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UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

Barcode area with DVAL 3235-0076, date 31, 2002, rden, and amount 16.00. Number 03023839.

FORM D NOTICE OF SALE OF SECURITIES PURSUANT TO REGULATION D SECTION 4(6), AND/OR UNIFORM LIMITED OFFERING EXEMPTION

SEC USE ONLY table with columns for Prefix, Serial, and DATE RECEIVED.

Name of Offering (checkbox) Nautilus Royal Guardian Fund, LP
Filing under (checkbox) Rule 504, Rule 505, Rule 506, Section 4(6), ULOE
Type of Filing: (checkbox) New Filing, (checkbox) Amendment

A. BASIC IDENTIFICATION DATA

1. Enter the information requested about the issuer
Name of Issuer (checkbox) Nautilus Royal Guardian Fund, LP
Address of Executive Offices (601 Cleveland Street, Suite 320, Clearwater, Florida 33755)
Telephone Number (727) 461-2100
Address of Principal Business Operations
Brief Description of Business: Limited Partnership engaged in seeking capital appreciation through investment.

PROCESSED

Type of Business Organization: (checkbox) corporation, (checkbox) business trust, (checkbox) limited partnership, already formed, (checkbox) limited partnership, to be formed, (checkbox) other (please specify): JUN 27 2003

Actual or Estimated Date of Incorporation or Organization: MONTH 06, YEAR 03, (checkbox) Actual, (checkbox) Estimated
Jurisdiction of Incorporation or Organization: (Enter two-letter U.S. Postal Service abbreviation for State: CN for Canada; FN for other foreign jurisdiction) D E

General Instructions

Federal: Who Must File: All issuers making an offering of securities in reliance on an exemption under Regulation D or Section 4(6), 17 CFR 230.501 et seq. or 15 U.S.C. 77d(6).
When To File: A notice must be filed no later than 15 days after the first sale of securities in the offering.
Where to File: U.S. Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549.
Copies Required: Five (5) copies of this notice must be filed with the SEC, one of which must be manually signed.
Information Required: A new filing must contain all information requested.
Filing Fee: There is no federal filing fee.

State: This notice shall be used to indicate reliance on the Uniform Limited Offering Exemption (ULOE) for sales of securities in those states that have adopted ULOE and that have adopted this form.

ATTENTION
Failure to file notice in the appropriate states will not result in a loss of the federal exemption. Conversely failure to file the appropriate federal notice will not result in a loss of an available state exemption unless such exemption is predicated on the filing of a federal notice.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number

**A. BASIC IDENTIFICATION DATA**

2. Enter the information requested for the following:

- Each promoter of the issuer, if the issuer has been organized within the past five years;
- Each beneficial owner having the power to vote or dispose, or direct the vote or disposition of, 10% or more of a class of equity securities of the issuer;
- Each executive officer and director of corporate issuers and of corporate general managing partners of partnership issuers; and
- Each general and managing partnership of partnership issuers.

Check Box(es) that Apply:  Promoter  Beneficial Owner  Executive Officer  Director  General and/or Managing Partner

Full Name (Last name first, if individual)

**Nautilus Royal Management, LLC**

Business or Residence Address (Number and Street, City, State, Zip Code)

**601 Cleveland Street, Suite 320 Clearwater Florida 33755**

Check Box(es) that Apply:  Promoter  Beneficial Owner  Executive Officer  Director  General and/or Managing Partner

Full Name (Last name first, if individual)

**Rigg, H. John**

Business or Residence Address (Number and Street, City, State, Zip Code)

**601 Cleveland Street, Suite 320 Clearwater Florida 33755**

Check Box(es) that Apply:  Promoter  Beneficial Owner  Executive Officer  Director  General and/or Managing Partner

Full Name (Last name first, if individual)

**Bennett, Ralph**

Business or Residence Address (Number and Street, City, State, Zip Code)

**601 Cleveland Street, Suite 320 Clearwater Florida 33755**

Check Box(es) that Apply:  Promoter  Beneficial Owner  Executive Officer  Director  General and/or Managing Partner

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Check Box(es) that Apply:  Promoter  Beneficial Owner  Executive Officer  Director  General and/or Managing Partner

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Check Box(es) that Apply:  Promoter  Beneficial Owner  Executive Officer  Director  General and/or Managing Partner

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

(Use blank sheet, or copy and use additional copies of this sheet, as necessary.)

