EXHIBIT A
CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

FIRST FRONTIER, L.P.
(A Delaware Limited Partnership)

January 18, 1999

This is not an offer to sell or a solicitation of any offer to buy the interests described herein in any jurisdiction to any person to whom it is unlawful to make such an offer or sale.
FIRST FRONTIER, L.P.
A DELAWARE LIMITED PARTNERSHIP

CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM.
FOR THE SALE OF LIMITED PARTNERSHIP INTERESTS ("INTERESTS")
FOR A MINIMUM INVESTMENT OF $1,000,000

The Interests offered herein of First Frontier, L.P., a Delaware limited partnership (the "Partnership"), represent Interests in the Partnership which was formed to pool investment funds with the objective of seeking optimal risk-adjusted consistent returns that are uncorrelated to the market while taking low risk. Frontier Capital Management L.L.C., a Delaware limited liability company (the "General Partner") believes that the objective can be achieved through the investment of the Partnership's assets with one independent investment manager that is engaged in a strategy of purchasing a basket of equity securities included in the S&P 100 (OEX) Index (the "Index") and hedging the basket through the use of options on the Index. There is no assurance that the Partnership's objective will be achieved.

PURCHASE OF THESE SECURITIES INVOlVES CERTAIN RISKS. SEE "RISK FACTORS"

CONFLICTS OF INTEREST BETWEEN THE GENERAL PARTNER AND THE PARTNERSHIP AND BETWEEN THE INVESTMENT MANAGER AND THE PARTNERSHIP MAY ARISE IN VARIOUS CIRCUMSTANCES. SEE "CONFLICTS OF INTEREST".

THERE IS NO PUBLIC MARKET FOR THE INTERESTS OFFERED PURSUANT TO THIS CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM ("MEMORANDUM"). A LIMITED PARTNER MAY, HOWEVER, WITHDRAW FROM THE PARTNERSHIP AND RECEIVE PAYMENT FOR THE LIMITED PARTNER'S INTERESTS AS SPECIFIED IN THE LIMITED PARTNERSHIP AGREEMENT OF THE PARTNERSHIP ("PARTNERSHIP AGREEMENT"), A COPY OF WHICH IS ANNEXED HERETO AS EXHIBIT B SEE "SUMMARY OF CERTAIN PROVISIONS OF THE PARTNERSHIP AGREEMENT - Withdrawals".

The address, telephone and facsimile numbers and e-mail address of the Partnership, General Partner and Manager are:

149 Fifth Avenue, 15th Floor
New York, New York 10010
Telephone: (212) 674-5500.
Facsimile: (212) 674-5814

THE SECURITIES AND EXCHANGE COMMISSION ("SEC") HAS NOT PASSED UPON THE MERITS OF PARTICIPATING IN THE PARTNERSHIP NOR HAS THE SEC PASSED UPON THE ADEQUACY OR ACCURACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. IT IS ANTICIPATED THAT THE OFFERING AND SALE WILL BE EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED ("1933 ACT") AND THE VARIOUS STATE SECURITIES LAWS AND THAT THE PARTNERSHIP WILL NOT BE REGISTERED AS AN INVESTMENT COMPANY UNDER THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "ICA") PURSUANT TO AN EXEMPTION PROVIDED BY SECTION 3(c)(7) THEREUNDER.

NO RULINGS HAVE BEEN SOUGHT FROM THE INTERNAL REVENUE SERVICE ("SERVICE") WITH RESPECT TO ANY TAX MATTERS DISCUSSED IN THIS MEMORANDUM. PERSONS AND ENTITIES TO WHICH THIS MEMORANDUM IS DELIVERED ("OFFEREES") ARE CAUTIONED THAT THE VIEWS CONTAINED HEREIN ARE SUBJECT TO MATERIAL QUALIFICATIONS AND SUBJECT TO POSSIBLE CHANGES IN REGULATIONS BY THE SERVICE OR BY CONGRESS IN EXISTING TAX STATUTES OR IN THE INTERPRETATION OF EXISTING STATUTES AND REGULATIONS.
OFFEREES ARE NOT TO CONSTRUE THE CONTENTS OF THIS MEMORANDUM AS LEGAL, 
TAX OR INVESTMENT ADVICE. OFFEREES SHOULD REVIEW THE PROPOSED TRANSACTIONS WITH 
THEIR OWN COUNSEL, ACCOUNTANT, BUSINESS AND TAX ADVISER ON WHOM THEIR OPINIONS THEY 
SHOULD RELY. A REPRESENTATION TO THAT EFFECT IS REQUIRED TO BE MADE BY EACH 
OFFEE ACQUIRING AN INTEREST.

THIS IS A PRIVATE PLACEMENT MADE ONLY BY DELIVERY OF A COPY OF THIS 
MEMORANDUM TO THE OFFEE WHOSE NAME APPEARS HEREON. THE OFFERING IS MADE 
ONLY TO OFFEES THAT QUALIFY AS BOTH (I) ACCREDITED INVESTORS (AS SUCH TERM IS 
DEFINED IN RULE 501 OF REGULATION D PROMULGATED BY THE SEC UNDER THE 1933 ACT); AND 
(II) QUALIFIED PURCHASERS (AS SUCH TERM IS DEFINED IN SECTION 2(a)(5)(A) OF THE ICA AND 
THE RULES PROMULGATED BY THE SEC THEREUNDER).

THE GENERAL PARTNER RESERVES THE RIGHT TO REFUSE ANY SUBSCRIPTION ON THE 
BASIS OF ANY OFFEE'S FAILURE TO MEET THE SUITABILITY CRITERIA DESCRIBED HEREIN OR 
FOR ANY OTHER REASON. EACH OFFEE WILL BE REQUIRED TO REPRESENT THAT THE 
OFFEE IS ACQUIRING THE INTEREST FOR THE OFFEE'S OWN ACCOUNT, FOR INVESTMENT 
PURPOSES ONLY, AND NOT WITH ANY INTENTION OF DISTRIBUTION, RESELL OR TRANSFER 
OF THE INTEREST, EITHER IN WHOLE OR IN PART, AND NO DISTRIBUTION, RESELL OR TRANSFER 
OF THE INTEREST WILL BE PERMITTED EXCEPT IN ACCORDANCE WITH THE PROVISIONS OF THE 1933 
ACT, THE RULES AND REGULATIONS THEREUNDER, ANY APPLICABLE STATE SECURITIES LAWS 
AND THE TERMS AND CONDITIONS OF THE PARTNERSHIP AGREEMENT. A LIMITED PARTNER 
MAY, HOWEVER, WITHDRAW FROM THE PARTNERSHIP AND RECEIVE PAYMENT FOR THE 
INTERESTS AS SPECIFIED IN THE PARTNERSHIP AGREEMENT. SEE "SUMMARY OF CERTAIN 
PROVISIONS OF THE PARTNERSHIP AGREEMENT." FURTHER, EACH OFFEE MUST REPRESENT 
AND WARRANT THAT THE OFFEE HAS READ THIS MEMORANDUM AND IS AWARE OF AND CAN 
AFFORD THE RISKS OF AN INVESTMENT IN THE PARTNERSHIP FOR AN INDEFINITE PERIOD 
OF TIME. THIS INVESTMENT IS SUITABLE ONLY FOR OFFEES WHO HAVE ADEQUATE MEANS OF 
PROVIDING FOR THEIR CURRENT AND FUTURE NEEDS; ANS CONTINGENCIES, AND HAVE NO NEED 
FOR LIQUIDITY IN THIS INVESTMENT. SEE "SUITEABILITY REQUIREMENTS".

THIS MEMORANDUM IS SUBMITTED IN CONNECTION WITH THE PRIVATE PLACEMENT OF 
INTERESTS AND MAY NOT BE REPRODUCED OR USED FOR ANY OTHER PURPOSE. ANY 
DISTRIBUTION OF THIS MEMORANDUM IN WHOLE OR IN PART, OR THE DIVULGENCE OF ANY OF 
ITS CONTENTS, IS UNAUTHORIZED TO THE OFFEE, BY ACCEPTING DELIVERY OF THIS 
MEMORANDUM, AGREES TO RETURN THIS MEMORANDUM AND ALL ENCLOSED DOCUMENTS TO 
THE GENERAL PARTNER IF THE OFFEE DOES NOT PURCHASE ANY INTERESTS.

NO OFFERING LITERATURE OR ADVERTISING IN WHATEVER FORM SHALL BE Employed 
IN THE OFFERING OF INTERESTS EXCEPT FOR THIS MEMORANDUM.

EACH OFFEE AND REPRESENTATIVE(S) OF OFFEEES, IF ANY, ARE INVITED TO ASK 
QUESTIONS AND OBTAIN ADDITIONAL INFORMATION FROM THE GENERAL PARTNER 
CONCERNING THE TERMS AND CONDITIONS OF THE OFFERING, THE PARTNERSHIP, AND ANY 
OTHER RELEVANT MATTERS (INCLUDING BUT NOT LIMITED TO, ADDITIONAL INFORMATION TO 
VERIFY THE ACCURACY OF THE INFORMATION SET FORTH HEREIN) TO THE EXTENT THE 
GENERAL PARTNER POSSESSES SUCH INFORMATION OR CAN ACQUIRE IT WITHOUT 
UNREASONABLE EFFORT OR EXPENSE. OFFEEES OR THEIR REPRESENTATIVES HAVING 
QUESTIONS OR DESIRING ADDITIONAL INFORMATION SHOULD CONTACT FRONTIER CAPITAL 
MANAGEMENT, LLC, ATTENTION: MARK S. OSTROFF.

THIS MEMORANDUM CONTAINS SUMMARIES, BELIEVED BY THE GENERAL PARTNER TO 
BE ACCURATE, OF CERTAIN TERMS OF CERTAIN DOCUMENTS; BUT REFERENCE IS HEREBY MADE 
TO THE ACTUAL DOCUMENTS (COPIES OF WHICH ARE ATTACHED HERETO OR ARE AVAILABLE 
FROM THE GENERAL PARTNER) FOR COMPLETE INFORMATION CONCERNING THE RIGHTS AND
OBLIGATIONS OF THE PARTIES THERETO, AND ALL SUCH SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY BY THIS REFERENCE. ALL DOCUMENTS RELATING TO THIS PRIVATE PLACEMENT WILL BE MADE AVAILABLE TO THE OFFEREE AND THE OFFEREE'S REPRESENTATIVES UPON REQUEST. NO PERSON HAS BEEN AUTHORIZED TO MAKE ANY REPRESENTATIONS OR FURNISH ANY INFORMATION WITH RESPECT TO THE PARTNERSHIP OR THE INTERESTS, OTHER THAN THE REPRESENTATIONS AND INFORMATION SET FORTH IN THIS MEMORANDUM OR OTHER DOCUMENTS OR INFORMATION FURNISHED BY THE GENERAL PARTNER UPON REQUEST, AS DESCRIBED ABOVE.

THE INFORMATION CONTAINED HEREIN IS GIVEN AS OF THE DATEHEREOF AND THIS MEMORANDUM DOES NOT PURPORT TO GIVE INFORMATION AS OF ANY OTHER DATE. NEITHER THE DELIVERY OF THIS MEMORANDUM NOR ANY SALES MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE AN IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE MATTERS DISCUSSED HEREIN SINCE THE DATE HEREOF.

FOR RESIDENTS OF ALL STATES:

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

These securities are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the 1933 Act and the applicable state securities laws, pursuant to registration or exemption therefrom. Investors should be aware that they will be required to bear the financial risks of this investment for an indefinite period of time.

FOR FLORIDA RESIDENTS:

WHERE SALES ARE MADE TO FIVE OR MORE PERSONS IN FLORIDA (EXCLUDING CERTAIN INSTITUTIONAL PURCHASERS DESCRIBED IN SECTION 517.061(7) OF THE FLORIDA SECURITIES AND INVESTOR PROTECTION ACT) "THE ACT"), ANY SUCH SALE MADE PURSUANT TO SECTION 517.061(11) OF THE ACT SHALL BE VOIDABLE BY THE PURCHASER EITHER WITHIN THREE DAYS AFTER THE FIRST TENDER OF CONSIDERATION IS MADE BY SUCH PURCHASER TO THE ISSUER, OR AN AGENT OF THE ISSUER, OR AN ESCROW AGENT OR WITHIN THREE DAYS AFTER THE AVAILABILITY OF THAT PRIVILEGE IS COMMUNICATED TO SUCH PURCHASER, WHICHEVER OCCURS LATER.
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>CAPTION</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>SUMMARY OF THE OFFERING</td>
<td>A</td>
</tr>
<tr>
<td>INTRODUCTION</td>
<td>1</td>
</tr>
<tr>
<td>INVESTMENT STRATEGIES</td>
<td>2</td>
</tr>
<tr>
<td>MANAGEMENT</td>
<td>4</td>
</tr>
<tr>
<td>RISK FACTORS</td>
<td>6</td>
</tr>
<tr>
<td>FINANCIAL SUMMARY OF THE OFFERING</td>
<td>9</td>
</tr>
<tr>
<td>CONFLICTS OF INTEREST</td>
<td>13</td>
</tr>
<tr>
<td>INVESTMENT BY TAX EXEMPT ENTITIES — ERISA CONSIDERATIONS</td>
<td>14</td>
</tr>
<tr>
<td>SUITABILITY REQUIREMENTS</td>
<td>17</td>
</tr>
<tr>
<td>SUMMARY OF CERTAIN PROVISIONS OF THE PARTNERSHIP AGREEMENT</td>
<td>18</td>
</tr>
<tr>
<td>CERTAIN FEDERAL INCOME TAX CONSIDERATIONS</td>
<td>23</td>
</tr>
<tr>
<td>INVESTMENT RESTRICTIONS</td>
<td>29</td>
</tr>
</tbody>
</table>

## EXHIBITS

<table>
<thead>
<tr>
<th>&quot;A&quot;</th>
<th>Subscription Documents</th>
</tr>
</thead>
<tbody>
<tr>
<td>&quot;B&quot;</td>
<td>Limited Partnership Agreement</td>
</tr>
</tbody>
</table>
SUMMARY OF THE OFFERING

The following is only a summary of the information contained in this Memorandum and is qualified in its entirety by other information contained in this Memorandum and by the Partnership Agreement. Offeres should read the entire Memorandum and the Partnership Agreement carefully before making any investment decision regarding the Partnership and should pay particular attention to the information under the headings "RISK FACTORS" and "CONFLICTS OF INTEREST". In addition, Offeres should consult their own advisers in order to understand fully the consequences of an investment in the Partnership.

The Partnership

First Frontier, L.P. is a Delaware limited partnership formed in December 1998.

Investment Objective

The Partnership's objective is to seek optimal risk-adjusted consistent returns that are uncorrelated to the market while taking low risk. The General Partner believes that the objective can be achieved through the investment of the Partnership's assets with the Investment Manager (as defined in this Memorandum) that is engaged in a strategy of purchasing a basket of equity securities included in the Index and hedging the basket through the use of options on the Index. See "INVESTMENT STRATEGIES". However, no assurance can be given that the objective will be achieved. The General Partner does not intend itself to invest Partnership funds directly in any securities. By pooling the funds invested by limited partners (the "Limited Partners"; which together with the General Partner shall be referred to as "Partners"), the Limited Partners will be able to obtain the benefit of having their investment managed by the Investment Manager to an extent they may not otherwise be able to obtain.

General Partner

Frontier Capital Management, LLC, a recently formed Delaware limited liability company. Mark S. Ostroff, is the sole manager and principal member of the General Partner. The General Partner has sole and complete authority to manage the Partnership's operations and activities. See "MANAGEMENT - General Partner".

Manager

The Manager of the Partnership is Frontier Advisors Corp. (the "Manager"), a recently formed Delaware corporation. Mr. Ostroff is the President and the sole director and shareholder of the Manager. The Manager will aid and assist the General Partner in operating the Partnership. See "MANAGEMENT - Investment Manager".

Investment Manager

Bernard L. Madoff Investment Securities, which commenced business in 1960. The Investment Manager is a registered broker/dealer under the Securities Exchange Act of 1934, as amended (the "1934 Act"). The General Partner has delegated to the Investment Manager sole and complete authority to manage the assets of the Partnership. See "MANAGEMENT - Investment Manager".

