

## Side letters

The General Partner or the Manager may enter into other written agreements with one or more Limited Partners which have the effect of establishing additional rights or alerting or supplementing the terms of the Fund Partnership Agreement (each, a "**Side Letter**"). Any such Side Letter may entitle a Limited Partner to make an investment in the Fund on terms other than those described herein, in the Fund Partnership Agreement and in the deeds of adherence relating to the purchase of Interests. Any such terms, including with respect to (i) reporting obligations of the Fund, (ii) transfers to affiliates, (iii) withdrawal rights due to adverse tax or regulatory events, (iv) consent rights to certain Fund Partnership Agreement amendments, (v) payment of fees, or (vi) any other matters, may be more favorable than those offered to any other Limited Partners. If the General Partner or the Manager enters into a Side Letter entitling a Limited Partner to be excused from an investment of the Fund, other Investors may be required to increase their funded commitment by their pro rata share of the unfunded amount.

## Part C – General Risks

### General market risk

General movements in local and international stock markets, prevailing economic conditions, investor sentiment and interest rates could all affect the market price of the listed securities of entities in which the Fund holds indirect interests. Investors will be aware that, in recent years, the stability of certain financial markets has significantly deteriorated, certain market participants are in financial distress, the availability of credit has significantly declined in certain markets and the value of financial assets has become more volatile and, in certain circumstances, has generally fallen. These and other unforeseeable factors may adversely affect the value of the Fund's investments.

### Economic conditions

*General:* The Fund's activities and results may be affected by a number of economic factors that are outside the control of the Fund, the Manager, the U.S. Adviser, the General Partner and the Second GP. These factors include interest rates, inflation, deflation, general levels of economic activity, the price of securities and participation by other investors in the financial markets. There is no assurance that lenders will continue to provide financing at current or historic valuation levels to private equity. Instability in the securities, currency, commodity and other markets may also increase the risks inherent in the Fund's investments.

*Interest rates:* Certain underlying investment assets of the Fund may be highly leveraged. Movements in the level of interest rates may affect the returns from these assets more significantly than investments in other types of assets. In particular, the type of debt, maturity profile, interest rates and covenants in place are among the factors which could affect the timing and magnitude of returns.

*Inflation and deflation:* Inflation or deflation may affect the Fund's investments adversely in a number of ways.

During periods of rising inflation, interest and dividend rates of any instruments in which the Fund has invested, or which investments or entities related to investments may have issued, could increase, which would tend to reduce returns to Investors. Inflationary expectations or periods of rising inflation could also be accompanied by rising prices of commodities that are critical to the operation of certain assets (*e.g.*, infrastructure) or to the return expected with respect to such assets. During periods of high inflation, capital tends to flee to other assets, such as (historically) gold, which may adversely affect the prices at which the Fund is able to sell certain investments. Certain underlying investments may have fixed income streams and, therefore, there may be limited cash available for distribution. The market value of such investments may decline in value in times of higher inflation rates. Some of the Fund's underlying investments may have income linked to inflation through contractual rights or other means. However, as inflation may affect both income and expenses, any increase in income may not be sufficient to cover increases in expenses.

During periods of deflation, the demand for the products and/or services provided by the businesses or assets in which the Fund may have indirectly invested could fall, reducing the revenues generated by, and so the value of, such investments and therefore reducing returns to Investors. Where the operating costs and expenses associated with any