

No. _____

CONFIDENTIAL OFFERING MEMORANDUM

This offering memorandum (the “Offering Memorandum”) constitutes an offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities and to those persons to whom they may be lawfully offered for sale. No securities commission or similar regulatory authority in Canada has reviewed this Offering Memorandum or has in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence. No prospectus has been filed with any such authority in connection with the securities offered hereunder.

These securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States and may not be offered, sold or delivered, directly or indirectly, in the United States (as such term is defined in Regulation S under the U.S. Securities Act) (the “United States”) or to, or for the account or benefit of, U.S. Persons (as defined in the U.S. Securities Act), except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. This Offering Memorandum does not constitute an offer to sell or solicitation of an offer to buy any of these securities in the United States.

Private Offering

November 6, 2015

BSD GLOBAL TECH HEDGE FUND L.P.

Class A, Class F and Class I Units (U.S. Denominated: Class UA, Class UF and Class UI)

BSD Global Tech Hedge Fund L.P. (the “Partnership”), is a limited partnership formed and organized under the laws of Ontario. An unlimited number of Class A, Class F, Class I, Class UA, Class UF and Class UI Units (each, a “Unit” and collectively, the “Units”) of the Partnership are being offered hereby (the “Offering”). Each class is issuable in one or more series. The Class UA, Class UF and Class UI Units are designed for investors wishing to make their investment in U.S. dollars.

The investment objective of the Partnership is to generate capital appreciation. It invests primarily in publicly-traded companies, in any sector, that are located anywhere in the world and that are positioned to benefit from advances in technology.

To achieve the Partnership’s investment objective, the Manager will invest in companies that are using innovation and new technologies to grow their businesses and create competitive advantage, or that are positioned to benefit from the other companies’ innovations. The Partnership may have a higher than average weighting to information technology companies, at the Manager’s discretion. The Partnership may use specified derivatives for hedging and non-hedging purpose and may engage in short selling depending on market conditions and opportunities.

BSD General Partner Inc. (the “General Partner”) is the general partner of the Partnership. Black Swan Dexteritas Inc. (the “Manager”) is the manager of the Partnership and an affiliate of the General Partner. The Manager acts as the investment fund manager and portfolio manager of the Partnership.

Purchasers of Units become limited partners of the Partnership (each a “Limited Partner” and, collectively, the “Limited Partners”) and their investment will be subject to the terms

of a limited partnership agreement governing the Partnership (the “**Limited Partnership Agreement**”).

SUBSCRIPTION PRICE: INITIALLY \$10.00 OR U.S.\$10.00 PER UNIT

MINIMUM INITIAL INVESTMENT: \$50,000.00

The Units are being distributed to investors resident in each of the provinces of British Columbia, Alberta, Ontario and Québec, pursuant to available prospectus exemptions under applicable securities laws.

Subscriptions will be generally accepted and processed as of the applicable Valuation Date (defined herein) subject to applicable law and General Partner’s discretion to accept subscription in whole or in part. A duly completed subscription form (the “**Subscription Agreement**”) must be received by the Administrator (defined herein) on or before 5:00 p.m. (Toronto time) at least three (3) Business Days (Business Day, in this Offering Memorandum, means any day, other than a Saturday or Sunday, on which commercial banks in Toronto are open for business) before the relevant Valuation Date and subscription proceeds in cleared funds must be received by the Administrator on or before 5:00 p.m. (Toronto time) on the relevant Valuation Date otherwise the subscription will be processed as of the next Valuation Date. If a subscription is accepted, Units will be issued as of the next Business Day. Units may be purchased through the order entry system operated by FundSERV Inc. (“**FundSERV**”).

Redemption will be permitted on a Valuation Date or on such other day as the General Partner may designate in its sole discretion (the “**Redemption Date**”) pursuant to a written notice that must be received by the Administrator by 5:00 p.m. (Toronto Time) at least three (3) Business Days prior to the applicable Redemption Date or such lesser period as the General Partner in its discretion may determine from time to time. Any requests for redemption entered after such notice period will generally be processed on the next Redemption Date, unless otherwise agreed to be processed on the original applicable Redemption Date by the General Partner. Units may be redeemed through FundSERV.

“**Valuation Date**” shall initially be the last Business Day in each calendar month, or any other day as the Manager, in its discretion, determines. Once the Net Asset Value of the Partnership is in excess of \$10,000,000 but less than \$15,000,000, the Valuation Date will be each Wednesday and the last Business Day of each calendar month. Once the Net Asset Value of the Partnership is in excess of \$15,000,000, the Valuation Date will be each Business Day.

As compensation for management services, the Manager will receive a management fee (the “**Management Fee**”) calculated on the last Valuation Date of each month and payable in arrears in respect of each class of Units. The Management Fee payable to the Manager will be equal to 2.0% of the aggregate Net Asset Value of the Class A and UA Units; 1.0% of the aggregate Net Asset Value of the Class F and UF Units and in respect of the Class I and UI

Units equal to an amount negotiated with the Manager and/or General Partner. The Management Fee payable by the Partnership is subject to applicable taxes and will be calculated, accrued and paid monthly by the Partnership.

The General Partner, an affiliate of the Manager, will share in the net profit of the Partnership and is entitled to incentive distributions in the circumstances described under “Summary of Limited Partnership Agreement – Incentive Distributions”.

An investment in Units involves risks. Changes in the Net Asset Value may be both volatile and rapid with potentially large variations over a short period of time. A subscription for Units should be considered only by persons financially able to maintain their investment and who can bear the risk of loss associated with an investment in the Partnership.

There is no market through which the Units may be sold and none is expected to develop. The Units are also subject to resale restrictions under the Limited Partnership Agreement and applicable securities legislation. Persons who receive this Offering Memorandum must inform themselves of, and observe, all applicable restrictions with respect to the acquisition or disposition of Units under applicable securities legislation. The Manager may suspend the redemption of Units in exceptional circumstances. See “Redemptions”. There are certain additional risk factors associated with investing in the Units. Investors should consult their own professional advisers to assess the income tax, legal and other aspects of the investment. See “Risk Factors” and “Transfer or Resale”.

The Manager and the General Partner are controlled by the principals of the Manager. As a result of the foregoing relationships, the Partnership may be considered a related and/or connected issuer of the Manager under applicable securities legislation. See “Conflicts of Interest”.

The securities offered hereby are offered exclusively by the Partnership by way of a private placement. No person is authorized to disclose information or to make any representation not contained in this Offering Memorandum and any information or representation, other than that contained in this Offering Memorandum, must not be relied upon. This Offering Memorandum is a confidential document furnished solely for the use of prospective purchasers who, by acceptance hereof, agree that they shall not transmit, reproduce or make available this document or any information contained in it. Unless otherwise specifically stated, all dollar amounts in this Offering Memorandum are stated in Canadian dollars.

Subscribers are urged to consult with an independent legal advisor prior to signing the subscription agreement for the Units.

TABLE OF CONTENTS

SUMMARY.....	1
THE PARTNERSHIP.....	10
INVESTMENT OBJECTIVE AND STRATEGIES OF THE PARTNERSHIP	10
MANAGEMENT OF THE PARTNERSHIP	12
CUSTODIANS AND PRIME BROKERS	14
ADMINISTRATOR	14
THE OFFERING	14
MINIMUM INDIVIDUAL SUBSCRIPTIONS	15
SUBSCRIPTIONS.....	15
REDEMPTIONS.....	16
TRANSFER OR RESALE	18
NET ASSET VALUE.....	18
FEES AND EXPENSES	20
SUMMARY OF LIMITED PARTNERSHIP AGREEMENT	21
MANAGEMENT AGREEMENT.....	28
CANADIAN FEDERAL INCOME TAX CONSIDERATIONS	29
RISK FACTORS	35
CONFLICTS OF INTEREST.....	54
FINANCIAL REPORTING	57
PROCEEDS OF CRIME (MONEY LAUNDERING) AND ANTI-TERRORIST FINANCING LEGISLATION.....	57
PRIVACY POLICY	57
INVESTORS' RIGHTS OF ACTION.....	58
CANADIAN LEGAL COUNSEL.....	61
LANGUAGE OF DOCUMENTS.....	62

SUMMARY

Prospective investors are encouraged to consult their own professional advisors as to the tax and legal consequences of investing in the Partnership. This summary is qualified by the more detailed information appearing elsewhere in this Offering Memorandum. Capitalized terms used but not defined in this summary are defined elsewhere in this Offering Memorandum.

<p>The Partnership:</p>	<p>BSD Global Tech Hedge Fund L.P. (the “Partnership”) is a limited partnership formed and organized under the laws of the Province of Ontario. See “The Partnership”.</p>
<p>Offering:</p>	<p>The offering (the “Offering”) consists of an unlimited number of Class A, Class F, Class I, Class UA, Class UF and Class UI Units (each a “Unit” and collectively, the “Units”) of the Partnership. Each class is issuable in one or more series. Class UA, Class UF and Class UI Units are designed for investors wishing to make their investment in U.S. dollars. The minimum investment amounts differ for the various classes of Units.</p> <p>The Class A Units and the Class F Units may only be purchased by accredited investors who invest an aggregate amount of at least \$50,000.00. The Class UA and UF Units may only be purchased by accredited investors who invest an aggregate amount of at least U.S. \$50,000.00.</p> <p>As a result of the different currencies as well as different management and incentive distributions payable in respect of the Units, the Net Asset Value per Unit of each class and/or series, as applicable, will not be the same.</p> <p>The General Partner reserves the rights to accept or reject orders, to change the minimum amount for investment in any class of Units and to discontinue or suspend the offering of Units of any class and/or series at any time and from time to time.</p> <p>After the first Valuation Date in each year, new series of Units of each class will be issued on each successive Valuation Date on which Units of such class are issued.</p>
<p>Investment Objective and Strategies of the Partnership:</p>	<p>The objective of the Partnership is to generate capital appreciation. It invests primarily in publicly-traded companies, in any sector, that are located anywhere in the world and that are positioned to benefit from advances in technology.</p> <p>To achieve the Partnership’s investment objective, the Manager will invest in companies that are using innovation and new technologies to grow their businesses and create competitive advantage, or that are positioned to benefit from the other companies’ innovations. The Partnership may have a higher than average weighting to information technology companies, at the Manager’s discretion. The Partnership may use specified derivatives for hedging and non-hedging purpose and may</p>

	<p>engage in short selling depending on market conditions and opportunities.</p> <p>See “Investment Objective and Strategies of the Partnership”.</p>
Currency Hedging:	<p>The Partnership will invest primarily in assets denominated in U.S. dollars. In respect of the Class A, Class F and Class I Units, the Manager intends to hedge substantially all of the value of those classes of Units that is denominated in U.S. dollars back to the Canadian dollar.</p>
General Partner:	<p>BSD General Partner Inc. (the “General Partner”), a corporation incorporated under the laws of the Province of Ontario, is the general partner of the Partnership. See “Management of the Partnership – The General Partner”.</p>
Manager:	<p>The General Partner has retained Black Swan Dexteritas Inc. (the “Manager”), a corporation incorporated under the laws of the Province of Ontario to act as the investment fund manager and portfolio manager of the Partnership. The Manager is responsible for the management and control of the business and affairs of the Partnership on a day-to-day basis and for the management of the assets of the Partnership. See “Management of the Partnership – The Manager”.</p>
Minimum Individual Subscription:	<p>The Units are being distributed pursuant to available exemptions in each of the provinces of British of Columbia, Alberta, Ontario and Québec to investors: (a) who are accredited investors under National Instrument 45-106 <i>Prospectus Exemptions</i> (“NI 45-106”); and (b) to whom Units may otherwise be sold. The minimum initial investment for Class A and Class F Units is \$50,000.00. The minimum initial investment for Class UA and Class UF Units is U.S. \$50,000.00.</p> <p>Class F and Class UF Units will be issued to: (i) purchasers who participate in fee-based programs through eligible registered dealers; (ii) qualified purchasers in respect of whom the Partnership does not incur distribution costs; and (iii) qualified individual purchasers in the General Partner’s sole discretion. If a Limited Partner ceases to be eligible to hold Class F or Class UF Units, the General Partner may, in its sole discretion, exchange such Limited Partner’s Class F Units for Class A Units at the next Redemption Date, or exchange such Limited Partner’s Class UF Units for Class UA Units at the next Redemption Date, unless such Limited Partner notifies the Partnership during the notice period and the General Partner agrees that the Limited Partner is once again eligible to hold Class F or Class UF Units.</p> <p>Class I Units and Class UI Units will be issued to institutional and other investors at the sole discretion of the General Partner,</p>

	<p>for an amount acceptable to the General Partner. If a Limited Partner ceases to be eligible to hold Class I or Class UI Units, the General Partner may, in its sole discretion, exchange such Limited Partner's Class I Units for Class A Units at the next Redemption Date, or exchange such Limited Partner's Class UI Units for Class UA Units at the next Redemption Date, unless such Limited Partner notifies the Partnership during the notice period and the General Partner agrees that the Limited Partner is once again eligible to hold Class I or Class UI Units.</p>
<p>Additional Investments:</p>	<p>Limited Partners that are "accredited investors" will be permitted to make subsequent "top up" investments in any amount of \$10,000.00 or U.S. \$10,000.00, or more.</p> <p>At the time of making each additional investment, a new subscription form (a "Subscription Agreement") will be executed and each investor will repeat and confirm to the Manager the covenants and representations contained in the Subscription Agreement delivered by the investor to the Manager at the time of the initial investment.</p>
<p>Valuation Dates:</p>	<p>The Valuation Date shall initially be the last Business Day in each calendar month or any other day as the Manager, in its discretion, determines. Once the Net Asset Value of the Partnership is in excess of \$10,000,000 but less than \$15,000,000, the Valuation Date will be each Wednesday and the last Business Day of each calendar month. Once the Net Asset Value of the Partnership is in excess of \$15,000,000, the Valuation Date will be each Business Day.</p>
<p>Subscriptions:</p>	<p>The Units are being distributed to investors resident in each of the provinces of British of Columbia, Alberta, Ontario and Québec, pursuant to available prospectus exemptions under applicable securities laws. Subscriptions for Units will generally be accepted and processed as of the applicable Valuation Date subject to applicable law and the General Partner's discretion to accept or reject subscriptions in whole or in part. A duly completed Subscription Agreement must be received by the Administrator (defined herein) on or before 5:00 p.m. (Toronto time) at least three (3) Business Day (which, in this Offering Memorandum, means any day, other than a Saturday or Sunday, on which commercial banks in Toronto are open for business) before the relevant Valuation Date and subscription proceeds in cleared funds must be received by the Administrator by 5:00 p.m. (Toronto Time) on the relevant Valuation Date, otherwise the subscription will be processed as of the next Valuation Date. Units may be purchased through the order entry system operated by FundSERV Inc. ("FundSERV"). See "The Offering" and "Subscriptions".</p>

Redemptions:	<p>Redemption will be permitted on a Valuation Date or on such other day as the General Partner may designate in its sole discretion (the “Redemption Date”) pursuant to a written notice that must be received by the Administrator by 5:00 p.m. (Toronto Time) at least three (3) Business Days prior to the applicable Redemption Date or such lesser period as the General Partner in its discretion may determine from time to time. Any requests for redemption entered after such notice period will generally be processed on the next Redemption Date, unless otherwise agreed to be processed on the original applicable Redemption Date by the General Partner. Units may be redeemed through FundSERV. Registered dealers redeeming Units through FundSERV are not required to provide notice of the redemption in writing.</p> <p>Units will be redeemed at a redemption price equal to the Net Asset Value per Unit as of the Valuation Date after payment of all fees and expenses and any applicable deductions, including the deduction of accrued incentive distributions payable to the General Partner in respect of each Unit redeemed. If a redeeming Limited Partner owns Units of more than one series, Units will be redeemed on a “first in, first out” basis. Accordingly, Units of the earliest series owned by the Limited Partner will be redeemed first, at the redemption price for Units of such series, until such Unit holder no longer owns Units of such series.</p> <p>Any combination of subscription and redemptions which the General Partner determines to be inappropriate or excessive short-term trades may be subject to a 2.0% short-term trading fee. See “Redemptions”.</p> <p>Upon redemption of the Units by a Limited Partner, such Limited Partner shall receive redemption proceeds equal to the Net Asset Value per Unit of such Units on the Redemption Date, calculated after payment of all applicable fees and expenses and distributions. The Manager shall generally, within thirty (30) days following the determination of Net Asset Value per Unit (sixty (60) days if such Redemption Date is the Partnership’s fiscal year end), distribute an amount equal to the Net Asset Value per Unit determined as of the relevant Redemption Date.</p> <p>The Partnership has the right to redeem some or all of the Units owned by any Limited Partner on a Redemption Date at the Net Asset Value per Unit of the applicable class thereof, by notice in writing to the Limited Partner given at least three (3) days before the designated Redemption Date or such lesser period as the General Partner in its discretion may determine from time to time, which right may be exercised by the General Partner in its absolute discretion.</p>
---------------------	--

<p>Suspension of Redemptions:</p>	<p>The Manager may suspend the redemption of Units or payment of redemption proceeds for the whole or any part of a period during which normal trading is suspended on a stock exchange, options exchange or futures exchange within or outside Canada on which securities are listed and posted for trading, or on which specified derivatives are traded, if those securities or specified derivatives represent more than 50% by value, or underlying market exposure, of the total assets of the Partnership without allowance for liabilities and if those securities or specified derivatives are not traded on any other exchange that represents a reasonably practical alternative for the Partnership.</p> <p>If the Manager suspends redemption of the Units before the redemption proceeds have been determined, the Limited Partners may either withdraw the Redemption Request or redeem the Units at the Net Asset Value next determined after suspension of the redemption has been lifted. During any period of suspension of redemption rights, the Administrator will not accept orders for Units in respect of which redemptions have been suspended.</p>
<p>Conversion of Units:</p>	<p>Subject to applicable law and the General Partner’s discretion, Class UA Units may be converted into Class A Units, Class UF Units may be converted into Class F Units and Class UI Units may be converted into Class I Units. Request for conversion of Units will generally be accepted and processed monthly. A request of conversion must be received by the Administrator on or before 5:00 p.m. (Toronto time) at least three (3) Business Day before the relevant Valuation Date.</p> <p>Units of a series other than Series 1 Units may be converted into Series 1 Units (the conversion ratio based on their respective adjusted Net Asset Values per Unit following payment of incentive distributions, if any) following payment of the incentive distribution semi-annually.</p>
<p>Transfer or Resale:</p>	<p>Units may only be transferred with the consent of the General Partner. The transfer or resale of Units (which does not include redemption of Units) is also subject to restrictions under applicable securities legislation. See “Transfer or Resale”.</p>
<p>Management Fees:</p>	<p>As compensation for management services, the Manager will receive a management fee (the “Management Fee”) monthly equal to 1/12th of the Management Fee rate per annum applicable to each class multiplied by the aggregate Net Asset Value for such class of Units, plus any applicable taxes. The Management Fee rate per annum applicable to the Class A, Class F, Class I, Class UA, Class UF and Class UI Units is as follows:</p>