 Eligible Investors

Interests may be purchased only by Offeres that qualify as both Accredited Investors and Qualified Purchasers. See "SUITABILITY REQUIREMENTS".
### Minimum Investment and Admission of Limited Partners

The required minimum initial capital contribution of a Limited Partner is $1,000,000 (although the General Partner, in its sole and absolute discretion, may accept lesser amounts).

The General Partner expects that additional Limited Partners will be admitted, and additional capital contributions from existing Limited Partners will be accepted, throughout the term of the Partnership. Capital contributions generally will be accepted as of the first day of each month (each month and such other period or periods as the General Partner shall determine, shall each be referred to herein as "Fiscal Period"). There is no minimum or maximum aggregate amount of funds which must be invested in the Partnership. Upon admission of new Limited Partners, unrealized gain or loss as to Partnership assets will be credited to existing Partners and the respective percentage interests of existing and new Limited Partners will be adjusted accordingly. As a result, new Limited Partners will not share in items of income, gain, loss (whether or not realized), or deductions arising before the date of their admission.

### Withdrawals of Capital

A Limited Partner may withdraw all or any amount of the value of the Limited Partner's capital account as of the last day of each calendar quarter, upon at least thirty (30) days' prior written notice to the Partnership, and at such other times and upon such terms as the General Partner may determine in its sole and absolute discretion. The Partnership currently expects to pay to a withdrawing Limited Partner an amount equal to approximately ninety-five (95%) percent of the value in such Limited Partner's capital account within fifteen (15) days after the applicable withdrawal date. The Partnership currently expects to pay the balance of the amount remaining in a withdrawing Limited Partner's capital account no later than fifteen

(15) days after the: (i) determination of capital account balances, for all Partners as of the end of the applicable calendar quarter, for withdrawals made as of the last day of the first three calendar quarters of each year or, (ii) issuance of the December 31 audited financial statements, for withdrawal made as of the last day of each year, as applicable. The Partnership currently expects to pay a Limited Partner who makes a partial withdrawal within fifteen (15) days after the applicable withdrawal date. There are no direct costs associated with a Limited Partner's withdrawal of value from the Partnership. The Partnership may also suspend the payments of withdrawals in certain limited circumstances. See "SUMMARY OF CERTAIN PROVISIONS OF THE PARTNERSHIP AGREEMENT—Withdrawals".

### Management Fee

The Manager will receive in advance a quarter-annual management fee ("Management Fee") of one-eighth (0.125%) percent of each Limited Partner’s capital account balance at the beginning of each calendar quarter. A pro rata Management Fee will be charged to Limited Partners on any amounts permitted to be invested during any calendar quarter. No part of the Management Fee will be refunded in the event that a Limited Partner withdraws all or any of the value in the Limited Partner’s capital account during a calendar quarter.

---

B
General Partner's Allocation  The General Partner shall have reallocated by credit to its capital account and each Limited Partner shall have reallocated by debit to each Limited Partner's capital account an amount equal to ten (10%) percent of each Limited Partner's pro rata share of the net increase in Net Worth (as defined in this Memorandum) for each calendar year, as adjusted for capital contributions and withdrawals made during the calendar year (the "General Partner Allocation"), in addition to the allocation of the balance of income and profits, or losses, to the General Partner based upon its capital account. The General Partner shall receive the General Partner Allocation on all funds permitted to be invested and withdrawn during each calendar year.

In any calendar year in which a Limited Partner is allocated a portion of a decrease in Net Worth, the General Partner Allocation in the succeeding calendar year(s) shall be calculated on the net increase in Net Worth for such Limited Partner for each such succeeding calendar year(s) reduced by an amount equal to such Limited Partner's allocations of any decrease in Net Worth in the preceding calendar year(s) for such Limited Partner (such allocations of decreases, "Loss Carryover") until the aggregate reductions equal the Loss Carryover. In the event, however, that a Limited Partner withdraws funds at a time in which such Limited Partner has a Loss Carryover, the amount of such Loss Carryover at such withdrawal date applicable to such Limited Partner shall be reduced by a percentage equal to 100% multiplied by a fraction, the numerator of which is the amount to be withdrawn from such Limited Partner's capital account, and the denominator of which is the amount in such capital account immediately prior to the withdrawal.

Allocation of Profit and Loss  To determine how the economic gains and losses of the Partnership will be shared, the Partnership Agreement provides detailed procedures for allocating net income (increases and decreases in Net Worth) to each Partner's capital account. Net income includes all portfolio gains and losses, whether realized or unrealized, plus all other Partnership items of income (such as interest) and less all Partnership expenses. Generally, net income (subject to the General Partner Allocation) and net loss for each Fiscal Period will be allocated to the Partners in proportion to their capital account balances as of the start of each Fiscal Period. Capital account balances will reflect capital contributions, previous allocations of increases and decreases in Net Worth and withdrawals.

Allocation of Taxable Income and Loss  For income tax purposes, all items of taxable income, gain, loss, deduction and credit will be allocated among the Partners annually in a manner consistent with the economic interests therein. In light of the fact that the Partnership does not intend to make distributions, to the extent the Partnership's investment activities are successful, Limited Partners should expect to incur tax liabilities from an investment in the Partnership without receiving cash distributions with which to pay those liabilities. To obtain cash from the Partnership to pay taxes, if any, Limited Partners will be required to make withdrawals. See "SUMMARY OF CERTAIN PROVISIONS OF THE PARTNERSHIP AGREEMENT — Withdrawals".
Expenses

The Partnership will pay all of its accounting, legal, administrative (which includes, without limitation the expense of determining and maintaining capital account balances and preparation of reports and financial statements) and other operating expenses, including, without limitation, an allocation of expenses paid by the General Partner (e.g., office and equipment rental) and expenses of the offering and sale of Interests for each calendar year (collectively, the "Administrative Expenses") up to a maximum aggregate amount of three-quarter (0.75%) percent (or a prorated amount for the Partnership's last calendar year and on any amounts permitted to be invested and withdrawn during a calendar year) of the Partnership's Net Worth at the end of its calendar year (the "Expense Cap"). To the extent that the Administrative Expenses exceed the Expense Cap in any calendar year, the General Partner shall pay such excess Administrative Expenses. The Partnership will also pay all of its investment charges and expenses (e.g., brokerage commissions, interest on margin accounts, borrowing charges on securities sold short, custodial fees, trustee fees, bank fees, taxes, etc.), all of which are not and shall not be deemed to be Administrative Expenses and are not subject to the Expense Cap. In addition, the Partnership shall pay all organizational costs (which are not and shall not be deemed to be Administrative Expenses and are not subject to the Expense Cap) and expense such costs as permitted by applicable accounting rules.

Risks

An investment in the Partnership involves significant risks See "RISK FACTORS".

Fiscal Year End

December 31.

Reports to Limited Partners

Each Limited Partner will receive: (i) annual audited financial statements, (ii) a quarterly statement of the Limited Partner's capital account and a letter from the General Partner discussing the results of the Partnership for the quarter just ended, and (iii) copies of such Limited Partner's Schedule K-1 to the Partnership's tax returns.

Term

The Partnership will terminate on December 31, 2040 unless earlier terminated as provided in the Partnership Agreement.

Transferability of Interests

Interests are not assignable or transferable (except by operation of law) without the prior written consent of the General Partner, which consent may be given or withheld in its sole and absolute discretion.

Partnership Attorneys

Robinson Silverman Pearce Aronsohn & Berman LLP, New York, NY.

Partnership Accountants

Arthur Andersen, New York, NY.

How to Subscribe

Offerees interested in acquiring Interests are required to complete the applicable documents in the Subscription Documents Booklet and return it to the Partnership. Under the terms of the Subscription Agreement and the Partnership Agreement, an Offeree must pay 100% of the Offeree's investment on or prior to the first day of the applicable Fiscal Period by wire transfer of immediately available funds, or by check, subject to collection, payable to the Partnership, in accordance with the instructions set forth in the Section of the Subscription Documents Booklet entitled "Instructions to Subscribers".
INTRODUCTION

First Frontier, L.P., a Delaware limited partnership (the "Partnership") formed under the Delaware Revised Uniform Limited Partnership Act ("DRULPA") on December 16, 1998, is an investment partnership that pools its Limited Partners' capital contributions with the objective of seeking optimal risk-adjusted consistent returns that are uncorrelated to the market while taking low risk. The General Partner believes that the objective can be achieved through the investment of the Partnership's assets with the Investment Manager that is engaged in a strategy of purchasing a basket of equity securities included in the S&P 100 (OEX) Index (the "Index") and hedging the basket through the use of options on the Index. However, no assurance can be given that the objective will be achieved.

The General Partner does not intend itself to invest Partnership funds directly in any securities other than retaining funds not currently being invested with the Investment Manager and investing such funds temporarily in U.S. government obligations, money market accounts or other short term interest bearing accounts. Substantially all of the Partnership's assets will be invested with the Investment Manager.

The General Partner is Frontier Capital Management, LLC, a Delaware limited liability company. Mr. Ostroff is the sole manager and principal member of the General Partner. As the sole manager of the General Partner, Mr. Ostroff controls all of its operations and activities. The Manager is Frontier Advisors Corp., a Delaware corporation. Mr. Ostroff is the President and the sole director and shareholder of the Manager and, as such, he controls all of its operations and activities. The principal office and telephone and facsimile numbers of the Partnership, General Partner and Manager are 149 Fifth Avenue, 15th Floor, New York, New York 10010, Telephone No. (212) 674-5500 and Facsimile No. (212) 674-5814. The Partnership will terminate on December 31, 2040 unless sooner terminated as provided for in the Partnership Agreement.

The Partnership is offering limited partnership interests in the Partnership ("Interests") in a private placement pursuant to Section 4(2) of the 1933 Act and Rule 506 Regulation D promulgated thereunder by the SEC. The Interests will be sold by the General Partner and will be continuously offered in the sole and absolute discretion of the General Partner. No selling commission will be charged. The General Partner, however, in its sole and absolute discretion, may pay sales commissions out of its own assets to eligible persons that introduce prospective Limited Partners to the Partnership. The minimum purchase by any Offeror is $1,000,000; however, the General Partner may, in its sole and absolute discretion, waive the foregoing minimum purchase requirement and may waive and/or modify the Management Fee and General Partner Allocation as to one or more Limited Partners. There are no minimum or maximum amounts that must be invested by all of the Limited Partners in the Partnership, in the aggregate. Existing Limited Partners may subscribe for additional Interests of any amount and prospective Limited Partners will be required to purchase at least $1,000,000 of Interests; however, the acceptance of any additional or new subscription is at the sole and absolute discretion of the General Partner. Interests may only be purchased by Offerees that qualify as both Accredited Investors and Qualified Purchasers.

It is anticipated that within ninety (90) days after the end of each calendar year, audited financial statements for the year will be prepared by the Partnership, audited by the Partnership’s independent certified public accountants, and will be distributed to each Limited Partner. Information as to the Limited Partner’s distributive share of the Partnership’s income, gains, losses and deductions for the year, for Federal income tax purposes, shall be distributed to each Limited Partner as soon as it becomes available. In addition, each Limited Partner will receive quarterly, a statement of the Limited Partner’s capital account, including such Limited Partner’s opening balance, capital contributions and withdrawals, if any, net income or loss and ending balance and a letter from the General Partner discussing the results of the Partnership for the quarter just ended.

The Partnership is not registered as an investment company and is not subject to the provisions of the ICA, in reliance upon an exemption for an entity in which all of the beneficial owners are Qualified Purchasers. As an entity relying on the exemption provided by Section 3(c)(7) of the ICA, the Partnership will not be limited by the ICA as to the number of purchasers of Interests (the Partnership, however, will not have greater than four hundred and ninety-nine (499) Partners). The Partnership will comply with the applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations promulgated thereunder to insure that the Partnership is not taxed as a publicly traded partnership pursuant to Treasury Regulations §1.7704-8 of the Code. The Partnership has also elected to be a Qualified Purchaser. The General Partner is not registered with the SEC as an investment adviser under the IAA.
INVESTMENT STRATEGIES

The Partnership’s objective is to seek optimal risk-adjusted consistent returns that are uncorrelated to the market while taking low risk. The General Partner believes that the objective can be achieved through the investment of the Partnership’s assets with the Investment Manager that is engaged in a strategy of purchasing a basket of equity securities included in the Index and hedging the basket through the use of options on the Index. However, no assurance can be given that the objective will be achieved. The Investment Manager may not achieve acceptable results and it is possible that losses may be incurred by the Partnership. Furthermore, the Investment Manager may refuse to accept funds from the Partnership and/or require the Partnership to withdraw all or part of the Partnership’s funds from the Investment Manager.

Set forth below is a description of the Investment Manager’s strategy:

A. **Basket of Long S&P 100 (OEX) Index Securities Hedged by Options on the Index.** This investment strategy involves the purchase of a basket of common stocks included in the Index and the simultaneous sale of an Index call option and purchase of an Index put option. In each case, the expiration date of the call option and the put option are identical. All such transactions are undertaken on a hedged basis such that the basket of common stocks purchased correlates significantly with the Index.

This strategy of selling a call against a long position increases income while allowing appreciation to the strike price of the short call. Additional income is earned through the collection of dividends from the equity investments. Finally, the purchase of the put provides downside protection for the underlying securities and is substantially funded by the call premium.

Index options are commonly utilized in this trading methodology. This strategy involves buying a group of equities which in the aggregate highly correlates to the Index. Out-of-the-money Index call options are sold, and out-of-the-money Index put options are purchased, against the long basket of securities. The basket, which typically consists of 30-35 positions, is designed to closely track the performance of the Index without having to purchase all one hundred (100) securities that comprise the Index.

Among the risks involved in the strategy are tracking, market and timing risks. The strategy to be employed by the Investment Manager involves the establishment of a “collar”. The collar consists of options on the Index and serves as a hedge against the Partnership’s long portfolio. It is possible that the Partnership’s portfolio of securities may not perfectly track the performance of the Index. When the price of the Index is within the collar (the difference between the strike prices of the long put and the short call), the Partnership’s portfolio is at the risk of the market, which risk is limited to the size of the collar. The size of the collar is typically around 5% to 10% of the value of the Index. A third risk is timing risk. The Partnership’s assets will not always be invested so the risk exists that the timing of entry and exit into and out of the market may not be optimal.

B. **Other.** The General Partner may invest Partnership funds that are not currently allocated to the Investment Manager in short-term U.S. Government securities, money market accounts and/or other short-term interest bearing instruments located at major financial institutions in the United States. Any income earned from such investments will be reinvested by the Partnership in accordance with the Partnership’s investment strategies.

C. **Potential Change in Investment Manager.** In the event that the General Partner determines to allocate some or all of the Partnership’s assets to one or more investment managers other than Bernard L. Madoff Investment Securities, the General Partners shall provide not less than ninety (90) days prior written notice to the Limited Partners of its intention to do so and each Limited Partner shall have the right to withdraw all or any amount of value from their respective Capital Account as of the last day of the month immediately preceding the month in which the General Partner intends to invest the Partnership’s assets with such other investment manager(s).
THE PARTNERSHIP'S INVESTMENT PROGRAM ENTAILS SUBSTANTIAL RISKS AND
THERE CAN BE NO ASSURANCE THAT THE OBJECTIVE OF THE PARTNERSHIP WILL BE
ACHIEVED. THE PRACTICES OF SHORT SELLING, LEVERAGE AND OTHER INVESTMENT
TECHNIQUES, WHICH THE PARTNERSHIP MAY EMPLOY FROM TIME TO TIME CAN, IN
CERTAIN CIRCUMSTANCES, MAXIMIZE THE ADVERSE IMPACT TO WHICH THE
PARTNERSHIP'S INVESTMENT PORTFOLIO MAY BE SUBJECT.
MANAGEMENT

The General Partner

The General Partner is responsible for the management of First Frontier, I. P. The General Partner is solely responsible for selecting and monitoring the Investment Manager and making decisions on when and how much to invest with or withdraw from the Investment Manager. The General Partner is Frontier Capital Management, LLC, a Delaware limited liability company formed in 1998. Frontier Capital Management, LLC has no current business other than serving as General Partner of the Partnership. Mr. Ostroff is the sole manager and principal member of the General Partner and Mr. Ostroff's wife is the only other member of the General Partner. She is not involved in any way in the operations or activities of the General Partner or the Partnership. The Manager is Frontier Advisors Corp., a Delaware corporation formed in 1998. Frontier Advisors Corp. has no current business other than serving as Manager of the Partnership. In such capacity, Frontier Advisors Corp. will aid and assist the General Partner in operating the Partnership. Mr. Ostroff is the President and the sole director and shareholder of Frontier Advisors Corp.