**B. INFORMATION ABOUT OFFERING**

1. Has the issuer sold, or does the issuer intend to sell, to non-accredited investors in this offering? .....  Yes  No  
Answer also in Appendix, Column 2, if filing under ULOE.

2. What is the minimum investment that will be accepted from any individual? ..... \$ 500,000

3. Does the offering permit joint ownership of a single unit? .....  Yes  No

4. Enter the information requested for each person who has been or will be paid or given, directly or indirectly, any commission or similar remuneration for solicitation of purchases in connection with sales of securities in the offering. If a person to be listed is an associated person or agent of a broker or dealer registered with the SEC and/or with a state or states, list the name of the broker or dealer. If more than five (5) persons to be listed are associated persons of such a broker or dealer, you may set forth the information for that broker or dealer only.

Full Name (Last name first, if individual)

N/A

Business or Residence Address (Number and Street, City, State, Zip Code)

Name of Associated Broker or Dealer

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers  
(Check "All States" or check individual States) .....  All States

- |      |                          |      |                          |      |                          |      |                          |      |                          |      |                          |      |                          |      |                          |      |                          |      |                          |      |                          |      |                          |      |                          |
|------|--------------------------|------|--------------------------|------|--------------------------|------|--------------------------|------|--------------------------|------|--------------------------|------|--------------------------|------|--------------------------|------|--------------------------|------|--------------------------|------|--------------------------|------|--------------------------|------|--------------------------|
| [AL] | <input type="checkbox"/> | [AK] | <input type="checkbox"/> | [AZ] | <input type="checkbox"/> | [AR] | <input type="checkbox"/> | [CA] | <input type="checkbox"/> | [CO] | <input type="checkbox"/> | [CT] | <input type="checkbox"/> | [DE] | <input type="checkbox"/> | [DC] | <input type="checkbox"/> | [FL] | <input type="checkbox"/> | [GA] | <input type="checkbox"/> | [HI] | <input type="checkbox"/> | [ID] | <input type="checkbox"/> |
| [IL] | <input type="checkbox"/> | [IN] | <input type="checkbox"/> | [IA] | <input type="checkbox"/> | [KS] | <input type="checkbox"/> | [KY] | <input type="checkbox"/> | [LA] | <input type="checkbox"/> | [ME] | <input type="checkbox"/> | [MD] | <input type="checkbox"/> | [MA] | <input type="checkbox"/> | [MI] | <input type="checkbox"/> | [MN] | <input type="checkbox"/> | [MS] | <input type="checkbox"/> | [MO] | <input type="checkbox"/> |
| [MT] | <input type="checkbox"/> | [NE] | <input type="checkbox"/> | [NV] | <input type="checkbox"/> | [NH] | <input type="checkbox"/> | [NJ] | <input type="checkbox"/> | [NM] | <input type="checkbox"/> | [NY] | <input type="checkbox"/> | [NC] | <input type="checkbox"/> | [ND] | <input type="checkbox"/> | [OH] | <input type="checkbox"/> | [OK] | <input type="checkbox"/> | [OR] | <input type="checkbox"/> | [PA] | <input type="checkbox"/> |
| [RI] | <input type="checkbox"/> | [SC] | <input type="checkbox"/> | [SD] | <input type="checkbox"/> | [TN] | <input type="checkbox"/> | [TX] | <input type="checkbox"/> | [UT] | <input type="checkbox"/> | [VT] | <input type="checkbox"/> | [VA] | <input type="checkbox"/> | [WA] | <input type="checkbox"/> | [WV] | <input type="checkbox"/> | [WI] | <input type="checkbox"/> | [WY] | <input type="checkbox"/> | [PR] | <input type="checkbox"/> |

