

**NOTE: All items highlighted should be carefully reviewed to determine if further modification or changes need to be made. Additionally, the ENTIRE NOTE should be reviewed to make sure that it is consistent with terminology used throughout the financial statements and all defined terms are used – i.e. General Partner, Investment Advisor, Net Assets, Fund, Partnership, Member’s Capital, Partners’ Capital, Fund, etc.**

**NOTE! REQUIREMENTS OF SOP 03-4 SHOULD STILL BE FOLLOWED - THIS TEMPLATE IS A SAMPLE ONLY AND SHOULD BE TAILORED TO CLIENT SPECIFIC INVESTMENTS.**

**SUMMARY: ASU 2015-07, Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent) removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. The guidance in ASU 2015-07 is effective for public business entities for fiscal years beginning after December 15, 2015 (and interim periods within those fiscal years), and for fiscal years beginning after December 15, 2016 (and interim periods within those fiscal years) for all other entities. The guidance requires retrospective application to all periods presented. Earlier application is permitted.**

**ITEMS TO INCLUDE IN THE FOF NOTE ARE: 1) Significant investment strategies of the investee, 2) Amount of unfunded commitments, 3) Terms and conditions upon which the investor may redeem the investment, (redemption frequency) 4) The circumstances under which an investment may not be redeemable and when the restriction from redemption might lapse, (an estimate of the period over which the investee may liquidate the underlying investments (e.g., one to three years) 5) For investments that can never be redeemed, an estimate of the period of time over which the underlying assets are expected to be liquidated by the investees or circumstances where the investment may not be redeemable or (e.g., lockups or gates or any other restrictions on the ability to sell and expected date may be lifted) *only if the investee has communicated the timing to the reporting entity or announced the timing publicly* 6) Any other significant restriction on the ability to sell the investment, (such as redemption NOTICE period - e.g., quarterly redemption, 90 days notice and the best estimate of when the restriction might lapse) 7) If it is probable that the investment will be sold at an amount different from the NAV, the amount at which the investment will be sold [*Paragraph 820-10-35-62 indicates that for a sale to be considered probable, four criteria must be met as of the reporting entity’s measurement date*]**

**[IF THE FUND HAS DIRECT INVESTMENTS SEE DOMESTIC LP FOOTNOTES FS TEMPLATE FOR SAMPLE DISCLOSURE.]**

## **NOTE 2- SIGNIFICANT ACCOUNTING POLICIES**

### **PORTFOLIO VALUATION**

All investments are recorded at their estimated fair value, as described in Note 3. Net unrealized appreciation (depreciation) of investments is recorded based on the Partnership’s

proportionate share of the aggregate amount of appreciation (depreciation) recorded by each underlying investment vehicle. It includes the Partnership's share of interest and dividend income and expense, and realized and unrealized gains and losses on securities held by the underlying investment vehicles, net of operating expenses and fees. Realized gains and losses on withdrawals from underlying investment vehicles are recognized on [a specific identification] [an average cost].

**NOTE 3 - FAIR VALUE MEASUREMENTS [SEE DOMESTIC LP FOR ALL OTHER INVESTMENTS NOT USING PRACTICAL EXPEDIENT]**

Investments in underlying investment vehicles are valued, as a practical expedient, utilizing the net asset valuations provided by the underlying investment vehicles and/or their administrators, without adjustment, when the net asset valuations of the investments are calculated (or adjusted by the Partnership if necessary) in a manner consistent with U.S. GAAP for investment companies. The Partnership applies the practical expedient to its investments in underlying investment vehicles on an investment-by-investment basis, and consistently with the Partnership's entire position in a particular underlying investment vehicle, unless it is probable that the Partnership will sell a portion of an investment at an amount different from the net asset valuation. If it is probable that the Partnership will sell an investment in the underlying investment vehicle at an amount different from the net asset valuation or in other situations where the practical expedient is not available, the Partnership considers other factors in addition to the net asset valuation, such as subscription and redemption rights, expected discounted cash flows, transactions in the secondary market, bids received from potential buyers, and overall market conditions in its determination of fair value.