Mr. Ostroff was a Managing Director and head of Private Client Sales at Weiss, Peck & Greer. Prior to that, Mr. Ostroff co-headed the Private Advisory Services Group at Merrill Lynch and directed the High Net Worth Brokage Group. Mr. Ostroff was a founding partner of Graystone Partners, an alternative investment management firm in Chicago. Earlier in his career, Mr. Ostroff headed the Asia/Pacific Investment Banking Group in Hong Kong for Kidder Peabody, and spent five (5) years providing brokerage and investment services to wealthy family groups and individuals at Goldman Sachs & Co. and Morgan Stanley. He is a CPA and spent four (4) years as a senior tax consultant with Price Waterhouse. Mr. Ostroff earned a BS degree in Economics and Mathematics from the Wharton School of Business at the University of Pennsylvania and an MBA degree in Finance from the University of Chicago Graduate School of Business.

Although nothing in the Partnership Agreement requires the General Partner, Mr. Ostroff or any of their affiliates to devote full time to the Partnership, the General Partner will use its best efforts in connection with the purposes and objectives of the Partnership and to devote such of its time and activity during normal business days and hours as it, in its sole and absolute discretion, deems necessary for the management of the affairs of the Partnership. Mr. Ostroff, as manager of the General Partner and as President of the Adviser, intends to devote such time to the General Partner, Manager and Partnership as he determines in his sole and absolute discretion. The General Partner, Manager and Mr. Ostroff may also directly manage accounts for certain parties and provide consulting and/or advisory services to others.

There have been no administrative, civil or criminal actions, whether pending, on appeal, or concluded, against the Partnership, General Partner, Manager or Mr. Ostroff.

The Investment Manager

Bernard L. Madoff Investment Securities is registered as a broker/dealer under the 1934 Act. The General Partner has selected the Investment Manager to trade, invest and deal in securities and financial instruments for the Partnership. The Investment Manager is a market maker for dealers, banks and institutions. The Investment Manager has locations in New York and London, and makes markets in both listed and unlisted securities. The Investment Manager currently is a market maker for approximately 650 securities. The Investment Manager also trades in convertible bonds, convertible preferred stocks, warrants and listed equity and index options. The Investment Manager began operations in 1960 and has approximately 210 employees.

All trades that the Investment Manager executes on behalf of the Partnership are executed by the Investment Manager, which is a registered broker/dealer, as principal, and the price paid by the Partnership is net of the Investment Manager's markup or markdown. The Investment Manager, in its capacity as a broker-dealer, does not charge the Partnership a brokerage commission for stock transactions. The Investment Manager charges the Partnership a fee of $1.00 per option contract on each trade.

While the Partnership has initially retained Bernard L. Madoff Investment Sécurités as the Investment Manager, the General Partner, in its sole and absolute discretion, may in the future, on behalf of the Partnership,
retain additional investment managers to manage all or a portion of the Partnership's assets, as the General Partner deems desirable or appropriate. Should the General Partner retain additional or substitute investment managers for the Partnership, there can be no assurance as to the investment strategies, results which may be obtained, or fees or commissions which may be charged by such investment managers.
RISK FACTORS

The purchase of interests offered hereby involves certain risks and is suitable only for offerees of adequate financial means which have no need for liquidity in this investment. Offerees should bear in mind the following risks in addition to the risk factors set forth in the section "Investment Strategies".

Market Risks

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

2. **Market Volatility.** The profitability of much of the Partnership's capital depends upon the Investment Manager correctly assessing the future price movements of stocks, bonds, options on stocks and other securities and the movements of interest rates. There can be no assurance that the Investment Manager will be successful in accurately predicting price and interest rate movements.

3. **Leverage.** The Investment Manager may employ leverage. This includes the use of borrowed funds and investments in options, such as puts and calls and warrants. Also, they may engage in short sales. While such strategies and techniques increase the opportunity to achieve higher returns on the amounts invested, they also increase the risk of loss. The level of interest rates generally, and the rates at which such funds may be borrowed in particular, could affect the operating results of the Partnership.

4. **Liquidity.** Though it is intended that the Investment Manager will trade and invest in securities listed on exchanges, some may be thinly traded. This could present a problem in realizing the prices quoted and in effective trading the position(s). In certain situations, the Investment Manager may invest in illiquid investments which could result in significant loss in value should the Investment Manager be forced to sell the illiquid investments as a result of rapidly changing market conditions or as a result of margin calls or other factors.

5. **Independence of Investment Manager.** Neither the Partnership nor the General Partner controls or will control the Investment Manager, its choice of investments and other investment decisions, all of which are totally within the control of the Investment Manager. The investments of the Partnership will be made by the Investment Manager pursuant to an agreement between the Partnership and the Investment Manager, which provides, among other things, guidelines by which the Investment Manager will trade for the Partnership. Thus, while the Investment Manager is bound by a written agreement to follow specified trading strategies, it is possible that the Investment Manager could violate the agreement, which violation could result in a riskier approach that could lead to a loss of all or part of the Partnership's investment.

6. **Counterparty Creditworthiness.** The Investment Manager may deal in securities and financial instruments for the Partnership that involve counterparties. Under certain conditions, a counterparty to a transaction could default or the market for certain securities or financial instruments may become illiquid. Specifically, some of the options that the Partnership will deal in will be exchange traded and others will be over the counter ("OTC"). The Partnership will use put options to hedge the Partnership's portfolio in the event of market decline. In such an environment, to the extent that one or more OTC counterparties fail to perform, there would be no offset to the decline in value of the Partnership's long positions.

7. **Short Sales.** The Investment Manager may sell securities short for the Partnership. Selling securities short risks losing an amount greater than the proceeds received. Theoretically, securities sold short are subject to unlimited risk of loss because there is no limit on the price that a security may appreciate before the short position is closed. In addition, the supply of securities that can be borrowed fluctuates from time to time. The Partnership may be subject to losses if a security lender demands return of the lent securities and the Investment Manager is not able to find an alternative lending source.
8. **No Segregation of Securities.** The Investment Manager is a registered broker-dealer that self-clears all securities transactions. As a result, the Investment Manager will hold all of the Partnership's securities and cash. The Investment Manager holds all of its clients' assets and it also conducts significant market making operations as part of its overall business.

**Regulatory Risks**

1. **Principal Transactions.** All transactions that the Investment Manager causes the Partnership to engage in are treated as principal transactions.

2. **Strategy Restrictions.** Certain institutions may be restricted from directly utilizing investment strategies of the type the Partnership may engage in. These may include sales of "naked" options (those in which there is no position in the underlying security) or purchases of put and call options on stocks. Such institutions should consult their own advisers, counsel, and accountants.

3. **Trading Limitations.** For all securities, including options, listed on a public exchange, the exchange generally has the right to suspend or limit trading under certain circumstances. Such suspensions or limits could render certain strategies difficult to complete or continue and subject the Partnership to loss.

4. **No Registration.** The Partnership is not registered as an "investment company" under the ICA and neither the General Partner nor the Adviser is registered as an investment adviser under the IAA. Consequently, the Limited Partners will not benefit from certain of the protections afforded by such statutes.

5. **Tax Risk.** Reference is made to "CERTAIN FEDERAL INCOME TAX CONSIDERATIONS" for a discussion of certain tax risks inherent in the acquisition of Interests in the Partnership.

**Partnership Risks**

1. **Limited Liquidity.** An investment in the Partnership provides limited liquidity. The Interests are not freely transferable. In connection with the purchase of an Interest pursuant to this Memorandum, each Limited Partner must represent that the Limited Partner has acquired the Interest for investment purposes only and not with a view to or for resale, distribution of fractionization of the Interest. The Interests have neither been registered under the 1933 Act nor under the securities or "blue sky" laws of any state and, therefore, are subject to transfer restrictions.

2. **Withdrawal of Capital.** A Limited Partner may withdraw all or any amount of the value of the Limited Partner's capital account as of the last day of each calendar quarter, upon at least thirty (30) days' prior written notice to the Partnership, and at such other times and upon such terms as the General Partner may determine in its sole and absolute discretion. Under certain limited circumstances, the Partnership may suspend the payment of withdrawals.

3. **Frequency of Trading.** Some of the strategies and techniques employed by the Investment Manager require frequent trades to take place and, as a consequence, portfolio turnover and brokerage commissions may be greater than for other investment entities of similar size.

4. **Fees and Expenses.** The operating expenses of the Partnership, including the Management Fee and General Partner Allocation, may, in the aggregate, constitute a high percentage relative to other investment entities.

5. **Equity Allocation.** While the General Partner expects that the Investment Manager will allocate the Partnership's assets among a number of different securities and financial instruments, there are no fixed allotments.

6. **No Participation in Management.** The management of the Partnership's operations is vested solely in the General Partner, and the Limited Partners will have no right to take part in the conduct or control of the business of the Partnership. In connection with the management of the Partnership's business, the General
Partner will contribute services to the Partnership and devote thereto such time in its sole and absolute discretion as it deems appropriate.

7. **Limitation of General Partner's Liability and Indemnification of the General Partner.** The Partnership Agreement provides that the General Partner shall be indemnified against and shall not be liable for, any loss or liability incurred in connection with the affairs of the Partnership, so long as such loss or liability does not involve any gross negligence, willful misconduct or fraud. Therefore, a Limited Partner may have a more limited right of action against the General Partner than a Limited Partner would have had absent these provisions in the Partnership Agreement.

8. **Conflicts of Interest.** The General Partner and Manager (and/or their affiliates) are not restricted by an agreement not to compete with the Partnership, and the General Partner and Manager (and/or their affiliates) may engage in other activities or ventures which may result in various conflicts of interest between the General Partner and Manager, on the one hand, and the Partnership, on the other hand. Furthermore, the Investment Manager has substantial other businesses which could result in various conflicts of interest.

9. **Liability of a Limited Partner for the Return of Capital Distributions.** Limited Partners will not be liable under Delaware law for the Partnership's debts, except that a Limited Partner which has received a distribution from the Partnership may be liable to the Partnership for an amount equal to such distribution, if at the time of such distribution the Limited Partner knew that the Partnership was prohibited from making such distributions under the DRUPA.

10. **Delayed Schedule K-1s.** The General Partner will endeavor to provide a final Schedule K-1 to each Limited Partner for any given calendar year prior to April 15 of the following year. In the event that the Schedule K-1 is not available by such date, a Limited Partner will either have to file for an extension and pay taxes based on an estimated amount or file a return and pay taxes and then file an amended return once the final Schedule K-1 is received.

11. **No Operating History: Experience of General Partner.** The Partnership is newly formed and has no operating history. The success of the Partnership depends on the ability and experience of the General Partner and Manager, which are both also newly formed with no operating history. Mr. Ostroff, who is the sole manager and principal member of the General Partner, does not have any history of managing investment funds similar to the Partnership and there can be no assurance that the General Partner will generate any income for the Partnership.

12. **Lack of Separate Representation.** Neither the Partnership Agreement nor any of the agreements, contracts and arrangements between the Partnership and the General Partner were or will be the result of arm's-length negotiations. The attorneys, accountants and others who have performed services for the Partnership in connection with the private placement described in this Memorandum, and who will perform services for the Partnership in the future, have been and will be selected by the General Partner.

13. **Other Activities.** The management of the Partnership will initially be vested in Mr. Ostroff, the manager of the General Partner, who will devote so much of his time to manage the Partnership as he, in his sole and absolute discretion, deems necessary. Any of the members of the General Partner, and the Manager, may serve as a partner, principal or stockholder of one or more securities firms, broker-dealers, and invest in, have investment responsibilities for, render investment advisory or other services for personal and family accounts, house accounts, managed accounts for individuals or entities, including without limitation, other investment partnerships. The activities of such other entities or accounts may be similar to or may differ from the activities of the Partnership, and neither the Partnership nor the Limited Partners shall have any rights in respect of investments for, and profits or other income earned from, such accounts. See "CONFLICTS OF INTEREST".

8
FINANCIAL SUMMARY OF THE OFFERING

This summary is qualified in its entirety by the detailed information (including "RISK FACTORS" and "CERTAIN FEDERAL INCOME TAX CONSIDERATIONS"), appearing in this Memorandum and the Exhibits hereto and the documents referred to herein. All documents referred to herein and not attached hereto are available for inspection during normal business hours at the office of the General Partner upon request by an Offeree.

The Partnership

The Interests in the Partnership offered herein each represent a percentage interest in the Partnership proportionate to the amount invested by each Partner as related to the aggregate amount invested by all Partners. See "SUMMARY OF CERTAIN PROVISIONS OF THE PARTNERSHIP AGREEMENT — Profits, Losses and Interest in Partnership’s Net Worth".

General Partner

The General Partner of the Partnership is Frontier Capital Management L.L.C., a Delaware limited liability company. Mr. Ostroff is the sole manager and principal member of the General Partner and, as such, he controls all of the General Partner’s operations and activities. See "MANAGEMENT — General Partner".

Manager

The Manager is Frontier Advisors Corp., a Delaware corporation. Mr. Ostroff is the President and the sole director and shareholder of the Manager and he is solely responsible for its operations and activities. The Manager has been formed to aid and assist the General Partner in operating the Partnership.

Terms of Offering

Each Limited Partner must invest a minimum of $1,000,000 (however, the General Partner reserves the right, in its sole and absolute discretion, to admit Limited Partners with less than such minimum investment). There is no minimum or maximum aggregate amount of funds which may be contributed to the Partnership. The General Partner, in its sole and absolute discretion, can accept or reject any additional capital contributions from existing Limited Partners or capital contribution from an Offeree.

The General Partner reserves the right to sell Interests through banks and registered broker-dealers and to pay sales commissions. Any sales commissions will be paid solely by the General Partner, and no portion thereof will be paid by the Partnership (except to the extent that the General Partner is entitled to reimbursement from the Partnership under the Expense Cap).

Offerees and existing Limited Partners may invest in the Partnership as of the beginning of each Fiscal Period, although the General Partner in its sole and absolute discretion has the right to admit new Limited Partners and to accept additional funds from existing Limited Partners at any time. The General Partner, in its sole and absolute discretion, may negotiate the General Partner Allocation and/or Management Fee with certain Limited Partners. All funds invested in the Partnership by Limited Partners will be held in the Partnership’s name and the Partnership will not commingle its funds with any other party.
A copy of the subscription documents and instructions for subscribing are attached as Exhibit "A". Each Offeree desiring to acquire an interest will be required to execute a subscription agreement and other subscription documents to be accompanied by a check made payable to the Partnership representing the Offeree's capital contribution for their interest. Offerees and Limited Partners may alternatively wire transfer to a bank account in the name of the Partnership their capital contributions for their respective interests in accordance with the instructions to Subscribers in Exhibit "A" hereinafter. Existing Limited Partners making additional capital contributions will be required to execute a one page form confirming certain information previously provided to the Partnership.

Withdrawals

A Limited Partner may withdraw all or any amount of the value of the Limited Partner's capital account as of the last day of each calendar quarter, upon at least thirty (30) days' prior written notice to the Partnership, and at such other times and upon such terms as the General Partner may determine in its sole and absolute discretion. The Partnership currently expects to pay to a withdrawing Limited Partner an amount equal to approximately ninety-five (95%) percent of the value in such Limited Partner's capital account within fifteen (15) days after the applicable withdrawal date. The Partnership currently expects to pay the balance of the amount remaining in a withdrawing Limited Partner's capital account no later than fifteen (15) days after the: (i) determination of capital account balances, for all Partners as of the end of the applicable calendar quarter, for withdrawals made as of the last day of the first three calendar quarters of each year or (ii) issuance of the December 31 audited financial statements, for withdrawals made as of the last day of each year, as applicable. The Partnership currently expects to pay a Limited Partner who makes a partial withdrawal within fifteen (15) days after the applicable withdrawal date. There are no direct costs associated with a Limited Partner's withdrawal of value from the Partnership.