	<table border="0"> <thead> <tr> <th style="text-align: center;"><u>Class of Units</u></th> <th style="text-align: center;"><u>Management Fee Rate</u></th> </tr> </thead> <tbody> <tr> <td>Class A and UA Units</td> <td style="text-align: center;">2.0%</td> </tr> <tr> <td>Class F and UF Units</td> <td style="text-align: center;">1.0%</td> </tr> <tr> <td>Class I and UI Units</td> <td style="text-align: center;">Discretionary</td> </tr> </tbody> </table> <p>The Management Fee will be accrued, calculated and paid monthly by the Partnership. Management Fees are subject to applicable taxes and will be deducted as an expense of the Partnership in the calculation of the Net Asset Value of the Units of the relevant class.</p> <p>Subject to the discretion of the Manager, an investor who purchases Class I or Class UI Units must enter into a separate agreement with the Manager that sets out the negotiated monthly Management Fee payable by the investor directly to the Manager.</p>	<u>Class of Units</u>	<u>Management Fee Rate</u>	Class A and UA Units	2.0%	Class F and UF Units	1.0%	Class I and UI Units	Discretionary
<u>Class of Units</u>	<u>Management Fee Rate</u>								
Class A and UA Units	2.0%								
Class F and UF Units	1.0%								
Class I and UI Units	Discretionary								
<p>Incentive Distributions:</p>	<p>In respect of each calendar month, the General Partner will be entitled to in respect of the class and/or series of Units, as applicable, an incentive distribution in an amount equal to 20% of the Net New Appreciation if the Net New Appreciation (defined herein) exceeds 8% per annum (the “Hurdle Rate”) (pro-rated as required for such calendar month) achieved by each class and/or series of the Units, as applicable during such calendar month. This incentive distribution shall be accrued monthly and paid every six months in arrears on the last Business Day of June and December. The incentive distribution payable in respect of the Units of a particular series will be deducted from the Net Asset Value of such series only (in the case of a redeemed Unit, it will be deducted from the redemption proceeds otherwise payable). Following payment of the incentive distribution semi-annually, Units other than Series 1 Units may be converted into Series 1 Units (the conversion ratio being based on the respective Net Asset Values per Unit following payment of the incentive distribution).</p> <p>See “Limited Partnership Agreement – Incentive Distributions”.</p>								
<p>On-going Expenses:</p>	<p>The Partnership shall be responsible for all costs and operating expenses incurred in connection with the Partnership and its operations and each of the General Partner and the Manager shall be entitled to reimbursement from the Partnership for all costs and operating expenses actually incurred in connection with the Partnership. Such costs and expenses shall include but are not limited to:</p> <ul style="list-style-type: none"> (i) third party fees and expenses, which include Manager’s fees, accounting and legal costs, insurance premiums, custodial fees, registrar and transfer agency fees and expenses, bookkeeping and recordkeeping costs, all 								

	<p>Limited Partner communication expenses, organizational and set-up expenses, marketing expenses, the cost of maintaining the Partnership’s existence and regulatory fees and expenses, and all reasonable extraordinary or non recurring expenses; and</p> <p>(ii) fees and expenses relating to the Partnership’s portfolio investments, including the cost of securities, interest on borrowings and commitment fees and related expenses payable to lenders and counterparties, brokerage fees, commissions and expenses, research expenses (including the cost of travel), and banking fees.</p> <p>See “Fees and Expenses – On-going Expenses”.</p>
<p>Allocation of Income and Loss:</p>	<p>Limited Partners effectively share in net profit and net loss of the Partnership in respect of an applicable period in accordance with their proportionate interest (less any incentive distributions payable to the General Partner in respect of Units held by the Limited Partners), through changes in the Net Asset Value of Units held by them.</p> <p>Net income and loss, dividends and taxable capital gains or allowable capital losses of the Partnership for taxation purposes in each fiscal year of the Partnership will be allocated as at the last day of such year to (i) the General Partner, generally equal to the distributions received by it and payable in that year; and (ii) to Limited Partners who hold Units at any time during such year (and in certain cases to Limited Partners who held Units at any time in the previous fiscal year in accordance with the Limited Partnership Agreement) generally based on the number, class and series held by such Limited Partners, the dates of purchase and/or redemption, the respective Net Asset Values of each class and series of Units, the fees paid or payable in respect of each class and series of Units, distributions if any paid to the General Partner in respect of each class and series of Units, the tax basis of such Units, and the date of realization of each such item of income, gain or loss, as the case may be. The Limited Partners will be allocated 99.999% of net losses; the remaining 0.001% shall be allocated to the General Partner.</p> <p>See “Summary of Limited Partnership Agreement – Allocation of Income and Loss”.</p>
<p>Distributions:</p>	<p>Net profit of the Partnership allocated to the Limited Partners for any fiscal period may be distributed in whole or in part from time to time or at any time in the discretion of the General Partner but with the Manager’s consent. No payment may be made to a Limited Partner from the assets of the Partnership if the payment would reduce the assets of the Partnership to an insufficient amount to discharge the liabilities of the Partnership</p>

	to persons who are not the General Partner or a Limited Partner. See "Summary of Limited Partnership Agreement – Distributions".
Fiscal Year End:	December 31 in each year.
Term:	The Partnership has no fixed term; however, the Partnership may be wound-up and terminated: (i) at any time on 30 days' written notice by the General Partner to each Limited Partner, or (ii) on the date which is 60 days following the removal of the General Partner unless the Limited Partners agree by Special Resolution to appoint a new General Partner. See "Summary of Limited Partnership Agreement – Term and Termination of the Limited Partnership of Agreement".
Financial Reporting:	<p>Within ninety (90) days after the end of each fiscal year, the General Partner will forward to each Limited Partner, an annual report for such fiscal year consisting of (i) if requested, audited financial statements for such fiscal year together with a report of the auditors on such financial statements; and (ii) tax information to enable each Limited Partner to properly complete and file his, her or its tax returns in Canada in relation to an investment in Units. Within sixty (60) days following the end of the first six (6) months of each fiscal year, the General Partner will forward to each Limited Partner, if requested, unaudited semi-annual financial statements.</p> <p>The General Partner shall forward to each Limited Partner monthly information respecting the Net Asset Value per Unit of Units held by such Limited Partner within thirty (30) days after the end of each month.</p> <p>Additional interim reporting to Limited Partners will be at the discretion of the General Partner and as required by applicable laws.</p> <p>See "Summary of Limited Partnership Agreement – Reports to Limited Partners".</p>
Tax Considerations:	Persons investing in a limited partnership such as the Partnership offered hereby should be aware of the tax consequences of investing in, holding and/or redeeming units of a limited partnership. Investors are urged to consult with their tax advisers to determine the tax consequences of an investment in the Partnership. See "Canadian Federal Income Tax Considerations".
Eligibility for Investment:	Units are not qualified investments under the <i>Income Tax Act</i> (Canada) for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, registered

	disability savings plans or tax-free savings accounts.
Limited Liability:	Unless the Limited Partner takes part in the control of the business of the Partnership, the liability of each Limited Partner for the debts, liabilities, obligations and losses of the Partnership will be limited to the amount of capital contributed or agreed to be contributed to the Partnership by the Limited Partner, less any such amounts properly returned to the Limited Partner. See "Summary of Limited Partnership Agreement – Liability and Indemnification of Limited Partners".
Risk Factors:	Investors should consider a number of factors in assessing the risks associated with investing in Units including those generally associated with the investment techniques used by the Manager. See "Risk Factors".
Sales Commission:	There is no commission payable by the purchaser to the Partnership, the General Partner or the Manager upon the purchase of Units; however, purchasers may pay a negotiated fee if purchasing through a dealer of up to 3% of the net amount of Class A or Class UA Units to be invested. There is no commission payable with respect to the purchase of Class F Units, Class UF Units, Class I or Class UI Units.
Trailing Commission:	Subject to applicable law, the Manager may pay, out of fees payable to the Manager by the Partnership, a negotiated referral fee or trailing commission to dealers or other persons in connection with the holding of Class A or Class UA Units. No such referral fee or trailing commission is applicable in respect of Class F, Class I Units, Class UF or Class UI Units. The Manager may change or cancel the terms of the trailing commission at any time.
Custodians and Prime Brokers:	One or more financial institutions and/or their affiliates will act as the custodian of the assets of the Partnership. Currently, Interactive Brokers Canada Inc. is the prime broker and custodian for the Partnership.
Administrator:	Apex Fund Services (Canada) Ltd.
Auditors:	MNP LLP, Toronto, Ontario

THE PARTNERSHIP

The BSD Global Tech Hedge Fund L.P. (the “**Partnership**”) is a limited partnership formed and organized under the laws of the Province of Ontario pursuant to the *Limited Partnerships Act* (Ontario) (the “**LP Act**”). The Partnership is governed by an amended and restated limited partnership agreement dated as of May 5, 2015, as amended (the “**Limited Partnership Agreement**”) governing the Partnership. The principal place of business of the Partnership and of BSD General Partner Inc. (the “**General Partner**”) is 175 Bloor Street East, Suite 807, Toronto, Ontario, M4W 3R8. See “Summary of Limited Partnership Agreement”.

The fiscal year of the Partnership shall end on December 31 in each calendar year. The beneficial interests in the Partnership are divided into an unlimited number of Class A, Class F, Class I, Class UA, Class UF and Class UI Units (collectively, the “**Units**”) of the Partnership. Each class is issuable in one or more series. The interest of each limited partner in the Partnership (each, a “**Limited Partner**” and collectively, the “**Limited Partners**”) will represent the same proportion of the total interest of all Limited Partners as the number of Units held by such Limited Partner is of the total number of Units then outstanding.

INVESTMENT OBJECTIVE AND STRATEGIES OF THE PARTNERSHIP

Investment Objective

The objective of the Partnership is to generate capital appreciation. It invests primarily in publicly-traded companies, in any sector, that are located anywhere in the world and that are positioned to benefit from advances in technology.

Securityholder approval is required prior to a change in the fundamental investment objective of the Partnership.

Investment Strategies

To achieve the Partnership’s investment objective, the Manager will invest in companies that are using innovation and new technologies to grow their businesses and create competitive advantage, or that are positioned to benefit from the other companies’ innovations. The Partnership may have a higher than average weighting to information technology companies, at the Manager’s discretion. The Manager seeks to identify growth companies at mispriced valuations, across several industry sectors. The Manager utilizes a set of proprietary quantitative criteria to identify potential portfolio holdings. Secondary due diligence includes, but is not limited to analyzing company business models, quarterly and annual reports, earnings and proprietary research. Stocks that are considered by the Manager to be fundamentally sound and that offer diversification benefits, are added to the portfolio with an optimized target weighting. A stock position is closed out by the Manager once it has reached the Manager’s estimate for its intrinsic value.

The Partnership may use specified derivatives, such as options, futures, forward contracts, swaps and other similar investments, in a manner which is consistent with the investment objective of the Partnership and as permitted by applicable securities legislation, for hedging and non-hedging purposes to:

- gain exposure to equity instruments without actually investing in them directly (including when owning the derivative investment is more efficient or less costly than owning the equity instrument itself or when it achieves greater liquidity and increased speed and flexibility in making portfolio changes);
- enhance income; and
- offset or reduce risks associated with an investment or group of investments, such as foreign currency exposure.

The Partnership may engage in short selling should securities be identified that are trading at a significant premium to their intrinsic value and are anticipated to decline in value. The Partnership may also engage in short selling as a means of implementing a “hedge” in an attempt to lessen Partnership volatility in declining markets. In this instance, the Partnership would sell short securities representing a market index or sub index. The Partnership may also sell short a security as a means of capturing a pricing disparity between itself and a related security, which would be purchased or held “long”. This process of capturing price differences between related securities is referred to as arbitrage. Examples of such an action would include companies involved in merger or acquisition activity or other corporate action.

Risk Management

While the Partnership’s individual investment decisions are based on bottom-up analysis by specialist portfolio managers, the aggregate portfolio risks and exposures are continually monitored, reviewed and managed with a particular emphasis on the following factors: gross leverage and net market exposures (long or short).

For concentration, the weighting of any individual investment (excluding an investment in any exchange traded funds) held by the Partnership (both long or short) will be limited initially (i.e. at the time of entering the position) to 15% of the Net Asset Value of the Partnership.

The Manager intends to utilize leverage, although primarily to hedge exposures including market risk and potentially currency exposure. It is expected that the gross leverage of the Partnership will generally remain below 150%, although such gross leverage may vary materially in comparison to this threshold depending on market conditions. It is intended that this leverage will be primarily, although not exclusively, in the form of derivatives.

While the Manager typically will try to minimize risk in selecting investments, it should be understood that the risk management techniques utilized by the Manager cannot provide any assurances that the Partnership will not be exposed to risks of significant investment losses.

The Manager may at any time adopt new strategies or deviate from the foregoing guidelines as market conditions dictate.

Securities Lending

In order to generate additional returns, the Partnership may lend portfolio securities to securities borrowers acceptable to the Manager pursuant to the terms of a securities lending agreement between the Partnership and any such borrower (each, a “**Securities Lending Agreement**”). Under a Securities Lending Agreement: (i) the borrower will pay to the Partnership a negotiated securities lending fee and will make compensation payments to the Partnership equal to any distributions received by the borrower on the securities borrowed; (ii) the securities loans must qualify as “securities lending arrangements” for the purposes of the *Income Tax Act* (Canada) (“**Tax Act**”); and (iii) the Partnership will receive collateral security prescribed by the Securities Lending Agreement.

Portfolio Transactions

The Manager is responsible for placing orders to effect portfolio transactions on behalf of the Partnership. These orders are allocated by the Manager or the Manager to the brokers who can offer the volumes and the prices deemed most advantageous. Where no particular advantage with respect to price or execution is available, orders may be placed through brokers which, in the opinion of the Manager, provide or assist in the provision of decision-making services. Investment decision-making services include the provision of advice, valuations, research and related databases or software.

Statutory Caution

The disclosure in this Offering Memorandum and the Manager’s investment strategies and intentions may constitute “forward-looking information” for the purpose of Ontario securities legislation, as it contains statements of the Manager’s intended course of conduct and future operations of the Partnership. These statements are based on assumptions made by the Manager of the success of its investment strategies in certain market conditions, relying on the experience of the Manager’s officers and employees and their knowledge of historical economic and market trends. Investors are cautioned that the assumptions made by the Manager and the success of the investment strategies are subject to a number of mitigating factors. Economic and market conditions may change, which may materially impact the success of the Manager and its intended strategies as well as its actual course of conduct. Investors are urged to refer to “Risk Factors” below for a discussion of other factors that will impact the operations and success of the Partnership.

MANAGEMENT OF THE PARTNERSHIP

The General Partner

The General Partner was incorporated under the *Business Corporations Act* (Ontario) on May 30, 2013. The General Partner may act as general partner of other limited partnerships, but currently has no significant assets or financial resources. The General Partner may also become a Limited Partner by purchasing Units. The General Partner is responsible for the control of the business of the Partnership in accordance with the terms of the Limited Partnership Agreement, including for greater certainty retaining and monitoring the Partnership’s various service providers, but has engaged the Manager to carry out management, administrative and investment management functions. The General Partner is owned by the Manager.

The name, municipality of residence and positions with the General Partner of each of the directors and officers of the General Partner are as follows:

<u>Name and Municipality of Residence</u>	<u>Office with the General Partner</u>
KIMBERLEY BOLTON Toronto, Ontario	President and Portfolio Manager
LEV LEVIEV Tel Aviv, Israel	Chairman
GEOFF BOLTON New York City, United States	Chief Executive Officer
JEREMY LIN Toronto, Ontario	Senior Investment Analyst

The Manager

The Manager was incorporated under the laws of Ontario on March 13, 2012. The Manager's principal office is located at 175 Bloor Street East, Suite 807, Toronto, Ontario, M4W 3R8. The Manager may also become a Limited Partner by purchasing Units. The Manager is responsible for the day-to-day business, operations and affairs of the Partnership, including management of the Partnership's portfolio on a discretionary basis in accordance with the terms of the Management Agreement (described below). The Manager is entitled to fees from the Partnership and is reimbursed for all expenses and liabilities that are properly incurred by the Manager in connection with the activities of the Partnership. See "Management Agreement". Mr. Kimberley Bolton and Mr. Lev Leviev are the principals of the Manager. Mr. Leviev and Mr. Bolton control 98% on the outstanding shares of Manager.

The name, municipality of residence and positions with the Manager of each of the directors and officers of the Manager are as follows:

<u>Name and Municipality of Residence</u>	<u>Office with the Manager</u>
KIMBERLEY BOLTON Toronto, Ontario	President & Portfolio Manager
LEV LEVIEV Tel Aviv, Israel	Chairman

Mr. Kimberley Bolton is registered as Portfolio Manager, Exempt Market Dealer, Investment Fund Manager and Commodity Trading Manager by the Ontario Securities Commission ("OSC"). Mr. Bolton has 30 years of investment management experience and formal professional accreditations. Mr. Bolton has been a OSC registered Portfolio Manager since 1994, managing investments for global pension funds, banks and investment counsels (for example, BP America Securities Inc., Invesco, and TAL/CIBC Asset Management). Mr. Bolton has numerous Canadian Securities Institute and American NASD and SEC trading and supervisory accreditations (for example, with the Canadian Securities Institute, the CSC

and Handbook, all commodity and derivatives trading and supervisory exams, and in the United States, the NASD Series 3, 4, 7 and 8 exams.

Mr. Lev Leviev is a successful serial technology entrepreneur with many private and public investments around the world.

CUSTODIANS AND PRIME BROKERS

The custodian of the assets of the Partnership must be one or more financial institutions and/or their affiliates, or such third party or parties as may be appointed by the Manager. Currently, Interactive Brokers Canada Inc. is the prime broker for Partnership. The custodian is entitled to receive fees from the Partnership and may also be reimbursed for certain expenses and liabilities which are properly incurred by the custodian in connection with the activities of the Partnership.

ADMINISTRATOR

Apex Fund Services (Canada) Ltd. at its principal offices at 175 Bloor Street East, Suite 807, Toronto, Ontario M4W 3R8, will act as administrator (the “**Administrator**”) of the assets of the Partnership pursuant to an administration agreement. The Administrator is part of the Apex Group, a global provider of fund administration services with 34 offices across the globe, ISAE 3402/SSAE16 audited, independently owned with over US\$30 billion under administration. Apex Group provides specialist fund administration, share registrar, corporate secretarial services and directors to funds and collective investment schemes globally.

