successfully challenged by the Service, the Partnership's tax items allocable to the remaining Partners would be affected.

Tax Elections; Returns; Tax Audits

The Code generally 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 Partnership 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 Service's consent. The actual effect of any such election may depend upon whether the Partnership also makes such an election. As a result of the complexity and added expense of the tax accounting required to implement such an election, the General Partner presently does not intend to make such election.

The General Partner decides how to report the tax items on the Partnership's tax returns, and all Partners are required under the Code to treat the items consistently on their own returns, unless they file a statement with the Service disclosing the inconsistency. Given the uncertainty and complexity of the tax laws, it is possible that the Service may not agree with the manner in which the Partnership's items have been reported. In the event the income tax returns of the Partnership are audited by the Service, the tax treatment of the Partnership's income and deductions generally is determined at the limited partnership level in a single proceeding rather than by individual audits of the Partners. The General Partner, designated 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.

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The Partnership will file an annual partnership information return with the Service. The Partnership will endeavor to deliver Schedules K-1 to Limited Partners prior to April 15th of each year, but may not be able to do so. Accordingly, Limited Partners may be required to obtain extensions for filing their U.S. federal, state and local income tax returns each year. The Partnership will provide Limited Partners with estimated annual U.S. federal income tax information prior to April 15th, assuming the Partnership is able to obtain such information.

Alternative Minimum Tax

In certain circumstances, individuals, corporations and other taxpayers may be subject to an alternative minimum tax in addition to a regular tax. A Limited Partner's potential alternative minimum tax liability may be affected by reason of an investment in the Partnership. The extent, if any, to which the alternative minimum tax applies will depend on each Limited Partner's particular circumstances for each taxable year.

Mandatory Basis Adjustments

The Partnership and the Partnership are generally required to adjust their tax basis in their assets in respect of all Partners in cases of partnership distributions that result in a "substantial basis reduction" (i.e., in excess of \$250,000) in respect of the relevant partnership's property. The Partnership and the Partnership also are required to adjust their tax basis in their assets in respect of a transferee Partner in the case of a sale or exchange of an Interest, or a transfer upon death, when there exists a "substantial built-in loss" (i.e., in excess of \$250,000) in respect of Partnership property immediately after the transfer. For this reason, the Partnership will require (i) a Partner who receives a distribution from the Partnership in connection with a complete withdrawal, (ii) a transferee of an Interest (including a transferee in case of death) and (iii) any other Partner in appropriate circumstances to provide the Partnership with information regarding its adjusted tax basis in its Interest.

Tax Consequences to a Limited Partner

A Limited Partner receiving a cash liquidating distribution from the Partnership, in connection with a complete withdrawal from the Partnership, generally will recognize capital gain or loss to the extent of the difference between the proceeds received by such Limited Partner and such Limited Partner's adjusted tax basis in its partnership interest. Such capital gain or loss will be short-term, long-term, or some combination of both, depending upon the timing of the Limited Partner's contributions to the Partnership. However, a withdrawing Limited Partner will recognize ordinary income to the extent such Limited Partner's allocable share of the Partnership's "unrealized receivables" exceeds the Limited Partner's basis in such unrealized receivables (as determined pursuant to the Regulations). For these purposes, accrued but untaxed market discount, if any, on securities held by the Partnership will be treated as an unrealized receivable, with respect to which a withdrawing Limited Partner would recognize ordinary income. A Limited Partner receiving a cash nonliquidating distribution will recognize income in a similar manner only to the extent that the amount of the distribution exceeds such Limited Partner's adjusted tax basis in its partnership interest.