The Partnership may suspend the payment of any withdrawals from capital accounts (i) during the existence of any state of affairs which, in the opinion of the General Partner, makes the determination of the price, value or disposition of the Partnership's investments impractical or prejudicial to the Partners, or (ii) in which withdrawals or distributions, in the opinion of the General Partner, results in violation of applicable law, or (iii) in the event that Limited Partners, in the aggregate, request withdrawals of twenty-five (25%) percent or more the Partnership's Net Worth as of any date of withdrawal. All Limited Partners will be notified of any such suspension, and the termination of any such suspension, by means of a written notice.

Distributions From Profits or Capital

The Partnership does not expect to make any distributions from profits or capital, except pursuant to requests for withdrawals and upon termination of the Partnership. See "SUMMARY OF CERTAIN TERMS OF THE PARTNERSHIP AGREEMENT—Distributions When Partnership Terminated" and "Withdrawals".

Management Fee

The Manager will receive in advance a quarter-annual management fee ("Management Fee") of one-eighth (0.125%) percent of each of each Limited Partner's capital account balance at the beginning of each calendar quarter. A pro rata Management Fee will be charged to Limited Partners on any amounts permitted to be invested during any calendar quarter. No part of the Management Fee will be refunded in the event that a Limited Partner withdraws all or any of the value in the Limited Partner's capital account during a calendar quarter.

General Partner's Allocation

The General Partner shall have reallocated by credit to its capital account and each Limited Partner shall have reallocated by debit to each Limited Partners capital account an amount equal to ten (10%) percent of each
Limited Partner's pro rata share of the net increase in Net Worth (as defined in this Memorandum) for each calendar year, as adjusted for capital contributions and withdrawals made during the calendar year (the "General Partner Allocation"), in addition to the allocation of the balance of income and profits, or losses, to the General Partner based upon its capital account. The General Partner shall receive the General Partner Allocation on all funds permitted to be invested and withdrawn during each calendar year.

In any calendar year in which a Limited Partner is allocated a portion of a decrease in Net Worth, the General Partner Allocation in the succeeding calendar year(s) shall be calculated on the net increase in Net Worth for such Limited Partner for each such succeeding calendar year(s) reduced by an amount equal to such Limited Partner's allocations of any decrease in Net Worth in the preceding calendar year(s) for such Limited Partner (such allocations of decreases, "Loss Carryover") until the aggregate reductions equal the Loss Carryover. In the event, however, that a Limited Partner withdraws funds at a time in which such Limited Partner has a Loss Carryover, the amount of such Loss Carryover at such withdrawal date applicable to such Limited Partner shall be reduced by a percentage equal to 100% multiplied by a fraction, the numerator of which is the amount to be withdrawn from such Limited Partner's capital account, and the denominator of which is the amount in such capital account immediately prior to the withdrawal.

Determination of Partnership's Net Worth

As set forth in Section 9.05 of the Partnership Agreement, the Net Worth of the Partnership is determined in accordance with the following:

"The net worth of the Partnership ("Net Worth") shall be determined on the accrual basis of accounting in accordance with generally accepted accounting principles consistently applied and, further, in accordance with the following:

9.05.01 A determination shall be made on the last day of each calendar year (or Fiscal Period, as the case may be) as to the value of all Partnership assets and as to the amount of liabilities of the Partnership. In making such determination, investments in managed accounts, non-public partnerships and corporations and other non-public investment vehicles shall be valued at their last reported value, updated by any interim valuations provided by the Investment Manager (and/or other Manager(s), if any) of such managed accounts, partnerships, corporations and other investment vehicles, or by any other applicable valuation deemed reasonable by the General Partner. Securities that are listed on a national securities exchange or over-the-counter securities listed on the NASDAQ National Market System, shall be valued at their last sales price on such date, or, if no sales occurred on such date, at the mean between the "bid" and "asked" prices. Securities which are not so listed shall be valued at their last closing "bid" prices if held "long" and at their last closing "asked" prices if held "short". Securities which have no public market shall be considered at such value as the General Partner may reasonably determine. All such valuations shall be made as of the last trading day of each calendar year (or Fiscal Period, as the case may be), and all values assigned to securities by the General Partner pursuant to this Section shall be final and conclusive as to all of the Partners;

9.05.02 There shall be deducted any unpaid Management Fee and actual and estimated Administrative Expenses (subject to the Expense Cap) and such reserves for contingent liabilities of the Partnership, including estimated expenses, if any, in connection therewith, as the General Partner shall determine;
9.05.03 The organizational expenses of the Partnership shall be paid by the Partnership and shall be expensed as permitted by applicable accounting rules; and

9.05.04 After the foregoing determinations have been made, a further calculation shall be made to determine the increase or decrease in Net Worth of the Partnership during the calendar year (or Fiscal Period, as the case may be) just ended. The term "increase in Net Worth" shall be the excess of Net Worth at the end of any calendar year (or Fiscal Period, as the case may be) over that of the preceding period, after adjusting for interim Capital Contributions and withdrawals. The term "decrease in Net Worth" shall be the amount by which the Net Worth at the end of the calendar year (or Fiscal Period, as the case may be) is less than the Net Worth of the Partnership as of the end of the preceding calendar year (or Fiscal Period, as the case may be) after making the adjustments specified above.

**Expenses**

The Partnership will pay all of its accounting, legal, administrative (which includes, without limitation the expense of determining and maintaining capital account balances and preparation of reports and financial statements) and other operating expenses, including, without limitation, an allocation of expenses paid by the General Partner (e.g., office and equipment rental) and expenses of the offering and sale of Interests for each calendar year (collectively, the "Administrative Expenses") up to a maximum aggregate amount of three-quarters (0.75%) percent (or a prorated amount for the Partnership's last calendar year and on any amounts permitted to be invested and withdrawn during a calendar year) of the Partnership's Net Worth at the end of its calendar year (the "Expense Cap"). To the extent that the Administrative Expenses exceed the Expense Cap in any calendar year, the General Partner shall pay such excess Administrative Expenses. The Partnership will also pay all of its investment charges and expenses (e.g., brokerage commissions, interest on margin accounts, borrowing charges on securities sold short, custodial fees, trustee fees, bank fees, taxes, etc.), all of which are not and shall not be deemed to be Administrative Expenses and are not subject to the Expense Cap. In addition, the Partnership shall pay all organizational costs (which are not and shall not be deemed to be Administrative Expenses and are not subject to the Expense Cap) and expense such costs as permitted by applicable accounting rules.
CONFLICTS OF INTEREST

There may be inherent and potential conflicts of interest between the General Partner (and the Manager) and the Partnership, and between the Investment Manager and the Partnership. Among the conflicts which the Officer should consider are the following:

With Respect to the General Partner and Manager

(a) Neither the General Partner, Manager nor Mr. Ostroff have any obligation to devote their full time to the business of the Partnership. The General Partner, however, is required to devote only such time and attention to the affairs of the Partnership as it deems appropriate, in its sole and absolute discretion. In addition, the General Partner, Manager and Mr. Ostroff may manage other accounts for which they may be compensated and may provide consulting and/or advisory services to others.

(b) The General Partner will determine the allocation of funds from the Partnership and such other accounts to the Investment Manager and others on whatever basis it considers appropriate or desirable, in its sole and absolute discretion.

(c) The General Partner, Manager and/or Mr. Ostroff may manage other accounts and provide investment advice to other parties, and the General Partner, Manager and/or Mr. Ostroff may decide to invest the funds of one or more other accounts or recommend the investment of funds by other parties, rather than the Partnership’s funds, with the Investment Manager or others.

(d) The General Partner Allocation may create an incentive for the General Partner to make investments that are riskier or more speculative than would be the case in the absence of such an arrangement.

With Respect to the Investment Manager

(a) The Investment Manager, which is a registered broker-dealer, self clears all transactions. As a result, the Investment Manager will have custody of all of the Partnership’s assets.

(b) The Investment Manager currently serves as a market maker for approximately 650 securities. The Investment Manager’s activities for the Partnership may be influenced by its market making activities.

(c) The Investment Manager manages numerous other accounts for other parties, many of which have and will have larger assets under management than the Partnership.

(d) The Investment Manager, as a registered broker-dealer, executes all trades as principal, and the price paid or received by the Partnership is net of the Investment Manager’s markup or markdown.
INVESTMENT BY TAX EXEMPT ENTITIES — ERISA CONSIDERATIONS

General

In considering an investment in the Partnership of a portion of the assets of employee benefit plans subject to Employee Retirement Income Security Act of 1974, as amended ("ERISA"), including IRAs and Keogh plans (hereinafter referred to individually as "Plan" and collectively as "Plans"), fiduciaries and their legal counsel should consider whether: (i) the investment in the Partnership is in accordance with the documents and instruments governing such Plan; (ii) the investment satisfies the diversification requirements of Section 404(a)(1)(C) of ERISA, if applicable; (iii) the investment will result in unrelated business taxable income ("UBTI") to the Plan; (iv) the investment provides sufficient liquidity and is otherwise prudent; and (v) the investment satisfies the need to value the assets of the Plan annually. The required valuations will be available and Plan fiduciaries must make their own determination regarding whether an investment in the Partnership is prudent under ERISA, taking into consideration the specific facts and circumstances of the Plan and an investment in the Partnership.

ERISA generally requires that the assets of employee benefit plans be held in trust and that the trustee, or a duly authorized investment manager (within the meaning of Section 3(38) of ERISA), have exclusive authority and discretion to manage and control the assets of the Plan. ERISA also imposes certain duties on persons who are fiduciaries of employee benefit plans subject to ERISA and prohibits certain transactions between an employee benefit plan and the fiduciaries of such plan. Under the Internal Revenue Code of 1986, as amended ("Code"), similar prohibitions apply to all Plans which are not subject to ERISA. Under ERISA and the Code, any person who exercises any discretionary authority or discretionary control respecting the management or disposition of the assets of a Plan or who renders investment advice for a fee to a Plan is considered to be a fiduciary of such Plan (subject to certain exceptions not here relevant). Each Plan Limited Partner who so requests will be issued a certificate evidencing its interest in the Partnership. The possession of such indicia of ownership should satisfy the holding in trust requirements of ERISA.

Furthermore, ERISA and the Code prohibit fiduciaries of a Plan from engaging in various acts of self-dealing. In order to prevent the General Partner from being a fiduciary with respect to any Plan which invests in the Partnership, the General Partner will not permit an investment in the Partnership with assets of any Plan (including a Keogh plan or IRA) if the General Partner (i) has investment discretion with respect to such assets or (ii) regularly gives individualized investment advice which serves as the primary basis for the investment decisions made with respect to such assets.

Plan Asset Rules

If, by virtue of a Plan’s purchase of an Interest in the Partnership, the assets of the Partnership are deemed to be "plan assets" under ERISA, then: (i) the exclusive benefit rule and other fiduciary rules of ERISA may bind the General Partner; and (ii) certain other transactions in which the Partnership may engage may constitute prohibited transactions under Section 406 of ERISA and Section 4975(a) of the Code. ERISA does not define what assets will be deemed to be plan assets.

In 1975, the Department of Labor issued ERISA Interpretive Bulletin 75-2, 29 C.F.R. §2509.75-2 ("IB 75-2"), which first addressed the plan asset issue. In IB 75-2, the Department of Labor took the position that the assets of a corporation or partnership in which a qualified plan invested should not generally be treated as assets of such plan:

Generally, investment by a plan in securities (within the meaning of Section 3(20) of the Employee Retirement Income Security Act of 1974) of a corporation or partnership will not, solely by reason of such
investment, be considered to be an investment in the underlying assets of such corporation or partnership so as to make such assets of the entity "plan assets" and thereby make a subsequent transaction between the party in interest and the corporation or partnership a prohibited transaction under Section 406 of the Act.

On November 13, 1986, the Department of Labor published its final Regulations on the definition of plan assets (29 C.F.R. §2510.3-101 51 F.R. No. 41262). The Regulation significantly broadens the definition of plan assets under ERISA. The Department of Labor has stated that the Regulations are intended to supersede IB 75-2, and that the assets of certain corporations, partnerships and other entities in which a Plan makes an equity investment could be deemed to be plan assets under certain circumstances.

The Regulations generally provide that, unless certain exemptions apply, when a Plan acquires an equity interest in a corporation, partnership or other entity which is neither a "publicly offered" readily transferable security nor a security issued by an investment company registered under the ICA, the assets of such Plan will include not only the investment, but also the underlying assets of the entity in which the equity investment is made.

The Regulation provides, however, that the assets of a corporation or partnership in which an employee benefit plan invests would not be deemed to be assets of such plan if less than twenty-five (25%) percent of each class of equity interests in the corporation or partnership is held in the aggregate by "benefit plan investors" (including, for this purpose, benefit plans such as Keogh Plans for owner employees and IRAs which are not subject to the general requirements of ERISA). For purposes of this "25 percent" rule, the interests of any person (other than an employee benefit plan investor) who has discretionary authority or control with respect to the assets of the corporation or partnership, or who provides investment advice for a fee (direct or indirect) with respect to such assets, or any affiliate of such person, shall be disregarded. Thus, any investment in the Partnership by the General Partner or its affiliates will be disregarded in determining whether this exception is satisfied.

The General Partner will not permit investments in the Partnership by "benefit plan investors" to equal or exceed at any time twenty-five (25%) percent of the equity interests in the Partnership. Accordingly, the above exemption will be applicable and the assets of the Partnership should not be deemed to be plan assets under ERISA. In order to comply with the foregoing, the General Partner has the right, in its sole and absolute discretion, to reject any proposed investment by an Offeror or by an existing Limited Partner and/or to require that a Limited Partner withdraw all or any part of the value in a Limited Partner's capital account.

Unrelated Business Taxable Income

Unless removed from the purview of Code Section 501(a) by a relevant exception, organizations described in that provision are exempt from Federal income tax. Notwithstanding this, such organizations are subject to income taxes at the rate applicable to business corporations on their UBTI under Section 511(a) of the Code. Generally, UBTI means the gross income (with certain exceptions) derived by a Code Section 501(a) exempt organization from any trade or business carried on by such entity which is unrelated to the entity's exempt purposes, less certain deductions related to such trade or business. UBTI includes the income recognized by a tax exempt entity from any unrelated trade or business regularly carried on by a partnership of which such tax exempt entity is a partner. Also included in UBTI is "unrelated debt financed income". This is generally the net income from assets not related to the entity's exempt purpose, acquired with debt, to the extent of the ratio of debt on such assets to such assets' adjusted basis.

Under Section 512(b) of the Code, certain forms of income are excluded from the definition of UBTI. These items include dividends, interest, annuities, royalties, capital gains, rents from real property and, in limited circumstances, personal property leased with real property. To the extent, however, that the Partnership employs debt in its strategy, or if the Partnership acquires securities of an entity that generates UBTI that flows through to the
Partnership (e.g., a limited partnership) or if Partnership activities are determined to be a trade or business within the meaning of Code Section 513, it is possible that otherwise tax-exempt Limited Partners subject to these rules would be liable for tax on part of their allocable share of Partnership income.

Each tax-exempt Offeree is urged to consult with its own professional tax advisors concerning the suitability of this investment, taking into account the likelihood that such investment will generate UBIT, as well as whether, under the particular circumstances of its investment, its interest would constitute debt-financed property.
SUITABILITY REQUIREMENTS

An investment in the Partnership involves a substantial degree of risk. See "RISK FACTORS" and "CERTAIN FEDERAL INCOME TAX CONSIDERATIONS". Further, transfer of the Interests is restricted by the terms of the Partnership Agreement and applicable Federal and State Securities Laws. The suitability standards referred to herein represent minimum suitability requirements for Offerees and the satisfaction of such standards by an Offeree does not necessarily mean that the Interests are a suitable investment for such Offeree.

This offering is made for purchase of Interests by Offerees that qualify as both: (i) Accredited Investors (as defined in Rule 501 of Regulation D of the 1933 Act), and (ii) Qualified Purchasers (as defined in Section 2(a)(51) of the ICA). The minimum investment amount is $1,000,000 (which may be waived by the General Partner in its sole and absolute discretion).

