

**Exempt Organization Business Income Tax Return** (and proxy tax under section 6033(e))

For calendar year 2008 or other tax year beginning \_\_\_\_\_, 2008, and ending \_\_\_\_\_, 2008. See separate instructions.

A  Check box if address changed

B Exempt under section  
 501(C)(3)  
 408(e)  220(e)  
 408A  530(a)  
 529(a)

C Book value of all assets at end of year

Name of organization (  Check box if name changed and see instructions )  
**UD LD MELLAM FOR MELLAM FAMILY FOUNDATION**  
**C/O MR. TRACY ROGERS, EXEC. DIRECTOR**  
 Number, street, and room or suite no. If a P.O. box, see page 9 of instructions.  
**P.O. BOX 610091**  
 City or town, state, and ZIP code  
**REDWOOD CITY, CA 94061-0091**

D **Employer identification number**  
 (Employees' trust. see instructions for Block D on page 9.)  
**13-6894208**

E **Unrelated business activity codes**  
 (See instructions for Block E on page 9.)  
**525990**

F Group exemption number (See instructions for Block F on page 9.)

**11,246,175.**

G Check organization type  501(c) corporation  501(c) trust  401(a) trust  Other trust

H Describe the organization's primary unrelated business activity. **HEDGE FUND INVESTMENT**

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group?  Yes  No  
 If "Yes," enter the name and identifying number of the parent corporation.

J The books are in care of **MR. TRACY ROGERS, EXEC DIR** Telephone number

Part I Unrelated Trade or Business Income		(A) Income	(B) Expenses	(C) Net
1 a	Gross receipts or sales			
b	Less returns and allowances			
	c Balance	1 c		
2	Cost of goods sold (Schedule A, line 7)	2		
3	Gross profit. Subtract line 2 from line 1c	3		
4 a	Capital gain net income (attach Schedule D)	4 a		
b	Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)	4 b		
c	Capital loss deduction for trusts	4 c		
5	Income (loss) from partnerships and S corporations (attach statement)	5	-3,000.	-3,000.
6	Rent income (Schedule C)	6	STMT 1	-1,032.
7	Unrelated debt-financed income (Schedule E)	7		
8	Interest, annuities, royalties, and rents from controlled organizations (Schedule F)	8		
9	Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)	9		
10	Exploited exempt activity income (Schedule I)	10		
11	Advertising income (Schedule J)	11		
12	Other income (See page 11 of the instructions; attach schedule)	12		
13	Total. Combine lines 3 through 12	13	-4,032.	-4,032.

**Part II Deductions Not Taken Elsewhere** (See page 11 of the instructions for limitations on deductions.)  
 (Except for contributions, deductions must be directly connected with the unrelated business income.)

14	Compensation of officers, directors, and trustees (Schedule K)	14	
15	Salaries and wages	15	
16	Repairs and maintenance	16	
17	Bad debts	17	
18	Interest (attach schedule)	18	
19	Taxes and licenses	19	
20	Charitable contributions (See page 13 of the instructions for limitation rules.)	20	
21	Depreciation (attach Form 4562)	21	NONE
22	Less depreciation claimed on Schedule A and elsewhere on return	22 a	
23	Depletion	23	
24	Contributions to deferred compensation plans	24	
25	Employee benefit programs	25	
26	Excess exempt expenses (Schedule I)	26	
27	Excess readership costs (Schedule J)	27	
28	Other deductions (attach schedule)	28	
29	Total deductions. Add lines 14 through 28	29	NONE
30	Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13	30	-4,032.
31	Net operating loss deduction (limited to the amount on line 30)	31	
32	Unrelated business taxable income before specific deduction. Subtract line 31 from line 30	32	-4,032.
33	Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions.)	33	1,000.
34	Unrelated business taxable income. Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32.	34	-4,032.