The General Partner engages an Administrator to calculate the Net Asset Value of the Partnership and the subscription and redemption prices, maintain the capital accounts and accounting books and records of the Partnership, maintain the register of the Limited Partners and process subscriptions, redemptions and transfer requests. The Administrator may, at its own expense, appoint an agent or delegate to perform any of the aforementioned services.

THE OFFERING

The Class A, Class F, Class I, Class UA, Class UF and Class UI Units offered by the Partnership hereby are being offered to investors resident in each of the provinces of British Columbia, Alberta, Ontario and Québec pursuant to exemptions from the prospectus requirements contained in National Instrument 45-106 *Prospectus Exemptions* (“**NI 45-106**”). Each class is issuable in one or more series.

There is no commission payable by the purchaser to the Partnership, the General Partner or the Manager upon the purchase of Units; however, purchasers may pay a negotiated fee if purchasing through a dealer of up to 3% of the net amount of Class A or Class UA Units to be invested. There is no commission payable with respect to the purchase of Class F Units, Class UF Units, Class I or Class UI Units.

Subject to applicable law, the Manager may pay, out of fees payable to the Manager by the Partnership, a negotiated referral fee or trailing commission to dealers or other persons in connection with the holding of Class A and Class UA Units. No such referral fee

or trailing commission is applicable in respect of Class F Units, Class UF Units, Class I or Class UI Units. The Manager may change or cancel the terms of the trailing commission at any time.

MINIMUM INDIVIDUAL SUBSCRIPTIONS

The minimum initial investment for Class A and Class F Units is \$50,000.00, for Class UA and Class UF Units is U.S. \$50,000.00 (or such lesser amount as may be accepted by the Manager). Limited Partners will be permitted to make subsequent “top up” investments in any amount of \$10,000.00 or more.

Class F and Class UF Units will be issued to: (i) purchasers who participate in fee-based programs through eligible registered dealers; (ii) qualified purchasers in respect of whom the Partnership does not incur distribution costs; and (iii) qualified individual purchasers in the Manager’s sole discretion. If a Limited Partner ceases to be eligible to hold Class F or Class UF Units, the Manager may, in its sole discretion, exchange such Limited Partner’s Class F Units for Class A Units, or Class UF Units for Class UA Units at the next Redemption Date, unless such Limited Partner notifies the Partnership during the notice period and the Manager agrees that the Limited Partner is once again eligible to hold Class F or Class UF Units.

Class I Units and Class UI Units will be issued to institutional and other investors at the sole discretion of the Manager, for an amount acceptable to the General Partner. If a Limited Partner ceases to be eligible to hold Class I or Class UI Units, the General Partner may, in its sole discretion, exchange such Limited Partner’s Class I Units for Class A Units, Class UI Units for Class UA Units at the next Redemption Date (defined below), unless such Limited Partner notifies the Partnership during the notice period and the General Partner agrees that the Limited Partner is once again eligible to hold Class I or Class UI Units.

SUBSCRIPTIONS

Subscriptions for Units will generally be accepted and processed as of the applicable Valuation Date subject to applicable law and the General Partner’s discretion to accept or reject subscriptions in whole or in part. A duly completed Subscription Agreement must be received by the Administrator (defined herein) on or before 5:00 p.m. (Toronto time) at least three (3) Business Day (which, in this Offering Memorandum, means any day, other than a Saturday or Sunday, on which commercial banks in Toronto are open for business) before the relevant Valuation Date and subscription proceeds in cleared funds must be received by the Administrator by 5:00 p.m. (Toronto Time) on the relevant Valuation Date, otherwise the subscription will be processed as of the next Valuation Date. Units may be purchased through the order entry system operated by FundSERV Inc. (“**FundSERV**”).

Subscriptions for Units are subject to acceptance or rejection in whole or in part by the General Partner in its sole discretion. In the event a subscription for Units is rejected, or full and proper payment is not received, the subscription order will be cancelled and any subscription funds forwarded by the subscriber will be returned without interest or deduction.

By executing the Subscription Agreement, each Limited Partner represents to the Manager, the General Partner and to all other Limited Partners that, among other things, the Limited Partner is not a “tax shelter”, a “tax shelter investment”, an entity an interest in which would be a “tax shelter investment”, or an entity in which a “tax shelter investment” has an interest, all within the meaning of the Tax Act, or a partnership.

Prospectus Exemptions

Units are being sold under available exemptions from the prospectus requirements under NI 45-106, which has been adopted by the securities regulatory authorities in each of the provinces and territories of Canada. The Units are being distributed only to investors (a) who are “accredited investors” as defined in NI 45-106, or (b) to whom Units may otherwise be sold. Purchasers will be required to make certain representations in the Subscription Agreement and the General Partner will rely on such representations to establish the availability of the exemptions from prospectus requirements described above.

Accredited Investors

The Manager has determined that the minimum investment is \$50,000.00 (or such lesser amount as may be accepted by the General Partner) for Class A, Class F, Class UA and Class UF Units. A list of qualification criteria for accredited investors is set out in the Subscription Agreement delivered with this Offering Memorandum, but generally includes individuals who have net investment assets of at least \$1,000,000, or personal income of at least \$200,000 or combined spousal income of at least \$300,000 (in the previous two years, with reasonable prospects of same in the current year).

Investors who are accredited investors on the basis that they have (i) net assets of at least \$5,000,000, or (ii) subsequent to May 2015 when the amendments to NI 45-106 come into force, financial assets of at least \$5,000,000, must also represent to the General Partner (and may be required to provide additional evidence at the request of the General Partner to establish) that such investor was not formed solely in order to make private placement investments which may not have otherwise been available to any persons holding an interest in such investor.

No subscription will be accepted unless the General Partner is satisfied that the subscription is in compliance with applicable securities laws.

REDEMPTIONS

Redemption will be permitted on a Valuation Date or on such other day as the General Partner may designate in its sole discretion (the “**Redemption Date**”) pursuant to a written notice that must be received by the Administrator by 5:00 p.m. (Toronto Time) at least three (3) Business Days prior to the applicable Redemption Date or such lesser period as the General Partner in its discretion may determine from time to time. Any requests for redemption entered after such notice period will generally be processed on the next Redemption Date, unless otherwise agreed to be processed on the original applicable Redemption Date by the General Partner. Units may be redeemed through FundSERV. Registered dealers redeeming Units through FundSERV are not required to provide notice of the redemption in writing.

Upon redemption of the Units by a Limited Partner, such Limited Partner shall receive redemption proceeds equal to the Net Asset Value per Unit of such Units on the Redemption Date, calculated after payment of all fees and expenses and any applicable deductions, including the deduction of accrued incentive distributions payable to the General Partner in respect of each Unit redeemed. If a redeeming Limited Partner owns Units of more than one series, Units will be redeemed on a "first in, first out" basis. Accordingly, Units of the earliest series owned by the Limited Partner will be redeemed first, at the redemption price for Units of such series, until such Unit holder no longer owns Units of such series. The Manager shall generally, within thirty (30) days following the determination of Net Asset Value per Unit (sixty (60) days if such Redemption Date is the Partnership's fiscal year end), distribute an amount equal to the Net Asset Value per Unit determined as of the relevant Redemption Date. All payments in respect of redemptions will be made by wire transfer only to the account of the registered Limited Partner at the remitting bank/financial institution from which the original subscription was made.

Any combination of subscription and redemptions which the General Partner determines to be inappropriate or excessive short-term trades may be subject to a short-term trading fee of up to 2.0% payable to the Partnership. In general, the Partnership is a long-term investment and trading often in order to time the market is not a good idea and not in the best interest of the Partnership. Frequent trading can hurt the Partnership's performance, affecting all the Limited Partners in the Partnership, by forcing the Partnership to keep cash or sell investments to meet redemptions. The Manager monitors frequent trading activity with a view to detecting and deterring market-timing activity. An inappropriate short-term trade is defined as a combination of a subscription and redemption, including switches between classes of Units, within 90 days that is detrimental to the Limited Partners, and that may take advantage of Partnership with investment prices in other time zones or illiquid investments that trade infrequently. Excessive short-term trading is defined as a combination of subscription and redemptions, including switches between classes of Units, within a 30 day period that is detrimental to the Limited Partners.

The Manager may suspend the redemption of Units or payment of redemption proceeds for the whole or any part of a period during which normal trading is suspended on a stock exchange, options exchange or futures exchange within or outside Canada on which securities are listed and posted for trading, or on which specified derivatives are traded, if those securities or specified derivatives represent more than 50% by value, or underlying market exposure, of the total assets of the Partnership without allowance for liabilities and if those securities or specified derivatives are not traded on any other exchange that represents a reasonably practical alternative for the Partnership.

The General Partner will advise the Limited Partners who have requested a redemption if redemptions will be limited or suspended on a requested Redemption Date. If the Manager suspends redemption of the Units before the redemption proceeds have been determined, the Limited Partners may either withdraw the Redemption Request or redeem the Units at the Net Asset Value next determined after suspension of the redemption has been lifted. During any period of suspension of redemption rights, the Administrator will not accept orders for Units in respect of which redemptions have been suspended.

The Partnership has the right to redeem some or all of the Units owned by any Limited Partner on a Redemption Date at the Net Asset Value per Unit of the applicable class thereof, by notice in writing to the Limited Partner given at least three (3) days before the designated Redemption Date or such lesser period as the General Partner in its discretion may determine from time to time, which right may be exercised by the General Partner in its absolute discretion.

TRANSFER OR RESALE

As the Units offered by this Offering Memorandum are being distributed pursuant to exemptions from the prospectus requirements of applicable securities legislation, the resale of these securities by investors is subject to restrictions. An investor should refer to applicable provisions in consultation with a legal adviser. Furthermore, no transfers of Units may be effected unless the General Partner, in its sole discretion, approves the transfer and the proposed transferee. There is no market for these Units and no market is expected to develop, therefore it may be difficult or even impossible for the purchaser to sell the Units.

Subscribers are advised to consult with their advisers concerning restrictions on resale and are further advised against reselling their Units until they have determined that any such resale is in compliance with the requirements of applicable legislation and the Limited Partnership Agreement.

NET ASSET VALUE

The Net Asset Value of the Partnership, the Net Asset Value per Unit of each class and/or series and the Net Asset Value of each class and/or series, as applicable, will be determined as of the Valuation Date and December 31 of each year by the Manager, the Administrator or any third party engaged by the Manager.

The Net Asset Value of each series will generally increase or decrease proportionately with the increase or decrease in the Net Asset Value of the Partnership (before deduction of class-specific and/or series-specific fees and expenses, as applicable), and the Net Asset Value per Unit shall be determined (after deduction of class-specific and/or series-specific fees and expenses, as applicable) by dividing the Net Asset Value of each series by the number of Units of such series outstanding.

Valuation Principles

The fair market value of the assets and the amount of the liabilities of the Partnership shall be calculated subject to the following:

- (a) The value of any cash on hand or on deposit, bills, demand notes, accounts receivable, prepaid expenses, dividends receivable (if such dividends are declared and the date of record is before the date as of which the Net Asset Value of the Partnership is being determined) and interest accrued and not yet received, shall be deemed to be the full amount thereof, unless the Administrator (in consultation with the Manager) determines that any such deposit, bill, demand note, account receivable, prepaid expense, dividend receivable or interest accrued and not yet received is not worth the full amount thereof, in which event the value thereof shall be deemed to be such

value as the Administrator (in consultation with the Manager), determines to be the reasonable value thereof.

- (b) The value of any security which is listed or dealt in upon a public securities exchange will be valued at the last available trade price on the Valuation Date or, if the Valuation Date is not a Business Day, on the last Business Day preceding the Valuation Date. If no sales are reported on such day, such security will be valued at the average of the current bid and ask prices on such day. If the closing price is outside of the closing bid or closing ask range, then the closing bid or closing ask to the last trade will be used. Securities that are listed or traded on more than one public securities exchange or that are actively traded on over the counter markets while being listed or traded on such securities exchanges or over the counter markets will be valued on the basis of the market quotation which, in the opinion of the Administrator (in consultation with the Manager), most closely reflects their fair value.
- (c) Any securities which are not listed or dealt in upon any public securities exchange will be valued at the simple average of the latest available offer price and the latest available bid price (unless in the opinion of the Administrator (in consultation with the Manager), such value does not reflect the value thereof and in which case, the latest offer price or bid price as best reflects the value thereof should be used), as at the last Business Day of the month.
- (d) The value of a forward contract shall be the gain or loss on the contract that would be realized if, on the date that valuation is made, the position in the forward contract were to be closed out.
- (e) The value of any restricted security shall be the lesser of (i) the value thereof based on any available reported quotations in common use and (ii) that percentage of the market value of securities of the same class, the trading of which is not restricted or limited by reason of any representation, warranty or agreement or by law, equal to the percentage that the acquisition cost thereof was of the market value of such securities at the time of acquisition thereof.
- (f) All Partnership property valued in a foreign currency and all liabilities and obligations of the Partnership payable by the Partnership in foreign currency shall be converted into Canadian funds by applying the rate of exchange obtained from the best available sources to the Administrator (in consultation with the Manager).
- (g) Each transaction of purchase or sale of portfolio securities effected by the Partnership will be reflected in the computation of the Net Asset Value of the Partnership on the trade date.
- (h) The value of any security or property to which, in the opinion of the Administrator (in consultation with the Manager), the above principles

cannot be applied (whether because no price or yield equivalent quotations are available or for any other reason), shall be the fair value thereof determined in such manner as the Administrator (in consultation with the Manager), may from time to time determine based on standard industry practice.

- (i) Short positions will be marked-to-market, i.e. carried as a liability equal to the cost of repurchasing the securities sold short applying the same valuation techniques described above.
- (j) All other liabilities shall include only those expenses paid or payable by the Partnership, including accrued contingent liabilities; however expenses and fees allocable only to a class and series of Units shall not be deducted from the Net Asset Value of the Partnership prior to determining the Net Asset Value of each class and series, and shall thereafter be deducted from the Net Asset Value so determined for each such class and series.

The General Partner may determine such other rules as it deems necessary from time to time, which rules may deviate from Canadian generally accepted accounting principles.

FEES AND EXPENSES

Management Fee

As compensation for management services, the Manager will receive a management fee (the “**Management Fee**”) equal to 1/12th of the Management Fee rate per annum applicable to each class multiplied by the aggregate Net Asset Value for such class of Units, plus any applicable taxes. The Management Fee rate per annum applicable to the Class A, Class F, Class I, Class UA, Class UF and Class UI Units is as follows:

<u>Class of Units</u>	<u>Management Fee Rate</u>
Class A or UA Units	2.0%
Class F or UF Units	1.0%
Class I or UI Units	Discretionary

Subject to the discretion of the Manager, an investor who purchases Class I or Class UI Units must enter into a separate agreement with the Manager which sets out the negotiated monthly Management Fee payable by the investor directly to the Manager.

The Management Fee, plus any applicable taxes, will be accrued, calculated and paid monthly by the Partnership.

Incentive Distributions

Incentive distributions payable to the General Partner semi-annually and on redemption of a Unit are described under the heading “Summary of the Limited Partnership Agreement – Distributions”.

On-going Expenses

The Partnership shall be responsible for all costs and operating expenses incurred in connection with the Partnership and its operations and each of the General Partner and the Manager shall be entitled to reimbursement from the Partnership for all costs and operating expenses actually incurred in connection with the Partnership. Such costs and expenses shall include but are not limited to:

- (a) third party fees and expenses, which include Manager's fees, accounting and legal costs, insurance premiums, custodial fees, registrar and transfer agency fees and expenses, bookkeeping and recordkeeping costs, all Limited Partner communication expenses, organizational and set-up expenses, marketing expenses, the cost of maintaining the Partnership's existence and regulatory fees and expenses, and all reasonable extraordinary or non recurring expenses; and
- (b) fees and expenses relating to the Partnership's portfolio investments, including the cost of securities, interest on borrowings and commitment fees and related expenses payable to lenders and counterparties, brokerage fees, commissions and expenses, research expenses (including the cost of travel), and banking fees.

The Manager may from time to time pay for certain operating expenses of the Partnership to maintain the Partnership's management expense ratio at a competitive level. The Manager is targeting a management expense ratio of 3%. The management expense ratio is the fees and operating expenses (including HST) paid by the Partnership expressed as a percentage of its average net assets during the year.

SUMMARY OF LIMITED PARTNERSHIP AGREEMENT

The rights and obligations of the Limited Partners and General Partner are governed by the Limited Partnership Agreement and the Limited Partnership Act. The following is a summary of the Limited Partnership Agreement entered into by the General Partner and the initial limited partner. **This summary is not intended to be complete and each investor should carefully review the Limited Partnership Agreement itself for full details of these provisions.**

The Units

Investments in the Partnership are represented by Units, which are the limited partnership units of the Partnership. The Partnership may issue an unlimited number of Units. Units may be designated by the General Partner as being Units of a class and each class may be issuable in one or more series. Currently, the General Partner has designated six classes of Units: Class A, Class F, Class U, Class UA, Class UF and Class UI, having the attributes described in the Offering Memorandum and Limited Partnership Agreement. The subscription price per Unit is \$10.00 or U.S. \$10.00.

The General Partner may, in its discretion and without prior notice to Limited Partners, create different classes and/or series of Units. Each class may be subject to different Management Fee, incentive distributions, and may have such other features as the

General Partner may determine. The General Partner may redesignate a Limited Partner's Units from one class to another (and amend the number of such Units so that the Net Asset Value of the Limited Partner's aggregate holdings remains unchanged).

The General Partner also has the discretion to rename a class and/or series or convert a class and/or series of Units into another class and/or series, as applicable, without otherwise affecting the attributes of such class and/or series. The General Partner may also subdivide or consolidate Units of one or more classes and/or series from time to time, in a manner different than other classes and/or series, provided that the Net Asset Value per Unit for such class and/or series is adjusted such that the aggregate Net Asset Value for such class and/or series, as applicable, is unchanged.

Each Limited Partner shall be entitled to one vote for each \$1.00 of Net Asset Value attributable to the Units held by such Limited Partner. Each issued and outstanding Unit of a series shall be equal to each other Unit of the same series with respect to all matters, including the right to receive allocations and distributions from the Partnership.

Fractional Units of a class or series may be issued up to three decimal points and shall be proportionately entitled to all the same rights as whole Units of that same class or series, except voting rights (however fractional Units held by a single Limited Partner may be combined).

After the first Valuation Date in each year, new series of Units of each class will be issued on each successive Valuation Date on which Units of such class are issued.

Units of a series other than Series 1 Units of a class may be converted into Series 1 Units (the conversion ratio based on their respective adjusted Net Asset Values per Unit following payment of incentive distributions, in any) following payment of the incentive distribution semi-annually.

The Partnership will not issue Unit certificates. Units are not transferable by a Limited Partner except with the written consent of the General Partner in its absolute discretion and in compliance with the Limited Partnership Act and applicable securities legislation. See "Transfer or Resale".