Investments in underlying investment vehicles are measured using net asset value as a practical expedient are not categorized within the fair value hierarchy.

**NOTE X – INVESTMENTS IN UNDERLYING INVESTMENT VEHICLES**

The Partnership primarily invests its assets in various underlying investment vehicles. The Partnership is charged annual management fees based on its capital investments with the underlying investment vehicles and annual incentive [allocations/fees] based on the net appreciation of the investments. The management fees paid and [allocations/fees] made/paid to investment managers are generally 1% to 2% annually of net assets and 10% to 25% annually of net profits, respectively. Since the underlying investment vehicles have varied expense and fee levels and the Partnership may own different proportions at different times, the amount of fees and expenses incurred indirectly by the Partnership may vary. Redemptions requested not yet paid from the underlying investment vehicles are reflected as receivable from investments redeemed on the statement of financial condition as of December 31, 20XX.

The following table summarizes the Partnership's investments in underlying investment vehicles as of December 31, 20XX. Other investments in underlying investment vehicles in which the Partnership invested 5% or more of its partners' capital, as disclosed in the condensed schedule of investments, are individually identified, while smaller investments are aggregated.

**NOTE: If the Partnership had an investment in a Related Party – add the following:**

The Partnership had an investment in ABC Related Fund LP, an affiliated underlying investment vehicle, of approximately \$X,XXX,XXX as of December 31, 20XX. The management agreement of the affiliated underlying investment vehicle provides for management fees paid and [allocations/fees] made/paid to investment managers which are generally 1% to 2% annually of net assets and 10% to 25% annually of net profits, respectively. For the year ended December 31, 20XX, the Partnership was charged fees of \$XXX,XXX and \$XXX,XXX respectively.

**NOTE X – INVESTMENTS IN UNDERLYING INVESTMENT VEHICLES (CONTINUED)**

**CAN BE A SCHEDULE OF INVESTMENTS OR IN A FOOTNOTE:**

**[IF INVESTED IN A RELATED PARTY BUT THE INVESTMENT IS UNDER 5% OF PARTNERS' CAPITAL, THE RELATED PARTY DETAIL SHOULD STILL BE DISCLOSED IN THE BELOW CHART ]**

Description	Initial Acquisition Date	Number of Shares	Cost	Fair Value	% of Partners' Capital	Unfunded Commitments	Redemptions Notice Period	Redemptions Permitted	Liquidity Restrictions
<b>Investment in Underlying Investment Vehicles</b>									
<b>United States</b>									
<b>Equity long/short hedge funds<sup>(a)</sup></b>									
ABC Company., Class A Series 1 (15.4% owned)	Mar-07	180,000	\$ 100,000	\$ 500,000	5.75%	--	30-60days	Monthly	None
DEF Offshore Liquidating Fund SPC (25.4% owned)	Dec-08	220,000	350,000	850,000	8.25%	--	(1)	(1)	(1)
GHI Fund LP (4% owned)	Apr-09	*	400,000	980,000	9.80%	--	30 days	Quarterly	None
Other			10,000	225,000	2.50%		30-60 days	Monthly-Annually	See <sup>(a)</sup>
<b>Total</b>			<b>860,000</b>	<b>2,555,000</b>	<b>26.30%</b>				
<b>Event driven hedge funds<sup>(b)</sup></b>									
JKL Value Realization Fund Ltd. Class C** (2 % owned)	May-06	1,250,000	950,000	685,000	6.25%	--	(1)	(1)	(1)
MNO Capital Overseas Class E Series 1 <sup>3</sup>	Jul-07	285,000	450,000	625,000	6.10%	--	Jun-10	Quarterly	Lock-up until June 30, 20XX
Other			60,000	100,000	3.80%		30-45 days	Monthly-Annually	Lock-up ranging from June 30, 20XX –December 31, 20XX
<b>Total</b>			<b>1,460,000</b>	<b>1,410,000</b>	<b>16.15%</b>				
<b>Global opportunities hedge funds<sup>(c)</sup></b>									
PQR Absolute Return Offshore Fund, Ltd. Class B Series 2	Jan-09	2,200,000	1,500,000	2,100,000	12.50%	--	N/A	Monthly	None
<b>Multiple-strategy hedge funds<sup>(d)</sup></b>									
STU Multi-Strategy Alpha Limited, Class M Series 1	Oct-01	80,000	390,000	1,035,000	10.20%	--	N/A	Quarterly	None
<b>Real estate funds<sup>(e)</sup></b>									
VWX Real Estate Fund 2X L.P. (17.42% owned)	May-05	*	200,000	595,000	5.50%	2,500,000	(1)	(1)	See A Below
<b>Private equity funds<sup>(f)</sup></b>									
XYZ Fund (12.43% owned)	Feb-06	*	425,000	710,000	7.62%	1,500,000	(1)	(1)	See A Below