Annexed to this Memorandum as Exhibit A are the Subscription Documents (the "Subscription Documents") which must be completed by each Offeree. The Subscription Documents set forth in detail the definitions of Accredited Investors and Qualified Purchasers. Each Offeree must check the appropriate places in the Subscription Documents to represent to the Partnership that they are both an Accredited Investor and a Qualified Purchaser in order to be able to purchase Interests.

THE DELIVERY OF THIS MEMORANDUM TO AN OFFEREE DOES NOT CONSTITUTE AN OFFER, BUT RATHER THE SOLICITATION OF AN OFFER TO BE MADE BY THE OFFEREES, SUBJECT TO ACCEPTANCE BY THE GENERAL PARTNER.
SUMMARY OF CERTAIN PROVISIONS OF THE PARTNERSHIP AGREEMENT

The rights and obligations of the Partners and the various terms and provisions governing the operation and business of the Partnership are set forth in the Partnership Agreement.

THE PARTNERSHIP AGREEMENT (ATTACHED HERETO AS EXHIBIT "B") AFFECTS THE SUBSTANTIVE RIGHTS OF PARTNERS. OFFEREES ARE URGED TO READ THE PARTNERSHIP AGREEMENT IN ITS ENTIRETY. EACH NEW LIMITED PARTNER WILL BE REQUIRED TO REPRESENT, IN WRITING, AS A CONDITION OF ACQUISITION OF THE INTERESTS, THAT THE NEW LIMITED PARTNER HAS READ AND UNDERSTOOD THE PROVISIONS OF THE PARTNERSHIP AGREEMENT.

THE PARTNERSHIP AGREEMENT CONTAINS PROVISIONS SEVERELY RESTRICTING THE ABILITY OF THE LIMITED PARTNERS TO TRANSFER THEIR INTERESTS. WITH LIMITED EXCEPTIONS, A TRANSFER MAY NOT BE MADE WITHOUT PRIOR WRITTEN CONSENT OF THE GENERAL PARTNER. THE GENERAL PARTNER WILL NOT GIVE SUCH CONSENT FOR A TRANSFER UNLESS IT RECEIVES SATISFACTORY LEGAL OPINIONS AS TO COMPLIANCE WITH ALL APPLICABLE LAWS INCLUDING THE 1933 ACT, REGULATIONS THEREUNTER, AND APPLICABLE STATE SECURITIES LAWS. TRANSFERS WHICH WOULD RESULT IN A TERMINATION OF THE PARTNERSHIP FOR FEDERAL INCOME TAX PURPOSES ARE PROHIBITED.

The following is a summary of certain of the provisions of the Partnership Agreement and is qualified in its entirety by reference to the Partnership Agreement

Term

The term of the Partnership shall continue until December 31, 2040, provided, however, that the Partnership may be terminated prior thereto as provided in the Partnership Agreement.

Control of Operations

The General Partner has exclusive authority to control the management of the day to day business operations and all other aspects of the Partnership, other than the termination or dissolution of the Partnership and certain other events, which are subject to the Limited Partners’ vote to continue the Partnership as provided in Article IV of the Partnership Agreement. In addition, the Limited Partners have the right to vote upon the appointment of a substitute General Partner and substantive amendment to the Partnership’s Certificate of Limited Partnership and the Partnership Agreement.

The General Partner has the right to employ investment managers, investment advisers, attorneys, accountants, consultants, and other personnel on behalf of the Partnership.

The General Partner may own, operate and invest in other interests and business ventures which may result in conflicts of interest. The General Partner is required to devote only such time to the business of the partnership as it may deem necessary, in its sole and absolute discretion.

Liability of General Partner

The General Partner will be generally liable to third parties for all obligations of the Partnership to the extent such obligations are not paid by the Partnership or are not by their terms limited to recourse against specific assets. The doing of any act or the failure to do any act by the General Partner, the effect of which may cause or
result in loss, liability, damage or expense to the Partnership or the Limited Partners, shall not subject the General Partner to any liability to the Partnership or to the Limited Partners, except that the General Partner may be so liable if it is grossly negligent or guilty of willful misconduct or fraud. The Partnership (but not the Limited Partners individually), shall indemnify and save harmless the General Partner from any loss, liability, damage or expense incurred by it by reason of any act or acts taken or omitted by it for and on behalf of the Partnership and in furtherance of the Partnership’s best interest, if such act was taken or omitted and did not constitute gross negligence, willful misconduct or fraud.

Withdrawal of General Partner

The Partnership shall terminate upon the dissolution, resignation or bankruptcy of the General Partner; provided, however, that the Partnership may be continued in accordance with the provisions of Article XIII of the Partnership Agreement. Upon the withdrawal or resignation of the General Partner, a majority in interest of the Limited Partners shall have the right to appoint a substitute General Partner.

Liability of Limited Partners

A Limited Partner will have no obligation at any time to make contributions to the capital of the Partnership except for the capital contributions to be made upon such Limited Partner’s admission. No Limited Partner shall be personally liable for any debts and obligations of the Partnership; provided, however, that a Limited Partner which has received a distribution from the Partnership may be liable to the Partnership for an amount equal to such distribution, if at the time of such distribution the Limited Partner knew that the Partnership was prohibited from making such distributions under the DRULPA.

Profits, Losses and Interest in Partnership’s Net Worth

The interest of the Partners in profit, loss and increases and decreases in Net Worth shall initially be allocated to each Partner in proportion to all Partners’ capital accounts for such Fiscal Period and then the General Partner Allocation shall be reallocated by credit to the General Partner’s capital account and debit to each Limited Partner’s capital accounts.

Distributions When Partnership Terminated

Upon the termination of the Partnership (upon the expiration of its term or the occurrence of any of the other events specified in Article XIII of the Partnership Agreement), the Partnership will be liquidated and the proceeds of liquidation will be applied and distributed in proportion to the respective capital accounts of the Partners. The Partnership Agreement does not provide for distribution to be made other than upon termination of the Partnership.

Distributions in Kind

If the Partnership is dissolved, then to the extent that the Partnership’s assets have not been sold or otherwise disposed of, the Partnership’s non-cash assets may be distributed in kind and each Partner shall receive an undivided interest in such assets equal to the portion of the proceeds to which the Partner would have been entitled if the assets were sold.
Accounting Period and Method

The Partnership has adopted a December 31 fiscal year, and shall keep its books and records based on the accrual method of accounting.

Power of Attorney

The Partnership Agreement provides for the granting by each Limited Partner of an irrevocable special power of attorney in favor of the General Partner and any successor General Partner. The special power of attorney, which is coupled with an interest (and accordingly cannot be revoked), will particularly cover various administrative functions, including those relating to execution of the Partnership Agreement and certificates relating thereto along with authorized amendments to the Partnership Agreement and certificates.

Records

The General Partner shall be required to keep, in accordance with generally accepted accounting principles, adequate books of account for the Partnership. Such books of account shall be kept on an accrual basis at the principal office of the Partnership and will be subject to inspection by any Limited Partner or authorized representative of a Limited Partner during reasonable business hours on advance written notice and upon the terms of the Partnership Agreement.

Transfer and Assignment

Except in the event of a transfer occurring as a result of a death of a Limited Partner or occurring by operation of law, or those transfer specifically provided for in Section 10.01 of the Partnership Agreement, the sale, assignment or exchange of Interests will be permitted only with consent of the General Partner. Sale, assignment or exchange of all Interest will not be permitted if it would result in termination of the Partnership for Federal income tax purposes and transfer of Interests will be subject to such other restrictions as are indicated in the Partnership Agreement.

Admission of Additional Partners

The General Partner may admit additional Limited Partners as of the beginning of any Fiscal Period and, upon such admission, the interests of the Partners will be readjusted in accordance with their capital accounts.

Additional Capital Contributions

Any Partner may make additional contributions to the capital of the Partnership with the consent of the General Partner as of the first day of any Fiscal Period of the Partnership and, upon the receipt of such additional capital contributions, the Interests of the Partners will be readjusted in accordance with their capital accounts.

Withdrawals

A Limited Partner may withdraw all or any amount of the value of the Limited Partner's capital account as of the last day of each calendar quarter, upon at least thirty (30) days' prior written notice to the Partnership, and at such other times and upon such terms as the General Partner may determine in its sole and absolute discretion. The Partnership currently expects to pay to a withdrawing Limited Partner an amount equal to approximately ninety-five (95%) percent of the value in such Limited Partner's capital account within fifteen (15) days after the applicable withdrawal date. The Partnership currently expects to pay the balance of the amount remaining in a withdrawing..
Limited Partner’s capital account no later than fifteen (15) days after the: (i) determination of capital account balances, for all Partners as of the end of the applicable calendar quarter, for withdrawals made as of the last day of the first three calendar quarters of each year or (ii) issuance of the December 31 audited financial statements, for withdrawal made as of the last day of each year, as applicable. The Partnership currently expects to pay a Limited Partner who makes a partial withdrawal within fifteen (15) days after the applicable withdrawal date. There are no direct costs associated with a Limited Partner’s withdrawal of value from the Partnership.

The Partnership may suspend the payment of any withdrawals from capital accounts (i) during the existence of any state of affairs which, in the opinion of the General Partner, makes the determination of the price, value or disposition of the Partnership’s investments impractical or prejudicial to the Partners; or (ii) in which withdrawals or distributions, in the opinion of the General Partner, results in violation of applicable law, or (iii) in the event that Limited Partners, in the aggregate, request withdrawals of twenty-five (25%) percent or more of the Partnership’s Net Worth as of any date of withdrawal. All Limited Partners will be notified of any such suspension, and the termination of any such suspension, by means of a written notice.

In the event a Limited Partner withdraws all of the value of such Limited Partner’s capital account from the Partnership, the General Partner, in its sole and absolute discretion, may make a special allocation to the Limited Partner for Federal Income tax purposes of the net capital gains recognized by the Partnership, in the last calendar year in which the Limited Partner participates in the performance of the Partnership, in such manner as will reduce the amount, if any, by which such Limited Partner’s capital account exceeds its Federal income tax basis in its interest in the Partnership before such allocation.

The Partnership has the right to pay cash or marketable securities, or both, to a Limited Partner that makes a withdrawal of value from such Limited Partner’s capital account.

Management Fee

The Manager will receive in advance a quarter annual management fee ("Management Fee") of one-eighth (0 125%) percent of each of each Limited Partner’s capital account balance at the beginning of each calendar quarter. A pro rata Management Fee will be charged to Limited Partners on any amounts permitted to be invested during any calendar quarter. No part of the Management Fee will be refunded in the event that a Limited Partner withdraws all or any of the value in the Limited Partner’s capital account during a calendar quarter.

General Partner Allocation

The General Partner shall have reallocated by credit to its capital account and each Limited Partner shall have reallocated by debit to each Limited Partners capital account an amount equal to ten (10%) percent of each Limited Partner’s pro rata share of the net increase in Net Worth (as defined in this Memorandum) for each calendar year, as adjusted for capital contributions and withdrawals made during the calendar year (the "General Partner Allocation"), in addition to the allocation of the balance of income and profits, or losses, to the General Partner based upon its capital account. The General Partner shall receive the General Partner Allocation on all funds permitted to be invested and withdrawn during each calendar year.

In any calendar year in which a Limited Partner is allocated a portion of a decrease in Net Worth, the General Partner Allocation in the succeeding calendar year(s) shall be calculated on the net increase in Net Worth for such Limited Partner for each such succeeding calendar year(s) reduced by an amount equal to such Limited Partner’s allocations of any decrease in Net Worth in the preceding calendar year(s) for such Limited Partner (such allocations of decreases, "Loss Carryover") until the aggregate reductions equal the Loss Carryover. In the event, however, that a Limited Partner withdraws funds at a time in which such Limited Partner has a Loss Carryover, the
amount of such Loss Carryover at such withdrawal date applicable to such Limited Partner shall be reduced by a percentage equal to 100% multiplied by a fraction, the numerator of which is the amount to be withdrawn from such Limited Partner's capital account, and the denominator of which is the amount in such capital account immediately prior to the withdrawal.

Expenses

The Partnership will pay all of its accounting, legal, administrative (which includes, without limitation the expense of determining and maintaining capital account balances and preparation of reports and financial statements) and other operating expenses, including, without limitation, an allocation of expenses paid by the General Partner (e.g., office and equipment rental) and expenses of the offering and sale of Interests for each calendar year (collectively, the "Administrative Expenses") up to a maximum aggregate amount of three-quarter (0.75%) percent (or a prorated amount for the Partnership's last calendar year and on any amounts permitted to be invested and withdrawn during a calendar year) of the Partnership's Net Worth at the end of its calendar year (the "Expense Cap"). To the extent that the Administrative Expenses exceed the Expense Cap in any calendar year, the General Partner shall pay such excess Administrative Expenses. The Partnership will also pay all of its investment charges and expenses (e.g., brokerage commissions, interest on margin accounts, borrowing charges on securities sold short, custodial fees, trustee fees, bank fees, taxes, etc.), all of which are not and shall not be deemed to be Administrative Expenses and are not subject to the Expense Cap. In addition, the Partnership shall pay all organizational costs (which are not and shall not be deemed to be Administrative Expenses and are not subject to the Expense Cap) and expense such costs as permitted by applicable accounting rules.

Amendment

The Partnership Agreement is subject to amendment with consent of the General Partner and Limited Partners owning more than fifty (50%) percent in Interest, except where the Partnership Agreement and/or DRULPA requires a different vote of Limited Partners.
CERTAIN FEDERAL INCOME TAX CONSIDERATIONS

General

There are risks associated with the Federal income tax aspects of an investment in the Partnership. This summary is not intended as a substitute for careful tax planning, particularly since the tax aspects of an investment in the Partnership are complex and will vary depending on the overall tax posture of each Limited Partner.

OFFEREES ARE STRONGLY ADVISED TO CONSULT THEIR TAX ADVISERS WITH SPECIFIC REFERENCE TO THEIR TAX SITUATION PRIOR TO PURCHASING AN INTEREST.

EACH OFFeree WILL BE REQUIRED TO REPRESENT THAT THE OFFeree HAS RELIED UPON THE ADVICE OF THE OFFeree'S ADVISERS AND REPRESENTATIVES, INCLUDING THE OFFeree'S TAX AND LEGAL ADVISERS, BEFORE PURCHASING AN INTEREST. OFFereeS MUST RELy SOLELY ON THEIR ADVISERS WITH RESPECT TO THE FINANCIAL AND TAX CONSEQUENCES OF THIS INVESTMENT. NO REPRESENTATION OR WARRANTY OF ANY KIND IS MADE BY THE GENERAL PARTNER, THE PARTNERSHIP OR ANY COUNSEL OR ACCOUNTANTS TO THE PARTNERSHIP WITH RESPECT TO ANY FINANCIAL OR FOREIGN, FEDERAL, STATE OR LOCAL INCOME TAX CONSEQUENCES RELATING TO THE PARTNERSHIP OR AN INVESTMENT IN THE PARTNERSHIP. THE TAX AND OTHER MATTERS DESCRIBED IN THIS MEMORANDUM DO NOT CONSTITUTE, AND SHOULD NOT BE CONSIDERED AS, LEGAL OR TAX ADVICE.

The following is a summary of certain material Federal income tax aspects of acquiring Interests. It is based upon the Code, rules and regulations promulgated thereunder, published rulings and court decisions, all as in effect on the date of this Memorandum. This summary does not discuss all of the tax aspects that may be relevant to a particular Offeree. No advance rulings have been or will be sought from the Service regarding any matter discussed in this Memorandum. Counsel to the Partnership has not rendered any legal opinions with respect to any Federal income tax consequences relating to the Partnership or an investment therein. Accordingly, Offerees are urged to consult their tax advisers to determine the Federal, state, local and foreign income and other tax consequences to them of acquiring Interests.

For individual taxpayers, the maximum Federal income tax rate generally is thirty-nine and six-tenths (39.6%) percent, including short-term capital gains. Long-term capital gains are taxed for individual taxpayers at maximum rates of twenty (20%) percent (for gains from the sale of capital assets held more than one (1) year). In addition, Limited Partners will be taxed on gains on certain open positions (i.e., unrealized gains) in "Section 1256 contracts" (e.g., foreign currency contracts and non-equity options, all as defined in Section 1256 of the Code) that are "marked to market" at the end of each year for Federal income tax purposes held by any partnership or managed accounts in which the Partnership invests. Under this mark-to-market procedure, Limited Partners will be subject to tax on certain gains that may never be realized.