Full Name (Last name first, if individual)

N/A

Business or Residence Address (Number and Street, City, State, Zip Code)

Name of Associated Broker or Dealer

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers  
(Check "All States" or check individual States) .....  All States

- |      |                          |      |                          |      |                          |      |                          |      |                          |      |                          |      |                          |      |                          |      |                          |      |                          |      |                          |      |                          |      |                          |
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| [AL] | <input type="checkbox"/> | [AK] | <input type="checkbox"/> | [AZ] | <input type="checkbox"/> | [AR] | <input type="checkbox"/> | [CA] | <input type="checkbox"/> | [CO] | <input type="checkbox"/> | [CT] | <input type="checkbox"/> | [DE] | <input type="checkbox"/> | [DC] | <input type="checkbox"/> | [FL] | <input type="checkbox"/> | [GA] | <input type="checkbox"/> | [HI] | <input type="checkbox"/> | [ID] | <input type="checkbox"/> |
| [IL] | <input type="checkbox"/> | [IN] | <input type="checkbox"/> | [IA] | <input type="checkbox"/> | [KS] | <input type="checkbox"/> | [KY] | <input type="checkbox"/> | [LA] | <input type="checkbox"/> | [ME] | <input type="checkbox"/> | [MD] | <input type="checkbox"/> | [MA] | <input type="checkbox"/> | [MI] | <input type="checkbox"/> | [MN] | <input type="checkbox"/> | [MS] | <input type="checkbox"/> | [MO] | <input type="checkbox"/> |
| [MT] | <input type="checkbox"/> | [NE] | <input type="checkbox"/> | [NV] | <input type="checkbox"/> | [NH] | <input type="checkbox"/> | [NJ] | <input type="checkbox"/> | [NM] | <input type="checkbox"/> | [NY] | <input type="checkbox"/> | [NC] | <input type="checkbox"/> | [ND] | <input type="checkbox"/> | [OH] | <input type="checkbox"/> | [OK] | <input type="checkbox"/> | [OR] | <input type="checkbox"/> | [PA] | <input type="checkbox"/> |
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Full Name (Last name first, if individual)

N/A

Business or Residence Address (Number and Street, City, State, Zip Code)

Name of Associated Broker or Dealer

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers  
(Check "All States" or check individual States) .....  All States

- |      |                          |      |                          |      |                          |      |                          |      |                          |      |                          |      |                          |      |                          |      |                          |      |                          |      |                          |      |                          |      |                          |
|------|--------------------------|------|--------------------------|------|--------------------------|------|--------------------------|------|--------------------------|------|--------------------------|------|--------------------------|------|--------------------------|------|--------------------------|------|--------------------------|------|--------------------------|------|--------------------------|------|--------------------------|
| [AL] | <input type="checkbox"/> | [AK] | <input type="checkbox"/> | [AZ] | <input type="checkbox"/> | [AR] | <input type="checkbox"/> | [CA] | <input type="checkbox"/> | [CO] | <input type="checkbox"/> | [CT] | <input type="checkbox"/> | [DE] | <input type="checkbox"/> | [DC] | <input type="checkbox"/> | [FL] | <input type="checkbox"/> | [GA] | <input type="checkbox"/> | [HI] | <input type="checkbox"/> | [ID] | <input type="checkbox"/> |
| [IL] | <input type="checkbox"/> | [IN] | <input type="checkbox"/> | [IA] | <input type="checkbox"/> | [KS] | <input type="checkbox"/> | [KY] | <input type="checkbox"/> | [LA] | <input type="checkbox"/> | [ME] | <input type="checkbox"/> | [MD] | <input type="checkbox"/> | [MA] | <input type="checkbox"/> | [MI] | <input type="checkbox"/> | [MN] | <input type="checkbox"/> | [MS] | <input type="checkbox"/> | [MO] | <input type="checkbox"/> |
| [MT] | <input type="checkbox"/> | [NE] | <input type="checkbox"/> | [NV] | <input type="checkbox"/> | [NH] | <input type="checkbox"/> | [NJ] | <input type="checkbox"/> | [NM] | <input type="checkbox"/> | [NY] | <input type="checkbox"/> | [NC] | <input type="checkbox"/> | [ND] | <input type="checkbox"/> | [OH] | <input type="checkbox"/> | [OK] | <input type="checkbox"/> | [OR] | <input type="checkbox"/> | [PA] | <input type="checkbox"/> |
| [RI] | <input type="checkbox"/> | [SC] | <input type="checkbox"/> | [SD] | <input type="checkbox"/> | [TN] | <input type="checkbox"/> | [TX] | <input type="checkbox"/> | [UT] | <input type="checkbox"/> | [VT] | <input type="checkbox"/> | [VA] | <input type="checkbox"/> | [WA] | <input type="checkbox"/> | [WV] | <input type="checkbox"/> | [WI] | <input type="checkbox"/> | [WY] | <input type="checkbox"/> | [PR] | <input type="checkbox"/> |