As discussed above, the Partnership Agreement provides that the General Partner may specially allocate items of Partnership ordinary income and/or capital gain (including short-term capital

gain) and deductions, ordinary loss and/or capital loss (including long-term capital loss) to a withdrawing Partner to the extent its capital account would otherwise exceed or be less than, as the case may be, its adjusted tax basis in its partnership interest. Such a special allocation of income or gain may result in the withdrawing Partner recognizing ordinary income and/or capital gain, which may include short-term capital gain, in the Partner's last taxable year in the Partnership, thereby reducing the amount of long-term capital gain recognized during the tax year in which it receives its liquidating distribution upon withdrawal. Such a special allocation of deduction or loss may result in the withdrawing Partner recognizing ordinary loss and/or capital loss, which may include long-term capital loss, in the Partner's last taxable year in the Partnership, thereby reducing the amount of short-term capital loss recognized during the tax year in which it receives its liquidating distribution upon withdrawal.

Distributions of Property

A partner's receipt of a distribution of property from a partnership is generally not taxable. However, under Section 731 of the Code, a distribution consisting of marketable securities generally is treated as a distribution of cash (rather than property) unless the distributing partnership is an "investment partnership" within the meaning of Section 731(c)(3)(C)(i) of the Code and the recipient is an "eligible partner" within the meaning of Section 731(c)(3)(C)(iii) of the Code. The Partnership will determine at the appropriate time whether it qualifies as an "investment partnership." Assuming it so qualifies, if a Limited Partner is an "eligible partner", which term should include a Limited Partner whose contributions to the Partnership consisted solely of cash, the recharacterization rule described above would not apply.

Adjusted Tax Basis for Interests

In general, a Limited Partner's adjusted tax basis for its Interest in the Partnership will equal the Limited Partner's capital contributions to the Partnership, increased by any income and gain allocated in respect of such Interest and decreased for loss allocated or distributions made in respect of such Interest. For purposes of determining basis, a Limited Partner will be deemed to have made a contribution to the Partnership in the amount of the member's allocable share of any "non-recourse liability" (generally, any liability for which no Partner bears the risk of loss) of the Partnership and any other liability of the Partnership to the extent the Limited Partner's unfunded capital commitments can be called to repay the liability. Any increase or decrease in the Limited Partner's share of a Partnership liability will be treated as a constructive contribution to the Partnership by the Limited Partner, or as a distribution of cash by the Partnership to the Limited Partner, respectively.

Tax Treatment of Partnership Investments

Certain of the Partnership's investment practices are subject to special and complex U.S. federal income tax provisions that may, among other things: (i) disallow, suspend or otherwise limit the allowance of certain losses or deductions, (ii) convert lower taxed, long term capital gain into higher taxed, short term capital or ordinary income, (iii) convert an ordinary loss or a deduction into a capital loss (the deductibility of which is more limited), (iv) cause the Partnership to recognize income or gain without a corresponding receipt of cash, (v) adversely affect the timing

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as to when a purchase or sale of stock or securities is deemed to occur, and (vi) adversely alter the characterization of certain complex financial transactions.

In General

The Partnership expects to act as a trader or investor, and not as a dealer, with respect to its securities transactions. A trader and an investor are persons who buy and sell securities for their own accounts. A dealer, on the other hand, is a person who purchases securities for resale to customers rather than for investment or speculation.

Generally, the gains and losses realized by a trader or an investor on the sale of securities are capital gains and losses. Capital gains and losses recognized by the Partnership may be long-term or short-term depending, in general, upon the length of time the Partnership maintains a particular investment position and, in some cases, upon the nature of the transaction. Property held for more than one year generally will be eligible for long-term capital gain or loss treatment. The application of certain rules relating to short sales, to so-called "straddle" and "wash sale" transactions and to Section 1256 Contracts (defined below) may serve to alter the treatment of the Partnership's securities positions.

The Partnership may also realize ordinary income and losses with respect to its transactions. The Partnership may hold debt obligations with "original issue discount." In such case the Partnership would be required to include amounts in taxable income on a current basis even though receipt of such amounts may occur in a subsequent year.

