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Dear Partner,

Welcome to the performance update of Far View Partners L.P. for the quarter ended December 31, 2013.

Portfolio Performance

During Q4 2013, Far View Partners generated a return of +15.21% net of all fees and expenses. For 2013, the Partnership produced a total net return of +25.70%. During the quarter, equity markets rallied strongly to complete an excellent year as global economies showed signs of improvement and central bank policy remained accommodative.

Far View enjoyed positive performances from the majority of the portfolio during the quarter with significant contributions generated by Delclima and Veripos (discussed further below). Offsetting these gains were losses from The Dolan Company whose share price fell due to a damaging combination of weak quarterly results and negative developments in the company's refinancing efforts. For 2013, major contributors to the Partnership's positive return included Delclima, Veripos, Vertu Motors, and Star Bulk offset by losses from Opus Group, Stanley Furniture, The Dolan Company, and Far View's put option positions. As expected during years of strong market performance, the Partnership's significant cash position acted as an anchor on our returns. However, the steadying impact of this cash will be appreciated in more volatile markets as it will allow the Partnership to aggressively take advantage of attractive opportunities.

In Q4 2013, Far View eliminated two long-held securities where negative developments had worsened their risk-rewards, trimmed positions that had benefitted from strong performance, and continued to search for mispriced opportunities. At the end of 2013, the Partnership's portfolio comprised long investments in the US, Europe and Australia, put options in the US, and a large cash position.

Process: Due Diligence

To research potential investments and better understand existing positions, Far View frequently engages in significant grass-roots due diligence, also known as scuttlebutt research. Depending on the key questions of the investment thesis, a variety of different techniques can be employed. At its most basic level, this research involves methods including reading industry publications, performing internet searches on the company and its key executives, and researching competitors, customers and suppliers to gain a better understanding of the important issues for the company and the industry. As the investigation begins to dig deeper, more extensive methods are used such as performing detailed surveys, searching public records, and attending industry conferences to create relationships with knowledgeable industry personnel. This research can help shape a differentiated opinion of an investment's risk-reward by

providing insights into key issues such as the company's competitive positioning, growth opportunities, and the reputation of its management team.

Portfolio Investment: Veripos

Far View's Q3 2013 letter discussed the use of estimated upside and downside values to properly adjust a security's position size as price fluctuations change its risk-reward. A key consideration was whether the security's estimated value had increased either as a result of new information or a change in the investment thesis. Because they allow the risk-reward to remain stable or even improve as the share price advances, these situations can generate very attractive long-term returns. During Q4 2013, Veripos (VPOS) provided an example of a higher estimated upside value providing a strong contribution to the portfolio.

As a reminder, VPOS (discussed previously in the Q4 2012 letter) is a Norwegian provider of precise positioning solutions. While the company's historic focus had been on the offshore marine industry, in 2013 VPOS launched an onshore positioning division, Terrastar, aimed at the agriculture, survey, and construction markets. In an effort to better understand the Terrastar opportunity before it became widely appreciated, Far View performed significant, initial due diligence including researching competitors and customers, calling positioning experts, and reading relevant industry publications. This early research suggested that Terrastar had the potential to meaningfully contribute to VPOS's results.

To further the due diligence process, Far View attended the 2013 Institute of Navigation GNSS+ Conference on precision positioning to meet with Terrastar's competitors, industry experts, and current and potential customers. This scuttlebutt research suggested that Terrastar had the potential for significant long-term revenue generation due to its large and fast-growing addressable market. It was also apparent that Terrastar was well positioned to gain material market share as many potential customers were considering a new provider after their competitor Trimble purchased leading onshore positioning supplier Omnistar. Furthermore, the Omnistar acquisition left Terrastar as the only independent positioning service remaining in the market, suggesting that it could be a strategic asset for hardware manufacturers. As a result of this more positive opinion of Terrastar, Far View significantly increased its estimated upside value of VPOS's stock.

The attractiveness of the Terrastar business was later confirmed as Swedish industrial conglomerate Hexagon placed an opportunistic bid of NOK 28 per VPOS share. Despite the fact that VPOS's high-quality marine business provided all of its earnings, Hexagon's acquisition attempt specifically focused on Terrastar with the offer document noting that Hexagon's customers had begun to request onshore precise positioning solutions.

While NOK 28 per share represented a fair valuation of VPOS's current results, these earnings did not include any contribution from the Terrastar business. Because of the insights provided by the scuttlebutt research, Far View was confident that VPOS was worth significantly more due to Terrastar's potential value. Thus, Far View refused to tender in the initial bid and agitated behind the scenes for a higher price. This confidence was rewarded as a bidding war broke out between Hexagon and joint bidders Siem (controlled by the VPOS chairman/largest shareholder)/Topcon (a potential Terrastar customer) with each side placing multiple bids. By the end of 2013, Hexagon had increased its offer to NOK 37 per VPOS share and it remained to be seen whether Siem/Topcon would counter. Because the Terrastar due diligence provided the confidence to seek a higher value for VPOS, Far View was able to generate almost 4% additional gross performance for the portfolio from the investment.

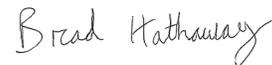
The Partnership

While Far View Partners generated good returns in the quarter due to gains harvested from the existing portfolio, the Partnership was frustrated in its attempts to unearth potential new investments to drive

future performance. Despite researching several potentially interesting opportunities in the quarter, Far View was unable to find a sizeable new investment where the current price presented an attractive risk-reward. While finding new opportunities is always a key goal, maintaining the Partnership's risk-reward discipline will remain paramount. Investments will solely be made if their price is judged to provide an attractive risk-reward and will never be undertaken merely for the sake of "doing something." Far View will remain patient while searching for truly outstanding investment opportunities.

As always, it is my goal to work with limited partners who understand and support the Partnership's investment strategy and processes. To that end, please feel free to contact me if you have any questions or thoughts about the Partnership or my investment philosophy. As Far View Partners' largest investor, I remain very excited for its long-term outlook. Thank you very much for your continued trust and support.

Sincerely,

A handwritten signature in cursive script that reads "Brad Hathaway".

Brad Hathaway
Managing Partner

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