(Use blank sheet, or copy and use additional copies of this sheet, as necessary.)

**C. OFFERING PRICE, NUMBER OF INVESTORS, EXPENSES AND USE OF PROCEEDS**

1. Enter the aggregate offering price of securities included in this offering and the total amount already sold. Enter "0" if answer is "none" or "zero." If the transaction is an exchange offering, check this box  and indicate in the columns below the amounts of the securities offered for exchange and already exchanged.

Type of Security	Aggregate Offering Price	Amount Already Sold
Debt .....	\$0	\$0
Equity.....	\$0	\$0
<input type="checkbox"/> Common <input type="checkbox"/> Preferred		
Convertible Securities (including warrants) .....	\$0	\$0
Partnership Interests.....	\$100,000,000	\$0
Other (Specify _____) .....	\$0	\$0
Total .....	\$100,000,000	\$0

Answer also in Appendix, Column 3, if filing under ULOE.

2. Enter the number of accredited and non-accredited investors who have purchased securities in this offering and the aggregate dollar amounts of their purchases. For offerings under Rule 504, indicate the number of persons who have purchased securities and the aggregate dollar amount of their purchases on the total lines. Enter "0" if answer is "none" or "zero."

	Number of Investors	Aggregate Dollar Amount of Purchases
Accredited Investors .....	0	\$0
Non-accredited Investors .....	0	\$0
Total (for filing under Rule 504 only) .....	0	\$0

Answer also in Appendix, Column 4, if filing under ULOE.

3. If this filing is for an offering under Rule 504 or 505, enter the information requested for all securities sold by the issuer, to date, in offerings of the types indicated, in the twelve (12) months prior to the first sale of securities in this offering. Classify securities by type listed in Part C - Question 1.

Type of offering	Type of Security	Dollar Amount Sold
Rule 505.....	N/A	\$0
Regulation A.....	N/A	\$0
Rule 504.....	N/A	\$0
Total.....	N/A	\$0

4. a. Furnish a statement of all expenses in connection with the issuance and distribution of the securities in this offering. Exclude amounts relating solely to organization expenses of the issuer. The information may be given as subject to future contingencies. If the amount of an expenditure is not known, furnish an estimate and check the box to the left of the estimate.