The maximum ordinary income tax rate for individuals is 35%⁴ and, in general, the maximum individual income tax rate for "Qualified Dividends"⁵ and long-term capital gains is 15%⁶ (unless the taxpayer elects to be taxed at ordinary rates - see "Limitation on Deductibility of Interest and

Possible "Mark-to-Market" Election

To the extent that the Partnership is directly engaged in a trade or business as a trader in "securities," it may elect under Section 475 of the Code to "mark-to-market" the securities held in connection with such trade or business. Under such election, securities held by the Partnership at the end of each taxable year will be treated as if they were sold by the Partnership for their fair market value on the last day of such taxable year, and gains or losses recognized thereon will be treated as ordinary income or loss. Moreover, even if the Partnership determines that its securities activities will constitute trading rather than investing, there can be no assurance that the Service will agree, in which case the Partnership may not be able to mark-to-market its positions.

⁴ This rate is subject to change.

⁵ A "Qualified Dividend" is generally a dividend from certain domestic corporations, and from certain foreign corporations that are either eligible for the benefits of a comprehensive income tax treaty with the United States or are readily tradable on an established securities market in the United States. Shares must be held for certain holding periods in order for a dividend thereon to be a Qualified Dividend.

⁶

Deductibility of Partnership Investment Expenditures and Certain Other Expenditures

Investment expenses (e.g., Investment Advisory fees) of an individual, trust or estate are deductible only to the extent they exceed 2% of adjusted gross income.⁷ In addition, the Code further restricts the ability of an individual with an adjusted gross income in excess of a specified amount to deduct such investment expenses. Moreover, such investment expenses are miscellaneous itemized deductions which are not deductible by a noncorporate taxpayer in calculating its alternative minimum tax liability.

It is unclear whether all or a portion of the Partnership's operations will qualify as trading - rather than investment - activities, the expenses for which would not be treated as investment expenses. Therefore, pursuant to Temporary Regulations issued by the U.S. Treasury Department, these limitations on deductibility may apply to a noncorporate Limited Partner's share of the expenses of the Partnership, including the Management Fee, the fee paid to the Accountant and payments made on certain derivative instruments.

The consequences of these limitations will vary depending upon the particular tax situation of each taxpayer. Accordingly, non-corporate Limited Partners should consult their tax advisers with respect to the application of these limitations.

Organization expenses, in general, may not be deducted by either the Partnership or any Partner. An election may be made by the Partnership to amortize organizational expenses over a 180-month period.

A Limited Partner will not be allowed to deduct syndication expenses attributable to the acquisition of an Interest, including placement fees, paid by such Limited Partner or the Partnership. Any such amounts will be included in the Limited Partner's adjusted tax basis for its Interest.

Section 470 of the Code may defer certain deductions of the Partnership and the Partnership to the extent any direct or indirect investors of the Partnership and the Partnership are U.S. tax exempt persons, non-U.S. persons, and any domestic government organizations or instrumentalities thereof. If applicable, this provision could have an adverse effect on taxable investors in the Partnership. There is some uncertainty regarding the scope of the new provision and its applicability to the Partnership and the Partnership, which may be addressed in future guidance or legislation. Investors should consult their tax Investment Advisors regarding the consequences of this new provision with respect to an investment in the Partnership.

Application of Rules for Income and Losses from Passive Activities

⁷ However, Section 67(e) of the Code provides that, in the case of a trust or an estate, such limitation does not apply to deductions or costs which are paid or incurred in connection with the administration of the estate or trust and would not have been incurred if the property were not held in such trust or estate. There is a disagreement among three Federal Courts of Appeals on the question of whether the Investment Advisory fees incurred by a trust are exempt (under Section 67(e)) from the 2% of adjusted gross income floor on deductibility. Limited Partners that are trusts or estates should consult their tax Investment Advisors as to the applicability of these cases to the investment expenses that are allocated to them.

