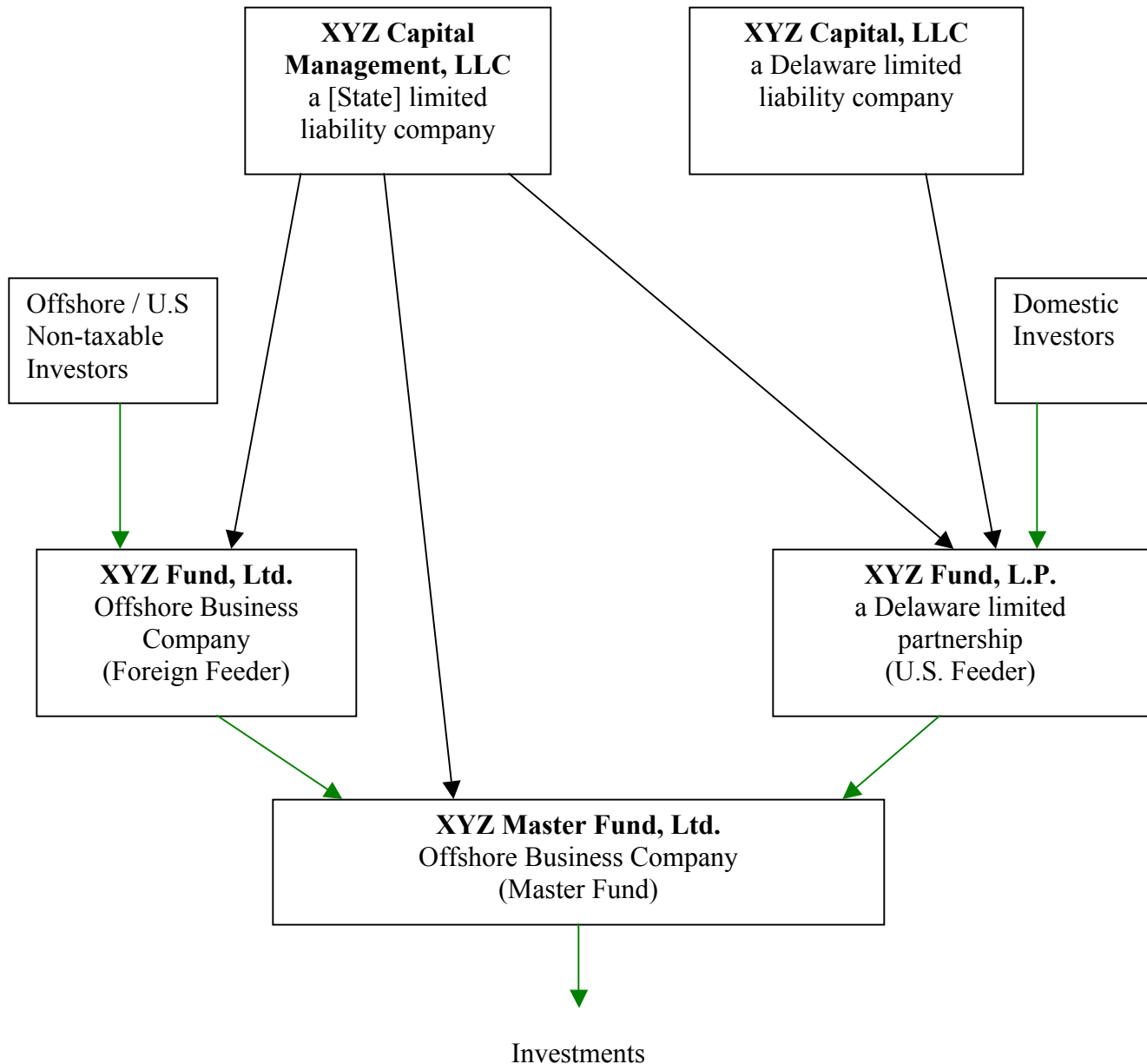


# COLE-FRIEMAN & MALLON LLP



## Sample Master Feeder Structure

Here we have a two-entity management structure providing advice to a traditional master-feeder hedge fund.

There are two feeders – a domestic feeder and an offshore feeder, both of which invest all of their assets in the master fund.

Investors will place subscriptions in the feeder funds and then the assets will flow to the master fund for eventual investment by the manager of the fund structure.

Withdrawals are processed in the opposite direction – funds are transferred from the master to the appropriate feeder and then transferred again to the withdrawing investor.

[Note: many funds have a single entity management structure or may have a more complex management structure.]