**Part III Tax Computation**

35 Organizations Taxable as Corporations. See instructions for tax computation on page 15  
 Controlled group members (sections 1561 and 1563) check here  See instructions and

a Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order):  
 (1) \_\_\_\_\_ (2) \_\_\_\_\_ (3) \_\_\_\_\_

b Enter organization's share of (1) Additional 5% tax (not more than \$11,750) . . . . . \_\_\_\_\_  
 (2) Additional 3% tax (not more than \$100,000) . . . . . \_\_\_\_\_

c Income tax on the amount on line 34 . . . . . **35c**

36 Trusts Taxable at Trust Rates. See instructions for tax computation on page 16 Income tax on  
 the amount on line 34 from  Tax rate schedule or  Schedule D (Form 1041) . . . . . **36**

37 Proxy tax. See page 16 of the instructions . . . . . **37**

38 Alternative minimum tax . . . . . **38**

39 Total. Add lines 37 and 38 to line 35c or 36, whichever applies. . . . . **39**

**Part IV Tax and Payments**

40 a Foreign tax credit (corporations attach Form 1118, trusts attach Form 1116) . . . . . **40a** \_\_\_\_\_  
 b Other credits (see page 17 of the instructions) . . . . . **40b** \_\_\_\_\_  
 c General business credit. Attached Form 3800 . . . . . **40c** \_\_\_\_\_  
 d Credit for prior year minimum tax (attach Form 8801 or 8827) . . . . . **40d** \_\_\_\_\_  
 e Total credits. Add lines 40a through 40d . . . . . **40e** \_\_\_\_\_

41 Subtract line 40e from line 39 . . . . . **41** \_\_\_\_\_

42 Other taxes Check if from  Form 4255  Form 8611  Form 8697  Form 8866  Other (attach schedule). . . . . **42** \_\_\_\_\_

43 Total tax. Add lines 41 and 42 . . . . . **43** \_\_\_\_\_

44 a Payments A 2007 overpayment credited to 2008 . . . . . **44a** \_\_\_\_\_ NONE  
 b 2008 estimated tax payments . . . . . **44b** \_\_\_\_\_ NONE  
 c Tax deposited with Form 8868 . . . . . **44c** \_\_\_\_\_  
 d Foreign organizations Tax paid or withheld at source (see instructions) . . . . . **44d** \_\_\_\_\_  
 e Backup withholding (see instructions) . . . . . **44e** \_\_\_\_\_  
 f Other credits and payments:  Form 2439 \_\_\_\_\_  
 Form 4136 \_\_\_\_\_ Other \_\_\_\_\_ Total **44f** \_\_\_\_\_

45 Total payments. Add lines 44a through 44f . . . . . **45** \_\_\_\_\_ NONE

46 Estimated tax penalty (see page 4 of the instructions) Check if Form 2220 is attached. . . . .  **46** \_\_\_\_\_

47 Tax due. If line 45 is less than the total of lines 43 and 46, enter amount owed . . . . . **47** \_\_\_\_\_ NONE

48 Overpayment. If line 45 is larger than the total of lines 43 and 46, enter amount overpaid . . . . . **48** \_\_\_\_\_ NONE

49 Enter the amount of line 48 you want Credited to 2009 estimated tax  Refunded  **49** \_\_\_\_\_ NONE

**Part V Statements Regarding Certain Activities and Other Information** (see instructions on page 18)

1 At any time during the 2008 calendar year, did the organization have an interest in or a signature or other authority over a financial  
 account (bank, securities, or other) in a foreign country? If YES, the organization may have to file Form TD F 90-22 1, Report of Foreign  
 Bank and Financial Accounts. If YES, enter the name of the foreign country here \_\_\_\_\_ **Yes** **No**

2 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? . . . . .  **Yes** **No**

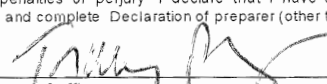
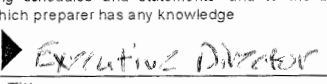
If YES, see page 5 of the instructions for other forms the organization may have to file