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The Code restricts the deductibility of losses from a "passive activity" against certain income which is not derived from a passive activity. This restriction applies to individuals, personal service corporations and certain closely held corporations. Pursuant to Temporary Regulations issued by the Treasury Department, income or loss from the Partnership's securities investment and trading activity generally will not constitute income or loss from a passive activity. Therefore, passive losses from other sources generally could not be deducted against a Limited Partner's share of such income and gain from the Partnership. Income or loss attributable to certain activities of the Partnership, including investments in partnerships engaged in certain trades or businesses may constitute passive activity income or loss.

Application of Basis and "At Risk" Limitations on Deductions

The amount of any loss of the Partnership that a Limited Partner is entitled to include in its income tax return is limited to its adjusted tax basis in its Interest as of the end of the Partnership's taxable year in which such loss occurred. Generally, a Limited Partner's adjusted tax basis for its Interest is equal to the amount paid for such Interest, increased by the sum of (i) its share of the Partnership's liabilities, as determined for U.S.federal income tax purposes, and (ii) its distributive share of the Partnership's realized income and gains, and decreased (but not below zero) by the sum of (i) distributions (including decreases in its share of Partnership liabilities) made by the Partnership to such Limited Partner and (ii) such Limited Partner's distributive share of the Partnership's realized losses and expenses.

Similarly, a Limited Partner that is subject to the "at risk" limitations (generally, non-corporate taxpayers and closely held corporations) may not deduct losses of the Partnership to the extent that they exceed the amount such Limited Partner has "at risk" with respect to its Interest at the end of the year. The amount that a Limited Partner has "at risk" will generally be the same as its adjusted basis as described above, except that it will generally not include any amount attributable to liabilities of the Partnership or any amount borrowed by the Limited Partner on a non-recourse basis.

Losses denied under the basis or "at risk" limitations are suspended and may be carried forward in subsequent taxable years, subject to these and other applicable limitations.

"Phantom Income" From Partnership Investments

Pursuant to various "anti-deferral" provisions of the Code (e.g., the "Subpart F," and "passive foreign investment company" provisions), investments (if any) by the Partnership in certain foreign corporations may cause a Limited Partner to (i) recognize taxable income prior to the Partnership's receipt of distributable proceeds, (ii) pay an interest charge on receipts that are deemed as having been deferred or (iii) recognize ordinary income that, but for the "anti-deferral" provisions, would have been treated as long-term or short-term capital gain.

Reporting Requirements

Regulations generally impose an information reporting requirement on a U.S. person's direct and indirect contributions of cash or property to a non-U.S. partnership such as the Partnership (i) where, immediately after the contribution, the U.S. person owns (directly, indirectly or by attribution) at least a 10% interest in the non-U.S. partnership or (ii) the value of the cash and/or

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property transferred during the twelve-month period ending on the date of the contribution by the transferor (or any related person) exceeds \$100,000. Under these rules, a Limited Partner will be deemed to have transferred a proportionate share of the cash and property contributed by the Partnership to the Partnership. Furthermore, if a U.S. person was required to report a transfer to a non-U.S. partnership of appreciated property under the first sentence of this paragraph, and the non-U.S. foreign partnership disposes of the property while such U.S. person remains a direct or indirect partner, that U.S. person must report the disposition by the partnership. However, a Limited Partner will not be required to file information returns with respect to the events described in this paragraph if the Partnership complies with the reporting requirements. The Partnership intends to file the required reports with the Service so as to relieve the Limited Partners of these reporting obligations.

Regulations also generally impose a reporting requirement on any U.S. Limited Partner which, at any time during the taxable year of the Partnership, owns (indirectly or by attribution) more than 50% of the capital or profits of the Partnership. The General Partner will notify any Limited Partner who owns the requisite indirect interest in the Partnership and will assist such person in meeting their reporting obligations.

The foregoing discussion is only a brief summary of certain information reporting requirements. Substantial penalties may apply if the required reports are not made on time. Partners are strongly urged to consult their own tax advisers concerning these reporting requirements as they relate to their investment in the Partnership.