Redemptions

Redemption rights are described under the heading "Redemptions".

Allocation of Income and Loss

Limited Partners effectively share in net profit and net loss of the Partnership in respect of an applicable period in accordance with their proportionate holdings of Units (less any incentive distributions payable to the General Partner and the Manager in respect of Units held by the Limited Partners), through changes in the Net Asset Value of Units held by them.

Net income and loss, dividends and taxable capital gains or allowable capital losses of the Partnership for taxation purposes in each fiscal year of the Partnership will be allocated as at the last day of such year to (i) the General Partner, generally equal to the

distributions received by it and payable in that year; and (ii) to Limited Partners who hold Units at any time during such year (and in certain cases to Limited Partners who held Units at any time in the previous fiscal year in accordance with the Limited Partnership Agreement) generally based on the number, class and series held by such Limited Partners, the dates of purchase and/or redemption, the respective Net Asset Values of each class and series of Units, the fees paid or payable in respect of each class and series of Units, distributions if any paid to the General Partner in respect of each class and series of Units, the tax basis of such Units, and the date of realization of each such item of income, gain or loss, as the case may be. The Limited Partners will be allocated 99.999% of net losses; the remaining 0.001% shall be allocated to the General Partner.

Distributions

Net profit of the Partnership allocated to the Limited Partners for any fiscal period may be distributed in whole or in part from time to time or at any time in the discretion of the General Partner. No payment may be made to a Limited Partner from the assets of the Partnership if the payment would reduce the assets of the Partnership to an insufficient amount to discharge the liabilities of the Partnership to persons who are not the General Partner or a Limited Partner.

Incentive Distributions

In respect of each calendar month, the General Partner will be entitled to in respect of the class of Units an incentive distribution in an amount equal to 20% of the Net New Appreciation if the Net New Appreciation exceeds 8% per annum (the "**Hurdle Rate**" (prorated as required for such calendar month) achieved by each class of the Units during such calendar month. This incentive distribution shall be accrued monthly and paid every six months in arrears on the last Business Day of June and December. The incentive distribution payable in respect of the Units of a particular series will be deducted from the Net Asset Value of such series only (in the case of a redeemed Unit, it will be deducted from the redemption proceeds otherwise payable). Following payment of the incentive distribution semi-annually, Units other than Series 1 Units may be converted into Series 1 Units (the conversion ratio being based on the respective Net Asset Values per Unit following payment of the incentive distribution).

"**Net New Appreciation**" means the difference, if any, between (i) the Net Asset Value of the relevant class of Units as of the end of such calendar month (without reduction for any incentive distribution paid or payable to the General Partner for such calendar month or dividends declared or paid as of the end of such calendar month) minus (ii) the Net Asset Value of such class of Units as of the end of the most recent calendar month for which an incentive distribution was paid or payable to the General Partner, with such amount reduced by the amount of the incentive distribution paid or payable for such prior calendar month and also reduced by any dividends declared and/or paid as of or subsequent to the end of such prior calendar month through the first day of the calendar month referred to in paragraph (i) above and increased by the amount of all additional share purchases since the end of the most recent calendar month for which an incentive distribution was paid. For purposes of calculating the first incentive distribution payable to the General Partner, paragraph (ii) above shall mean the initial Net Asset Value of the

applicable class of the Units at the Valuation Date. For the purposes of calculating Net New Appreciation, extraordinary fees and expenses and taxes shall be excluded.

“**High Water Mark**” with respect to each class of Units means the New Asset Value of that class of Units as of the end of the most recent calendar month for which an incentive distribution was paid or payable to the General Partner, or if no incentive distribution has been paid since the issuance of the first class of Units, then the initial Net Asset Value of such class of the Units.

If, at any time, the Net Asset Value of any class of Units is below the High Water Mark, no incentive distribution will be charged to such class of Units until the Net Asset Value of such class of Units has reached or exceeded the High Water Mark as of an incentive distribution calculation date.

The Hurdle Rate will be cumulative, such that, in the event that the performance of a class declines, the incentive distribution is only payable once both the High Water Mark and the Hurdle Rate are achieved.

The incentive distribution will be calculated and deducted as a liability in the calculation of the Net Asset Value of each class of Units on the Valuation Day.

In the event that assets are withdrawn from a class of Units at a time when the initial Net Asset Value of such class is below the High Water Mark, the High Water Mark shall be adjusted by a factor equal to:

- (i) the initial Net Asset Value of the relevant class of Units after withdrawal; divided by
- (ii) the initial Net Asset Value of the relevant class of Units before withdrawal.

Once an incentive distribution is assessed, it is not refundable if the relevant class of Units incur losses thereafter. Pursuant to the Limited Partnership Agreement, the General Partner may elect to defer the receipt of all or a portion of the incentive distributions payable to it.

If for any reason, the Partnership is dissolved or if the Limited Partnership Agreement is terminated as of a date other than the last day of a calendar month, the incentive distribution shall be calculated and paid to the General Partner as if such date were the last day of the then current calendar month.

Liability and Indemnification of Limited Partners

Subject to the provisions of the Limited Partnership Act and the Limited Partnership Agreement, the liability of each Limited Partner for the liabilities and obligations of the Partnership is limited to the amount of cash or property the Limited Partner contributes or agrees to contribute to the capital of the Partnership, less any such amounts properly returned to the Limited Partner. However, a Limited Partner may lose his, her or its status as a limited partner and the benefit of limited liability if such Limited Partner takes part in

the control of the business of the Partnership or if certain provisions of the Limited Partnership Act are contravened.

Where a Limited Partner has received the return of all or part of the Limited Partner's contributed capital, the Limited Partner is nevertheless liable to the Partnership or, following the dissolution of the Partnership, to its creditors for any amount, not in excess of the amount returned with interest (calculated at a rate per annum equal to the prime commercial lending rate of the Partnership's bankers), necessary to discharge the liabilities of the Partnership to all creditors who extended credit or whose claims otherwise arose before the return of the contributed capital.

Furthermore, if the General Partner determines that the Partnership has paid to any Limited Partner an amount in excess of an amount to which the Limited Partner is entitled pursuant to the Limited Partnership Agreement such Limited Partner shall reimburse the Partnership to the extent of such excess within fifteen (15) days after notice by the General Partner, accompanied by a report of the auditors of the Partnership confirming the accuracy of such notice. The Limited Partner shall be liable for interest on the excess amount paid at a rate per annum equal to the prime commercial lending rate of the Partnership's bankers from the date of receipt by it of such notice and opinion to the date of refund of the excess amount if payment of such excess amount is not made by the Limited Partner within fifteen (15) days. The General Partner may set off and apply any sums otherwise payable to the Limited Partner against such amounts due from such Limited Partner, provided that there shall be no right of set-off against a Limited Partner in respect of amounts owed to the Partnership by a predecessor of such Limited Partner.

The General Partner shall indemnify and hold harmless each Limited Partner for any costs, damages, liabilities, expenses or losses suffered or incurred by such Limited Partner that result from or arise out of such Limited Partner not having limited liability as set out in the Limited Partnership Agreement, other than any lack of limited liability caused by or arising out of any act or omission of such Limited Partner.

Liability and Indemnification of the General Partner

The General Partner shall be responsible and liable for the debts, obligations and any other liabilities of the Partnership in the manner and to the extent required by the Limited Partnership Act and as set forth in the Limited Partnership Agreement to the extent that Partnership assets are insufficient to pay such liabilities.

Removal of General Partner

The General Partner may be removed as the general partner of the Partnership at any time by a resolution passed unanimously by all Limited Partners, which resolution shall also appoint a new General Partner, and the removal of the General Partner shall be effective upon the date specified in such resolution. Upon the bankruptcy, dissolution or making of an assignment of the benefit of creditors of or by the General Partner or upon the appointment of a receiver of the assets and undertaking of the General Partner, the General Partner shall be deemed to have been removed as the General Partner of the Partnership and a new General Partner shall, in such instances, be appointed by an Ordinary Resolution

(which need not be approved by the removed General Partner) within sixty (60) days of the bankruptcy, dissolution, assignment or appointment.

Reports to Limited Partners

Within ninety (90) days after the end of each fiscal year, the General Partner will forward to each Limited Partner, an annual report for such fiscal year consisting of (i) if requested, audited financial statements for such fiscal year together with a report of the auditors on such financial statements; and (ii) tax information to enable each Limited Partner to properly complete and file his, her or its tax returns in Canada in relation to an investment in Units.

Within sixty (60) days following the end of the first six (6) months of each fiscal year, the General Partner will forward to each Limited Partner, if requested, unaudited semi-annual financial statements.

The General Partner shall forward to each Limited Partner monthly information respecting the Net Asset Value per Unit of Units held by such Limited Partner within thirty (30) days after the end of each month.

Additional interim reporting to Limited Partners will be at the discretion of the General Partner and as required by applicable laws.

Fiscal Year

The fiscal year of the Partnership shall end on December 31 in each calendar year.

Meetings of the Limited Partners

A special meeting of the Limited Partners may be called at any time by the General Partner. Notice of any meeting of the Limited Partners called by the General Partner shall be given to each Limited Partner entitled to vote at such meeting at least ten (10) days and not more than twenty-one (21) days (or such other minimum or maximum number of days as the General Partner may decide subject to applicable laws) prior to the meeting.

A quorum for a meeting of Limited Partners shall consist of two (2) Limited Partners present in person or represented by proxy. If a quorum is not present on the date for which the meeting is called within one-half hour of the time fixed for the holding of such meeting, the meeting shall be adjourned to be held on a date fixed by the chairman of the meeting, which date shall be not later than ten (10) days thereafter, at which adjourned meeting any Limited Partners entitled to vote at the meeting and present in person or represented by proxy shall constitute a quorum.

Amendments to the Limited Partnership Agreement

The General Partner may, without prior notice to or consent from any Limited Partner, amend the Limited Partnership Agreement:

- (a) in order to create additional classes or series of Units and to set the terms thereof;

- (b) in order to protect the interests or for the benefit of the Limited Partners or the Partnership, if necessary;
- (c) to cure any ambiguity or clerical error or to correct or supplement any provision contained herein which may be defective or inconsistent with any other provision if such amendment does not and shall not in any manner have a material adverse effect on the interests of any Limited Partner as a Limited Partner;
- (d) to reflect any changes to any applicable legislation; or
- (e) in any other manner provided that such amendment does not and shall not have a material adverse effect on the interests of any Limited Partner.

All other amendments to the Limited Partnership Agreement may be made at any time by:

- (a) the General Partner with the consent of the Limited Partners given by Special Resolution; or
- (b) the General Partner without the consent of the Limited Partners provided that the Limited Partners are given not less than sixty (60) days' written notice prior to the effective date of the amendment (together with a copy of the amendment and an explanation of the reasons for the amendment), and each Limited Partner is given the opportunity to redeem all of such Limited Partner's Units prior to the effective date of such amendment. For certainty, and despite anything in the Limited Partnership Agreement, a change to the investment objectives of the Partnership may be made by the General Partner without the consent of the Limited Partners provided that sixty (60) days prior written notice is given to the Limited Partners in accordance with the Limited Partnership Agreement. Reference shall also made to any notification in the Offering Memorandum.

In the event that the General Partner appoints a different Manager or there has been a change in the name and/or corporate structure of the Manager, the General partner will notify Limited Partners as soon as practicable and in any event not later than thirty (30) days of such change.

Term and Termination of the Limited Partnership Agreement

The Partnership has no fixed term. Notwithstanding any rule of law or equity to the contrary, the Partnership shall be dissolved only in the manner provided for below and each Limited Partner expressly waives his, her, or its right to dissolve the Partnership or obtain dissolution in any way other than in the manner herein or in the Limited Partnership Agreement. For greater certainty, but without limiting the generality of the foregoing, the Partnership shall continue notwithstanding the withdrawal, expulsion, death or insolvency of any Limited Partner. The Partnership shall be dissolved upon the earlier of:

- (a) a date specified by the General Partner, which date shall not be less than thirty (30) days following the date on which the General Partner gives notice in writing to each Limited Partner of such dissolution of the Partnership; and
- (b) the date which is sixty (60) days following the removal of the General Partner pursuant to the Limited Partnership Agreement, unless a new General Partner is appointed prior to such date.

No Unit may be redeemed at the option of a Limited Partner from the day that the notice of termination of the Partnership is delivered (in accordance with the notice and delivery requirements of the Limited Partnership Agreement), including any requests for redemption made by a Limited Partner since the last Redemption Date (immediately before the date of the notice of termination) and the date of delivery of the notice of termination.

MANAGEMENT AGREEMENT

In order to set out the duties of the Manager, the Partnership has entered into the Management Agreement with the Manager. Pursuant to the Management Agreement, the Manager shall direct the business and affairs of the Partnership and provide day to day management services to the Partnership, including the management of the Partnership's portfolio on a discretionary basis and distribution of Units of the Partnership and such other services as may be required from time to time. The Manager may delegate certain of these duties to other service providers from time to time.

The Manager shall exercise its powers and discharge its duties hereunder honestly, in good faith and in a manner believed to be in the best interests of the Partnership and shall exercise the degree of care, diligence and skill that a reasonably prudent investment fund manager of an investment fund, with investment objective similar to those of the Partnership, would exercise in the circumstances.

Management Fee

As compensation for management services, the Manager will receive a Management Fee, paid monthly in arrears, in respect of the classes of Units being offered hereunder. The Manager is also entitled to be reimbursed for all expenses and liabilities which are properly incurred by the Manager in connection with the activities of the Partnership. See "Fees and Expenses – Management Fee".

Liability and Indemnification of the Manager

The Manager, its principals, shareholders, officers, directors, agents and employees (each a "**Manager Party**") shall at all times be indemnified and saved harmless by the Partnership, from and against all actions, proceedings, claims, costs, demands and expenses (including legal costs on a solicitor and client basis, judgments and amounts paid in settlement), brought, commenced or prosecuted against any Manager Party for or in respect of any act, deed, matter or thing whatsoever made, done, acquiesced in or omitted in or about or in relation to the execution of the Manager's duties under the Management Agreement; with the exception of liabilities and expenses resulting from the Manager Party's gross negligence, fraud, willful misconduct, or breach of its standard of care.

No Manager Party shall be liable to the Partnership for any loss or damage relating to any matter regarding the Partnership, including any loss or diminution in the value of the assets of the Partnership if it has acted in a manner consistent with the standard of care set out in the Limited Partnership Agreement.

Term and Termination of the Management Agreement

The Management Agreement may be terminated at any time by the General Partner or by the Manager in respect of the Partnership by not less than sixty (60) days' prior notice in writing. The Management Agreement may be immediately terminated by a party by notice in writing to the other of them if:

- (a) the other party shall cease to carry on business, become bankrupt or insolvent, resolve to wind up or liquidate or if a receiver of any of the assets of the other party is appointed; or
- (b) the other party shall commit any material breach of the provisions hereof, including with respect to the Manager ceasing to be registered pursuant to securities legislation or any other relevant law to provide the services hereunder, and shall not have remedied such breach within thirty (30) days after written notice requiring the same to be remedied,

provided, however, that rights already accrued at the time of termination of the Management Agreement shall not be affected by such termination.

If not terminated earlier, the Management Agreement shall automatically terminate on the date of termination of the Limited Partnership Agreement.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

Certain Canadian Federal Income Tax Considerations

The following summary describes the principal Canadian federal income tax considerations under the Tax Act generally applicable to a purchaser who acquires Units pursuant to this offering and who, for purposes of the Tax Act and at all relevant times, is resident or deemed to be resident in Canada, deals at arm's length and is not affiliated with the Partnership or the General Partner, holds the Units as capital property, does not have a "significant interest" within the meaning of subsection 34.2(1) of the Tax Act in the Partnership, is not a "specified financial institution" as defined in the Tax Act, is not a purchaser to whom the "functional currency" reporting rules in the Tax Act apply and has not entered into a "derivative forward agreement", as defined in the Tax Act in respect of Units. Such purchasers should consult their own tax advisers. Generally Units will be capital property to a holder provided the holder does not acquire or hold the Units in the course of carrying on a business or as part of an adventure in the nature of trade.

This summary is based on the current provisions of the Tax Act and the regulations thereunder (the "**Regulations**"), all specific proposals to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof and counsel's understanding of the published administrative policies and

assessing practices of the Canada Revenue Agency (the “CRA”). This summary does not otherwise take into account or anticipate any changes in law, administrative policy or assessing practice, whether by legislative, regulatory, administrative or judicial action nor does it take into account tax legislation or considerations of any province, territory or foreign jurisdiction which may differ from those discussed herein.

This summary is of a general nature and is not and is not intended to be legal or tax advice to any particular investor. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, prospective purchasers of Units should consult their own tax advisers have regard to their own particular circumstances.

This summary assumes that, at all times, no Limited Partner is a “financial institution” as defined in subsection 142.2(1) of the Tax Act, at all times the Partnership is a partnership under the Tax Act and each Limited Partner will pay his or her subscription price in full when due. This summary is based on the assumption that the Units are not, and will not be, listed or traded on a stock exchange or other public market within the meaning of the Tax Act. This summary assumes that none of the issuers of the securities in the Partnership’s investment portfolio will be foreign affiliates of the Partnership or of any partner of the Partnership and that none of the securities in the Partnership’s investment portfolio will be “tax shelter investments” within the meaning of section 143.2 of the Tax Act. This summary also assumes that the Partnership will not be subject to the provisions of section 94 and 94.1 of the Tax Act which, generally, apply to investments in non-resident trusts and foreign investment entities.

References to “**income**” or “**loss**” in this summary mean income or loss as determined for the purposes of the Tax Act. For purposes of the Tax Act, all amounts relating to the acquisition, holding or disposition of Units (including the Class UA, Class UF and Class UI Units), including allocations of income, gains and foreign taxes paid, adjusted cost base and proceeds of disposition, must be converted into Canadian dollars based on the applicable exchange rate under the Tax Act.

Computation of Partnership Income or Loss

The Partnership is not a taxable entity. However, the income or loss of the Partnership for a fiscal period for purposes of the Tax Act will be computed as if it were a separate person resident in Canada for the purpose of computing the income or loss of the partners of the Partnership. The income of the Partnership as determined for purposes of the Tax Act may differ from its income as determined for accounting purposes and may not be matched by cash distributions from the Partnership. The fiscal year of the Partnership ends on December 31 in each calendar year.

Each Limited Partner generally will be required to file an income tax return reporting the Limited Partner’s share of the Partnership’s income or loss. For this purpose, the Partnership will provide each Limited Partner with the necessary tax information relating to the Units of the Limited Partner, but the Partnership will not prepare or file income tax returns on behalf of any Limited Partner. Each Limited Partner is required to file an information return in prescribed form containing prescribed information for each fiscal period of the Partnership. The General Partner is obliged to file the necessary return under

the Partnership Agreement and, when made, each Limited Partner is deemed to have made this filing.