3 Enter the amount of tax-exempt interest received or accrued during the tax year  \$ \_\_\_\_\_ **Yes** **No**

**Schedule A - Cost of Goods Sold.** Enter method of inventory valuation


1 Inventory at beginning of year . . . . . <b>1</b> _____	6 Inventory at end of year . . . . . <b>6</b> _____
2 Purchases . . . . . <b>2</b> _____	7 Cost of goods sold. Subtract line 6 from line 5 Enter here and in Part I, line 2. . . . . <b>7</b> _____
3 Cost of labor . . . . . <b>3</b> _____	8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization? . . . . . <b>Yes</b> <b>No</b> <input type="checkbox"/> <input type="checkbox"/>
4 a Additional section 263A costs (attach schedule) . . . . . <b>4a</b> _____	
b Other costs (attach schedule) . . . . . <b>4b</b> _____	
5 Total. Add lines 1 through 4b . . . . . <b>5</b> _____	

Under penalties of perjury I declare that I have examined this return including accompanying schedules and statements and to the best of my knowledge and belief it is true correct, and complete Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge

**Sign Here**      
 Signature of officer Date Title

May the IRS discuss this return with the preparer shown below (see instructions)?  **Yes**  **No**

**Paid Preparer's Use Only**

Preparer's signature  Date **10/14/08** Check if self-employed  Preparer's SSN or PTIN **P00173344**

Firm's name (or yours if self-employed), address, and ZIP code **PRICEWATERHOUSECOOPERS LLP** EIN **13-4008324**  
**600 GRANT STREET** Phone no **412-355-6000**  
**PITTSBURGH, PA 15219**

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)
(see instructions on page 19)

1 Description of property

Table with 4 rows for property description (1-4).

Table with 3 columns: (a) From personal property, (b) From real and personal property, and 3(a) Deductions directly connected with the income.

(c) Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A).
(b) Total deductions. Enter here and on page 1, Part I, line 6, column (B).

Schedule E - Unrelated Debt-Financed Income (see instructions on page 19)

Table with 5 columns: 1 Description of debt-financed property, 2 Gross income from or allocable to debt-financed property, 3 Deductions directly connected with or allocable to debt-financed property, 4 Amount of average acquisition debt, 5 Average adjusted basis, 6 Column 4 divided by column 5, 7 Gross income reportable, 8 Allocable deductions.

Totals
Total dividends-received deductions included in column 8

Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions on page 20)

Table for Exempt Controlled Organizations with 6 columns: 1 Name of controlled organization, 2 Employer identification number, 3 Net unrelated income, 4 Total of specified payments made, 5 Part of column 4 that is included in the controlling organization's gross income, 6 Deductions directly connected with income in column 5.

Table for Nonexempt Controlled Organizations with 5 columns: 7 Taxable Income, 8 Net unrelated income, 9 Total of specified payments made, 10 Part of column 9 that is included in the controlling organization's gross income, 11 Deductions directly connected with income in column 10.

Totals

Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization (see instructions on page 21)

Table with 5 columns: 1 Description of income, 2 Amount of income, 3 Deductions directly connected, 4 Set-asides, 5 Total deductions and set-asides. Includes a Totals row at the bottom.

Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income (see instructions on page 21)

Table with 7 columns: 1 Description of exploited activity, 2 Gross unrelated business income, 3 Expenses directly connected, 4 Net income, 5 Gross income from activity, 6 Expenses attributable, 7 Excess exempt expenses. Includes a Totals row at the bottom.

Schedule J - Advertising Income (see instructions on page 21)

Part I Income From Periodicals Reported on a Consolidated Basis

Table with 7 columns: 1 Name of periodical, 2 Gross advertising income, 3 Direct advertising costs, 4 Advertising gain or (loss), 5 Circulation income, 6 Readership costs, 7 Excess readership costs. Includes a Totals row at the bottom.