Non-U.S. Currency Gains or Losses

If the Partnership makes an investment or obtains financing denominated in a currency other than the U.S. dollar, then the Partnership may recognize gain or loss attributable to fluctuations in such currency relative to the U.S. dollar. The Partnership may also recognize gain or loss on such fluctuations occurring between the time it obtains and disposes of non-U.S. currency, between the time it accrues and collects income denominated in a non-U.S. currency, or between the time it accrues and pays liabilities denominated in a non-U.S. currency. Such gains or losses generally will be treated as ordinary income or loss.

Non-U.S. Taxes

It is possible that certain dividends and interest directly or indirectly received by the Partnership from sources within countries other than the United States will be subject to withholding taxes imposed by such countries. In addition, the Partnership or the Partnership may also be subject to non-U.S. capital gains taxes in some of the countries where they purchase and sell securities. Tax treaties between certain countries and the United States may reduce or eliminate such taxes. It is impossible to predict in advance the rate of non-U.S. tax the Partnership will pay since the amount of the Partnership's assets to be invested in various countries is not known.

The Partners will be informed by the Partnership as to their proportionate share of the non-U.S. taxes paid by the Partnership and the Partnership which they will be required to include in their income. The Limited Partners generally will be entitled to claim either a credit (subject to the limitations discussed below and provided that, in the case of dividends, the foreign stock is held for the requisite holding period) or, if they itemize their deductions, a deduction (subject to the

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limitations generally applicable to deductions) for their share of such non-U.S. taxes in computing their U.S. federal income taxes.

Generally, a credit for non-U.S. taxes is subject to the limitation that it may not exceed the Partner's U.S. federal tax (before the credit) attributable to its total non-U.S. source taxable income. A Limited Partner's share of the Partnership's dividends and interest from non-U.S. securities generally will qualify as non-U.S. source income. Generally, the source of gain and loss realized upon the sale of personal property, such as securities, will be based on the residence of the seller. In the case of a partnership, the determining factor is the residence of the partner. Thus, absent a tax treaty to the contrary, the gains and losses from the sale of securities allocable to a Partner that is a U.S. resident generally will be treated as derived from U.S. sources (even though the securities are sold in other countries). For purposes of the "foreign tax credit limitation" calculation, investors entitled to the 15% tax rate on Qualified Dividends and long-term capital gains described above (see "Tax Treatment of Partnership Investments – In General"), must adjust their "foreign tax credit limitation" calculation to take into account the preferential tax rate on such income to the extent it is derived from foreign sources.

The limitation on the "foreign tax credit" is applied separately to non-U.S. source passive income, such as dividends and interest. In addition, for "foreign tax credit limitation" purposes, the amount of a Partner's non-U.S. source income is reduced by various deductions that are allocated and/or apportioned to such non-U.S. source income. One such deduction is interest expense, a portion of which will generally reduce the non-U.S. source income of any Partner who owns (directly or indirectly) non-U.S. assets. For these purposes, non-U.S. assets owned by the Partnership will be treated as owned by the investors in the Partnership and indebtedness incurred by the Partnership will be treated as incurred by investors in the Partnership.

Because of these limitations, Limited Partners may be unable to claim a credit for the full amount of their proportionate share of the non-U.S. taxes paid by the Partnership. The foregoing is only a general description of the "foreign tax credit" under current law. Moreover, since the availability of a credit or deduction depends on the particular circumstances of each Partner, Limited Partners are advised to consult their own tax advisers.

Reportable Transactions

The Regulations require the Partnership to complete and file Form 8886 ("Reportable Transaction Disclosure Statement") with its tax return for any taxable year in which the Partnership participates in a "reportable transaction." Additionally, each Partner treated as participating in a reportable transaction of the Partnership is required to file Form 8886 with its tax return. The Partnership and any such Partner, respectively, must also submit a copy of the completed form with the Service's Office of Tax Shelter Analysis. The Partnership intends to notify the Partners that it believes (based on information available to the Partnership) are required to report a transaction of the Partnership, and intends to provide such Limited Partners with any available information needed to complete and submit Form 8886 with respect to the Partnership's transactions.