In computing its income, the Partnership generally will be entitled to deduct expenses in the year in which they are incurred to the extent permitted by the Tax Act. The costs incurred in organizing the Partnership which are borne by the Partnership and which are not otherwise deductible are generally considered to be eligible capital expenditures, three-quarters of which may be deducted in the computation of income by the Partnership at the rate of 7% per annum, on a declining balance basis, subject to proration for short fiscal periods. Expenses incurred by the Partnership in the course of issuing Units generally are deductible on a straight line basis over a five year period, subject to proration for the short fiscal period.

Limited Partners: Calculation of Income

Each Limited Partner generally will be required to include, in computing his or her income or loss for a taxation year, his or her share of the income or loss (and of taxable capital gains or allowable capital losses) of the Partnership allocated to such Limited Partner for each fiscal year of the Partnership, whether or not the Limited Partner has received or will receive a distribution from the Partnership. Income and loss of the Partnership will be allocated to Limited Partners in accordance with the provisions of the Limited Partnership Agreement as described under "Summary of Limited Partnership Agreement - Allocation of Income and Loss". There can be no assurance that any cash distributions made by the Partnership will be sufficient to satisfy a Limited Partner's tax liability for a year arising from his or her status as a Limited Partner.

If, with respect to a given fiscal year, no cash distribution is made by the Partnership to its Partners or the Partnership has a loss for income tax purposes, the income or loss, as the case may be, for tax purposes of the Partnership for that fiscal year will be allocated in equal one twelfth portions, as to 0.001% to the General Partner and as to 99.999% to the Limited Partners determined at the end of each calendar month ending in that fiscal year. The amount allocated to Limited Partners will be allocated to each such Limited Partner in the proportion to the Units held at each such date by such Limited Partner.

In general, a Limited Partner's share of any income or loss from the Partnership from a particular source or a particular place will be treated as if it were income or loss of the Limited Partner from that particular source or place, and any provisions of the Tax Act applicable to that type of income or loss will apply to the Limited Partner.

A Limited Partner's share of taxable dividends received or deemed to be received by the Partnership in a fiscal year from a taxable Canadian corporation will be treated as dividends received by the Limited Partner and included in the Limited Partner's income. In the case of a Limited Partner that is an individual (other than certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules applicable to taxable dividends received by individuals from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit applicable to any dividend designated as an eligible dividend in accordance with the provisions of the Tax Act. A dividend received by a Limited Partner

that is a corporation generally will be deductible in computing the corporation's taxable income.

A Limited Partner that is a "private corporation", as defined in the Tax Act, or any other corporation controlled, whether because of a beneficial interest in one or more trusts or otherwise, by or for the benefit of an individual (other than a trust) or a related group of individuals (other than trusts), generally will be liable to pay a refundable tax of 33 $\frac{1}{3}$ % on dividends received to the extent that such dividends are deductible in computing the Limited Partner's taxable income for the year.

A Limited Partner's share of distributions paid or payable to the Partnership by a trust in a fiscal year will be treated as distributions paid or payable to the Limited Partner in that year. A holder of an interest in a trust generally will be required to include in computing income for a particular year the portion of income for tax purposes of the trust for the year, including net taxable capital gains, determined for purposes of the Tax Act, that is paid or payable to the holder in that year whether the amount is received in cash, additional trust interest or otherwise. Provided that appropriate designations are made by the trust, such portions of the trust's taxable capital gains and foreign source income as are paid or payable to the holder effectively will retain their character and be treated as such in the hands of the holder for purposes of the Tax Act. Any amount in excess of the income of the trust that is paid or payable by the trust to a holder in a year generally will not be included in the holder's income for the year, including the non-taxable portion of any net capital gain of the trust that is paid or payable to a holder in a taxation year. However, where such an amount is paid or becomes payable to a holder, other than as proceeds of disposition or deemed disposition of trust interests or any part thereof, the amount generally will reduce the adjusted cost base of the trust interests held by such holder, except to the extent that the amount represents the holder's share of the non-taxable portion of the net capital gains of the trust for the year, the taxable portion of which was designated by the trust in respect of the holder. If, as a result, the holder's adjusted cost base in a taxation year in respect of its trust interests would otherwise be a negative amount, the holder will be deemed to realize a capital gain in such amount for that year, and the holder's adjusted cost base in respect of its trust interests will then be reset to nil. If a trust is a "SIFT trust" as defined in the Tax Act, such a trust will be subject to trust level taxation and taxable distributions received by holders of interest in such a trust will be treated as dividends from a taxable Canadian corporation.

The Partnership will derive income (including gains) from investments in countries other than Canada and, as a result, may be liable to pay income or profits tax to such countries. In general, each Limited Partner's "business income tax" and "non-business income tax", as defined in the Tax Act, will include such Limited Partner's share of foreign taxes paid by the Partnership. Limited Partners will generally be entitled to claim foreign tax credits in accordance with the detailed rules in the Tax Act.

Unless all of the partners of the Partnership are resident in Canada within the meaning of the Tax Act, the Partnership will be deemed to be a non-resident person in respect of certain amounts paid or credited to it by a person resident or deemed to be resident in Canada, including dividends or interest. Dividends or interest (other than

interest exempt from Canadian federal withholding tax) paid by a person resident or deemed to be resident in Canada to the Partnership will be subject to withholding tax under Part XIII of the Tax Act at the rate of 25%. However, the CRA's administrative practice in such circumstances is to permit the rate of Canadian federal withholding tax applicable to such payments to be computed by looking through the partnership and taking into account the residency of the partners (including partners who are resident in Canada) and any reduced rates of Canadian federal withholding tax that any non-resident partners may be entitled to under an applicable income tax treaty or convention, provided that the residency status and entitlement to the treaty benefits can be established. However, there can be no assurance that any Canadian-resident entity paying amounts to the Partnership will withhold in accordance with this policy. A Limited Partner who is resident in Canada should generally be entitled to obtain a credit for their portion of any withholding tax under Part XIII.

The characterization by the CRA of the gains realized by the Partnership on the disposition of securities as either capital or income gains (or losses) will depend largely on factual considerations, and no conclusions with regard thereto are expressed herein. Generally gains and losses realized in connection with investments made through derivative securities will be on income account, except where such derivatives are not "derivative forward agreements" (as defined in the Tax Act) and are used to hedge and are sufficiently linked to the investments of the Partnerships held on capital account. Limited Partners who have made the irrevocable election under subsection 39(4) of the Tax Act to have their "Canadian securities" treated as capital property should consult their tax advisers.

Subject to the detailed "at risk" rules contained in the Tax Act, generally a Limited Partner may deduct his or her share of the Partnership's losses (other than capital losses) from his or her income from any other source to reduce income for the relevant taxation year and, to the extent such share exceeds his or her income for that year, the excess may generally be carried back three years and forward twenty years and deducted in computing his or her taxable income for those years in accordance with and subject to applicable provisions of the Tax Act. Prospective investors should consult their own tax advisers with respect to the application of the "at risk" rules in their particular circumstances.

One-half of a Limited Partner's share of capital losses, if any, of the Partnership may generally be used to offset taxable capital gains in the year, in any of the three prior years or in any subsequent year, in accordance with and subject to applicable provisions of the Tax Act.

Disposition of a Unit

The actual or deemed disposition of a Unit held as capital property (including a redemption) will result in a capital gain (or capital loss) equal to the amount by which the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the Unit.

The adjusted cost base of a Unit of a Limited Partner at any time generally will be the subscription price of the Unit paid by the Limited Partner plus the share of income of (and

any capital gains realized by) the Partnership allocated to the Limited Partner in respect of such Unit for each previous fiscal period ending before that time, minus the aggregate of all amounts that have been distributed to the Limited Partner in respect of the Unit before that time and losses of the Partnership allocated to the Limited Partner in respect of such Unit for each previous fiscal period ending before that time. If the adjusted cost base of a Limited Partner's Units is negative at the end of a taxation year, the amount by which it is negative will be deemed to be a capital gain realized by the Limited Partner in that taxation year and the Limited Partner's adjusted cost base of such Units will be increased to nil.

The amount of any capital loss realized on a disposition of a Unit by a Limited Partner may be reduced by the amount of certain dividends received by the Limited Partner on shares of taxable Canadian corporations held as capital by the Partnership and allocated to the Limited Partner to the extent and under the circumstances prescribed by the Tax Act. Additional considerations may apply where, as part of a transaction or event or a series of transactions or events, a Limited Partner disposes of a Unit and a Unit is acquired, directly or indirectly through certain other partnerships or Canadian resident trusts (other than a "mutual fund trust" as defined in the Tax Act), by a person exempt from tax under section 149 of the Tax Act. Limited Partners proposing to engage in such a transaction should obtain specific tax advice.

The Partnership will generally be deemed to have a fiscal year end immediately prior to a Limited Partner ceasing to be a member of the Partnership for purposes of determining the adjusted cost base of the Unit to the Limited Partner. This should generally allow the Limited Partner's share of any current year income or loss or capital gain or capital loss of the Partnership to be reflected in the Limited Partner's adjusted cost base of the Limited Partner's Unit for purposes of determining the Limited Partner's capital gain or capital loss on a disposition of the Limited Partner's Unit. A Limited Partner who disposes of Units during a fiscal period of the Partnership should obtain specific tax advice with respect to the detailed rules in the Tax Act which apply in such circumstances.

Limited Partners should consult their own tax advisors with respect to the consequences of converting Class UA Units, Class UF Units or Class UI Units into Class A Units, Class F Units or Class I Units, and with respect to the consequences of converting Series 1 Units into any other series of Units.

Generally a Limited Partner is required to include in computing its income for a taxation year one-half of the amount of any capital gain (a "**taxable capital gain**") realized in the year. Subject to and in accordance with the provisions of the Tax Act, a Limited Partner is required to deduct one-half of the amount of any capital loss (an "**allowable capital loss**") realized in the year from taxable capital gains realized by the Limited Partner in the year, and allowable capital losses in excess of taxable capital gains may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years.

Dissolution of the Partnership

On a taxable dissolution of the Partnership under which the Partnership has sold all its assets and distributes any remaining cash to the partners of the Partnership, a Limited Partner generally will be considered to have disposed of his or her Unit for proceeds of disposition equal to the cash received or receivable by the Limited Partner on such dissolution. Any gain or loss realized by the Partnership on the disposition of its assets will be reflected in the income or loss of the Partnership in its final fiscal period and, subject to the detailed rules of the Tax Act, each Limited Partner will be required to include or be entitled to deduct his or her share of the Partnership's income or loss in the taxation year in which the dissolution occurs. As discussed above, a Limited Partner's share of the resulting gain or loss of the Partnership should generally be reflected in adjustments to the adjusted cost base of the Limited Partner's Unit. Limited Partners should consult their own tax advisors in this regard.

Qualified Investments

A Unit will not be a qualified investment for trusts governed by a registered retirement savings plan, registered retirement income fund, deferred profit sharing plan, registered education savings plan, registered disability savings plan or tax-free savings account.

Investment in Units involves certain risk factors, including risks associated with the Partnership's investment strategies. The following risks should be carefully evaluated by prospective investors prior to investing in Units.

RISK FACTORS

There is high risk associated with an investment in the Partnership and an investment in the Partnership should only be made after consultation with independent qualified sources of investment and tax advice. Among the risks involved with an investment in the Partnership are the following:

Risks Associated with an Investment in the Partnership

No Operating History for the Partnership. Although all persons involved in the management of the Partnership, the Partnership and the service providers to the Partnership have had long experience in their respective fields of specialization, it has to be considered that the Partnership has no operating and performing history upon which prospective investors can evaluate the Partnership's performance. NO ASSURANCE CAN BE MADE THAT PROFITS WILL BE ACHIEVED OR THAT SUBSTANTIAL LOSSES WILL NOT BE INCURRED.

Reliance on Manager. The Partnership relies on the ability of the Manager and its principals to actively manage the assets of the Partnership. The Manager will make the actual trading decisions upon which the success of the Partnership will depend significantly. No assurance can be given that the trading approaches utilized by the Manager will prove successful. There can be no assurance that satisfactory replacements for the Manager will be available, if needed. Termination of the Management Agreement will not terminate the Partnership, but will expose investors to the risks involved in whatever new investment management arrangements the General Partner is able to negotiate. In

addition, the liquidation of positions held for the Partnership as a result of the termination of the Management Agreement may cause substantial losses to the Partnership.

Dependence of Manager on Key Personnel. The Manager depends, to a great extent, on the services of its investment management team in the administration of the Partnership's trading activities. The loss of the services of one or more members of the team for any reason could impair the ability of the Manager to perform its investment management activities on behalf of the Partnership.

Potential Loss of Investment. An investment in the Partnership may be deemed speculative and there is a risk that an investment in the Partnership may be lost entirely or in part. The Partnership is not a complete investment program and should represent only a portion of an investor's portfolio management strategy. Investors should review closely the investment objective and investment strategies to be utilized by the Partnership as outlined herein to familiarize themselves with the risks associated with an investment in the Partnership.

Devotion of Time. The Manager and its affiliates may in the future manage accounts other than the Partnership and the Feeder Partnership and may devote substantial time and resources to doing so.

Competition. The Partnership competes with numerous other private investment funds and financial institutions (both diversified and specialized funds), as well as other investors, many of which have substantially greater resources than the Partnership.

The amount of capital committed to "alternative investment strategies" has increased dramatically during the past decade. At the same time, market conditions have become significantly more adverse to many of such strategies than they were in previous years. The profit potential of the Partnership may be materially reduced as a result of the increased competition within the alternative investment field.

Fluctuations in Net Asset Value. Fluctuations in the Net Asset Value of the Partnership may occur for a number of reasons beyond the control of the Partnership or the Manager. The Net Asset Value of the Partnership varies according to, among other things, the value of the investments held in the Partnership's portfolio. The Manager and the Partnership have no control over the factors that affect the value of such investments, including market, economic, political, regulatory and other conditions.

Distributions and Allocations. The Partnership is not required to distribute its profits. If the Partnership has taxable income for Canadian federal income tax purposes for a fiscal year, such income will be allocated to the Limited Partners in accordance with the provisions of the Limited Partnership Agreement as described under "Allocation of Profits and Losses" and will be required to be included in computing their income for tax purposes, irrespective of the fact that cash may not have been distributed to the Limited Partners. Units may be acquired and withdrawn on a monthly basis and allocations of income and losses of the Partnership to the Limited Partners will only be made on an annual basis, consequently, such allocations to a particular Limited Partner may not correspond to the economic gains and losses which such Limited Partner may experience. Furthermore,

investors may be allocated income for tax purposes and not receive any cash distributions from the Partnership.

Repayment of Certain Distributions. Other than with respect to the possible loss of the limited liability as outlined below, where a Limited Partner has received the return of all or part of the Limited Partner's contributed capital, the Limited Partner is nevertheless liable to the Partnership or, following the dissolution of the Partnership, to its creditors for any amount, not in excess of the amount returned with interest, necessary to discharge the liabilities of the Partnership to all creditors who extended credit or whose claims otherwise arose before the return of the contributed capital. Furthermore, if the General Partner determines that the Partnership has paid to any Limited Partner an amount in excess of an amount to which the Limited Partner is entitled pursuant to the Limited Partnership Agreement such Limited Partner shall reimburse the Partnership to the extent of such excess within fifteen (15) days after notice by the General Partner. The Limited Partner shall be liable for interest on the excess amount paid at a rate per annum equal to the prime commercial lending rate of the Partnership's bankers from the date of receipt by it of such notice and opinion to the date of refund of the excess amount if payment of such excess amount is not made by the Limited Partner within fifteen (15) days.

Financial Resources of the General Partner. While the General Partner has unlimited liability for the obligations of the Partnership and has agreed to indemnify the Limited Partners in certain circumstances, the General Partner has nominal assets and it is unlikely that the General Partner will have sufficient assets to satisfy any claims pursuant to such indemnity.

Contingent Liabilities. The Partnership has the power to establish such reserves for unknown or contingent liabilities as the General Partner may deem advisable. This could occur, for example, in the event some of the Partnership's positions were illiquid, if there are any assets that cannot be properly valued on the date of withdrawal, or if there is any pending transaction or claim by or against the Partnership involving, or that may affect the Net Asset Value of the Units of a withdrawing Limited Partner or the obligations of a withdrawing Limited Partner which cannot be then ascertained.

Limited Ability to Liquidate Units. There is no formal market for the Units and no market is expected to develop. Accordingly, it is possible that Limited Partners may not be able to resell their Units other than by way of withdrawal of their Units at any Business Day. Holders of Units may not be able to liquidate their investment in a timely manner and the Units may not be readily accepted as collateral for a loan. This offering of Units is not qualified by way of prospectus, and consequently the resale of Units is subject to restrictions under applicable securities legislation.

Compulsory Redemption of a Limited Partner's Unit. The Unit of any Limited Partner may be compulsorily redeemed by the Partnership in whole or in part, for any reason or for no reason in the discretion of the General Partner by notice in writing to the Limited Partner.

Significant Restrictions on Redemptions. Redemption will be not permitted by the General Partner (either in whole or in part) at any time where the Manager is of the opinion,

in its sole discretion, that there are insufficient liquid assets in the Partnership to fund such redemptions or that the liquidation of assets would be to the detriment of the Partnership generally. See "Redemptions".

Possible Effect of Redemptions. Substantial redemptions of Units could require the Partnership to liquidate positions more rapidly than otherwise desirable to raise the necessary cash to fund redemptions and achieve a market position appropriately reflecting a smaller asset base. Such factors could adversely affect the value of the Units redeemed and of the Units remaining outstanding.

Charges to the Partnership. The Partnership is responsible for all ongoing costs and expenses associated with its administration and operation, including without limitation, Management Fees, brokerage commissions and legal, accounting, filing and other expenses regardless of whether the Partnership realizes profits. In addition, the Partnership will allocate profits to the General Partner in respect of a fiscal year.

Incentive Distributions. The General Partner, an affiliate of the Manager, could receive substantial allocations in the event that the Partnership generates net profits. Prospective investors should note that the fact that the General Partner receives incentive distributions may create an incentive for the Manager to make investments that are riskier or more speculative than would be the case if the General Partner and the Manager were compensated solely based on a flat percentage of capital. If the Partnership pays an incentive distribution in respect of any semi-annual period and subsequently suffers a net loss, the General Partner is entitled to retain any and all profits received by it.

Potential Indemnification Obligations. Under certain circumstances, the Partnership might be subject to significant indemnification obligations in respect of the General Partner, the Manager, other service providers to the Partnership or certain parties related to them. The Partnership will not carry any insurance to cover such potential obligations and, to the knowledge of the General Partner and Manager, none of the foregoing parties will be insured for losses for which the Partnership has agreed to indemnify them. Any indemnification paid by the Partnership would reduce the Partnership's Net Asset Value and, by extension, the value of the Units.