Part II Income From Periodicals Reported on a Separate Basis (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

Table with 7 columns: 1 Name of periodical, 2 Gross advertising income, 3 Direct advertising costs, 4 Advertising gain or (loss), 5 Circulation income, 6 Readership costs, 7 Excess readership costs. Includes a Totals row at the bottom.

Schedule K - Compensation of Officers, Directors, and Trustees (see instructions on page 22)

Table with 4 columns: 1 Name, 2 Title, 3 Percent of time devoted to business, Compensation attributable to unrelated business. Includes a Total row at the bottom.

FORM 990T - LINE 5 -INCOME (LOSS) FROM PARTNERSHIPS  
=====

ORDINARY INCOME

-1,032.

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INCOME (LOSS) FROM PARTNERSHIPS

-1,032.

=====

# Capital Gains and Losses

**2008**

Department of the Treasury  
Internal Revenue Service

▶ Attach to Form 1041, Form 5227, or Form 990-T. See the separate instructions for Form 1041 (also for Form 5227 or Form 990-T, if applicable).

Name of estate or trust **UD LD MELLAM FOR MELLAM FAMILY FOUNDATION**  
**C/O MR. TRACY ROGERS, EXEC. DIRECTOR**

Employer identification number  
**13-6894208**

Note: Form 5227 filers need to complete only Parts I and II.

**Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less**

(a) Description of property (Example: 100 shares 7% preferred of "Z" Co.)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
<b>1a</b>					

<b>b</b> Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b . . . . .	<b>1b</b>	
<b>2</b> Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824 . . . . .	<b>2</b>	
<b>3</b> Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts . . . . .	<b>3</b>	36,649.
<b>4</b> Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2007 Capital Loss Carryover Worksheet . . . . .	<b>4</b>	( )
<b>5</b> Net short-term gain or (loss). Combine lines 1a through 4 in column (f). Enter here and on line 13, column (3) on the back. ▶	<b>5</b>	36,649.

**Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year**

(a) Description of property (Example: 100 shares 7% preferred of "Z" Co.)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
<b>6a</b>					

<b>b</b> Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b . . . . .	<b>6b</b>	
<b>7</b> Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824 . . . . .	<b>7</b>	
<b>8</b> Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts . . . . .	<b>8</b>	-42,819.
<b>9</b> Capital gain distributions . . . . .	<b>9</b>	
<b>10</b> Gain from Form 4797, Part I . . . . .	<b>10</b>	
<b>11</b> Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2007 Capital Loss Carryover Worksheet . . . . .	<b>11</b>	( )
<b>12</b> Net long-term gain or (loss). Combine lines 6a through 11 in column (f). Enter here and on line 14a, column (3) on the back. ▶	<b>12</b>	-42,819.

**Part III Summary of Parts I and II**

**Caution: Read the instructions before completing this part.**

	(1) Beneficiaries' (see page 5)	(2) Estate's or trust's	(3) Total
<b>13</b> Net short-term gain or (loss) . . . . .	<b>13</b>	36,649.	36,649.
<b>14</b> Net long-term gain or (loss):			
<b>a</b> Total for year . . . . .	<b>14a</b>	-42,819.	-42,819.
<b>b</b> Unrecaptured section 1250 gain (see line 18 of the wrksht.) . . . . .	<b>14b</b>		
<b>c</b> 28% rate gain . . . . .	<b>14c</b>		
<b>15</b> Total net gain or (loss). Combine lines 13 and 14a . . . . .	<b>15</b>	-6,170.	-6,170.

**Note:** If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a). If lines 14a and 15, column (2), are net gains, go to Part V, and do not complete Part IV. If line 15, column (3), is a net loss, complete Part IV and the Capital Loss Carryover Worksheet, as necessary.

**Part IV Capital Loss Limitation**

<b>16</b> Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of: <b>a</b> The loss on line 15, column (3) or <b>b</b> \$3,000 . . . . .	<b>16</b>	( 3,000.)
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**Note:** If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the Capital Loss Carryover Worksheet on page 7 of the instructions to figure your capital loss carryover.