A Partner's recognition of a loss upon its disposition of an interest in the Partnership could also constitute a "reportable transaction" for such Partner requiring such Partner to file Form 8886.

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A significant penalty is imposed on taxpayers who participate in a "reportable transaction" and fail to make the required disclosure. The penalty is generally \$10,000 for natural persons and \$50,000 for other persons (increased to \$100,000 and \$200,000, respectively, if the reportable transaction is a "listed" transaction). Investors should consult with their own Investment Advisors concerning the application of these reporting obligations to their specific situations.

State and Local Taxation

In addition to the U.S. federal income tax consequences described above, prospective investors should consider potential U.S. state and local tax consequences of an investment in the Partnership. State and local laws often differ from U.S. federal income tax laws with respect to the treatment of specific items of income, gain, loss, deduction and credit.

A Partner's distributive share of the taxable income or loss of the Partnership generally will be required to be included in determining its reportable income for state and local tax purposes in the jurisdiction in which it is a resident. A partnership in which the Partnership acquires an interest may conduct business in a jurisdiction which will subject to tax a Partner's share of the partnership's income from that business and may cause Partners to file tax returns in those jurisdictions. Prospective investors should consult their tax advisers with respect to the availability of a credit for such tax in the jurisdiction in which that Partner is a resident.

Certain states impose limitations on deductions that can be claimed for purposes of determining state and local income tax liability. For example, certain states impose limitations on the amount of itemized deduction, including, for example, investment interest, that can be claimed for state and local income tax purposes.

One or more states may impose reporting requirements on the Partnership and/or its Limited Partners in a manner similar to that described in "Reportable Transactions." Investors should consult with their own advisers with respect to the applicability of such rules in jurisdictions which may require or impose a filing requirement.

Each Limited Partner is urged to consult its own tax Investment Advisor to determine the U.S. state and local tax considerations relating to an investment in the Partnership and the most tax efficient structure for such investment.

TAX TREATMENT OF FOREIGN PARTNERS IN THE PARTNERSHIP

Under U.S. law interest income paid from U.S. sources paid to non-U.S. persons that qualifies as portfolio interest income as defined by the Code is not subject with withholding tax. Also, foreign source interest income would not be subject to a U.S. withholding tax.

Unless the General Partner determines that the Partnership is required to withhold tax on Partnership income allocated or distributed to a foreign Partner, the Partnership will not subject non-U.S. Partners to tax withholding. If, in its sole and absolute discretion the General Partner, determines to do the Partnership will withhold tax from non-U.S. Partners at whatever are the prevailing applicable withholding rates. Presently the withholding rate for most types of income the Partnership expects to distribute is 30%, unless otherwise specified in an applicable tax treaty between the U.S. and the non-U.S. Partner's domicile country.

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Each non-U.S. investor is responsible for reporting and paying tax in the country of its residence or domicile applicable rules and regulations. Investors should consult their individual tax advisors as to the treatment of income and gains allocated or paid to them by the Partnership.

For purposes of U.S. Federal, state and local taxation, the Partnership is a pass-through vehicle. However, outside of the U.S. the tax treatment of allocated and distributed income is subject to the prevailing law of that jurisdiction. Investors must rely on the advice of their own tax advisor as to the treatment of allocated and distributed Partnership income.

TAX TREATMENT OF PARTNERSHIP OPERATIONS OUTSIDE THE U.S.

Taxation of the Partnership

The General Partner and the Investment Advisor intend to conduct their affairs and the affairs of the Partnership so that the Partnership is not treated as being resident for tax purposes in any country outside the United States. Accordingly, provided that the Partnership does not carry on a trade in the through a fixed place of business or an agent that constitutes a "permanent establishment", the Partnership not be subject to corporation tax on its income and capital gains anywhere outside of the U.S.

