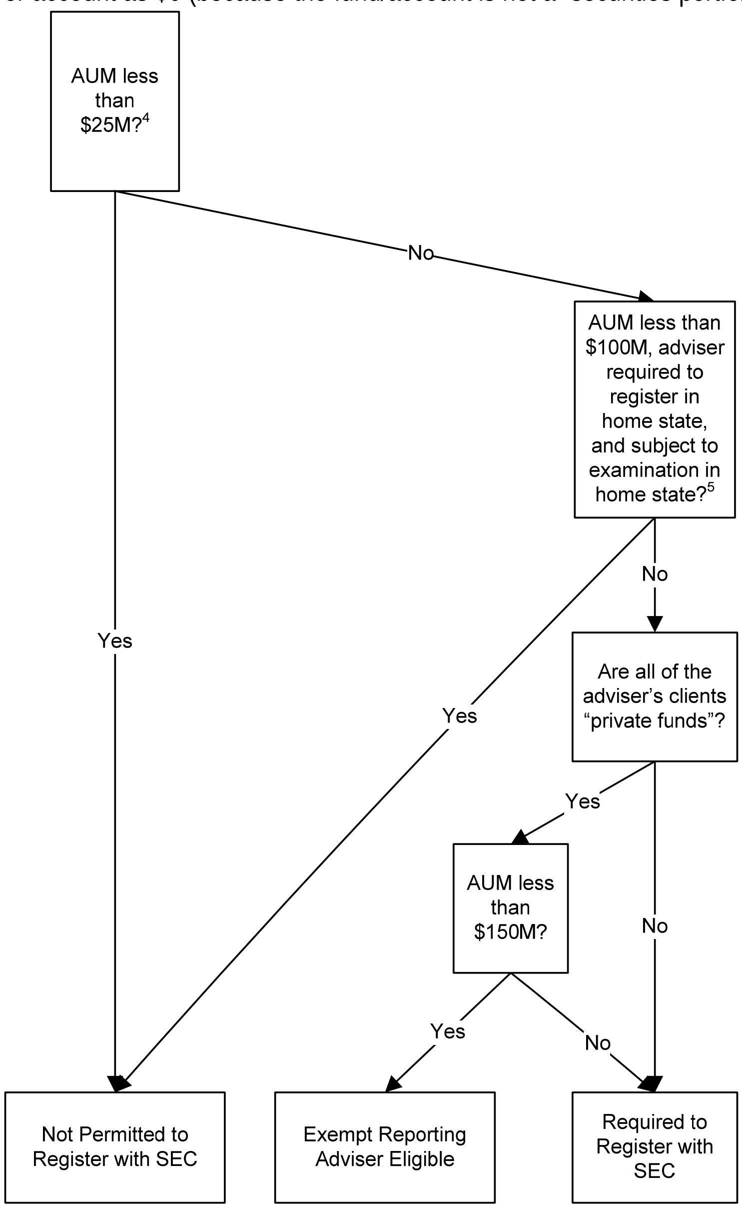
CALCULATING ASSETS UNDER MANAGEMENT[1]

JUNE 30, 2011

Method #1: **For Private Funds**[2]: For each private fund, calculate assets under management ("AUM") by adding together the market value (and where market value is not available, the fair value), on a gross basis, of all assets of such private fund regardless of their nature, including assets that are not securities, plus uncalled commitments.

Method #2: **For Other Funds and Accounts**: For each fund or account that is not a private fund, determine whether 50% of more of the total market value of such fund or account consists of "securities."[3] If yes, apply same method as for private funds in Method #1 (but do not include uncalled commitments). If no, count AUM for each fund or account as $0 (because the fund/account is not a "securities portfolio").



GOODWIN PROCTER

1 The following analysis applies to investment advisers that have a principal office and place of business in the United States. Advisers with a principal office and place of business outside of the United States or no place of business in the United States should refer to the discussion of the Private Fund Adviser Exemption and the Foreign Private Adviser Exemption elsewhere in our Client Alert dated June 30, 2011. The analysis also assumes no other registration exemptions are available, such as the Venture Capital Exemption.

2 A "private fund" is an issuer that would be an investment company under the Investment Company Act of 1940 but for the exclusion provided in Section 3(c)(1) or 3(c)(7) of that Act. For purposes of the Private Fund Adviser Exemption, an adviser can elect to treat a client that does not otherwise meet this definition as a "private fund," if it treats such client as a private fund for all purposes of the Advisers Act. Examples of funds or accounts that are not "private funds" include funds or accounts that are not investment companies under Section 3(a)(1) of the Investment Company Act of 1940 or that qualify for an exclusion under the Act other than Sections 3(c)(1) or 3(c)(7), such as Sections 3(c)(5) or 3(c)(6).

3 "Securities" is broadly defined. Examples of interests that would generally not be "securities" are fee title to real estate (including through wholly owned non-corporate subsidiaries), general partner interests or managing member interests, commodities and collectibles. An adviser can elect whether to treat cash and cash equivalents as securities. Funds or accounts for which an adviser does not receive compensation must be included in the calculation of AUM.

4 The adviser must also be regulated or required to be regulated in the state in which it maintains its principal office and place of business. All states meet this requirement other than Wyoming.

5 The SEC advises that the State of New York does not subject advisers registered with it to examination.