Transfer Agent's Fees.....	<input type="checkbox"/> \$0
Printing and Engraving Costs.....	<input checked="" type="checkbox"/> \$2,000
Legal Fees.....	<input checked="" type="checkbox"/> \$20,000
Accounting Fees.....	<input checked="" type="checkbox"/> \$8,000
Engineering Fees.....	<input type="checkbox"/> \$0
Sales Commissions (specify finders' fees separately) .....	<input type="checkbox"/> \$0
Other Expenses (identify) <b>Various blue sky filing fees</b> .....	<input checked="" type="checkbox"/> \$5,000
Total .....	<input checked="" type="checkbox"/> \$35,000

**C. OFFERING PRICE, NUMBER OF INVESTORS, EXPENSES AND USE OF PROCEEDS**

b. Enter the difference between the aggregate offering price given in response to Part C- Question 1 and total expenses furnished in response to Part C - Question 4.a. This difference is the "adjusted gross proceeds to the issuer."

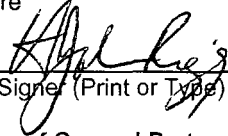
\$99,965,500

5. Indicate below the amount of the adjusted gross proceeds to the issuer used or proposed to be used for each of the purposes shown. If the amount for any purpose is not known, furnish an estimate and check the box to the left of the estimate. The total of the payments listed must equal the adjusted gross proceeds to the issuer set forth in response to Part C- Question 4.b. above.

	Payments to Officers, Directors, & Affiliates	Payments To Others
Salaries and fees. . . . (See Exhibit A annexed hereto) . . . . .	<input checked="" type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____
Purchase of real estate. . . . .	<input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____
Purchase, rental or leasing and installation of machinery and equipment . . . . .	<input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____
Construction or leasing of plant buildings and facilities . . . . .	<input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____
Acquisition of other business (including the value of securities involved in this offering that may be used in exchange for the assets or securities of another issuer pursuant to a merger) . . . . .	<input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____
Repayment of indebtedness. . . . .	<input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____
Working capital. . . . .	<input type="checkbox"/> \$ _____	<input checked="" type="checkbox"/> \$99,965,500
Other (specify): _____	<input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____
_____	<input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____
_____	<input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____
Column Totals. . . . .	<input type="checkbox"/> \$ _____	<input type="checkbox"/> \$ _____
Total Payments Listed (column totals added) . . . . .	<input checked="" type="checkbox"/> \$99,965,000	

**D. FEDERAL SIGNATURE**

The issuer has duly caused this notice to be signed by the undersigned duly authorized person. If this notice is filed under Rule 505, the following signature constitutes an undertaking by the issuer to furnish to the U.S. Securities and Exchange Commission, upon written request of its staff, the information furnished by the issuer to any non-accredited investor pursuant to paragraph (b)(2) of Rule 502.

Issuer (Print or Type)	Signature	Date
Nautilus Royal Guardian Fund, LP		June 17, 03
Name of Signer (Print or Type)	Title of Signer (Print or Type)	
H. John Rigg	Manager of General Partner of Issuer	

**ATTENTION**

Intentional misstatements or omissions of fact constitute federal criminal violations. (See 18 U.S.C. 1001.)

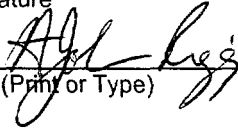
**E. STATE SIGNATURE**

1. Is any party described in 17 CFR 230.252(c), (d), (e) or (f) presently subject to any disqualification provisions of such rule? Yes  No

See Appendix, Column 5, for state response.

2. The undersigned issuer hereby undertakes to furnish to any state administrator of any state in which this notice is filed, a notice on Form D (17 CFR 239.500) at such times as required by state law.
3. The undersigned issuer hereby undertakes to furnish to the state administrators, upon written request, information furnished by the issuer to offerees.
4. The undersigned issuer represents that the issuer is familiar with the conditions that must be satisfied to be entitled to the Uniform Limited Offering Exemption (ULOE) of the state in which this notice is filed and understands that the issuer claiming the availability of this exemption has the burden of establishing that these conditions have been satisfied.

The issuer has read this notification and knows the contents to be true and has duly caused this notice to be signed on its behalf by the undersigned duly authorized person.