Partnership Status Effective January 1, 1997, the Service finalized regulations that generally permit domestic unincorporated entities to be taxed as partnerships or corporations. Under these regulations, a newly formed non-corporate domestic entity is automatically classified as a partnership if it has at least two members, unless it affirmatively elects to be classified as an association taxable as a corporation. As the Partnership will have
the General Partner and at least one Limited Partner, the Partnership will be taxed as a partnership under these regulations.

Certain entities otherwise taxable as partnerships, however, are treated as corporations if they are "publicly traded" or deemed to be readily tradable on a secondary market or the substantial equivalent thereof (such entities "Publicly Traded Partnerships"). Under the Treasury Regulations, certain types of transfers of interests in a partnership are disregarded in determining whether such interests are readily tradable in a secondary market. In addition, interests in a partnership are not readily tradable on a secondary market if (i) all interests in the partnership were issued in a transaction (or transactions) that was not required to be registered under the 1993 Act; and (ii) the partnership does not have more than one hundred (100) partners at any time. Notwithstanding the foregoing, an entity otherwise qualifying as a Publicly Traded Partnership will not be taxed as a corporation if, for all years, ninety (90%) percent or more of the entity's gross income consists of "qualifying income." Recently promulgated Treasury Regulations clarify that qualifying income includes interest, dividends, capital gain from the sale of stock and other capital assets held for the production of income (including gain on positions that are marked to market), gain characterized as ordinary income from certain foreign currency transactions and certain "conversion" transactions, income from certain notional principal contracts and other substantially similar income to the extent determined by the IRS, provided the entity receiving such qualifying income is not acting as a broker, market maker or dealer. Special rules apply for losses and for straddles and similar transactions.

Based on the Partnership's investment objective and the Investment Manager's strategy and expected investments, it appears that the Partnership will satisfy the 90% qualifying income test described above. If that test is satisfied, then the Partnership will not be taxed as a corporation even if it has more than one hundred (100) partners (the Partnership, however, will not have more than four hundred ninety-nine (499) partners). Moreover, if the Partnership fails to meet the qualifying income test but the IRS determines that such failure was inadvertent and the Partnership makes certain adjustments and takes corrective steps to meet such test, then notwithstanding the failure, the Partnership will not be taxed as a corporation under these rules. Accordingly, the Partnership may admit more than one hundred (100) Partners and if it does, it will diligently attempt to satisfy the qualifying income test.

**Taxation of Partners on Partnership Profits and Losses.** The Partnership, if treated as a partnership for Federal income tax purposes as discussed above, will not itself generally be subject to Federal income tax. Rather, each Partner in computing its Federal income tax liability for a taxable year will be required to take into account its allocable share of all items of Partnership income, gain, loss, deduction and credit for the taxable year of the Partnership ending within or with such taxable year of such Partner, regardless of whether such Partner has received any distributions from the Partnership. The characterization of an item of profit or loss usually will be determined at the Partnership (rather than at the Partner) level.

**Tax Allocations of Partnership Profits and Losses.** For Federal income tax purposes, a Limited Partner's allocable share of items of Partnership income, gain, loss, deduction and credit will be determined by the Partnership Agreement if such allocations either have "substantial economic effect" or are determined to be in accordance with the Partners' interests in the Partnership. If the allocations provided by the Partnership Agreement were successfully challenged by the Service, the recalculation of the allocations to a particular Partner for Federal income tax purposes could be less favorable than the allocations set forth in the Partnership Agreement. Since items of income, gain, loss and deduction are allocated in proportion to capital account balances, it is not likely the Service would assert that the Partnership's allocations lack substantial economic effect.

Tax allocations generally will be made proportionately to book accounting allocations. However, the amount of such tax allocations may differ significantly from book accounting allocations because book accounting allocations are made with respect to unrealized gains and losses (i.e., reflecting interim changes in the value of
investments) and tax allocations are generally made with respect to recognized gains and losses (i.e., generally when they are sold).

**Book Accounting Allocations.** At the end of the calendar year and any other interim periods during which the General Partner, in its sole and absolute discretion, allows entry of new Partners, withdrawal (total or partial) of Partners or increases in Partners’ Interests through additional capital contributions, income or loss will be allocated to each Partner. This includes an allocation based upon unrealized gains and losses (on all positions not yet sold that have appreciated or depreciated), including long and short positions, outstanding options, and the like. Since unrealized gains and losses are not taxable, except for regulated futures contracts held at the end of the Fiscal Year, the allocation for accounting purposes will differ from that for tax purposes in each year.

**Adjusted Tax Basis for Interests.** A Limited Partner’s adjusted tax basis for its interest generally will be equal to the amount of its initial capital contribution and will be increased by (a) any additional capital contributions made by such Limited Partner and (b) such Limited Partner’s allocable share of items of Partnership taxable income and gain. Such adjusted tax basis generally will be decreased, but not below zero, by such Limited Partner’s allocable share of (i) items of Partnership taxable deduction and loss and (ii) withdrawals by such Limited Partner.

In general, if the recognition of a Limited Partner’s distributive share of Partnership losses would reduce its adjusted tax basis for its Interest below zero, the recognition of such losses by the Limited Partner would be deferred until such time as the recognition of such losses would not reduce the Limited Partner’s basis below zero.

**Sale of Interests.** A sale of all or part of a Limited Partner’s Interest will result in the recognition of gain or loss in an amount equal to the difference between the amount of the sales proceeds and the Limited Partner’s allocable adjusted tax basis for its Interest. Such Limited Partner’s adjusted tax basis will be adjusted for this purpose by its allocable share of the Partnership’s income or loss for the year of such sale or withdrawal. Any gain or loss recognized with respect to such a sale generally will be treated as capital gain or loss.

**Treatment of Cash Distributions; Withdrawals; Liquidation.** Cash distributions and withdrawals, to the extent they do not exceed a Limited Partner’s adjusted tax basis in such Limited Partner’s Interest, will result in taxable income to such Limited Partner but will reduce such Limited Partner’s adjusted tax basis in such Limited Partner’s Interest. Distributions in excess of a Limited Partner’s adjusted tax basis in such Limited Partner’s Interest immediately prior thereto ("Excess Distributions") will result in the recognition of gain to the extent of such excess.

In general, any gain recognized upon an Excess Distribution in connection with a redemption or liquidation of the Partnership will be treated as capital gain or loss, except for the portion of any gain which is attributable to such Limited Partner’s share of income of the Partnership up to the date of exchange, redemption or liquidation, which income will be taxed as otherwise described above. Such gain or loss will be treated as long-term capital gain or loss taxable at a maximum rate of 20% if the Interest so disposed was held for more than one (1) year, or as short-term capital gain or loss if the Interest so disposed of was held for one (1) year or less.

**Limitation on Deductibility of Capital Losses.** Capital losses generally are deductible by individuals only to the extent of capital gains for the taxable year plus up to $3,000 of ordinary income ($1,500 in the case of a husband and wife filing separate returns). Excess capital losses may be carried forward but not back. Capital losses generally are deductible by corporations only to the extent of capital gains for the taxable year. Corporations may carry capital losses back three years and forward five years. Prospective corporate Offerors should consult their tax advisors regarding the deductibility of capital losses.

**Limitation on Deductibility of Passive Losses.** In addition to the limitations on the deductibility of losses described above, the Code restricts individuals, certain personal service corporations and certain non-corporate taxpayers from using trade or business losses sustained by limited partnerships and other businesses in which the taxpayer does not materially participate to offset income from other sources. Therefore, such losses cannot be used.
to offset salary or other earned income, active business income or "portfolio income" (i.e., dividends, interest, royalties and nonbusiness capital gains) of the taxpayer; however, in the case of certain closely-held corporations, passive activity losses can offset other active business income. Losses and credits suspended under the limitation may be carried forward indefinitely and may be used in later years against income from passive activities. Moreover, a taxable disposition by a taxpayer of the entire interest in a passive activity will cause the recognition of any suspended losses attributable to that activity.

This so-called "passive activity loss" limitation generally will not apply, however, to limit losses sustained by the Partnership because the Partnership's investment activities are not expected to produce losses which would be characterized as "passive activity losses" under current regulations. Furthermore, a Limited Partner will not be able to use losses from its interests in passive activities to offset its share of income and capital gain from the Partnership that is not "passive activity income".

Limited Deduction for Certain Expenses. The Partnership's activities in any taxable year may vary sufficiently with regard to its status as either a trader or investor to preclude a determination at this time. If the Partnership is a trader engaged in the business of trading securities, each Partner who is an individual will be entitled to deduct such Partner's share of expenses of the Partnership under Section 162 of the Code as business expenses. If the Partnership is an investor engaged in an activity for its own account, each Partner who is an individual will only be able to deduct such Partner's share of expenses of the Partnership to the extent that such investment expenses (excluding interest) when combined with other expenses deductible under Section 212 of the Code exceed two (2%) percent of such Partner's adjusted gross income. In addition, the amount in excess of such two (2%) percent limitation will not be deductible in computing the alternative minimum tax. The deductible portion, if any, of such expenses becomes part of the Partner's total itemized deductions, which total is subject to further reduction generally in amount equal to the lesser of three (3%) percent of an individual's adjusted gross income in excess of $100,000 (indexed for inflation) or eighty (80%) percent of the individual's otherwise allowable total itemized deductions. To the extent that the Partnership incurs such itemized deductions subject to the two (2%) percent floor, depending on each Limited Partner's particular circumstances, the taxable income of certain Limited Partners would exceed their true economic gain to the extent of their share of such expenses that are less than such two (2%) percent floor. The General Partner will review the Partnership's activities for each taxable year and take the position that the Partnership is either a trader or an investor based upon the facts and circumstances existing at such time.

Limitation on Deductibility of Investment Interest. Interest paid or accrued on indebtedness properly allocable to property held for investment, other than a passive activity ("investment interest"), generally is deductible by individuals and other non-corporate taxpayers only to the extent it does not exceed net investment income. Investment interest disallowed under this limitation is carried forward and treated as investment interest in succeeding taxable years. Investment income includes gross income from "property held for investment" and generally includes short-term capital gains attributable to the disposition of such property and any (long-term) capital gains attributable to the disposition of such property so long as the taxpayer has elected to have such net (long-term) capital gains taxed at ordinary income rates. For purposes of these rules, property held for investment includes property that produces "portfolio income" (see "Limitation on Deductibility of Passive Losses" above) and any interest in a trade or business activity which is not a passive activity and in which the holder does not materially participate. Any items of income or expense taken into account under the passive activity loss limitation is excluded from investment income and expense for purposes of computing net investment income.

Tax Elections. The Code provides for optional adjustments to the basis of Partnership property upon distributions of Partnership property to a Partner and transfers of interests, including transfers by reason of death, provided that a Partnership election has been made pursuant to Section 754 of the Code. As a result of the complexities and added expense of the tax accounting required to implement such an election, and because such election, once made, may be revoked only with the consent of the Service, it is highly unlikely that the General
Partner will make such an election. Accordingly, any benefits that might be available to the Partners by reason of
such an election would not be available.

**Taxes Withheld.** The Partnership may withhold taxes attributable to any Partner to the extent required
under the Code of Treasury Regulations, or under any state, local or other tax law. Any taxes so withheld by the
Partnership shall be deemed to be a distribution or payment to such Partner and shall reduce the amount otherwise
distributable to each Partner pursuant to the Partnership Agreement.

**Unrelated Business Taxable Income.** For a discussion of UBTI and how it relates to organizations that are
generally exempt from Federal income tax, see "INVESTMENT BY CERTAIN TAX EXEMPT ENTITIES —
ERISA CONSIDERATIONS — Unrelated Business Taxable Income" above.

**Tax Audits.** Under the Code, adjustments in tax liability with respect to Partnership items generally will be
made at the Partnership level in a single partnership proceeding rather than in separate proceedings with each
Partner. The General Partner will represent the Partnership as the "tax matters partner" during any audit and in any
dispute with the Service. Each Limited Partner will be informed by the General Partner of the commencement of an
audit of the Partnership. In general, the General Partner may enter into a settlement agreement with the Service on
behalf of, and binding upon, the Partners. Prior to settlement, however, a Limited Partner may file a statement with
the Service providing that the General Partner does not have authority to settle on behalf of such Limited Partner

The period for assessing a deficiency against a partner in a partnership, such as the Partnership, with
respect to a partnership item is the later of three (3) years after the partnership files its returns or, under certain
circumstances, if the name, address, and taxpayer identification number of the partners do not appear on the
partnership return, one (1) year after the Service is furnished with such information. The General Partner may
consent on behalf of the Partnership to an extension of the period for assessing a deficiency with respect to a
Partnership item. As a result, a Limited Partner's Federal income tax return may be subject to examination and
adjustment by the Service for a Partnership item more than three (3) years after such return has been filed.

If adjustments are made to items of Partnership income, gain, loss, deduction or credit as the result of an
audit of the Partnership, the tax returns of the Limited Partners may be reviewed by the Service, which could result
in adjustments of non-Partnership items as well as Partnership items.

Offerors should note that the Treasury Department has examined and continues to study among other things, the administrative and compliance issues related to the tax treatment of large partnerships, including the issues of imposing collection and/or withholding of tax at the partnership level and procedures for audits and assessments of partnerships and partners.

**Possible Tax Law Changes.** The foregoing discussion is only a summary and is based upon existing
Federal income tax law. Offerors should recognize that the Federal income tax treatment of an investment in
Interests may be modified at any time by legislative, judicial or administrative action. Any such changes may have
retroactive effect with respect to existing transactions and investments and may modify the statement made above.

**State and Local Taxes: Foreign Taxes.** In addition to the Federal income tax aspects described above,
various state and local tax aspects should be considered. State and local taxation resulting from the Partnership's
activities may differ from the treatment for Federal income tax purposes. Offerors are urged to consult their tax
advisers with respect to the state and local tax aspects of acquiring Interests. To the extent that the Partnership
invests in foreign securities, the Partnership and the Limited Partners might become subject to tax in jurisdictions
outside the United States on the Partnership's foreign-source income, if any. Such taxes may be creditable, in whole
or in part, against the Limited Partners' respective U.S. income tax liabilities, if any.
****

The foregoing summary is not intended as a substitute for professional tax advice, nor does it purport to be a complete discussion of all tax consequences that could apply to this investment. For example, the foregoing does not discuss tax consequences that may be relevant to particular Limited Partners in light of their personal circumstances and tax consequences of particular investments such as "wash sales," hedging or conversion transactions, straddle or other risk reduction transactions. In addition, the foregoing does not discuss estate tax, gift tax or other estate planning aspects of this investment, nor does it specifically discuss Federal income tax rates or the alternative minimum tax. Accordingly, prospective Limited Partners must consult their own tax advisers with respect to the effects of this investment on their own tax situation.
INVESTMENT RESTRICTIONS

A purchaser of Interests will be required to represent that the purchaser is acquiring the Interest for the purchaser's own account for investment purposes only (and is assuming the economic risk of the investment) and not with a view to the distribution thereof (that is to say, that such purchaser is not acting as an underwriter or conduit for the sale to the public or to others of unregistered securities, directly or indirectly, on behalf of the Partnership).

The Interests offered hereby have not been registered under the 1933 Act or under any state securities or "blue sky" laws ("State Securities Laws") and they may not be sold, assigned, transferred, pledged, hypothecated, or otherwise disposed of or encumbered, except in compliance with the requirements of the 1933 Act, applicable State Securities Laws and the Partnership Agreement. Accordingly, Limited Partners will not be able to transfer the Interests without satisfactory evidence to the effect that the Interests were originally acquired for investment purposes and not for distribution. Offers, therefore, should not acquire any Interests in anticipation of selling them on a short-term basis upon some increase in price or to purchase some other security or for any other purpose which could reasonably be foreseen at the time of making the purchase. All instruments evidencing Interests in the Partnership will bear a legend to the foregoing effect. Registration under the 1933 Act is not anticipated nor is the Partnership required to effect any such registration. Prior to any resale of Interests to the public, other than by an effective registration statement filed with the SEC, or other applicable exemption, such securities must have been beneficially owned and fully paid for a least one year and other requirements of Rule 144 must be present.

