

FletcherBennett

A discussion of the risks associated with an investment either in a hedge fund partnership or in hedge fund shares (“Interest(s”).

An investment in a hedge fund Interest is speculative and involves a high degree of risk. There can be no assurance that a fund’s investment objective will be achieved, and investment results may vary substantially from year to year. A fund may be leveraged and its performance may be volatile. An investor could lose all or substantially all of his or her investment. The fund manager of a hedge fund usually has total trading authority over that fund and may not be subject to any regulatory or other formal oversight. Both the use of a single advisor and the focus on a single investment strategy could result in lack of diversification and consequently, higher risk. A fund may have a sizable portion of its portfolios invested in illiquid instruments. Furthermore, a fund’s investment strategy may involve taking sizable or control positions in issuers, which means that the fund may be severely limited in its ability to dispose of securities of such issuers, sell short securities issued by them (i.e., in order to hedge) and may be subject to liabilities, including for product defects, environmental damages, failure to supervise management, and violations of laws and regulations. A fund may invest in overseas markets subjecting the fund to other risks including, and not limited to, currency volatility, liquidity risk and lesser regulatory oversight. There is usually no secondary market for an investor’s Interests in a hedge fund. The fund’s fees and expenses may offset any trading profits. Prospective investors in a hedge fund Interest of a fund should review carefully the risks described in any offering materials.

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

Hedge fund Interests are not registered under the Securities Act of 1933, as amended (the “Act”), or any state securities laws or the laws of any foreign jurisdiction. Hedge fund Interests are offered and sold under the exemption provided by Section 4(2) of the Act and Regulation D promulgated thereunder and other exemptions of similar import in the laws of the states and other jurisdictions where the offering will be made. Typically, a hedge fund will not be registered as an investment company under the Investment Company Act of 1940 (the “Investment Company Act”). Consequently, investors will not be afforded the protections of the Investment Company Act.

Hedge fund Interests are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable statutes. In addition, such Interests may not be sold, transferred, assigned or hypothecated, in whole or in part, except as provided in Fund’s organizational documents. Accordingly, investors should be aware that they will be required to bear the financial risks of an investment in the Interests for an indefinite period of time. There will be no public market for the Interests, and there is no obligation on the part of any person to register the Interests under any statutes. Investment in the Interests involves certain significant investment risks, including risk of loss of capital.

Certain information contained in fund presentations constitute “forward-looking statements,” which can be identified by the use of forward-looking terminology such as “may,” “will,” “should,” “expect,” “anticipate,” “project,” “estimate,” “intend,” “continue” or “believe,” or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results or the actual performance of the fund may differ materially from those reflected or contemplated in such forward-looking statements.

No representation or warranty, expressed or implied, is made or given by or on behalf of FletcherBennett Capital LLC as to the accuracy or completeness of the information contained in any hedge fund document, and no responsibility or liability is accepted for any such information.