Increasing the Assets Managed by the Manager May Adversely Affect Performance. There appears to be a tendency for the rates of return achieved by advisors to degrade as assets under management increase. Although the General Partner may in its sole discretion, close the Partnership to additional capital contributions, or return capital to existing investors, there is no limit on the total amount of subscriptions that may be accepted on behalf of the Partnership. In addition, the Manager is not prohibited from managing other vehicles or accounts with similar or different strategies.

Changes in Legislation. There can be no assurance that tax, securities and other laws will not be changed or administered in a manner which adversely affects the returns of the Partnership or the Limited Partners. The regulatory environment for hedge funds is evolving and changes to it may adversely affect the Partnership. To the extent that regulators adopt practices of regulatory oversight in the area of hedge funds that create additional compliance, transaction, disclosure or other costs for hedge funds, returns of the

Partnership may be negatively affected. In addition, the regulatory or tax environment for derivative and related instruments is evolving and may be subject to modification by government or judicial action that may adversely affect the value of the investments held by the Partnership. The effect of any future regulatory or tax change on the portfolio of the Partnership is impossible to predict.

Not a Public Mutual Fund. The Partnership is not subject to the restrictions placed on public mutual funds to ensure diversification and liquidity of the Partnership's portfolio.

Changes in Investment Strategy. The Manager may alter its strategy without prior approval by the Limited Partners if the General Partner and the Manager determine that such change is in the best interest of the Partnership. There is no guarantee that such a change in investment strategy will be profitable or will not cause losses for holders of Units.

Potential Inability to Trade or Report Due to Systems Failure. The Manager's strategies will be dependent to a significant degree on the proper functioning of its internal and external computer systems. Accordingly, systems failures, whether due to third-party failures upon which such systems are dependent or the failure of the Manager's hardware or software, could disrupt trading or make trading impossible until such failure is remedied. Any such failure, and consequential inability to trade (even for a short time), could, in certain market conditions, cause the Partnership to experience significant trading losses or to miss opportunities for profitable trading. Any such failures also could cause a temporary delay in reports to investors.

Valuation of the Partnership's Investments. While the Partnership is independently audited by its auditors on an annual basis in order to ensure as fair and accurate a pricing as possible, valuation of the Partnership's securities and other investments may involve uncertainties and judgmental determinations and, if such valuations should prove to be incorrect, the Net Asset Value of the Partnership could be adversely affected. Independent pricing information may not at times be available regarding certain of the Partnership's securities and other investments. Valuation determinations will be made in good faith in accordance with the Partnership Agreement.

The Partnership may have some of its assets in investments which by their very nature may be extremely difficult to value accurately. To the extent that the value assigned by the Partnership to any such investment differs from the actual value, the Net Asset Value may be understated or overstated, as the case may be. In light of the foregoing, there is a risk that a Limited Partner who withdraws all or part of its Units while the Partnership holds such investments will be paid an amount less than such Limited Partner would otherwise be paid if the actual value of such investments is higher than the value designated by the Partnership. Similarly, there is a risk that such Limited Partner might, in effect, be overpaid if the actual value of such investments is lower than the value designated by the Partnership. In addition, there is risk that an investment in the Partnership by a new Limited Partner (or an additional investment by an existing Limited Partner) could dilute the value of such investments for the other Limited Partners if the designated value of such investments is higher than the actual value designated by the Partnership. Further, there is risk that a new Limited Partner (or an existing Limited Partner that makes an additional investment) could pay more than it might otherwise if the actual value of such investments

is lower than the actual value designated by the Partnership. The Partnership does not intend to adjust the Net Asset Value of the Partnership retroactively.

Lack of Independent Experts Representing Limited Partners. Each of the Partnership, the General Partner and the Manager has consulted with legal counsel regarding the formation and terms of the Partnership and the offering of Units. The Limited Partners have not, however, been independently represented. Therefore, to the extent that the Partnership, the Limited Partners or this offering could benefit by further independent review, such benefit will not be available. Each prospective investor should consult his or her own legal, tax and financial advisors regarding the desirability of purchasing Units and the suitability of investing in the Partnership.

No Involvement of Unaffiliated Selling Agent. The General Partner and the Manager are under common control and ownership. Consequently, no outside selling agent unaffiliated with such parties has made any review or investigation of the terms of this offering, the structure of the Partnership or the background of the General Partner and the Manager.

Significant Investor/Limited Partner. It is expected that at any time investors in the Partnership may include individual investors with significant holdings in the outstanding Units. The presence of a large investor helps to mitigate the burden of the fixed costs of the Partnership by effectively spreading the impact of such costs over a larger Net Asset Value than would otherwise be the case. By the same token, any large withdrawals by such an investor will raise the impact of such fixed costs on remaining investors. Large orders to purchase or sell Units in the Partnership by such significant investors may, individually or on a combined basis, also result in parallel investment/disinvestment transactions by the Partnership in one or more of its underlying assets. This could in turn possibly impact the value of such investments thereby affecting the Net Asset Value of the Partnership.

Early Termination. In the event of early termination of the Partnership, the Partnership would distribute to the Limited Partners of each class *pro rata* their interest in the assets of the Partnership available for such distribution, subject to the rights of the Manager to retain monies for costs and expenses. Certain assets held by the Partnership may be illiquid and might have little or no marketable value. In addition, the assets held by the Partnership would have to be sold by the Partnership or may be distributed in kind to the Limited Partners. It is possible that at the time of such sale or distribution, certain securities held by the Partnership would be worth less than the initial cost of such assets, resulting in a loss to the Limited Partners.

Limited Partners not Entitled to Participate in Management. Limited Partners are not entitled to participate in the management or control of the Partnership or its operations. Limited Partners do not have any input into the Partnership's trading. The success or failure of the Partnership will ultimately depend on the investment of the assets of the Partnership by the Manager, with which the Limited Partners will not have any direct dealings.

Possible Loss of Limited Liability. The Partnership may, by virtue of this offering, or otherwise, be carrying on business in jurisdictions other than that under which it was formed. The Partnership is registered as an extra-jurisdictional limited partnership in those

jurisdictions where the Partnership has been advised that it will be carrying on business by virtue of this offering or otherwise and where there is provision for registration as an extra jurisdictional limited partnership. However, there is a risk that Limited Partners may not be afforded limited liability in such jurisdictions to the extent that principles of conflicts of law recognizing the limitation of liability of Limited Partners have not been authoritatively established with respect to limited partnerships formed under laws of one jurisdiction but carrying on business in another jurisdiction. See “Liability of Limited Partners and Registration of the Partnership”.

Conflicts of Interest. The Manager and its directors and officers and their affiliates and associates may engage in the promotion, management or investment management of one or more investment funds. Although none of the directors or officers of the Manager will devote his or her full time to the business and affairs of the Partnership or the Manager, each devotes as much time as is necessary to supervise the management of (in the case of the directors) or to manage the business and affairs of (in the case of officers) the Manager and the Partnership, as applicable. In addition, although officers, directors and professional staff of the Manager devote as much time to the Partnership as the Manager deems appropriate to perform its duties, such persons may have conflicts in allocating their time and services among the Partnership and the other portfolios and/or investment funds managed by the Manager, as applicable.

In addition, the Manager and/or its affiliates, in connection with their business activities, may acquire material non-public confidential information that may restrict it from purchasing assets or selling assets for itself or its clients (including the Partnership) or otherwise using such information for the benefit of its clients or itself.

Trading Errors. The Manager is under no obligation to reimburse the Partnership for any errors or mistakes of the Manager with respect to the Manager’s placing or executing trades for the Partnership or any other administrative errors made by the Manager, its agents and affiliates, unless they are the result of conduct by the Manager which is inconsistent with the Manager’s standard of care.

Nature of Units. The Units are neither fixed income nor equity securities. An investment in Units does not constitute an investment by Limited Partners in the securities included in the Portfolio and Limited Partners will not own the Units held by the Partnership by virtue of owning Units. Units are dissimilar to debt instruments in that there is no principal amount owing to Limited Partners. Limited Partners will not have the statutory rights normally associated with ownership of shares of a corporation including, for example, the right to bring “oppression” or “derivative” actions.

Class/Series Risk. The Partnership currently offers six (6) classes of Units and may in the future offer additional classes of Units. Each class and series is charged, as a separate class and/or series, any expenses that are specifically attributable to that class and/or series. However, if the Partnership cannot pay the expenses of one class and/or series using its proportionate share of the Partnership’s assets, the Partnership will be required to pay those expenses out of the other classes’ and/or series’ proportionate share of the Partnership’s assets which could lower the investment returns of the other classes and/or series.

Risk of Litigation. In the ordinary course of business, the Partnership may be subject to litigation from time to time. In addition, the Partnership may accumulate substantial positions in the securities of issuers that become involved in proxy contests or other litigation. As a result of such investments, the Partnership could be named as a defendant in a lawsuit or regulatory action. The outcome of such proceedings, which may materially adversely affect the value of the Partnership, may be impossible to anticipate, and such proceedings may continue without resolution for long periods of time. Any litigation may consume substantial amounts of the Manager's time and attention, and that time and the devotion of these resources to litigation may, at times, be disproportionate to the amounts at stake in the litigation.

Asset Valuation-Thinly Quoted Securities and Derivatives. It is not unusual for broker-dealers affiliated with an issuer of a particular security or derivative to provide "bid" and "ask" quotations for such investment on a preliminary or "soft" basis. Such preliminary quotations may or may not reflect the "bid" or "ask" prices at which such broker-dealer would be willing to effect actual transactions. Broker-dealers unaffiliated with the issuer of such security or derivative, if providing quotes, may be even less likely to execute transactions (particularly sales transactions by the Manager) at or near preliminary quotes. In the absence of actual sale transactions, it is difficult for the Manager to test the reliability of preliminary quotes even when multiple broker-dealers are providing "bid" and "ask" prices.

New IRS Reporting Rules. Pursuant to the recent Intergovernmental Agreement for the Enhanced Exchange of Tax Information under the Canada-U.S. Tax Convention entered into between Canada and the U.S. (the "IGA"), and related Canadian legislation, the Partnership and the Manager are required to report certain information with respect to Limited Partners who are U.S. residents and U.S. citizens (including U.S. citizens who are residents or citizens of Canada), and certain other "U.S. Persons" as defined under the IGA (excluding registered plans), to the CRA. The CRA will then exchange the information with the U.S. Internal Revenue Service pursuant to the provisions of the Canada-U.S. Income Tax Treaty. If the Partnership is unable to comply with any of its obligations under the IGA, the imposition of a 30% U.S. withholding tax on certain specified payments (i.e. "withholdable payments" as defined under the Foreign Account Tax Compliance Act ("FATCA")) made to the Partnership, as well as penalties under the Tax Act, may affect the net asset value of the Partnership and may result in reduced investment returns to Limited Partners. The administrative costs of compliance with FATCA may also cause an increase in the operating expenses of the Partnership further reducing returns to Limited Partners. Limited Partners should consult their own tax advisers regarding the possible implications of this legislation on them and their investments.

Market Related Risks

General Economic and Market Conditions. The success of the Partnership's activities may be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, and national and international political circumstances. These factors may affect the level and volatility of securities prices and the liquidity of the Partnership's investments. Unexpected volatility or illiquidity could impair the Partnership's profitability or result in losses.

Suspension of Trading. Securities exchanges typically have the right to suspend or limit trading in any instrument traded on the exchange. A suspension would render it impossible to liquidate positions and could thereby expose the Partnership to losses.

Volatility. The prices of certain instruments that may be traded by the Partnership have been subject to periods of excessive volatility recently and in the past, and such periods can be expected to continue or recur. Price movements are influenced by many unpredictable factors, such as market sentiment, inflation rates, interest rate movements and general economic and political conditions.

Market Disruptions; Governmental Intervention. The global financial markets have in the past several years undergone pervasive and fundamental disruptions that have led to extensive and unprecedented governmental intervention. Such intervention has in certain cases been implemented on an “emergency” basis, suddenly and substantially eliminating market participants’ ability to continue to implement certain strategies or manage the risk of their outstanding positions. In addition – as one would expect given the complexities of the financial markets and the limited time frame within which governments have felt compelled to take action – these interventions have typically been unclear in scope and application, resulting in confusion and uncertainty which in itself has been materially detrimental to the efficient functioning of the markets as well as previously successful investment strategies.

The Partnership may incur major losses in the event of disrupted markets and other extraordinary events in which historical pricing relationships become materially distorted. The risk of loss from pricing distortions is compounded by the fact that in disrupted markets many positions become illiquid, making it difficult or impossible to close out positions against which the markets are moving. The financing available to the Partnership from its banks, dealers and other counterparties is typically reduced in disrupted markets. Such a reduction may result in substantial losses to the Partnership. Market disruptions may from time to time cause dramatic losses for the Partnership, and such events can result in otherwise historically low-risk strategies performing with unprecedented volatility and risk.

Risks Relating to the Partnership’s Strategies

Evolving and New Investment Approaches. The Manager’s investment approach and trading techniques will be continually evolving. The Manager may alter its strategy without prior approval by the Limited Partners if the General Partner and the Manager determine that such change is in the best interests of the Partnership. The Manager is not restricted from using the Partnership’s capital to develop or incubate new strategies or approaches, even if the Manager has limited experience in the type of markets or instruments involved. The strategies and approaches developed by the Manager may not be successful and the resources devoted to the implementation of new approaches or strategies may diminish the effectiveness of the Manager’s implementation of the Manager’s established approaches or strategies.

Trading Costs. The Partnership may engage in a high rate of trading activity resulting in correspondingly high costs being borne by the Partnership.

Directional Investments. Certain of the positions that will be taken or sectors that will be invested in by the Partnership will be designed to profit from forecasting absolute price movements in a particular instrument. Predicting future prices is inherently uncertain and the losses incurred, if the market moves against a position or sector, will often not be hedged. The speculative aspect of attempting to predict absolute price movements is generally perceived to exceed that involved in attempting to predict relative price fluctuations.

Very Limited Diversification Policies. Although the Manager has a risk management framework relating to portfolio concentration, the Manager has very limited diversification policies as to the percentage of the Partnership's assets that may be invested in any particular country, asset class, issuer, instrument, market or strategy. The Partnership's actual portfolio may become more concentrated than the Manager's risk management framework would otherwise dictate due to market movements, and the Manager may amend its risk management policies without providing prior notice to or receiving the consent of the Limited Partners. Any concentrated position could ultimately result in significant losses to the Partnership and a greater reduction in the Net Asset Value of the Partnership than if the Partnership was more diversified.

Availability of Investment Opportunities. There can be no assurance that the Manager will be able to find suitable opportunities consistent with its investment approach. Market conditions may limit the availability of investment opportunities. Such limitations may cause delays in deploying the Partnership's capital and may negatively impact the Partnership's returns.

Holding Period of Investment Positions. The Manager typically will not know the maximum or, often, even the expected duration of any particular position at the time of initiation. The length of time for which a position is maintained varies significantly, based on the Manager's subjective judgment of the appropriate point at which to liquidate a position so as to augment gains or reduce losses.

Reliance on Corporate Management and Financial Reporting. The Manager will rely on the financial information made available by the issuers in which the Partnership will invest. The Manager has no ability to independently verify the financial information disseminated by the numerous issuers in which the Partnership may invest and is dependent upon the integrity of both the management of these issuers and the financial reporting process in general. Corporate mismanagement, fraud and accounting irregularities relating to the issuers of investments held by the Partnership may result in material losses. Equity prices are particularly vulnerable to corporate mismanagement.

International Investing. Investing outside Canada and the United States involves political and economic considerations that create greater risks than investing in Canada and the United States. These risks include, among other things, greater risks of expropriation, nationalization and general social, political and economic instability; the small relative size of the securities markets in such countries and the low volume of trading, resulting in potential lack of liquidity and in price volatility; fluctuations in the rate of exchange between currencies and costs associated with currency conversion, imposition of withholdings and other taxes and certain government policies that may restrict the

Partnership's investment opportunities. Other risks include: (i) less publicly available information; (ii) varying levels of governmental regulation and supervision; and (iii) the difficulty of enforcing legal rights in such jurisdiction and uncertainties as to the status, interpretation and application of laws. Moreover, companies established outside Canada and the U.S. may not be subject to uniform accounting, auditing and financial reporting disclosure standards, practices and requirements comparable to those applicable to Canadian and U.S. companies.

Non-North American markets may also have different clearance and settlement procedures, and in certain markets there have been times when settlements have failed to keep pace with the volume of securities transactions, making it difficult to conduct such transactions. Delays in settlement could result in periods when assets of the Partnership are un-invested and no return is earned thereon. The inability of the Partnership to make intended security purchases due to settlement problems or the risk of intermediary counterparty failures could cause the Partnership to miss investment opportunities. The inability to dispose of a security due to settlement problems could result either in losses to the Partnership due to subsequent declines in the value of such structured credit security or, if the Partnership has entered into a contract to sell the security, could result in possible liability to the purchaser. Transaction costs of buying and selling non-Canadian and non-U.S. securities, including brokerage, tax and custody costs, also are generally higher than those involved in U.S. transactions. Furthermore, financial markets outside Canada and the United States may have substantially less volume than Canadian and U.S. markets, and securities of many companies established outside Canada and the U.S. may be less liquid and their prices more volatile than securities of comparable Canadian and U.S. companies.

The economies of individual countries outside Canada and the U.S. may also differ favorably or unfavorably from the Canadian and U.S. economy in such respects as growth of gross domestic product, rate of inflation, volatility of currency exchange rates, depreciation, capital reinvestment, resources self-sufficiency and balance of payments position.

As a result of the aforementioned considerations, the Partnership's value may fluctuate to a greater degree by investing in foreign securities, than if the Partnership limited its investments to Canadian and U.S. securities.

Hybrid and Other Strategies. Many of the strategies that the Manager may employ combine elements of more than one of the foregoing general strategy types or may represent a completely different strategy type. Often, in the course of implementing a particular strategy an opportunistic investment representing a different investing approach will be made. For example, in seeking to identify a relatively mispriced pair of assets, the Manager may conclude that an asset is sufficiently over- or underpriced to merit taking an outright directional position.

The Manager's approach may combine a range of different investing techniques, both implementing different strategies in different markets and combining different strategies, in the same or related markets.

Special Situations. The Partnership may have investments in issuers involved in (or the target of) acquisition attempts or tender offers or issuers involved in work-outs, liquidations, spin-offs, reorganizations, bankruptcies and similar transactions. In any investment opportunity involving any such type of business enterprise, there exists the risk that the transaction in which such business enterprise is involved will be unsuccessful, will take considerable time or will result in a distribution of cash or a new security the value of which will be less than the purchase price to the Partnership of the security or other financial instrument in respect of which such distribution is received. Similarly, if an anticipated transaction does not in fact occur, the Partnership may be required to sell its investment at a loss. Because there is substantial uncertainty concerning the outcome of transactions involving financially troubled issuers in which the Partnership may invest, there is a potential risk of loss by the Partnership of its entire investment in such issuers.