If a Limited Partner wishes to dispose of the Limited Partner's Interest in a transaction not requiring registration under the 1933 Act, such disposition is governed by, among other things, the terms of the Partnership Agreement. See "SUMMARY OF CERTAIN PROVISIONS OF THE PARTNERSHIP AGREEMENT — Transfer and Assignment". The General Partner's consent shall be required for any transfers of an Interest, and consent to such transfer shall be at the sole and absolute discretion of the General Partner. In general, an assignee must satisfy the suitability standards applicable to the transferor or assignor. In no event may a transfer of all or any part of any Interest be made, if the General Partner is informed in an opinion of counsel that such transfer (i) violates the provisions of the 1933 Act and the rules and regulations thereunder or (ii) violates any State Securities Laws, or (iii) violates the DRUPA. Additionally, an Interest may not be transferred if such transfer would result in a change of ownership, by reason of sales or exchanges, of fifty (50%) percent or more of the total Interests of the Partnership (or such other percentage of interest as will result in a termination of the Partnership under Section 708(b)(1) or successor Section of the Code) during the twelve (12) month period ending on the date of such transfer.

Any violation of the foregoing limitations by the Limited Partners could have serious legal and financial consequences to the Partnership and the Limited Partners. DUE TO THESE LIMITATIONS ON TRANSFERABILITY, LIMITED PARTNERS MAY BE REQUIRED TO HOLD THEIR INTERESTS INDEFINITELY UNLESS THEY WITHDRAW FROM THE PARTNERSHIP IN ACCORDANCE WITH THE PROCEDURES SET FORTH IN THE PARTNERSHIP AGREEMENT.
First Frontier, L.P

Exhibit "A"

Subscription Documents
First Frontier, L.P.

Subscription Documents Booklet

Instructions
And
Subscription Documents
1,2,3,4,5 and 6
First Frontier, L.P.

Subscription Documents

Instructions to Subscribers
INSTRUCTIONS TO SUBSCRIBERS

Persons and entities wishing to subscribe to Interests in FIRST FRONTIER, I.P. should complete and sign the Subscription Agreement and supplemental documents:

Normally, you may subscribe by completing the following steps:

CAREFULLY REVIEW THE MEMORANDUM AND THE EXHIBITS THERETO

1. Subscription Agreement:
   Complete and sign page 7.

2. Limited Partner’s Signature Page:
   Complete and Sign.

3. Special Power of Attorney:
   Sign and complete page 3 and have your signature notarized on page 4 or 5.

4. Questionnaire For Individual Subscriber:
   Complete all sections and sign on page 5.

5. Questionnaire For Partnership, Corporate or Trust Subscriber:
   Complete all sections, sign on page 6 and complete Exhibit A, B or C, as applicable.

6. Certification of Non-Foreign Status:
   Complete and sign appropriate Certification.

Completed documents should be returned to:

Frontier Capital Management, LLC
149 Fifth Avenue, 15th Floor
New York, NY 10010
Attention: Mr. Mark Ostroff
INSTRUCTIONS FOR TRANSMITTAL OF FUNDS:

Your subscription may be made by wire transfer in accordance with the following wire instructions:

Bank: HSBC
      452 Fifth Avenue
      New York, NY 10018

ABA #: 021001088
A/C #: 610217062
For Account of: First Frontier, L.P.

Please inform Mr. Mark Ostroff at (212) 674-5500 of the date, the amount, the bank and branch from which the funds originate. This will allow us to confirm the receipt of your funds. If you prefer to make your subscription by check, please make your check payable to "First Frontier, L.P." and deliver it to Frontier Capital Management, LLC with your completed documents.

We will transfer your capital contribution into First Frontier, L.P.'s account upon accepting your completed subscription documents. You will at that time begin participating as a limited partner in First Frontier, L.P.
First Frontier, L.P.

Subscription Document 1

Subscription Agreement
FIRST FRONTIER, L.P.

SUBSCRIPTION AGREEMENT

ARTICLE I

PURCHASE OF PARTNERSHIP INTEREST

1.01 Subscription. The undersigned ("Subscriber") hereby subscribes (the "Subscription") to a limited partnership interest in the amount set forth on the Signature Page hereof ("Interest") in FIRST FRONTIER, L.P. (the "Partnership"), a limited partnership formed under the laws of the State of Delaware, with offices at 149 Fifth Avenue, 13th Floor, New York, New York 10010. This subscription shall become effective when it has been duly executed by Subscriber and the subscription agreement has been accepted and agreed to by Frontier Capital Management, LLC (the "General Partner").

1.02 Receipt of Memorandum Acknowledged. Subscriber acknowledges receipt of a copy of the Partnership's Confidential Private Placement Memorandum dated January 18, 1999 and related Exhibits (the "Memorandum").

SUBSCRIBER ACKNOWLEDGES THAT SUBSCRIBER IS ACQUIRING THE INTEREST AFTER INVESTIGATION OF THE PARTNERSHIP AND ITS PROSPECTS AND THAT NO OFFER OR SOLICITATION HAS BEEN MADE TO SUBSCRIBER EXCEPT THROUGH THE MEMORANDUM. SUBSCRIBER FURTHER ACKNOWLEDGES THAT SUBSCRIBER IS NOT RELYING UPON ANY REPRESENTATION MADE BY ANY PERSON EXCEPT AS CONTAINED IN THE MEMORANDUM.

1.03 Payment for Subscription. Subscriber agrees that the contribution to the Partnership for the amount of Subscriber's subscription is to be made upon submission of this Subscription Agreement and the Special Power of Attorney in the form annexed hereto as Subscription Document 3.

1.04 Partnership Right to Accept or Reject Subscription. The Partnership shall have the right to accept or reject the Subscription, in whole or in part, for any reason whatsoever, including but not limited to the belief of the General Partner that Subscriber is neither an Accredited Investor (as defined in Rule 501 of Regulation D promulgated by the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "1933 Act")) nor a Qualified Purchaser (as defined in Section 2(a)(51)(A) of the Investment Company Act of 1940, as amended).
ARTICLE II

REPRESENTATIONS AND WARRANTIES

2.01 Representations and Warranties by General Partner. The General Partner represents and warrants to Subscriber, as follows:

(a) The General Partner has the full legal right, power and authority to enter into this Agreement and to perform its obligations hereunder, execution and delivery of this Agreement and the consummation of the transactions contemplated herein will not result in a breach or violation of, or a default under, any agreement, law, regulation or decree by which the Partnership is bound.

(b) Subscriber will acquire the interest free and clear of any liens, charges or encumbrances.

(c) No registration with, application to, approval of, or other action by any Federal, New York State or other governmental commission or regulatory body within the State of New York is required in connection with this Agreement and no Federal or state agency has passed upon the interest or made any findings or determination as to the fairness of this investment.

2.02 Survival of Representations and Warranties. The representations and warranties made by the General Partner shall survive the closing and shall be fully enforceable at law or in equity against the General Partner and its successors and assigns.

2.03 Disclaimer.

(a) It is specifically understood and agreed by Subscriber that the General Partner has not made, nor by this Agreement shall be construed to make, directly or indirectly, explicitly or by implication, any representation, warranty, projection, assumption, promise, covenant, opinion, recommendation or other statement of any kind or nature with respect to the anticipated profits or losses of the Partnership.

(b) The General Partner has made available to Subscriber and Subscriber's representatives, if any, full and complete information concerning the financial structure of the Partnership, and any and all data requested by Subscriber as a basis for estimating the potential profits and losses of the Partnership and Subscriber acknowledges that Subscriber has either reviewed such information or has waived review of such information.

2.04 Representations and Warranties by Subscriber. Subscriber represents and warrants to the Partnership and General Partner, as follows:

(a) Subscriber is acquiring the interest for Subscriber's own account, as principal, for investment purposes only and not with any intention to resell, distribute or otherwise dispose of or fractionalize the Interest, in whole or in part.

(b) Subscriber is both an Accredited Investor and a Qualified Purchaser.

(c) Subscriber has been furnished, has carefully read, and has relied solely (except for information obtained pursuant to paragraph (d) below), on the information contained in the Memorandum and the Partnership’s most recent annual audited report and most recent quarterly unaudited statements, and Subscriber has not received any other offering literature or prospectus, and no representations or warranties have been made to Subscriber by the General Partner, its manager, employees or agents, other than the representations of the General Partner set forth herein and in the Memorandum and in the Partnership’s Limited Partnership Agreement (the "Partnership Agreement").

(d) Subscriber has had an unrestricted opportunity to: (i) obtain additional information concerning the offering of Interests pursuant to the Memorandum (the "Offering"), the Interest, the General Partner,
the Partnership and any other matters relating directly or indirectly to Subscriber's purchase of the Interest, and (ii) ask questions of, and receive answers from the General Partner concerning the terms and conditions of the Offering, and to obtain such additional information as may have been necessary to verify the accuracy of the information contained in the Memorandum.

(e) Subscriber has carefully reviewed the various risks of an investment in the Partnership, including the risks summarized under "RISK FACTORS" in the Memorandum. Subscriber can afford to bear the risks of an investment in the Partnership.

(f) Subscriber understands that the General Partner potentially has conflicts of interest with the Partnership, and Subscriber has carefully reviewed the various conflicts summarized under "CONFLICTS OF INTEREST" in the Memorandum.

(g) Subscriber understands that the Interests in the Partnership cannot be sold, assigned, transferred, exchanged, hypothecated or pledged, or otherwise disposed of or encumbered without the consent of the General Partner, which may be given or withheld in its sole and absolute discretion, and that no market will exist for the resale of any Interests. Subscriber understands further that withdrawals are restricted as summarized under "SUMMARY OF CERTAIN PROVISIONS OF THE PARTNERSHIP AGREEMENT—Withdrawals" in the Memorandum. In addition, Subscriber understands that the Interests have not been registered under the 1933 Act, or under any applicable state securities or blue sky laws or the laws of any other jurisdiction, and cannot be resold unless they are so registered or unless an exemption from registration is available. Subscriber understands that there is no plan to register the Interests under any law.

(h) All information that Subscriber has provided concerning Subscriber, Subscriber's financial position and knowledge of financial and business matters is correct and complete as of the date hereof.

(i) Subscriber has not dealt with a broker in connection with the purchase of the Interest and agrees to indemnify and hold the General Partner and the Partnership harmless from any claims for brokerage or finder's fees in connection with the transactions contemplated herein.

(j) Subscriber is not relying on the General Partner or the Partnership with respect to any legal, investment or tax considerations involved in the purchase, ownership and disposition of an Interest. Subscriber has relied solely upon the advice of, or has consulted with, in regard to the legal, investment and tax considerations involved in the purchase, ownership and disposition of an Interest, Subscriber's legal counsel, business and/or investment advisor, accountant and tax adviser.

(k) If Subscriber is a corporation, partnership, trust or other entity, it is authorized and qualified to become a limited partner in, and authorized to make its capital contribution to, the Partnership and the person signing this Subscription Agreement on behalf of such entity has been duly authorized by such entity to do so.

(l) Subscriber is willing and able to bear the economic risks of an investment in the Partnership for an indefinite period of time. Subscriber has read and understands the provisions of the Partnership Agreement.

(m) Subscriber maintains Subscriber's domicile, and is not merely a transient or temporary resident, at the residence address shown on the signature page of this Subscription Agreement.

ARTICLE III

MISCELLANEOUS

301 Amendment of Partnership Agreement and Certificate. The parties agree to execute an amendment of the Partnership Agreement, and to execute and file an amendment of the Partnership's Certificate of
Limited Partnership (the "Certificate"), if required, to conform to and embody the terms and conditions of this Agreement.

3.02 Addresses and Notices. The address of each party for all purposes shall be the address set forth on the first page of this Agreement or on the signature page annexed hereto, or such other address of which the other parties have received written notice. Any notice, demand or request required or permitted to be given or made hereunder shall be in writing and shall be deemed given or made when delivered in person or when sent to such party at such address by registered or certified mail, return receipt requested.

3.03 Titles and Captions. All Article and Section titles or captions in this Agreement are for convenience only. They shall not be deemed part of this Agreement and do not in any way define, limit, extend or describe the scope or intent of any provisions hereof.

3.04 Tax Returns. The General Partner agrees that the income tax returns of the Partnership shall be prepared by a Certified Public Accountant selected by the General Partner.

3.05 Assignability. This Agreement is not transferable or assignable by Subscriber.

3.06 Pronouns and Plurals. Whenever the context may require, any pronoun used herein shall include the corresponding masculine, feminine or neuter forms. The singular form of nouns, pronouns and verbs shall include the plural and vice versa.

3.07 Further Action. The parties shall execute and deliver all documents, provide all information and take or forbear from taking all such action as may be necessary or appropriate to achieve the purposes of this Agreement. Each party shall bear its own expenses in connection therewith.

3.08 Applicable Law. This Agreement shall be construed in accordance with and governed by the laws of the State of New York and any action or proceeding hereunder must be commenced and prosecuted in the Supreme Court of the State of New York, New York County.

3.09 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties and their heirs, administrators, successors, legal representatives, personal representatives, transferees and assignees. If Subscriber is more than one person, the obligation of Subscriber shall be joint and several and the agreements, representations, warranties and acknowledgments herein contained shall be deemed to be made by and be binding upon each such person and his heirs, executors, administrators and successors.

3.10 Integration. This Agreement, together with the Partnership Agreement, constitutes the entire agreement between the parties pertaining to the subject matter hereof and supersedes all prior agreements and understandings pertaining thereto. No covenant, representation or condition not expressed in this Agreement shall affect or be deemed to interpret, change or restrict the express provisions hereof.

3.11 Amendment. This Agreement may be modified or amended only with the written approval of all parties.

3.12 Creditors. None of the provisions of this Agreement shall be for the benefit of or enforceable by creditors of any party.

3.13 Waiver. No failure by any party to insist upon the strict performance of any covenant, agreement, term or condition of this Agreement or to exercise any right or remedy available upon a breach thereof shall constitute a waiver of any such breach or of such or any other covenant, agreement, term or condition.

3.14 Rights and Remedies. The rights and remedies of each of the parties hereunder shall be mutually exclusive, and the implementation of one or more of the provisions of this Agreement shall not preclude the implementation of any other provision.
3.15 **Counterparts.** This Agreement may be executed in counterparts, all of which taken together shall constitute one agreement binding on all the parties notwithstanding that all the parties are not signatories to the original or the same counterpart.