**Trading<sup>(g)</sup>**

NNN Futures Fund Ltd., Class A Series 7 (July 20XX)	7/1/20XX	1,100,000	600,000	525,000	6.12%	--	N/A	Quarterly	None
<b>Total Investments in Underlying Investment Vehicles</b>			<u>\$5,435,000</u>	<u>\$8,930,000</u>	<u>84.39%</u>				

\* Security is a partnership that does not issue shares.

\*\* Multiple side pocket investments aggregated under the same underlying investment vehicle.

A – For these type of funds, disclosure of the entity’s estimate of the period of time over when the underlying assets are expected to be liquidated need to be disclosed **only if the investee has communicated the timing to the reporting entity or announced the timing publicly**. For those otherwise redeemable investments that are restricted from redemption as of the reporting entity’s measurement date you must disclose the reporting entity’s estimate of when the restriction from redemption might lapse **only if the investee has communicated the timing to the reporting entity or announced the timing publicly**:

(1) These investments are not redeemable until a realization or liquidity event occurs for the underlying investments as determined by the respective underlying investment vehicles.

(2) Investments in underlying investment vehicles may be composed of multiple tranches. The expiration date of the lock-up period relates to the earliest date after December 31, 20XX that redemption from a tranche is available. Other tranches may have an available redemption date that is after the expiration date of the lock-up period. Redemptions from underlying investment vehicles may be subject to fees.

(3) Investments in underlying investment vehicles may be composed of multiple tranches. The expiration date of the lock-up period relates to the earliest date after December 31, 20XX.

## NOTE X – INVESTMENTS IN UNDERLYING INVESTMENT VEHICLES (CONTINUED)

### (a) Equity long/short hedge funds:

- ABC Partners Ltd. seeks to achieve superior risk adjusted returns by investing in a long/short portfolio primarily consisting of U.S. equities but may invest in debt securities and derivative instruments. The underlying investment vehicle consists of U.S. common stocks in the healthcare, consumer products and the telecommunications industry and U.S. debt securities.
- DEF Offshore Liquidating Fund SPC seeks to achieve capital appreciation primarily by investing in U.S. and non-U.S. equities and other over-the-counter instruments. The underlying investment vehicles' investments were in U.S. common stocks and in non-U.S. common stocks in the energy, information technology and utilities industry.
- GHI Fund LP seeks to achieve superior risk adjusted returns by investing in a long/short portfolio primarily in healthcare and healthcare related securities. The underlying investment vehicles' investments were in common stocks and options within the healthcare industry.
- Other underlying investment vehicles in this class are comprised of hedge funds that invest both long and short primarily in U.S. common stocks. Management of the hedge funds has the ability to shift investments from value to growth strategies, from small to large capitalization stocks, and from a net long position to a net short position. Investments representing approximately 25 percent of the value of the investments in this class cannot be redeemed because the investments include restrictions that do not allow for redemption in the first 12 to 18 months after acquisition. The remaining restriction period for these investments ranged from three to seven months at December 31, 20X2.