**Part V Tax Computation Using Maximum Capital Gains Rates**

**Form 1041 filers.** Complete this part **only** if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22, is more than zero.

**Caution:** Skip this part and complete the worksheet on page 8 of the instructions if:

- Either line 14b, col. (2) or line 14c, col. (2) is more than zero, or
- Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero.

**Form 990-T trusts.** Complete this part **only** if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, line 34, is more than zero. Skip this part and complete the worksheet on page 8 of the instructions if either line 14b, col. (2) or line 14c, col. (2) is more than zero.

<b>17</b> Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34) . . . . .	<b>17</b>	
<b>18</b> Enter the smaller of line 14a or 15 in column (2) but not less than zero . . . . .	<b>18</b>	
<b>19</b> Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T) . . . . .	<b>19</b>	
<b>20</b> Add lines 18 and 19 . . . . .	<b>20</b>	
<b>21</b> If the estate or trust is filing Form 4952, enter the amount from line 4g; otherwise, enter -0- . . . . .	<b>21</b>	
<b>22</b> Subtract line 21 from line 20. If zero or less, enter -0- . . . . .	<b>22</b>	
<b>23</b> Subtract line 22 from line 17. If zero or less, enter -0- . . . . .	<b>23</b>	
<b>24</b> Enter the smaller of the amount on line 17 or \$2,200 . . . . .	<b>24</b>	
<b>25</b> Is the amount on line 23 equal to or more than the amount on line 24? <input type="checkbox"/> Yes. Skip lines 25 and 26; go to line 27 and check the "No" box. <input type="checkbox"/> No. Enter the amount from line 23 . . . . .	<b>25</b>	
<b>26</b> Subtract line 25 from line 24 . . . . .	<b>26</b>	
<b>27</b> Are the amounts on lines 22 and 26 the same? <input type="checkbox"/> Yes. Skip lines 27 thru 30; go to line 31. <input type="checkbox"/> No. Enter the smaller of line 17 or line 22 . . . . .	<b>27</b>	
<b>28</b> Enter the amount from line 26 (If line 26 is blank, enter -0-) . . . . .	<b>28</b>	
<b>29</b> Subtract line 28 from line 27 . . . . .	<b>29</b>	
<b>30</b> Multiply line 29 by 15% (.15) . . . . .	<b>30</b>	
<b>31</b> Figure the tax on the amount on line 23. Use the 2008 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions) . . . . .	<b>31</b>	
<b>32</b> Add lines 30 and 31 . . . . .	<b>32</b>	
<b>33</b> Figure the tax on the amount on line 17. Use the 2008 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions) . . . . .	<b>33</b>	
<b>34</b> Tax on all taxable income. Enter the smaller of line 32 or line 33 here and on line 1a of Schedule G, Form 1041 (or line 36 of Form 990-T) . . . . .	<b>34</b>	

Schedule K-1  
(Form 1065)

**2008**

Final K-1

Amended K-1

OMB No. 1545-0099

Department of the Treasury  
Internal Revenue Service

For calendar year 2008 or tax

year beginning \_\_\_\_\_

ending \_\_\_\_\_

**Partner's Share of Income, Deductions, Credits, etc.**

▶ See separate instructions.

**Part I Information About the Partnership**

A Partnership's employer identification number  
01-0887382

B Partnership's name, address, city, state, and ZIP code  
Excelsior Directional Hedge  
Fund of Funds (TI), LLC  
225 High Ridge Road  
Stamford, CT 06905

C IRS Center where partnership filed return  
Ogden, UT

D  Check if this is a publicly traded partnership (PTP)

**Part II Information About the Partner**

E Partner's identifying number  
13-6894208

F Partner's name, address, city, state, and ZIP code  
Mellam, The Leo L. & Laura D. Family  
275 Gibraltar Drive  
Sunnyvale, CA 94089-1312