Issuer (Print or Type)	Signature	Date
<b>Nautilus Royal Guardian Fund, LP</b>		June 17, 03.
Name (Print or Type)	Title (Print or Type)	
<b>H. John Rigg</b>	<b>Manager of General Partner of Issuer</b>	

*Instruction:*

Print the name and title of the signing representative under his signature for the state portion of this form. One copy of every notice on Form D must be manually signed. Any copies not manually signed must be photocopies of the manually signed copy or bear typed or printed signatures.

**APPENDIX**

1 State	2 Intend to sell to non-accredited investors in State (Part B-Item 1)		3 Type of Security and aggregate offering price offered in state (Part C-Item 1) <b>Limited Partnership Interest</b>	4 Type of investor and amount purchased in State (Part C-Item 2)				5 Disqualification under State ULOE (if yes, attach explanation of waiver granted) (Part E-Item 1)	
	Yes	No		Number of Accredited Investors	Amount	Number of Non-Accredited Investors	Amount	Yes	No
AL						0			
AK									
AZ									
AR									
CA	X		100,000,000	0	0	0	0		X
CO									
CT									
DE									
DC									
FL	X		100,000,000	0	0	0	0		X
GA									
HI									
ID									
IL	X		100,000,000	0	0	0	0		
IN									
IA									
KS									
KY									
LA									
ME									
MD									
MA									
MI									
MN									
MS									
MO									

**APPENDIX**

1 State	2 Intend to sell to non-accredited investors in State (Part B-Item 1)		3 Type of Security and aggregate offering price offered in state (Part C-Item 1)	4 Type of investor and amount purchased in State (Part C-Item 2)				5 Disqualification under State ULOE (if yes, attach explanation of waiver granted) (Part E-Item 1)	
	Yes	No		Limited Partnership Interest	Number of Accredited Investors	Amount	Number of Non-Accredited Investors	Amount	Yes
MT									
NE									
NV									
NH									
NJ									
NM									
NY									
NC									
ND									
OH									
OK									
OR									
PA									
RI									
SC									
SD									
TN									
TX	X		100,000,000	0	0	0	0		X
UT									
VT									
VA									
WA									
WV									
WI	X		100,000,000	0	0	0	0		X
WY									
PR									



## EXHIBIT A

The General Partner shall receive a monthly performance allocation (the "Performance Allocation") at the close of each month equal to fifty percent (50%) of the portion of the Partnership's monthly net income (including realized and unrealized gains and net of the Management Fee) attributable to each Limited Partner as of the close of such month; provided, however, that the General Partner's Performance Allocation shall (i) be subject to a high water mark or Loss Carryforward provision (as discussed below), and (ii) be reduced, if necessary, to ensure that the Limited Partner's monthly rate of return is at least equal to the "Hurdle Rate" for such Limited Partner's capital account for such month. The Hurdle Rate shall equal a 1.25% monthly return on a Limited Partner's capital account balance for the month (or as such rate may be adjusted for additions and withdrawals to a Limited Partner's capital account during the month to reflect the portion of the month that an investment was held).

The General Partner shall also receive a Performance Allocation upon any withdrawal by a Limited Partner, whether voluntary or involuntary, and upon dissolution of the Partnership. The Performance Allocation shall be in addition to the proportionate allocations of income and profits, or losses, to the General Partner and/or its affiliates based upon their capital accounts relative to the capital accounts of all Partners. The General Partner, in its sole discretion, may waive or reduce the Performance Allocation with respect to any Limited Partner for any period of time, or agree to apply a different Performance Allocation for that Limited Partner. The General Partner may, in its discretion, reallocate a portion of its Performance Allocation to certain Limited Partners.