### (b) Event driven hedge funds:

- JKL Value Realization Fund Ltd. seeks to achieve capital appreciation by investing in event driven strategies including mergers and acquisitions, distressed securities and capital structure arbitrage. The Partnership's remaining interest in Canyon is a side pocket interest and is not redeemable at will and only at the discretion of Canyon's Investment Manager.
- MNO Capital Overseas seeks to achieve capital appreciation by investing in event driven strategies with a portfolio consisting of common stocks and bonds. The underlying investment vehicles consisted of approximately 60% of its investments in U.S. common stocks, 20% in non-U.S. common stocks and 20% in non-U.S. bonds, of which the majority of these investments were in the energy, information technology and utilities industry. Withdrawals restrictions include a 2 year lock-up and quarterly withdrawals. Non-quarter end monthly withdrawals may be made with a 2% exit fee.
- Other underlying investment vehicles in this class are comprised of hedge funds that invest in approximately 60 percent equities and 40 percent bonds to profit from economic, political, and government driven events. A majority of the investments are targeted at economic policy decisions. Investments representing approximately 15 percent of the value of the investments in this class cannot be redeemed because the investments include restrictions that do not allow for redemption in the first year after acquisition.

### (c) Global opportunities hedge funds:

- PQR Absolute Return Offshore Fund, Ltd. seeks to achieve appreciation of assets by investing in global markets through both systematic and discretionary macro strategies by investing in foreign equities and bonds. In addition, indices, ETFs, and derivatives may be used for hedging purposes to limit exposure to various risk factors. The underlying investment vehicles held approximately 80% of its investments in non-U.S. common stocks and 20% in non-U.S. bonds.

## NOTE X – INVESTMENTS IN UNDERLYING INVESTMENT VEHICLES (CONTINUED)

### (d) Multiple-strategy hedge funds:

- STU Multi-Strategy Alpha Limited seeks to achieve superior returns by investing with a multi-strategy approach encompassing statistical, relative value, options, merger, fixed income and convertible arbitrage. The underlying investment vehicles' portfolio includes investments in approximately 70 percent U.S. common stocks, and 30 percent arbitrage investments. Withdrawal restrictions include a 3% exit fee within 1 year and quarterly withdrawals permitted with no fee thereafter.

### (e) Real estate funds:

- VWX Real Estate Fund 2X L.P. seeks to create value and generate above-market investment returns through its investment in various types of real estate, real estate-related assets and real estate-related business ventures located in the United States. These investments can never be redeemed. Distributions from each fund will be received as the underlying investments of the funds are liquidated. It is estimated that the underlying assets of the underlying investment vehicles will be liquidated over the next 7 to 10 years (***Only disclose the estimate if the investee has communicated the timing to the reporting entity or announced the timing publicly***)

### (f) Private equity funds:

- XYZ Fund seeks to achieve appreciation of its assets by acquiring, holding for investment, converting and distributing or otherwise disposing of securities. These investments can never be redeemed. Instead, the nature of the investments in this class is that distributions are received through the liquidation of the underlying assets of the underlying investment vehicles. If these investments were held, it is estimated that the underlying assets of the underlying investment vehicles would be liquidated over 5 to 7 years (***Only disclose the estimate if the investee has communicated the timing to the reporting entity or announced the timing publicly***) Therefore, the fair values of the investments in this underlying investment vehicles have been estimated using recent observable transaction information for similar investments and non-binding bids received from potential buyers of the investments.

### (g) Trading:

- NNN Futures Fund Ltd. seeks to generate capital appreciation while attempting to minimize risk by investing and trading in stocks, currencies and physical commodities. Withdrawals are allowed on a quarterly basis with 45 days notice and no lock-up period.