Regulations concerning tax withholding and the processes for establishing whether or not withholding tax is applicable and how any exemptions can be obtain vary to from country to country. Certain interest and other income received by the Partnership outside the U.S. may be subject to withholding tax at source. The General Partner will use its reasonable efforts to arrange the Partnership's affairs so that that interest paid to the Partnership receives income from sources outside the U.S. is paid either with a reduced rate of withholding tax or entirely gross of withholding tax.

The Partnership will report to its Partners the amount of income, if any, that was withheld at source. The General Partner will use its reasonable efforts avail the Partnership of opportunities to reclaim withholding tax. In certain circumstances Partners may be able to exercise rights to reclaim their pro-rata share of tax withheld from the tax authority in the country where withholding tax was paid. Partners may also be able to claim tax relief in their home country with respect to taxes withheld at source.

Taxation of non-U.S. Limited Partners

Limited Partners who are non-U.S. persons may be liable to pay taxes on income and capital gains with respect to their investment in the Partnership in the jurisdiction in which they are domiciled. Limited Partners will receive annual statements from the Partnership detailing their pro-rata share of Partnership net income, including information as to what amounts, if any, where withheld at source and the countries in which those withholdings took place. Prospective Limited Partners should consult their own tax advisers regarding the tax treatment consequences of an investment in the Partnership. and the extent to which their income from the Partnership would, be subject to tax in their respective domicile.

LIMITATIONS ON TRANSFERABILITY; SUITABILITY REQUIREMENTS

Each purchaser of an Interest must bear the economic risk of its investment for an indefinite period of time (subject to its limited right to withdraw capital from the Partnership) because the Interests have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), and, therefore, cannot be sold unless they are subsequently registered under the Securities Act or an exemption from such registration is available. It is not contemplated that any such registration will ever be effected, or that the relevant exemptions provided by rules promulgated under the Securities Act will ever be available. Without the prior written consent of the General

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Partner, which may be given or withheld in its sole and absolute discretion, a Partner may not (i) pledge, assign, hypothecate, sell, exchange or transfer its Interest in the Partnership, in whole or in part, to any person except by operation of law, or (ii) substitute for itself as a Partner any other person. In no event will any pledgee, assignee, purchaser or transferee be admitted to the Partnership as a Partner without the consent of the General Partner which may be given or withheld in its sole and absolute discretion for any reason or no reason.

Each Limited Partner must be an "accredited investor" as defined under Regulation D of the Securities Act and meet other suitability requirements.

Each purchaser of an Interest will be required to represent that the Interest is being acquired for its own account, for investment, and not with a view to resale or distribution. The Interests are suitable investments only for sophisticated investors for which an investment in the Partnership does not constitute a complete investment program and who fully understand, are willing to assume, and who have the financial resources necessary to withstand, the risks involved in the Partnership's specialized investment program, and to bear the risk of loss of potentially their entire investment in the Interests.

Each prospective Partner is urged to consult with its own legal, tax and other advisers to determine the suitability of an investment in the Interests, and the relationship of such an investment to the purchaser's overall investment program and financial and tax position. Each purchaser of Interests will be required to represent that, after all necessary advice and analysis, its investment in such Interests is suitable and appropriate, in light of the foregoing considerations.

ANTI-MONEY LAUNDERING REGULATIONS

As part of the Partnership's responsibility for the prevention of money laundering, the General Partner, the Investment Advisor or the Accountant may require a detailed verification of an investor's identity, any beneficial owner underlying the account, and the source of the investor's subscription payment.

The General Partner, the Investment Advisor and the Accountant reserve the right to request such information as is necessary to verify the identity of a subscriber and the underlying beneficial owner of a subscriber's or a Limited Partner's Interest in the Partnership. In the event of delay or failure by the subscriber or Limited Partner to produce any information required for verification purposes, the General Partner or the Accountant may refuse to accept a subscription or may cause the withdrawal of such Limited Partner from the Partnership. In addition, the General Partner, by written notice to any Limited Partner, may suspend payment of withdrawal proceeds if the General Partner, in its sole and absolute discretion, deems it necessary to do so to comply with anti-money laundering laws and regulations applicable to the Partnership, the Partnership, the General Partner, the Investment Advisor, or any of the Partnership's service providers.