The Performance Allocation is subject to what is commonly known as a "high water mark" procedure. That is, if the Partnership has a net loss in any month, this loss will be carried forward as to each Limited Partner to future months (such amount is referred to as the "Loss Carryforward"). Whenever there is a Loss Carryforward for a Limited Partner with respect to a month, the General Partner will not receive a Performance Allocation from such Limited Partner for future months until the Loss Carryforward amount for such Limited Partner has been recovered (i.e., when the Loss Carryforward amount has been exceeded by the cumulative profits allocable to such Limited Partner for the months following the Loss Carryforward). Once the Loss Carryforward has been recovered, the Performance Allocation shall be based on the excess profits (over the Loss Carryforward amount) as to each Limited Partner, rather than on all profits. The "high water mark" procedure prevents the General Partner from receiving a Performance Allocation as to profits that simply restore previous losses and is intended to ensure that each Performance Allocation is based on the long-term performance of an investment in the Partnership. When a Limited Partner withdraws capital, any Loss Carryforward will be adjusted downward in proportion to the withdrawal. The General Partner may agree with any Limited Partner to apply a different Loss Carryforward provision for such Limited Partner. The calculation of the Hurdle Rate for any Limited Partner shall only be made if there is no Loss Carryforward amount applicable to that Limited Partner.

In consideration for the provision of administrative services, the General Partner shall receive a management fee ("Management Fee") equal to 0.0833% per month (approximately 1.0% annually) of each Limited Partner's share of the Partnership's Net Worth. The Management Fee shall be payable monthly in arrears and calculated as of the last day of each month. A pro rata Management Fee will be charged to Limited Partners on any amounts permitted to be invested during any month. The General Partner, in its sole discretion, may waive or reduce the Management Fee with respect to one or more Limited Partners for any period of time, or agree to apply a different Management Fee for that Limited Partner.

### *Expenses:*

The General Partner will pay for all expenses related to organizing the Partnership, including but not limited to, legal and accounting fees, printing and mailing expenses and government filing fees (including blue sky filing fees).

Subject to the Expense Cap set forth below, the Partnership shall pay or reimburse the General Partner for the following expenses: (A) all expenses incurred in connection with the ongoing offer and sale of Interests, including but not limited to marketing expenses, printing of the Memorandum and exhibits, documentation of performance and the admission of Limited Partners; (B) all operating expenses of the Partnership such as tax preparation fees, governmental fees and taxes, insurance, administrator fees, communications with Limited Partners, and ongoing legal, accounting, auditing, bookkeeping, consulting and other professional fees and expenses; (C) all Partnership trading and investment related costs and expenses (e.g. brokerage commissions, margin interest, expenses related to short sales, custodial fees and clearing and settlement charges); and (D) all fees to protect or preserve any investment held by the Partnership, as determined in good faith by the General Partner, and all fees and other expenses incurred in connection with the

{FORMD--2.DOT}

investigation, prosecution or defense of any claims by or against the Partnership. The General Partner, in its sole discretion, may from time to time pay for any of the foregoing Partnership operating expenses or waive its right to reimbursement for any such expenses, as well as terminate any such voluntary payment or waiver of reimbursement.

The Partnership shall only be responsible for the operating and other expenses described in clauses (A) and (B) above (the "Covered Expenses") up to a maximum of 0.0833% of the Partnership's Net Worth at the end of each month (the "Expense Cap"). The Expense Cap will be prorated for the Partnership's first and last months and with respect to any amounts permitted to be invested and withdrawn during any month. The Expense Cap shall not apply to the Management Fee or the Performance Allocation payable to the General Partner. To the extent that the Covered Expenses exceed the Expense Cap in any month, the General Partner shall pay such excess Covered Expenses either by charging its capital account or by making a direct payment, as determined by the General Partner in its sole discretion.

The General Partner will pay its own general operating and overhead expenses associated with providing the administrative and investment management services required under the Partnership Agreement. These expenses include all expenses incurred by the General Partner in providing for its normal operating overhead, including but not limited to, the cost of providing relevant support and administrative services (e.g., employee compensation and benefits, rent, office equipment, insurance, utilities, telephone, secretarial and bookkeeping services, etc.), but not including any Partnership operating expenses described above except to the extent that such expenses exceed the Expense Cap.