## SAMPLE DISCLOSURES TO BE USED WHEN AGGREGATING "OTHER" INVESTMENTS IN VARIOUS CATEGORIES (VARIOUS INVESTMENTS GROUPED UNDER 5%):

- ***Global opportunities hedge funds***  
Other underlying investment vehicles in this class are comprised of hedge funds that hold approximately 80 percent of the funds' investments in non-U.S. common stocks in the healthcare, energy, information technology, utilities, and telecommunications sectors and approximately 20 percent of the funds' investments in diversified currencies. The fair values of the investments in this class have been estimated using the net asset value per share of the investments. For one investment, valued at \$100,000, a gate has been imposed by the hedge fund manager and no redemptions are currently permitted. This redemption restriction has been in place for six months and the time at which the redemption restriction might lapse cannot be estimated.
- ***Multiple-strategy hedge funds***  
Other underlying investment vehicles in this class are comprised of hedge funds that pursue multiple strategies to diversify risks and reduce volatility. The hedge funds' composite portfolio for this class includes investments in approximately 50 percent U.S. common stocks, 30 percent global real estate projects, and 20 percent arbitrage investments. The fair values of the investments in this class have been estimated using the net asset value per share of the investments. Investments representing approximately

15 percent of the value of the investments in this class cannot be redeemed because the investments include restrictions that do not allow for redemption in the first year after acquisition. The remaining restriction period for these investments ranged from four to six months at December 31, 20X2.

**NOTE X – INVESTMENTS IN UNDERLYING INVESTMENT VEHICLES (CONTINUED)**

- **Real estate funds**

Other underlying investment vehicles in this class are comprised of several real estate funds that invest primarily in U.S. commercial real estate. The fair values of the investments in this class have been estimated using the net asset value of the Company’s ownership interest in partners’ capital. These investments can never be redeemed with the funds. Distributions from each fund will be received as the underlying investments of the funds are liquidated. It is estimated that the underlying assets of the fund will be liquidated over the next 7 to 10 years (***Only disclose the estimate if the investee has communicated the timing to the reporting entity or announced the timing publicly***). Twenty percent of the total investment in this class is planned to be sold. However, the individual investments that will be sold have not yet been determined. Because it is not probable that any individual investment will be sold, the fair value of each individual investment has been estimated using the net asset value of the Company’s ownership interest in partners’ capital. Once it has been determined which investments will be sold and whether those investments will be sold individually or in a group, the investments will be sold in an action process. The investee fund’s management must approve of the buyer before the sale of the investments can be completed.

- **Private equity funds**

Other underlying investment vehicles in this class are comprised of several private equity funds that invest primarily in foreign technology companies. These investments can never be redeemed with the funds. Instead, the nature of the investments in this class is that distributions are received through the liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated over 5 to 8 years (***Only disclose the estimate if the investee has communicated the timing to the reporting entity or announced the timing publicly***). However, as of December 31, 20X2, it is probable that all of the investments in this class will be sold at an amount different from the net asset value of the Company’s ownership interest in partners’ capital. Therefore, the fair values of the investments in this class have been estimated using recent observable transaction information for similar investments and non-binding bids received from potential buyers of the investments. As of December 31, 20X2, a buyer (or buyers) for these investments has not yet been identified. Once a buyer has been identified, the investee fund’s management must approve of the buyer before the sale of the investments can be completed.

**NOTE Y - FAIR VALUE MEASUREMENTS**

***[Include the following disclosure to reconcile the fair value of assets categorized within the fair value hierarchy to the amounts presented in the statement of assets and liabilities. Use this when there is more than one strategy of the private investment companies. Note: certain investment categories have been condensed to simplify the illustration below:]***

The following table presents information about the **[Fund/Partnership/Company]**’s assets measured at fair value as of December 31, 20XX:

Assets	Total Fair Value at December 31, 20XX	Level 1	Level 2	Level 3	Investments Measured at Net Asset Value
Common Stock	\$250	\$250	\$--	\$--	\$--
Debt Securities	150	150	--	--	--



