

BLUE SAND SECURITIES

GENERAL RISKS of INVESTING in ALTERNATIVE INVESTMENTS

The Financial Industry Regulatory Authority observes that unregistered private investment funds, or pools, which employ different investment, hedging, leverage and arbitrage methodologies, with exposure to many different securities and futures markets, are not subject to the same regulatory requirements as mutual funds or unit trusts, including mutual fund / unit trust requirements to provide certain periodic and standardized pricing and valuation information to their investors.

. Readers should note the following:

- The funds represent speculative investments and involve a high degree of risk. An investor could lose all or a substantial portion of his/her investment.
- Any investment in the funds should be discretionary capital set aside strictly for speculative purposes.
- An investment in a fund is not suitable for all investors.
- The funds may be leveraged and a fund's performance can be volatile.
- Some funds may use a single advisor or employ a single strategy, which could mean a lack of diversification and higher risk.
- Some funds may execute a substantial portion of trades on foreign exchanges, which could mean higher risk.
- An investment in the funds may be illiquid and there are significant restrictions on transferring interests in a fund. There is no secondary market for an investor's investment in a fund and none is expected to develop.
- A fund's fees and expenses-which may be substantial regardless of any positive return-will, offset the fund's trading profits.
- Some funds may involve complex tax structures and delays in distributing important tax information.

This summary is not a complete list of the risks and other important disclosures involved in investing in the funds and is subject to the more complete disclosures contained in the funds' respective offering documents, which should be reviewed carefully. All performance information is net of applicable fees unless otherwise specifically noted. This material is provided for informational purposes only as of the date hereof and is subject to change without notice. Blue Sand Securities LLC ("Blue Sand") is compensated for finding investors for each of the foregoing funds. This material may not be suitable for all investors and is not intended to be an offer, or the solicitation of any offer, to buy or sell any securities. No offer or solicitation may be made prior to the delivery of appropriate offering documents to qualified investors. The information contained herein, including investment returns, valuations, fund targets and strategies, has been supplied by the funds or their agents to Blue Sand and, although believed to be reliable, has not been independently verified and cannot be guaranteed. Blue Sand makes no representations or warranties as to the accuracy or completeness of such information. This material is not complete and is subject to the more complete disclosures and terms and conditions contained in a particular fund's offering documents, which may be obtained directly from the fund.

Blue Sand is compensated for finding investors for hedge funds. The compensatory parameters set forth between Blue Sand and the hedge funds which are contractually engaged by the firm range between 15% and 25% of the management and incentive fees charged by the fund or between 50 and 100 basis points of the management fee contingent upon the transactional situation. These compensatory parameters do not have any effect on the net fees that the investor would be accountable for by the hedge fund if the investor had made a direct investment in the hedge fund without the introduction of Blue Sand. The foregoing material is provided for informational purposes only as of the date hereof, is not complete, may not contain certain material information about a Hedge Fund, including important disclosures and risk factors associated with an investment in such Hedge Fund, and is subject to change without notice. This information is not intended to be, nor should it be construed or used as, financial, legal, tax or investment advice or an offer to sell, or a solicitation of any offer to buy, an interest in any Hedge Fund. No offer or solicitation may be made prior to the delivery of appropriate Hedge Fund offering documents to qualified prospective investors. This information does not take into account the particular investment objectives or financial circumstances of any specific person who may receive it. More complete disclosures and the terms and conditions relating to an investment in a particular Hedge Fund is contained in such Fund's offering documents. Before making any investment, prospective investors should thoroughly and carefully review a Hedge Fund's offering documents with their financial, legal and tax advisor to determine whether an investment is suitable for them. An investment in any particular Hedge Fund is not suitable for all investors. Although Blue Sand may provide this summary information, Blue Sand does not provide "due diligence" on an investor's behalf and is not responsible for an investor's investment decisions.

Performance results are generally net of applicable fees and reflect reinvestment of profits. No representation is made that any Hedge Fund will or is likely to achieve its objectives or

that any investor will or is likely to achieve results comparable to those shown or will make any profit at all or will be able to avoid incurring substantial losses. Past performance is no guarantee of future results.

The information contained herein, including investment returns, valuations, fund targets and strategies, has been supplied by third party sources, including the Hedge Funds and their managers or other representatives and, although believed to be reliable, has not been independently verified and cannot be guaranteed. Blue Sand makes no representations or warranties as to the accuracy, timeliness or completeness of such information. Financial indicators and benchmarks are unmanaged, do not reflect any management fees, assume reinvestment of income, are for illustration purposes only, and have limitations when used for such purposes because they may have volatility, credit, or other material characteristics that are different from a particular Hedge Fund. This material is confidential, is intended only for the person to whom it has been sent and under no circumstance may a copy be shown, copied, transmitted, or otherwise given to any person other than the authorized recipient.

General Hedge Fund Risk Disclosure

Hedge Funds are unregistered private investment partnerships, funds or pools that may invest and trade in many different markets, strategies and instruments (including securities, non-securities and derivatives) and are NOT subject to the same regulatory requirements as mutual funds, including mutual fund requirements to provide certain periodic and standardized pricing and valuation information to investors. There are substantial risks in investing in Hedge Funds. Persons interested in investing in Hedge Funds should carefully note the following:

- Hedge Funds represent speculative investments and involve a high degree of risk. An investor could lose all or a substantial portion of his/her investment. Investors must have the financial ability, sophistication/experience and willingness to bear the risks of an investment in a Hedge Fund.
- An investment in a Hedge Fund should be discretionary capital set aside strictly for speculative purposes.
- An investment in a Hedge Fund is not suitable or desirable for all investors. Only qualified eligible investors may invest in Hedge Funds. - Hedge Fund offering documents are not reviewed or approved by federal or state regulators.
- Hedge Funds may be leveraged (including highly leveraged) and a Hedge Fund's performance may be volatile.

- An investment in a Hedge Fund may be illiquid and there may be significant restrictions on transferring interests in a Hedge Fund. There is no secondary market for an investor's investment in a Hedge Fund and none is expected to develop.
- A Hedge Fund may have little or no operating history or performance and may use hypothetical or pro forma performance which may not reflect actual trading done by the manager or advisor and should be reviewed carefully. Investors should not place undue reliance on hypothetical or pro forma performance.
- A Hedge Fund's manager or advisor has total trading authority over the Hedge Fund.
- A Hedge Fund may use a single advisor or employ a single strategy, which could mean a lack of diversification and higher risk.
- A Hedge Fund and its managers or advisors may rely on the trading expertise and experience of third-party managers or advisors, the identity of which may not be disclosed to investors.
- A Hedge Fund may involve a complex tax structure, which should be reviewed carefully.
- A Hedge Fund may involve structures or strategies that may cause delays in important tax information being sent to investors.
- A Hedge Fund may provide no transparency regarding its underlying investments to investors.
- A Hedge Fund may execute a substantial portion of trades on foreign exchanges, which could mean higher risk.
- A Hedge Fund's fees and expenses, which may be substantial regardless of any positive return, will offset the Hedge Fund's net trading profits. - Hedge Funds are not required to provide periodic pricing or valuation information to investors.
- Hedge Funds and their managers/advisors may be subject to various conflicts of interest.

The above summary is not a complete list of the risks and other important disclosures involved in investing in Hedge Funds and is subject to the more complete disclosures contained in a Hedge Fund's offering documents, which must be reviewed carefully.