G  General partner or LLC member-manager  Limited partner or other LLC member

H  Domestic partner  Foreign partner

I What type of entity is this partner? Exempt Organization

J Partner's share of profit, loss, and capital:

	Beginning	Ending
Profit	0.1300000%	0.0000000%
Loss	0.1300000%	0.0000000%
Capital	0.1300000%	0.0000000%

K Partner's share of liabilities at year end:

Nonrecourse \$ \_\_\_\_\_

Qualified nonrecourse financing \$ \_\_\_\_\_

Recourse \$ 0.

L Partner's capital account analysis:

Beginning capital account \$ 396,958.

Capital contributed during the year \$ \_\_\_\_\_

Current year increase (decrease) \$ -10,778.

Withdrawals & distributions \$ 386,180.

Ending capital account \$ 0.

Tax basis  GAAP  Section 704(b) book  
 Other (explain)

**Part III Partner's Share of Current Year Income, Deductions, Credits, and Other Items**

1 Ordinary business income (loss)	-102.	15 Credits	
2 Net rental real estate income (loss)	-259.	16 Foreign transactions	
3 Other net rental income (loss)	-17.	A Various	
4 Guaranteed payments		B	15,825.
5 Interest income	5,273.	C	10,774.
6a Ordinary dividends	2,466.	D	1,371.
6b Qualified dividends		E	27.
7 Royalties		G	2,513.
8 Net short-term capital gain (loss)	117,156.	*	STMT
9a Net long-term capital gain (loss)	63,298.	17 Alternative min tax (AMT) items	
9b Collectibles (28%) gain (loss)		A	17.
9c Unrecaptured sec 1250 gain	-255.	B*	-1.
10 Net section 1231 gain (loss)	660.	18 Tax-exempt income and nondeductible expenses	
11 Other income (loss)	-218.	A	17.
12 Section 179 deduction	-59,797.	C	4.
13 Other deductions		19 Distributions	
14 Self-employment earnings (loss)		A	386,180.
		20 Other information	
		A	7,739.
		B	4,655.
		*	STMT
		H	4,334.
		*	STMT

\* See attached statement for additional information.

For IRS Use Only

Excelsior Directional Hedge Fund of Fund

01-0887382

and 11f are not included on lines 20a and 20b. Based on individual facts and circumstances, these amounts should be considered when calculating the investment interest expense limitations. Please consult your tax advisor.

OTHER INFORMATION

Please note that except for the income/loss from ordinary business activity on Line 1 none of the distributive share items reported on Sch K-1 are considered as derived from passive activities under US Treas Regs Sec 1.469-1T(e)(6).

Partner percentages reflected in item J are calculated pursuant to new IRS instructions; taxable income reported on your Schedule K-1 is allocated consistent with the partnership agreement.

U.S. Government Interest Included on Line 5:	71.
Cost to carry U.S. Government obligations:	106.
Foreign Qualified Dividends:	509.

If you are a tax exempt entity, the partnership generated Unrelated Business Taxable Income ("UBTI") during 2008. Your allocable share of partnership UBTI for 2008 is comprised of the following:

Ordinary Income	-1,032.
Short-Term Capital Gain/Loss	36,649.
Long-Term Capital Gain/Loss	-42,819.
Section 1256 Gain/Loss	-113.
*Your share of qualified dividends included in ordinary income/loss subject to UBTI:	18.

28.09% of the dividends reported on Schedule K-1 qualify for the dividends received deduction for corporate partners.

PARTNER STATE SOURCE INCOME/(LOSS)

The partnership invests in other partnerships that engage in trade or business activities in various states. Your proportionate share of state income/(loss) is as follows:

California	14,033.
Colorado	-20.
Florida	-11.
Georgia	10.
Hawaii	-7.
Indiana	-7.
Kansas	-7.
Maryland	-7.
North Carolina	-912.
Utah	-9.