3.16 **Indemnification.** Subscriber understands that the offer of the Interests to subscribe was made in reliance upon Subscriber's representations and warranties set forth in this ARTICLE II above. Subscriber agrees to provide, if requested, any additional information that may reasonably be requested by the General Partner to determine the eligibility of Subscriber to purchase and maintain ownership of the Interest. Subscriber hereby agrees to indemnify the Partnership, General Partner and each of their respective affiliates and to defend and hold each of them harmless from and against any loss, claim, damage, liability, cost or expense (including reasonable attorneys' fees) due to or arising out of or resulting from a breach of any representation, warranty or agreement of Subscriber contained in this Subscription Agreement or in any other document provided to Subscriber by the Partnership and/or General Partner, and to defend and hold each of them harmless against all losses, claims, damages, liabilities, costs or expenses (including reasonable attorneys' fees) arising as a result of the sale or distribution of the Interest or any part thereof by Subscriber in violation of the 1933 Act, other applicable law or the Partnership Agreement or any misrepresentation or breach by Subscriber with respect to the matters set forth herein. In addition, Subscriber agrees to indemnify the Partnership, General Partner and each of their respective affiliates and to defend and hold each of them harmless from and against, any and all loss, claim, damage, liability, cost or expense (including reasonable attorneys' fees) to which they may be put or which they may incur or sustain by reason of or in connection with any misrepresentations made by Subscriber with respect to the matters about which representations and warranties are required by the terms of this Subscription Agreement, or any breach of any such warranties or any failure to fulfill any covenants or agreements set forth herein or included in the Memorandum or Partnership Agreement. Notwithstanding any provisions of this Subscription Agreement, Subscriber does not waive any rights granted to it under applicable securities laws.
[SIGNATURE PAGE]

IN WITNESS WHEREOF, Subscriber has executed this Subscription Agreement on this day of

<table>
<thead>
<tr>
<th>Social Security or Employer</th>
<th>Print Name of Subscriber</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identification Number of</td>
<td></td>
</tr>
<tr>
<td>Subscriber</td>
<td></td>
</tr>
</tbody>
</table>

Signature for Individual Subscribers:

<table>
<thead>
<tr>
<th>Signature for Subscriber</th>
<th>Other than Individual:</th>
</tr>
</thead>
</table>

By: ____________________________

Signature of Authorized Signatory

Print Name and Title of Authorized Signatory

<table>
<thead>
<tr>
<th>Signature of Subscriber</th>
<th></th>
</tr>
</thead>
</table>

Signature of Subscriber, if Joint

Mailing Address of Subscriber:

<table>
<thead>
<tr>
<th>Mailing Address of Subscriber:</th>
<th>Residence or Business Address of Subscriber:</th>
</tr>
</thead>
<tbody>
<tr>
<td>_____________________________</td>
<td>_____________________________</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>City</th>
<th>State</th>
<th>Zip Code</th>
<th>City</th>
<th>State</th>
<th>Zip Code</th>
</tr>
</thead>
</table>

Amount of Subscription: $__________

Method of Subscription: Wire Transfer (d) Check (d)

SUBSCRIPTION AMOUNT, SPECIAL POWER OF ATTORNEY AND SIGNATURE PAGE RECEIVED ON , 19 AND SUBSCRIPTION ACCEPTED:

FIRST FRONTIER, L.P.

By: Frontier Capital Management, L.L.C., General Partner

By: ____________________________

Mark Ostroff, Manager

11855-00002/872362 3
First Frontier, L.P

Subscription Document 2

Limited Partner's Signature Page
Of Partnership Agreement
LIMITED PARTNER'S SIGNATURE PAGE

The undersigned, desiring to enter into the Limited Partnership Agreement, as amended (the "Agreement"), of FIRST FRONTIER, L.P., a Delaware limited partnership (the "Partnership"), in or substantially in the form furnished to the undersigned with the Confidential Private Placement Memorandum, hereby agrees to all of the terms of the Agreement and agrees to be bound by the terms thereof and the undersigned hereby joins in the execution and swears to this Agreement and hereby authorizes this signature page to be attached thereto.

Witness the execution hereby by the undersigned as a Limited Partner of the Partnership and individually.

______________________________
Amount of Subscription

Signature for Individual Subscribers:
______________________________
Signature of Subscriber

______________________________
Signature of Subscriber, if Joint

______________________________
Residence or Business Address of Subscriber:

______________________________
Print Name of Subscriber

______________________________
Signature for Subscribers Other than Individuals:

______________________________
By: ________________________________
Signature of Authorized Signatory

______________________________
Print Name and Title of Authorized Signatory

______________________________
Social Security or Employer Identification Number of Subscriber

______________________________
City

______________________________
State

______________________________
Zip Code

______________________________
Date

THE INTERESTS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 AS AMENDED (THE "ACT") AND MAY NOT BE SOLD OR OTHERWISE TRANSFERRED (I) UNLESS THE SAME HAS BEEN INCLUDED IN AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR (II) AN APPROPRIATE OPINION OF COUNSEL TO THE LIMITED PARTNERSHIP HAS BEEN OBTAINED STATING THAT REGISTRATION IS NOT REQUIRED. IN ADDITION, TRANSFER OR OTHER DISPOSITION OF THE INTERESTS IS RESTRICTED AS PROVIDED IN THE AGREEMENT.
First Frontier, L.P.

Subscription Document 3

Special Power of Attorney
FIRST FRONTIER, L.P.

SPECIAL POWER OF ATTORNEY

As used herein, the following capitalized terms have the following meanings:

Principal: The person, firm, corporation or other entity whose name appears at the end of this instrument.

Partnership: The above-named limited partnership organized under the laws of the State of Delaware.

Partnership Agreement: Limited Partnership Agreement of First Frontier, L.P., as amended, to be executed by all Partners.

General Partner: Frontier Capital Management, LLC and its successors in such capacity.

Limited Partners: The limited partners, from time to time, of the Partnership.

Attorney: The manager of the General Partner or any successor General Partner.

WHEREAS, the Principal has agreed to become a limited partner in the Partnership pursuant to the terms of the Partnership Agreement and each of the limited partners has agreed to appoint the Attorney as his attorney-in-fact for the purposes set forth herein,

NOW, THEREFORE, in consideration of the foregoing matters and intending to be legally bound hereby, the Principal hereby irrevocably constitutes and appoints the Attorney, with full power of substitution, the true and lawful attorney-in-fact of the Principal, in the Principal's name, place and stead, severally to make, execute, consent to, swear to, acknowledge, publish, record and file any and all of the following:

(1) The certificate of limited partnership and, if necessary, amendments to the certificate of limited partnership of the Partnership to be filed in accordance with the laws of the State of Delaware and the applicable laws of any other state or jurisdiction in which the General Partner deems such filing to be necessary to give effect to the provisions of the Partnership Agreement and to preserve the character of the Partnership as a limited partnership;

(2) Any other certificate or other instrument which may be required to be filed by the Partnership or the partners under the laws of any state or other jurisdiction, to the extent that the Attorney deems such filing necessary or desirable;

(3) Any and all amendments or modifications of the instruments described in subparagraphs (1) and (2) hereof, including, without limitation, amendments to effect the addition, substitution or removal of one or more Limited Partners or the General Partner pursuant to the Partnership Agreement, provided that each such amendment or modification evidences an amendment to the Partnership Agreement adopted in accordance with the terms thereof;

(4) Any and all certificates and other instruments which may be required to effectuate the dissolution and termination of the Partnership pursuant to the provisions of the Partnership Agreement;

(5) All such other instruments as the Attorney may deem necessary or desirable fully to carry out the provisions of the Partnership Agreement in accordance with its terms; and

(6) Amendments to the Partnership Agreement
The Attorney shall have full power and authority to do and perform each and every act and thing whatsoever requisite and necessary in and about the foregoing as fully as the Principal might or could do if personally present and the Principal hereby ratifies and confirms all that said Attorney shall lawfully do or cause to be done by virtue hereof.

It is expressly understood and intended by the Principal that the Power of Attorney hereby granted is coupled with an interest and shall be irrevocable. Said Power of Attorney shall survive the death or incapacity of the Principal or the assignment of the Principal's limited partnership interest or any part thereof.

The terms used herein, if not herein defined, shall have the meanings attributed to such terms in the Partnership Agreement. All pronouns and any variations thereof used herein shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the person or persons may require.
IN WITNESS WHEREOF, the Principal has caused this instrument to be duly executed as of the ___ day of ___ , 20 ___ .

______________________________
Print Name of Principal

Signature of Individual: Principal:

Signature of Principal
Other Than Individual:

______________________________
Signature of Principal

______________________________
By: Signature of Authorized Signatory

______________________________
Signature of Principal, if Joint

Print Name and Title of Authorized Signatory

Residence or Business Address
of Principal

______________________________
Street

______________________________
City State Zip Code

(Note that the Signature of each Signatory must be Notarized)
(Acknowledgment for Individual Principal(s) Acting Alone)

STATE OF

) ss.

COUNTY OF

) ss:

On this day of , 20 , before me personally appeared , to me known to be the person (or persons) described in and who executed the foregoing instrument, and acknowledged that he (or they) executed the same as his (or their) free act and deed.

_________________________________
Notary Public

My Commission expires on:

(Acknowledgment for Partnership Principal)

STATE OF

) ss.

COUNTY OF

) ss:

On this day of , 20 , before me personally came , to me known, who being by
me duly sworn, did depose and say that he is a partner in the firm of , a partnership, and
that he executed the foregoing instrument on behalf of said firm.

_________________________________
Notary Public

My Commission expires on:
(Acknowledgment for Corporate or Joint Stock Association Principal)

STATE OF  )
COUNTY OF  ) ss:

On this day of , 20 , before me appeared , to me personally known, who, being by me duly sworn (or affirmed), did say that he is the of ; that the seal affixed to said instrument is the corporate seal of said corporation or association, and that said instrument was signed and sealed in behalf of said corporation or association by authority of its board of directors or trustees, and the said acknowledges the execution of the said instrument as the free act and deed of said corporation.

__________________________
Notary Public.

My Commission expires on:

(Acknowledgment for Trust Principal)

STATE OF  )
COUNTY OF  ) ss:

On this day of , 20 , before me personally appeared known to me to be the trustee of the trust that executed the within instrument and acknowledged to me that such trust executed the same.

__________________________
Notary Public.

My Commission expires on:
First Frontier, L.P.

Subscription Document 4

Questionnaire For Individual Subscriber
QUESTIONNAIRE FOR INDIVIDUAL SUBSCRIBER

First Frontier, L.P.
149 Fifth Avenue – 15th Floor
New York, NY 10010

Gentlemen:

The information contained herein is being furnished to First Frontier, L.P. (the "Partnership") in order for the Partnership to determine whether the undersigned's subscription for a limited partnership interest (the "Interest") therein may be accepted pursuant to both Section 4(2) of the Securities Act of 1933, as amended (the "1933 Act") and Rule 506 of Regulation D promulgated thereunder ("Regulation D") and Section 3(c)(7) of the Investment Company Act of 1940, as amended (the "ICA"). The undersigned understands that (i) the Partnership will rely upon the following information, (ii) the Interest will not be registered under the 1933 Act in reliance upon the exemption from registration provided by Section 4(2) of the 1933 Act and Rule 506 of Regulation D, and (iii) this questionnaire is not an offer to sell nor the solicitation of an offer to buy any Interest, or any other securities, to the undersigned.

No subscription for an Interest will be accepted unless the undersigned is both an Accredited Investor (as defined in Regulation D) and a Qualified Purchaser (as defined in Section 2(a)(51)(A) of the ICA).

I. Qualification As An Accredited Investor: In order to qualify as an Accredited Investor, an individual must satisfy at least one of the following tests:

(Please check applicable boxes)

(i) The individual has a net worth, or joint net worth with the individual's spouse, at the time of purchase in excess of $1,000,000;

Yes ☐ No ☐

(ii) The individual has had income in excess of $200,000 in each of the two most recent years or joint income with the individual's spouse in excess of $300,000 in each of those years and has a reasonable expectation of reaching the same in the current year.

Yes ☐ No ☐
Qualification as a Qualified Purchaser: To be a Qualified Purchaser, the Subscriber must be a natural person who owns not less than $5,000,000 in investments (as defined in Regulation 2a51-1(b) promulgated by the SEC under the ICA). The Subscriber hereby represents and warrants to the Partnership and General Partner that the Subscriber owns Investments of not less than $5,000,000, determined as follows:

Investments:

<table>
<thead>
<tr>
<th>Securities</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
</tr>
</tbody>
</table>

Include any note, stock, treasury stock, bond, debenture, evidence of indebtedness, certificate of interest or participation in any profit-sharing agreement, collateral-trust certificate, preorganization certificate or subscription, transferable share, investment contract, voting-trust certificate, certificate of deposit for a security, fractional undivided interest in oil, gas, or other mineral rights, any put, call, straddle, option, or privilege on any security, certificate of deposit, or group or index of securities (including any interest therein or based on the value thereof), or any put, call, straddle, option, or privilege entered into on a national securities exchange related to foreign currency, or, in general, any interest or instrument commonly known as "security", or any certificate of interest or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase any of the foregoing; and

Do not include securities of an issuer that controls, is controlled by, or is under common control with the undersigned that owns such securities unless the issuer of such securities is an Investment Vehicle (as defined in Regulation 2a51-1(a)(3)), a Public Company (as defined in Regulation 2a51-1(a)(7)), or a company with shareholder's equity of not less than $50 million as reflected on the company's most recent financial statements, provided that the financial statements present information as of a date within 16 months of the date of this Agreement.

Real estate held for investment purposes $ (B)

Do not include real estate used by the undersigned or a related person for personal purposes or as a place of business, or in connection with the conduct of the trade or business of the undersigned or related persons. Real estate owned by an individual who is engaged primarily in the business of investing, trading or developing real estate in connection with such business may be deemed to be held for investment purposes. Residential real estate shall not be deemed to be used for personal purposes if deductions for such real estate are not disallowed by Section 280A of the Internal Revenue Code of 1986, as amended.

---

1. You may include Investments held jointly with your spouse or investments in which you share with your spouse a community property or other similar shared ownership interest.

2. "Value" shall be the Investments' present fair market value or their cost less any amount that must be deducted. In determining value, you must deduct from the fair market value or cost the amount of any outstanding indebtedness incurred to acquire or for the purpose of acquiring the Investment. Value of each Investment and of total Investments shall be reported to the nearest $1000.

3. "Related person" means a person who is related to the undersigned as a sibling, spouse or former spouse, or is a direct lineal descendant or ancestor by birth or adoption of the undersigned, or is a spouse of such descendant or ancestor.
Commodity Interests held for investment purposes $________

Include only the value of the initial margin or option premium deposited in connection with commodity futures contracts, options on commodity futures contracts, and options on physical commodities traded on or subject to the rules of any contract market designated for trading such transactions under the Commodity Exchange Act ("CEA") or any foreign board of trade or exchange contemplated in Part 30 of the rules under the CEA. A Commodity Interest owned by an individual who is engaged primarily in the business of investing, reinvesting, or trading in Commodity Interests in connection with such business may be deemed to be held for investment purposes.

Physical Commodities held for investment purposes $________

Include any physical commodity with respect to which a Commodity Interest is traded on a market described above under "Commodity Interest." A Physical Commodity owned by an individual who is engaged primarily in the business of investing, reinvesting, or trading in Physical Commodities in connection with such business may be deemed to be held for investment purposes.

Financial Contracts (to the extent not securities) entered into for investment purposes $________

Include any individually negotiated contract, agreement, or option to buy, sell, lend, swap, or repurchase, or other similar individually negotiated transaction commonly entered into by participants in the financial markets, and which is (a) in respect of securities, commodities, currencies, interest, or other rates or measures of value, or any other financial or economic interest similar in purpose or function to any of the foregoing, and (b) entered into in response to a request from a counter party for a quotation, or is otherwise entered into and structured to accommodate the objectives of such counter party to such arrangement. A Financial Contract made by an individual who is engaged primarily in the business of investing, reinvesting, or trading in Financial Contracts in connection with such business may be deemed to be held for investment purposes.

Cash and cash equivalents (including foreign currencies) held for investment purposes $________

Include bank deposits, certificates of deposit, bankers acceptances and similar bank instruments held for investment purposes, and the net cash surrender value of an insurance policy.

Total Investments (sum of values of (A) through (F)) $________
1. **Personal Information.**

   (1) Date of Birth: ________________________________

   (2) (i) Principal Residence Address & Telephone Number: ________________________________

        (ii) Do you maintain a house or apartment in any other state? If so, which states: __________

        (iii) In which states, if any, do you pay state income tax: ____________

        (iv) In which state, if any, are you registered to vote: ____________

        (v) In which state, if any, do you hold a driver's license: ____________

   (3) Business or professional education and the degree(s) received are as follows:

        | School | Degree | Year Received |
        |--------|--------|---------------|
        |        |        |               |

   (4) Prior employment, positions or occupations during the past five years (and the inclusive dates of each) are as follows:

        | Employment, Position or Occupation | Nature of Duties | From | To |
        |------------------------------------|------------------|------|----|
        |                                    |                  |      |    |
        |                                    |                  |      |    |
        |                                    |                  |      |    |
The undersigned has read the Partnership's Confidential Private Placement Memorandum dated January 18, 1999 and the undersigned has relied solely upon investigations made by the undersigned and the undersigned's attorney and accountant in making the decision to participate or not to participate in the placement. To the best of my knowledge and belief, the above information supplied herein is true and correct in all material respects.

Print Name(s) of Individual Subscriber(s)

Date

Individual Signature

Individual Signature, if joint
First Frontier, L.P.

Subscription Document 5

Questionnaire for Partnership, Corporate, or Trust Subscriber