**Investments in  
Private Investment  
Companies, at Fair  
Value:**

**NOTE Y - FAIR VALUE MEASUREMENTS (CONTINUED)**

Assets	Total Fair Value at December 31, 20XX	Level 1	Level 2	Level 3	Investments Measured at Net Asset Value
Equity long/short hedge funds <sup>(1)</sup>	\$100	\$--	\$--	\$--	\$100
Event driven <sup>(1)</sup>	200	--	--	--	200
Private equity funds <sup>(1)</sup>	<u>150</u>	--	--	--	<u>150</u>
<b>Total Investments in Private Investment Companies, at Fair Value</b>	<u>\$450</u>	<u>\$--</u>	<u>\$--</u>	<u>\$--</u>	<u>\$450</u>
<b>Total</b>	<u>\$850</u>	<u>\$400</u>	<u>\$--</u>	<u>\$--</u>	<u>\$450</u>

<sup>(1)</sup> Certain investments that are measured at fair value using the net asset value (“NAV”) per share (or its equivalent) as a practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the **statement of financial position**.

*Or: - alternative presentation when there is more than one strategy of the private investment companies.*

Assets	Total Fair Value at December 31, 20XX	Level 1	Level 2	Level 3
<b>Common Stock</b>	\$250	\$250	\$--	\$--
<b>Debt Securities</b>	150	150	--	--
<b>Investments in Private Investment Companies, at Fair Value:</b>				
Equity long/short hedge funds measured at NAV <sup>(1)</sup>	100	--	--	--
Event driven measured at NAV <sup>(1)</sup>	200	--	--	--
Private equity funds measured at NAV <sup>(1)</sup>	<u>150</u>	--	--	--
<b>Total Investments in Private Investment Companies, at Fair Value</b>	<u>\$450</u>	<u>\$--</u>	<u>\$--</u>	<u>\$--</u>
<b>Total</b>	<u>\$850</u>	<u>\$400</u>	<u>\$--</u>	<u>\$--</u>

**NOTE Y - FAIR VALUE MEASUREMENTS (CONTINUED)**

- (1) Certain investments that are measured at fair value using the net asset value (“NAV”) per share (or its equivalent) as a practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the **statement of financial position**.

*Or - alternative presentation when there is only one strategy of the private investment companies:*

Assets	Total Fair Value at December 31, 20XX	Level 1	Level 2	Level 3
<b>Common Stock</b>	\$250	\$250	\$--	\$--
<b>Debt Securities</b>	150	150	--	--
Investments in private Investment companies, measured at NAV, at fair value <sup>(1)</sup>	<u>\$450</u>	<u>\$--</u>	<u>\$--</u>	<u>\$--</u>
<b>Total</b>	<u>\$850</u>	<u>\$400</u>	<u>\$--</u>	<u>\$--</u>

- (1) Certain investments that are measured at fair value using the net asset value (“NAV”) per share (or its equivalent) as a practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the **statement of financial position**.

Or:

*[The following disclosure may be used to reconcile the fair value of assets categorized within the fair value hierarchy to the amounts presented in the statement of assets and liabilities when ALL of the Fund’s investments are investments in private investment companies measured at net asset value.]*

At December 31, 20XX, the **Fund/Partnership/Company** had investments in private investment companies of approximately \$XX,XXX,000 measured using net asset value as a practical expedient, which are not categorized in the fair value hierarchy.