Risks Relating to Instruments Traded

Liquidity of Underlying Investments. Some of the securities in which the Partnership intends to invest may be thinly traded. There are no restrictions on the investment of Partnership assets in illiquid securities. It is possible that the Partnership may not be able to sell or repurchase significant portions of such positions without facing substantially adverse prices. If the Partnership is required to transact in such securities before its intended investment horizon, the performance of the Partnership could suffer. The Partnership will be affected by those securities that are difficult to sell because they may be issued by small companies with limited outstanding shares or they may be unknown to investors and are not traded regularly. Difficulty in selling securities may result in a loss or a costly delay.

Equity Securities. To the extent that the Partnership holds equity portfolio investments, it will be influenced by stock market conditions in those jurisdictions where the securities held by the Partnership are listed for trading and by changes in the circumstances of the issuers whose securities are held by the Partnership. Equity prices are directly affected by issuer specific events, as well as general market conditions. Equity investments are subordinate to the claims of an issuer's creditors and, to the extent such securities are common securities, preferred stockholders. Dividends customarily paid to equity holders can be suspended or cancelled at any time. In addition, in many countries investing in common stocks is subject to heightened regulatory and self-regulatory scrutiny as compared to investing in debt or other financial instruments. For the foregoing reasons, investments in equity securities can be highly speculative and carry a substantial risk of loss of principal. Additionally, to the extent that the Partnership holds any foreign investments, it will be influenced by world political and economic factors and by the value of the U.S. dollar as measured against foreign currencies which will be used in valuing the foreign investment positions held by the Partnership.

Investment in Small Capitalization and Mid-Capitalization Securities. The pursuit of the Partnership's investment strategy may result in a portion or all of the Partnership's assets being invested in securities of small- and mid-cap issuers. While in the Manager's opinion the securities of a small or mid cap issuer may offer the potential for greater capital appreciation than investments in securities of large cap issuers, securities of small and mid-cap issuers have limited product lines, markets or financial resources. They may be subject

to high volatility in revenues, expenses and earnings. They may be dependent for management on one or a few key persons, and can be more susceptible to losses and risks of bankruptcy. Their securities may be thinly traded (and therefore have to be sold at a discount from current market prices or sold in small lots over an extended period of time), may be followed by fewer investment research analysts and may be subject to wider price swings and thus may create a greater chance of loss than when investing in securities of larger cap issuers. In addition, small and mid-cap issuers may not be well known to the investment public and may have only limited institutional ownership. The market prices of securities of small and mid-cap issuers generally are more sensitive to changes in earnings expectations, to corporate developments and to market rumors than are the market prices of large cap issuers. Transaction costs in securities of small and mid-cap issuers may be higher than in those of large cap issuers.

Derivatives in General. The Portfolio may include derivatives and other securities for both hedging and non-hedging purposes. These instruments may include, without limitation, warrants, options, swaps, convertible securities, notional principal contracts, contracts for differences, structured notes, forward contracts and other over-the-counter derivatives. The use of derivative instruments involves risks different from, and possibly greater than, the risks associated with investing directly in securities and other traditional investments. Derivatives are subject to a number of risks, including the risk of mispricing or improper valuation and the risk that changes in the value of a derivative may not correlate perfectly with the underlying asset, rate or index. Hedging with derivatives may not always be successful and could limit the Partnership's ability to have access to increases in the value of the Portfolio. The Partnership may not be able to obtain or close out a derivative contract when the Manager views it as desirable to do so, which may prevent the Partnership from making a profit or limiting a loss. When the Partnership invests in a derivative instrument, it could lose more than the principal amount invested. Amounts paid by the Partnership as premiums and cash or other assets held in margin accounts are not otherwise available to the Partnership for investment purposes.

To the extent that the Partnership enters into derivatives, the Partnership will be exposed to the credit risk of the counterparties of those derivatives. There is a limited choice of first tier counterparties which may lead to a concentration of exposure with counterparties.

In general, the anticipated use of margin borrowings and other borrowings based on the market value of the portfolio which require the Partnership to post margin results in certain additional risks to the Partnership. For example, should the financial instruments pledged to brokers to secure the Partnership's margin accounts decline in value, the Partnership could be subject to a "margin call", pursuant to which the Partnership must either deposit additional Partnerships or financial instruments with the broker or suffer mandatory liquidation of the pledged financial instruments to compensate for the decline in value. In the event of a sudden drop in the value of the Partnership's portfolio, the Partnership might not be able to liquidate financial instruments quickly enough to satisfy its margin requirements.

Options. Trading options is highly speculative and may entail risks that are greater than investing in other securities. Prices of options are generally more volatile than prices of other securities. In trading options, the Manager speculates on market fluctuations of securities and securities exchange indices while investing only a small percentage of the value of the securities underlying such option. A change in the market price of the underlying securities or underlying market index will cause a much greater change in the price of the option contract. In addition, to the extent that the Manager purchases options that it does not sell or exercise, the Partnership will suffer the loss of the premium paid in such purchase. To the extent the Manager sells options and must deliver the underlying securities at the option price, the Partnership has a theoretically unlimited risk of loss if the price of such underlying securities increases. If the Manager must buy those underlying securities, the Partnership risks the loss of the difference between the market price of the underlying securities and the option price. Any gain or loss derived from the sale or exercise of an option will be reduced or increased, respectively, by the amount of the premium paid. The expenses of option investing include commissions payable on the purchase and on the exercise or sale of an option. Furthermore, the risk of non-performance by the obligor on an option may be greater and the ease with which the Manager can dispose of such an option may be less than in the case of an exchange traded option.

Illiquid Investments. The Partnership may from time to time invest in restricted, as well as thinly traded, instruments and securities (including privately placed securities and instruments). There may be no trading market for these securities and instruments, and the Partnership might only be able to liquidate these positions, if at all, at disadvantageous prices. As a result, the Partnership may be required to hold such securities despite adverse price movements. In addition, if the Partnership makes a short sale of an illiquid security or instrument, it may have difficulty in covering the short sale, resulting in a potentially unlimited loss on that position. Despite its good faith efforts at fair valuation, the Manager's valuation of these positions may prove to be materially inaccurate and to have resulted in inflated Management Fees paid to the Manager, inflated allocations to the General Partner's Profit Account, inflated withdrawal proceeds paid out to withdrawing Limited Partners and diminished relative holdings accorded to new subscribers.

High-Yield Securities. The Partnership may invest in high yield securities. High-yield securities face ongoing uncertainties and exposure to adverse business, financial or economic conditions, which could lead to the issuer's inability to meet timely interest and principal payments. The market values of certain of these lower-rated and unrated debt securities tend to reflect individual corporate developments to a greater extent than do higher-rated securities, which react primarily to fluctuations in the general level of interest rates, and tend to be more sensitive to economic conditions than are higher-rated securities. Companies that issue such securities are often highly leveraged and may not have available to them more traditional methods of financing. Major economic recessions could disrupt severely the market for such securities and may have an adverse impact on the value of such securities. In addition, it is possible 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 of such securities.

As with other investments, there may not be a liquid market for certain high-yield securities, which could result in the Partnership being unable to sell such securities for an extended period of time, if at all. In addition, as with other types of investments, the market for high-yield securities has historically been subject to disruptions that have caused substantial volatility in the prices of such securities. Consolidation in the financial services industry has resulted in there being fewer market makers for high-yield securities, which may result in further risk of illiquidity and volatility with respect to high-yield securities, and this trend may continue in the future.

Distressed Securities. Investment in the securities of financially and/or operationally troubled issuers involves a high degree of credit and market risk. Securities of such issuers are typically more volatile and less liquid than securities of companies not experiencing such difficulties.

If a company is in bankruptcy, bondholders' and other creditors' claims are subject to factors such as deterioration of collateral during a stay in bankruptcy, challenges and/or possible invalidation of security interests, and disallowance or subordination of claims, all of which may be difficult to predict. Failure to accurately assess the probability of these events could have a detrimental effect on the Partnership's investments in distressed securities.

Currency Risk. Investment in securities denominated in a currency other than Canadian dollars will be affected by the changes in the value of Canadian dollar in relations to the value of the currency in which the security is denominated. Thus the value of securities within the Partnership may be worth more or less depending on their susceptibility to foreign exchange rates.

Custodian and Prime Broker. The Partnership's assets may be held in one or more accounts maintained for the Partnership by its prime brokers or at other brokers. Such brokers are subject to various laws and regulations in various jurisdictions that are designed to protect their customers in the event of their insolvency. However, the practical effect of these laws and their application to the Partnership's assets are subject to substantial limitations and uncertainties. Because of the large number of entities and jurisdictions involved and the range of possible factual scenarios involving the insolvency of a prime broker or any sub-custodians, agents or affiliates, it is impossible to generalize about the effect of their insolvency on the Partnership and its assets. Investors should assume that the insolvency of any of the prime brokers or such other service providers would result in the loss of all or a substantial portion of the Partnership's assets held by or through such prime broker and/or the delay in the payment of withdrawal proceeds.

Further, the accounts maintained for the Partnership by the primer broker may provide less segregation of customer assets than would be the case with a more conventional custody arrangement. The prime broker may also lend, pledge or hypothecate the Partnership's assets in such accounts, which may result in a potential loss of such assets. As a result, the Partnership's assets could be frozen and inaccessible for withdrawal or subsequent trading for an extended period of time if the prime broker experiences financial difficulty. In such case, the Partnership may experience losses due to insufficient assets at the prime broker to satisfy the claims of its creditors, and adverse market movements while

its positions cannot be traded. In addition, the prime broker is unlikely to be able to provide leverage to the Partnership, which could adversely affect the Partnership's returns.

Investors should also note that generally, the prime broker has the right in its sole discretion to, among other remedies, cancel or otherwise liquidate any of the accounts or transactions executed by the prime broker on the Partnership's behalf, set off any obligation owing to the prime broker against any obligations of the Partnership owing to the prime broker, whether or not such obligations are unascertained, matured or contingent or held directly or through a trustee or intermediary, sell any securities, financial instruments or other property held or credited to the Partnership's accounts with the prime broker, if an event of default under the prime brokerage agreement has occurred and is continuing with respect to the Partnership. An event of default may include a failure by the Partnership to make, when due, payment or delivery, as required, in respect to the settlement of any prime brokerage or executing broker transaction; failure by the Partnership to comply with or perform any agreement or obligation under the prime brokerage agreement; or if the Partnership suffers a material adverse change in its financial condition as determined by the prime broker. Generally, the Partnership will also indemnify the prime broker against all reasonable costs and expenses, damages, liabilities and losses that the prime broker may incur, directly or indirectly as a result of, or in connection with or arising out of the prime brokerage agreement, any transaction or executing broker transaction pursuant to the prime brokerage agreement unless such costs, expenses, damages, liabilities and losses result from willful default or gross negligence of the prime broker as determined by a court of competent jurisdiction in a final non-appealable judgment.

Although the prime broker and custodian of the Partnership is in Canada and some of the assets of the Partnership may be held in Canada, some of the Partnership's assets may be held in accounts with sub-custodians in other jurisdictions, and accordingly, there may not be additional defences available to any judgment obtained by the Partnership in Canada which may affect enforcement in any such jurisdictions.

Valuation of the Partnership's Investments. While the Partnership is independently audited by its auditors on an annual basis in order to ensure as fair and accurate a pricing as possible, valuation of the Partnership's securities and other investments may involve uncertainties and subjective determinations and, if such valuations should prove to be incorrect, the Net Asset Value could be adversely affected. Independent pricing information may not at times be available regarding certain of the Partnership's securities and other investments. Valuation determinations will be made in good faith in accordance with the Partnership Agreement.

The Partnership may have some of its assets in investments which by their very nature may be extremely difficult to value accurately. To the extent that the value assigned by the Partnership to any such investment differs from the actual value, the Net Asset Value may be understated or overstated, as the case may be. In light of the foregoing, there is a risk that a Limited Partner who withdraws all or part of its Units while the Partnership holds such investments will be paid an amount less than such Limited Partner would otherwise be paid if the actual value of such investments is higher than the value designated by the Partnership. Similarly, there is a risk that such Limited Partner might, in effect, be

overpaid if the actual value of such investments is lower than the value designated by the auditors of the Partnership. In addition, there is risk that an investment in the Partnership by a new Limited Partner (or an additional investment by an existing Limited Partner) could dilute the value of such investments for the other Limited Partners if the designated value of such investments is higher than the value designated by the auditors of Partnership. Further, there is risk that a new Limited Partner (or an existing Limited Partner that makes an additional investment) could pay more than it might otherwise if the actual value of such investments is lower than the value designated by the auditors of the Partnership. The Partnership does not intend to adjust the Net Asset Value retroactively.

Risks of Special Techniques

The special investment techniques that the Manager may use are subject to risks including those summarized below.

Short Sales. The Manager may sell securities short. A short sale is effected by selling a security which the Partnership does not own. In order to make delivery to the buyer of a security sold short, the Partnership must borrow the security. In so doing, it incurs the obligation to replace that security, whatever its price may be, at the time it is required to deliver it to the lender. The Partnership must also pay to the lender of the security any dividends or interest payable on the security during the borrowing period and may have to pay a premium to borrow the security. This obligation must be collateralized by a deposit of cash or marketable securities with the lender. Short selling is subject to a theoretically unlimited risk of loss because there is no limit on how much the price of a security may appreciate before the short position is closed out. There can be no assurance that the securities necessary to cover the short position will be available for purchase by the Partnership. In addition, purchasing securities to close out the short position can itself cause the price of the relevant securities to rise further, thereby increasing the loss incurred by the Partnership. Furthermore, the Partnership may prematurely be forced to close out a short position if a counterparty from which the Partnership borrowed securities demands their return, resulting in a loss on what might otherwise have been ultimately a profitable position.

The U.S. government and certain other jurisdictions have at times taken measures to impose restrictions on the ability of investors to enter into short sales, including a complete prohibition on taking short positions in respect of certain issuers. Such restrictions may negatively affect the ability of the Partnership to implement its strategies. It cannot be determined how future regulations may limit the Partnership's ability to engage in short selling and how such limitations may impact the Partnership's performance.

Leverage. The Partnership may use financial leverage by borrowing funds against the assets of the Partnership. The use of leverage increases the risk to the Partnership and subjects the Partnership to higher current expenses. Also, if the Partnership's portfolio value drops to the loan value or less, Limited Partners could sustain a total loss of their investment.

The Partnership's use of leverage will depend on the availability of credit in order to finance its portfolio. There can be no assurance that the Partnership will be able to maintain

adequate financing arrangements under all market circumstances. As a general matter, the banks and dealers that provide financing to the Partnership can apply essentially discretionary margin, haircut, financing, security and collateral valuation policies. Changes by banks and dealers in such policies, or the imposition of other credit limitations or restrictions, whether due to market circumstances or governmental, regulatory or judicial action, may result in margin calls, loss of financing, forced liquidation of positions at disadvantageous prices, termination of swap and repurchase agreements and cross defaults to agreements with other dealers. Any such adverse effects may be exacerbated in the event that such limitations or restrictions are imposed suddenly and/or by multiple market participants at or about the same time. The imposition of such limitations or restrictions could compel the Partnership to liquidate all or part of its portfolio at disadvantageous prices. The financing available to the Partnership from banks, dealers and other counterparties is likely to be restricted in disrupted markets.

Concentration. The Manager may take more concentrated positions than a typical fund or concentrate investment holdings in specialized industries, market sectors or in a limited number of issuers. Investment in this Partnership involves greater risk and volatility since the performance of one particular sector, market, or issuer could significantly and adversely affect the overall performance of the entire fund.

Liquidity. Some of the securities in which the Partnership intends to invest are traded only in negotiated transactions with investment dealers or brokers. It is possible that the Partnership may not be able to sell significant portions of its positions without facing substantially adverse prices. If the Partnership is required to sell securities before its intended investment horizon, for example as a result of withdrawals, the performance of the Partnership could suffer. The Partnership will be affected by those securities that are difficult to sell because they may be small companies with limited outstanding shares or they may be unknown to investors and are not traded regularly. Difficulty in selling securities may result in a loss or a costly delay.

Hedging. Hedging techniques involve one or more of the following risks: (i) imperfect correlation between the performance and value of the instrument and the value of the Partnership securities or other objective of the Manager; (ii) possible lack of a secondary market for closing out a position in such instrument; (iii) losses resulting from interest rate, spread or other market movements not anticipated by the Manager; (iv) the possible obligation to meet additional margin or other payment requirements, all of which could worsen the Partnership's position; and (v) default or refusal to perform on the part of the counterparty with which the Partnership trades.

The Manager will not, in general, attempt to hedge all market or other risks inherent in the Partnership's positions, and hedges certain risks, if at all, only partially. Specifically, the Manager may choose not, or may determine that it is economically unattractive, to hedge certain risks – either in respect of particular positions or in respect of the Partnership's overall portfolio. The Partnership's portfolio composition will commonly result in various directional market risks remaining unhedged. The Manager may rely on diversification to control such risks to the extent that the Manager believes it is desirable to do so; however, the Partnership is not subject to formal diversification policies.

The ability of the Partnership to hedge successfully will depend on the ability of the Manager to predict pertinent market movements, which cannot be assured. The Manager is not required to hedge and there can be no assurance that hedging transactions will be available or, even if undertaken, will be effective. In addition, it is not possible to hedge fully or perfectly against currency fluctuations affecting the value of securities denominated in non-U.S. currencies because the value of those securities is likely to fluctuate as a result of independent factors not related to currency fluctuations. Moreover, it should be noted that the portfolio will always be exposed to certain risks that cannot be hedged, such as counterparty credit risk. Furthermore, by hedging a particular position, any potential gain from an increase in the value of such position may be limited.

Currency Exchange Exposure and Currency Hedging. Because the Partnership may invest in non-Canadian securities that are denominated or quoted in non-Canadian currencies, whereas the functional currency of the Partnership is denominated in Canadian dollars, performance may be significantly affected, either positively or negatively, by fluctuations in the relative currency exchange rates and by exchange control regulations. To the extent the Partnership seeks to hedge its currency exposure, it may not always be practicable to do so. Moreover, hedging may not alleviate all currency risks. Furthermore, the Partnership may incur costs in connection with conversions between various currencies. Currency exchange dealers realize a profit based on the difference between the prices at which they are buying and selling various currencies. Thus, a dealer normally will offer to sell currency to the Partnership at one rate, while offering a lesser rate of exchange should the Partnership desire immediately to resell that currency to the dealer. The Partnership will conduct its currency exchange transactions either on a spot (*i.e.*, cash) basis at the spot rate prevailing in the currency exchange market, or through entering into a number of different types of hedging transactions including, without limitation, forward, futures or commodity options contracts to purchase or sell currencies, and entering into foreign currency borrowings.