Each subscriber and Limited Partner will be required to make such representations to the Partnership as the Partnership and the General Partner will require in connection with their anti-money laundering programs, including, without limitation, representations to the Partnership that such subscriber or Limited Partner is not a prohibited country, territory, individual or entity listed

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on the U.S. Department of Treasury Office of Foreign Assets Control ("OFAC") website and that it is not directly or indirectly affiliated with any country, territory, individual or entity named on an OFAC list or prohibited by any OFAC sanctions programs. Such subscriber or Limited Partner will also 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, anti-money laundering laws and regulations.

The Accountant may disclose information regarding investors (which may constitute personal data under data protection legislation) to such parties (e.g., affiliates, attorneys, auditors, Accountants or regulators) in connection with the operation of the Partnership or including, but not limited to, in connection with anti-money laundering and similar laws. The Accountant or other service providers may also release information if directed to do so by the investors, compelled to do so by law or in connection with any government or self-regulatory organization request or investigation related to anti-money laundering or other laws or regulations. In connection with the establishment of anti-money laundering procedures, the General Partner may implement additional restrictions on the transfer of Interests.

The General Partner may impose additional requirements from time to time to comply with all applicable anti-money laundering laws, including the USA PATRIOT Act.

COUNSEL

Cross & Simon, LLC a duly qualified legal firm located in Delaware, has been appointed legal counsel to the General Partner and the Investment Advisor with respect to Delaware law. No attorney-client relationship exists between Cross & Simon and any other person by reason of such person considering or making an investment in the Partnership. No independent counsel has been retained to represent Limited Partners of the Partnership.

Cross & Simon's representation of the Partnership, the General Partner, the Investment Advisor, as the case may be, is limited to specific matters as to which it has been consulted. There may exist other matters that could have a bearing on the Partnership, the General Partner, and the Investment Advisor, as the case may be as to which Cross & Simon have not been consulted.

In addition, Cross & Simon does not undertake to monitor compliance by the General Partner, the Investment Advisor with regards to the management of the affairs of the Partnership, the selection and management of Partnership investments, valuation procedures and other guidelines set forth herein, nor does Cross & Simon monitor ongoing compliance with applicable laws. In connection with the preparation of this Confidential Memorandum, the responsibility of Cross & Simon is limited to matters of Delaware law, as the case may be, and Cross & Simon accepts responsibility in relation to any other matters referred to or disclosed in this Memorandum.

FINANCIAL AUDITOR; REPORTS

Provided the General Partner deems appropriate, it will appoint a duly qualified firm of certified public accountants in the United States to act as the Partnership's independent auditor. In the event an independent auditor is appointed, an annual report and audited financial statements will be mailed to each Limited Partner as soon as practicable or, at the latest, within six months after the end of the fiscal year.

Irrespective of whether or not an independent auditor is appointed, Limited Partners will receive a half-yearly report, incorporating unaudited financial statements and in the case an auditor is not appointed, an unaudited annual report.

Limited Partners will also receive quarterly reports from the General Partner as to the activities of the Partnership up to the end of the most recent quarter, together with a statement of their Partnership Interests prepared by the Partnership's Accountant.

ADDITIONAL INFORMATION

The General Partner and the Partnership Information Agents are available for a discussion of the terms and conditions of this offering and will provide any additional information, to the extent they possess or can acquire without unreasonable effort or expense, necessary to verify the information contained in this Memorandum.

SUBSCRIPTION FOR INTERESTS

Persons interested in subscribing for Interests will be furnished, and will be required to complete, execute and return to the Information Agent the Subscription Documents, the Anti-Money Laundering Agreement and the Partnership Agreement.