## NOTE 7 - OFF-BALANCE SHEET AND OTHER CONCENTRATION OF RISKS

### **Add this to liquidity risk note:**

#### ***LIQUIDITY RISK***

Investments in underlying investment vehicles may be restricted from redemptions or subject to fees for redemptions as part of contractual obligations agreed to by the General Partner on behalf of the Partnership. Underlying investment vehicles generally require the General Partner to provide advanced notice of its intent to redeem the Partnership's total or partial interest and may delay or deny satisfying a redemption request depending on the underlying investment vehicles' governing agreements. Additionally, liquidity in underlying investment vehicles may be limited due to a "gate" that may be imposed by the underlying investment vehicles. Gates are imposed to prevent disorderly withdrawals in the underlying investment vehicles, and may limit the amount of capital allowed to be redeemed on any respective liquidity date. Underlying investment vehicles typically exercise gates when redemption requests exceed a specified percentage of the overall underlying investment vehicles' net assets or in the case of an investor level gate, when a redemption request exceeds a specified percentage of the investor's investment. Some of the underlying investment vehicles may acquire assets or securities which lack readily assessable market values, are less liquid or should be held until the resolution of a special event or circumstance. Some of these investments are held in so-called "side pockets", sub-funds within the underlying investment vehicles, or special purpose vehicles, which are liquidated separately, potentially over a much longer period than the liquidity an investment in the underlying investment vehicles may provide. If the Partnership were to seek to liquidate its investment in an underlying investment vehicle which maintains these investments in side pocket arrangements, or which holds substantially all of its assets in illiquid securities, the Partnership might not be able to fully liquidate its investment promptly. In such cases, during the period until the Partnership fully liquidates its interest in the underlying investment vehicles, the value of its investment would fluctuate.

### **IF MATERIAL ADD:**

At December 31, 20XX, certain investments in underlying investment vehicles were managed by the same underlying investment manager, representing approximately XX% of the Partnerships' capital.

### **ADDITIONAL DISCLOSURES TO THE FAIR VALUE NOTE (IF APPLICABLE):**

[ADD IF APPLICABLE]

The following discloses the Partnership's proportionate interest in underlying investment vehicles that exceeded 5% of the Partnership's December 31, 20XX partners' capital:

## NOTE 7 - OFF-BALANCE SHEET AND OTHER CONCENTRATION OF RISKS (CONTINUED)

### Add this to liquidity risk note:

#### LIQUIDITY RISK (CONTINUED)

##### SAMPLE #1

##### Investment in securities, at fair value

Description	# of Contracts	Settlement Date	ABC Fund, LP Fair Value	Partnership's Proportionate Share
<b>Futures</b>				
Natural gas	14,217,500,000	Jan. 20XX-Mar. 20XX	\$35,052,738,440	\$238,046,881
Power	86,281,365	Jan. 20XX-Dec. 20XX	\$ 2,021,492,369	\$ 13,728,170
Crude oil	28,006,000	Jan. 20XX-Dec. 20XX	\$ 919,476,524	\$ 6,244,263
<b>Options</b>				
Natural gas	2,245,600,000	Feb. 20XX-Mar. 20XX	\$ 3,289,750,235	\$ 22,341,044
Power	14,044,800	Feb. 20XX-Dec. 20XX	\$ 189,052,476	\$ 1,283,875

##### Investment in securities sold short, at fair value

Description	# of Contracts	Settlement Date	ABC Fund, LP Fair Value	Partnership's Proportionate Share
<b>Futures</b>				
Natural gas	14,266,555,000	Jan. 20XX-Mar. 20XX	\$(35,253,113,039)	\$(239,407,646)
Power	85,021,445	Jan. 20XX-Dec. 20XX	\$ (2,027,581,261)	\$ (13,769,520)
Crude oil	28,006,000	Jan. 20XX-Dec. 20XX	\$ (976,440,824)	\$ (6,631,114)
<b>Options</b>				
Natural gas	2,309,350,000	Feb. 20XX-Mar. 20XX	\$ (3,521,605,087)	\$ (23,915,595)
Power	17,347,200	Feb. 20XX-Dec. 20XX	\$ (280,841,881)	\$ (1,907,227)

##### SAMPLE #2

ABC Fund, LP purchased 3,578,660 shares of ABC Pharmaceuticals, Inc. (common stock) valued at \$33,317,325. The Partnership's proportionate share of this investment is valued at \$670,408. ABC Fund, LP also purchased 819,568 shares of HNC Corp. (common stock) valued at \$27,480,115. The Partnership's proportionate share of this investment is valued at \$552,952.

##### SAMPLE #3

ABC Feeder Ltd (through its Master Fund Ltd) purchased 32,000,000 U.S. Treasury Bills expiring January 2, 20XX valued at \$31,999,840. The Partnership's proportionate share of this investment is \$10,697,044 at December 31, 20XX.