To the extent the Partnership enters into currency forward contracts (agreements to exchange one currency for another at a future date), these contracts involve a risk of loss if the Partnership fails to predict accurately the direction of currency exchange rates. In addition, forward contracts are not guaranteed by an exchange or clearinghouse. Therefore, a default by the forward contract counterparty may result in a loss to the Partnership for the value of unrealized profits on the contract or for the difference between the value of its commitments, if any, for purchase or sale at the current currency exchange rate and the value of those commitments at the forward contract exchange rate.

There can be no guarantee that instruments suitable for hedging currency shifts will be available at the time the Manager wishes to use them or will be able to be liquidated when the Manager wishes to do so. In addition, the Manager may choose not to enter into hedging transactions with respect to some or all of its positions that are exposed to currency exchange risk.

Securities Lending. The Partnership may lend securities from its portfolio to brokers, dealers and other financial institutions that need to borrow securities to complete certain transactions as a means of earning additional income. The Partnership is entitled to

payments in amounts equal to the interest, dividends or other distributions payable on the loaned securities, which affords the Partnership an opportunity to earn interest on the amount of the loan and current income on the loaned securities themselves. However, the Manager does not vote proxies on securities that are lent. In addition, the Partnership might experience a loss if any institution with which the Partnership has engaged in a portfolio loan transaction breaches its agreement with the Partnership. If the borrower becomes insolvent or bankrupt, the Partnership could experience delays and costs in recovering loaned securities. To the extent that, in the meantime, the value of the loaned securities declines, the Partnership could experience further losses.

THE FOREGOING RISK FACTORS DO NOT PURPORT TO BE A COMPLETE EXPLANATION OF ALL RISKS INVOLVED IN PURCHASING UNITS. POTENTIAL INVESTORS SHOULD READ THIS ENTIRE OFFERING MEMORANDUM AND CONSULT WITH THEIR LEGAL AND OTHER PROFESSIONAL ADVISORS BEFORE DETERMINING TO INVEST IN THE UNITS.

CONFLICTS OF INTEREST

The services of the Manager, the General Partner and their respective officers and directors are not exclusive to the Partnership.

The Manager manages, and may in the future manage, the trading for other limited partnerships or other investment funds or accounts in addition to the Partnership. In the event that the Manager elects to undertake such activities and other business activities in the future, the Manager and its principals may be subject to conflicting demands in respect of allocating management time, services and other functions. The Manager and its principals and affiliates will endeavour to treat each investment pool and managed account fairly and not to favour one account or pool over another.

In executing its duties on behalf of the Partnership, the Manager will be subject to the provisions of the Management Agreement, which provide that the Manager will execute its duties in good faith and with a view to the best interests of the Partnership.

The securities laws of the Province of Ontario require securities dealers and advisors, when they trade in or advise with respect to their own securities or securities of certain other issuers to which they, or certain other parties related to them, are related or connected, to do so only in accordance with particular disclosure and other rules. These rules require dealers and advisors, prior to trading with or advising their customers or clients, to inform them of the relevant relationships and connections with the issuer of the securities. Clients and customers should refer to the applicable provisions of these securities laws for the particulars of these rules and their rights or consult with a legal advisor.

The Manager is the investment fund manager and portfolio manager of the Partnership and receives a Management Fee from the Partnership in connection with its services as an investment fund manager and portfolio manager. **The Manager and the General Partner are controlled by the principals of the Manager. As a result of the foregoing relationships, the Partnership may be considered a related and/or connected issuer of the Manager under applicable securities legislation.**

Allocation of Investment Opportunities

In allocating investment opportunities among clients, including the Partnership, the Manager will seek to ensure that all clients are dealt with in a fair manner. All security transactions, including new issues, are allocated to the client accounts for which trade orders were initiated. In situations where purchases or sales of securities, including new issues, are for multiple client accounts (block trades), partial fills will be allocated on a pro rata basis, considering such factors as cash position, asset mix and policy guidelines. However, if such prorating should result in an inappropriately small portion for the client account, the allotment will normally be reallocated to another client account or in the case of new issues, may be returned to the broker.

The Manager will only use the weighted average price paid on a block trade when allocating to its client accounts, including the Partnership. Broker commissions are allocated evenly on a pro rata basis across all applicable client accounts, including the Partnership.

Fair Dealing with Clients

The Manager shall deal fairly and objectively with all clients, including the Partnership, and prospective clients when disseminating material information of concern to such clients or when taking investment actions. Transactions for client accounts shall in all cases have priority over transactions where the Manager or an officer or employee of the Manager is a beneficial holder.

Personal Trading

The Manager has adopted a policy to limit, monitor and, in certain instances, restrict personal trading by the officers and employees of the Manager in order to ensure that there is no conflict between such personal trading and the interests of the investment funds managed by the Manager and the Manager's other clients.

Referral Arrangements

The Manager may enter into referral arrangements whereby the Manager pays a fee for the referral of a client to the Manager or to the Partnership. No such payments will be made unless the referred investors are advised of the arrangement and all applicable securities legislation is complied with.

Different Terms for Certain Limited Partners

From time to time, the Manager may permit certain Limited Partners to acquire Units on different terms than other Limited Partners. The Partnership may do so by offering additional classes of Units subject to different Management Fee, incentive distribution terms, reporting or liquidity terms in the sole discretion of the General Partner and without prior notice to or consent of the Limited Partners.

Brokerage Arrangements

All decisions as to the purchase and sale of portfolio securities and all decisions as to the execution of these portfolio transactions, including the selection of market and dealer and the negotiation of commissions, where applicable, will be made by the Manager. In effecting portfolio transactions, the Manager will seek to obtain best execution of orders as required by applicable securities legislation.

The Manager is responsible for placing orders to effect portfolio transactions on behalf of the Partnership. These orders are allocated by the Manager or the Manager to the brokers who can offer the volumes and the prices deemed most advantageous. Where no particular advantage with respect to price or execution is available, orders may be placed through brokers who, in the opinion of the Manager, provide or assist in the provision of decision-making services. Investment decision-making services include the provision of advice, valuations, research and related data-bases or software.

To the extent that the terms offered by more than one dealer are considered by the Manager to be comparable, the Manager may, in its discretion, choose to purchase and sell portfolio securities from and to or through dealers who provide research, statistical and other services to the Manager in respect of their management of the Partnership. The Manager will only enter into such arrangements in accordance with industry standards when it is of the view that such arrangements are for the benefit of its clients, however not all brokerage arrangements will benefit all clients at all times.

The Manager is provided with research, from time to time, from the dealers with whom it places trades for the Partnership, as well as for its other clients. The Manager does not take into account the research it receives in determining dealers through whom it will place portfolio transactions for the Partnership. Names of the dealer(s) that provided the Manager with such research services in connection with the portfolio transactions for the Partnership during the last financial year of the Partnership will be provided on request by contacting the Manager.

Trading Errors

The Manager is under no obligation to reimburse the Partnership for any errors or mistakes of the Manager with respect to the Manager's placing or executing trades for the Partnership or any other administrative errors made by the Manager, its agents and affiliates ("**Trade or Administrative Errors**"). Trade or Administrative Errors are considered by the Manager to be a cost of doing business. However, pursuant to the Management Agreement's exculpation of liability and indemnification provisions, the Manager will be obligated to reimburse the Partnership for any Trade or Administrative Error resulting from the Manager's willful misconduct or gross negligence. Any correction of a Trade or Administrative Error will only be made to the extent required so that the Partnership does not incur a loss related to such Trade or Administrative Error. The Manager, subject to its fiduciary obligations, will determine whether or not any Trade or Administrative Error is required to be reimbursed in accordance with such liability and exculpation provisions, and Trade or Administrative Errors that result in losses to the Partnership will be netted against Trade or Administrative Errors that result in gains to the fund before reimbursing such Trade or Administrative Errors. The Manager, in its sole discretion, reserves the right to reimburse the Partnership for any Trade or Administrative Error. The Manager's reimbursement of the Partnership for any particular Trade or Administrative Errors will not constitute a waiver of any policy to cause the Partnership to bear the losses from such Trade or Administrative Errors. The Manager has an inherent conflict of interest with respect to the discovery and treatment of Trade or Administrative Errors. Any net gain resulting from Trade or Administrative Errors will be for the benefit of the Partnership, and will not be retained by the Manager.

Related Registrants

Securities legislation also requires securities dealers and advisers to inform their clients if the securities dealer or adviser has a principal shareholder, director or officer that is a principal shareholder, director or officer of another securities dealer or adviser and of the policies and procedures adopted by the securities dealer or adviser to minimize the potential for conflicts of interest that may result from this relationship.

As at the date of the Offering Memorandum, the Manager does not have any related registrants.

FINANCIAL REPORTING

The Partnership is not a reporting issuer for the purpose of applicable securities legislation. See "Summary of Limited Partnership Agreement—Reports to Limited Partners."

PROCEEDS OF CRIME (MONEY LAUNDERING) AND ANTI-TERRORIST FINANCING LEGISLATION

The Manager is required to comply with all applicable laws, regulations and administrative pronouncements concerning money laundering and other criminal activities ("**Anti-Money Laundering Laws**"). As a result, an investor will be required to provide certain information and documentation and make a number of representations to the Manager regarding the source of subscription monies and other matters.

A Limited Partner will be required to promptly notify the Partnership if, to the knowledge of the Limited Partner, any of its representations with respect to Anti-Money Laundering Laws cease to be true and accurate. A Limited Partner must agree to provide to the Manager, promptly upon receipt of the Manager's written request therefor, any additional information regarding the Limited Partner or its beneficial owner(s) that the Manager deems necessary or advisable to ensure compliance with all Anti-Money Laundering Laws.

If at any time it is discovered that a Limited Partner's representations with respect to Anti-Money Laundering Laws are incorrect, or if otherwise required by Anti-Money Laundering Laws, the Manager may undertake appropriate actions to ensure that the Partnership and Manager are in compliance with all such Anti-Money Laundering Laws. The Partnership or the Manager may release confidential information about a Limited Partner and, if applicable, any underlying beneficial owner(s), to governmental authorities if the Manager, in its sole discretion, determines that it is in the best interests of the Partnership in light of relevant rules and regulations under Anti-Money Laundering Laws. Such release of information shall not be treated as a breach of any restriction upon the disclosure of information imposed by law or otherwise.

PRIVACY POLICY

In connection with the offering and sale of Units, personal information (such as address, telephone number, social insurance number, birth date, assets and/or income information, employment history and credit history, if applicable) about Limited Partners is collected and maintained. Such personal information is collected to enable the Trustee, the

Manager and their respective service providers to provide Limited Partners with services in connection with their investment in the Partnership, to meet legal and regulatory requirements and for any other purpose to which Limited Partners may consent in the future. Investors are encouraged to review the privacy policy of the Partnership at the principal office of the Manager during normal business hours.

INVESTORS' RIGHTS OF ACTION

Rights of Action for Damages or Rescission

Securities legislation in certain of the Canadian provinces provides purchasers of securities pursuant to an offering memorandum (such as this Offering Memorandum) with a remedy for damages or rescission, or both, in addition to any other rights they may have at law, where the offering memorandum and any amendment to it contains a "Misrepresentation". Where used herein, "**Misrepresentation**" means an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make any statement not misleading in light of the circumstances in which it was made. These remedies, or notice with respect to these remedies, must be exercised or delivered, as the case may be, by the purchaser within the time limits prescribed by applicable securities legislation.

The information set forth below is not intended to be a comprehensive summary of the rights of each investor, and may be subject to change and is qualified in its entirety by the provisions of the applicable provincial securities legislation. Each investor should refer to their legal advisor for more details.

Rescission of Purchase

Pursuant to Ontario securities legislation, where the amount of a purchase does not exceed the sum of \$50,000.00, purchasers of mutual funds may rescind their purchase within 48 hours after receipt of the sale confirmation. Purchasers of mutual funds under a regular investment plan may have longer to cancel an order. Investors must exercise these rights within the prescribed time limits. Investors should refer to applicable provisions of the securities legislation or consult with their legal advisor for more details.

Alberta

Section 204 of the *Securities Act* (Alberta) provides that if an offering memorandum contains a Misrepresentation, a purchaser who purchases a security offered by the offering memorandum is deemed to have relied on the representation, if it was a Misrepresentation at the time of the purchase, and has a right of action: (a) for damages against: (i) the issuer, (ii) every director of the issuer at the date of the offering memorandum, and (iii) every person or company who signed the offering memorandum; and (b) for rescission against the issuer, provided that:

- (a) if the purchaser elects to exercise its right of rescission, it shall cease to have a right of action for damages against the person or company referred to above;
- (b) no person or company referred to above will be liable if it proves that the purchaser had knowledge of the Misrepresentation;

- (c) no person or company (other than the issuer) referred to above will be liable if it proves that the offering memorandum was sent to the purchaser without the person's or company's knowledge or consent and that, on becoming aware of its being sent, the person or company promptly gave reasonable notice to the issuer that it was sent without the knowledge and consent of the person or company;
- (d) no person or company (other than the issuer) referred to above will be liable if it proves that the person or company, on becoming aware of the Misrepresentation in the offering memorandum, withdrew the person's or company's consent to the offering memorandum and gave reasonable notice to the issuer of the withdrawal and the reason for it;
- (e) no person or company (other than the issuer) referred to above will be liable if, with respect to any part of the offering memorandum purporting to be made on the authority of an expert or purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, the person or company proves that the person or company did not have any reasonable grounds to believe and did not believe that:
 - (i) there had been a Misrepresentation; or
 - (ii) the relevant part of the offering memorandum:
 - (A) did not fairly represent the report, opinion or statement of the expert, or
 - (B) was not a fair copy of, or an extract from, the report, opinion or statement of the expert;
- (f) the person or company (other than the issuer) will not be liable if with respect to any part of the offering memorandum not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company:
 - (i) did not conduct an investigation sufficient to provide reasonable grounds for a belief that there had been no Misrepresentation, or
 - (ii) believed there had been a Misrepresentation;
- (g) in no case shall the amount recoverable exceed the price at which the securities were offered under the offering memorandum;
- (h) the defendant will not be liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the security as a result of the Misrepresentation;

Section 211 of the *Securities Act* (Alberta) provides that no action may be commenced to enforce these rights more than:

- (a) in the case of an action for rescission, 180 days from the day of the transaction that gave rise to the cause of action, or
- (b) in the case of any action, other than an action for rescission, the earlier of:
 - (i) 180 days from the day that the plaintiff first had knowledge of the facts giving rise to the cause of action, or
 - (ii) 3 years from the day of the transaction that gave rise to the cause of action.

Ontario

Section 130.1 of the *Securities Act* (Ontario) provides that every purchaser of securities pursuant to an offering memorandum (such as this Offering Memorandum) shall have a statutory right of action for damages or rescission against the issuer and any selling security holder in the event that the offering memorandum contains a Misrepresentation. A purchaser who purchases securities offered by the offering memorandum during the period of distribution has, without regard to whether the purchaser relied upon the Misrepresentation, a right of action for damages or, alternatively, while still the owner of the securities, for rescission against the issuer and any selling security holder provided that:

- (a) if the purchaser exercises its right of rescission, it shall cease to have a right of action for damages as against the issuer and the selling security holders, if any;
- (b) the issuer and the selling security holders, if any, will not be liable if they prove that the purchaser purchased the securities with knowledge of the Misrepresentation;
- (c) the issuer and the selling security holders, if any, will not be liable for all or any portion of damages that it proves do not represent the depreciation in value of the securities as a result of the Misrepresentation relied upon; and
- (d) in no case shall the amount recoverable exceed the price at which the securities were offered.

Section 138 of the *Securities Act* (Ontario) provides that no action shall be commenced to enforce these rights more than:

- (a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or
- (b) in the case of an action for damages, the earlier of:

- (i) 180 days after the date that the purchaser first had knowledge of the facts giving rise to the cause of action; or
- (ii) three years after the date of the transaction that gave rise to the cause of action.

Rights for Investors in British Columbia and Québec

Notwithstanding that the *Securities Act* (British Columbia) and the *Securities Act* (Québec) do not provide, or require the Partnership to provide, to purchasers resident in these jurisdictions any rights of action in circumstances where this Offering Memorandum or an amendment hereto contains a Misrepresentation, the Partnership hereby grants to such purchasers contractual rights of action that are equivalent to the statutory rights of action set forth above with respect to purchasers resident in Ontario.

A PERSON CONSIDERING AN INVESTMENT IN THE PARTNERSHIP SHOULD CONSULT HIS, HER OR ITS OWN ADVISORS IN ORDER TO FULLY UNDERSTAND THE CONSEQUENCES OF AN INVESTMENT IN THE PARTERSHIP WITH RESPECT TO SUCH PERSON'S PARTICULAR SITUATION.

General

The foregoing summary is subject to the express provisions of the applicable securities legislation and the regulations, rules and policy statements thereunder and reference is made thereto for the complete text of such provisions. The rights of action described herein are in addition to and without derogation from any other right or remedy that the investor may have at law.

CANADIAN LEGAL COUNSEL

Stikeman Elliott LLP (Toronto) ("**Stikeman**") has been retained as Canadian legal counsel to the Partnership and the Manager in connection with the offering of Units. In connection with the Partnership's offering of Units and subsequent advice to the Partnership and the Manager, Stikeman will not be representing the Limited Partners. No independent legal counsel has been retained by the Manager or the Partnership to represent the Limited Partners. Stikeman's representation of the Partnership and the Manager is limited to specific matters as to which it has been consulted by the Partnership and/or the Manager. There may exist other matters that could have a bearing on the Partnership and/or the Manager as to which Stikeman has not been consulted. In addition, Stikeman does not undertake to monitor compliance by the Manager and its affiliates with the investment program, valuation procedures and other guidelines set forth herein, nor does Stikeman monitor ongoing compliance with applicable laws. In connection with the preparation of this Offering Memorandum, Stikeman's responsibility is limited to matters of Ontario law and it does not accept responsibility in relation to any other matters referred to or disclosed in this Offering Memorandum. In the course of advising the Partnership and the Manager, there are times when the interests of the Limited Partners may differ from those of the Partnership and the Manager. Stikeman does not represent the Limited Partners' interests in resolving these issues. In reviewing this Offering Memorandum, Stikeman has relied upon information furnished to it by the Partnership and the Manager

and has not investigated or verified the accuracy and completeness of information set forth herein concerning the Partnership or the Manager.

LANGUAGE OF DOCUMENTS

(Québec Only)

By accepting this Offering Memorandum, the investor acknowledges that it is its express wish that all documents evidencing or relating in any way to the sale of Units be drawn up in the English language only. Par son acceptation de ce document, l'acheteur reconnaît par les présentes qu'il est de sa volonté expresse que tous les documents faisant foi ou se rapportant de quelque manière à la vente des parts soient rédigés en anglais seulement.