

NAPIER PARK GLOBAL CAPITAL LTD

FORM ADV PART 2A – DISCLOSURE BROCHURE

March 27, 2013

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This brochure provides information about the qualifications and business practices of Napier Park Global Capital Ltd. If you have any questions about the contents of this brochure, please contact us at +44-207-500-0112. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Napier Park Global Capital Ltd. will also be available on the SEC's website at www.adviserinfo.sec.gov. Napier Park Global Capital Ltd. is an SEC-registered investment adviser. Being a registered investment adviser does not imply a certain level of skill or training.

Item 2 Material Changes

This Item 2 includes only material changes since the last annual update of this Brochure. The last brochure was dated March 31, 2012

Napier Park Global Capital Ltd. ("Napier Park") previously was a wholly-owned subsidiary of Citigroup Inc. ("Citi"). On February 28, 2013, Citi completed its spin-out of Napier Park into an independent operating entity (the "Transaction"). Citi retains a passive, non-controlling minority ownership interest in Napier Park Global Capital LP, a Delaware limited partnership and the parent of Napier Park; however, Napier Park operates independently of Citi. As a result, the funds and accounts managed by Napier Park are no longer sponsored by Citi, and, although Napier Park will be using transition services provided by Citi ("Citi Transition Services") for up to six months following closing of the Transaction, neither Citi nor any of its affiliates have any obligation to provide financial or any other support to Napier Park or such funds and or accounts.

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Item 4 Advisory Business

Napier Park Global Capital Ltd. (“Napier Park”) is a wholly-owned subsidiary of Napier Park Global LP. Citi owns a non-controlling minority interest in Napier Park Global LP and the remainder is owned by employees of Napier Park or its affiliates. Napier Park is authorized and regulated by the Financial Services Authority in the United Kingdom and is passported into the European Union to engage in advisory and portfolio management activities. Napier Park may provide advisory services to private investment companies such as hedge funds and (“collectively referred to herein as “Funds” and individually as “Fund”), and institutional investors, pension plans, state and municipal government entities. Napier Park may also provide investment advice to separately managed accounts (“Managed Accounts”) on a fully discretionary or non-discretionary basis.

A number of fixed income, private equity and infrastructure investment centers operate through Napier Park, these are part of the Napier Park business division of (“Napier Park”). The various fixed income investment centers fall within the Napier Park market strategies group (“Market Strategies”) in addition to private equity and infrastructure strategies. Napier Park will largely be providing investment management services for the types of products and funds listed below.

Services Provided:

Market Strategies Products:

Each investment center within Napier Park’s Market Strategies group represents a specialized area of expertise in a fixed income or equities sector and seeks to offer Funds with a consistent investment approach, appropriate asset-liability management and attractive risk-return profile. Napier Park manages a range of fixed income products with varying degrees of risk, return and diversification profiles (including hedge funds and separate accounts) with the ability to customize solutions. Napier Park may manage fixed income investment funds in the areas of emerging markets, bank debt, global macro, European loans, corporate credit and structured credit.

Napier Park uses an integrated product development, investment management, risk, operations and technology platform that draw upon professionals who have experience in investments, research, structured finance, liability management, risk analytics, client servicing, operations, technology, legal and accounting.

Napier Park’s investment and strategy selection and execution process includes an evaluation of each strategy, the development of risk management and investment guidelines, identifying and contracting third party service providers who it believes can successfully execute the strategies selected at any given time and, finally, active management of both the assets and the liabilities of the funds.

The following investments centers or teams are part of Market Strategies:

European Credit Opportunities Strategies (“ECOS”) is a business unit which shall operate through Napier Park and will focus European corporate credit themes.

Global Macro Strategies (“GMS”) is a business unit which shall operate through Napier Park and will focus on global macro investment strategies.

Managed Accounts:

Napier Park may provide investment advice to separately managed accounts (“Managed Accounts”).

The Managed Accounts may be managed on a fully discretionary basis (“Discretionary Managed Accounts”) or a non-discretionary basis (“Non-Discretionary Managed Accounts”).

With respect to a Discretionary Managed Account, Napier Park and its affiliates will enter into an advisory agreement with the client pursuant to which Napier Park will construct and manage on a discretionary basis the Discretionary Managed Account. With respect to a Non-Discretionary Managed Account, Napier Park and its affiliates will enter into an advisory agreement with a client pursuant to which Napier Park will provide investment advice relating to private investment funds and will construct on a non-discretionary basis the Non-Discretionary Managed Account’s portfolio. Individual agreements may provide for other services to be provided by Napier Park which may include: overall allocation advice, due diligence services, certain account consolidation, analytical and reporting services and certain administrative services. Affiliates or third parties may be retained by the Managed Account clients or Napier Park to provide administrative, custodial or other services to the Managed Accounts

In constructing a Managed Account portfolio, Napier Park will first consider and assess the Managed Account client’s financial goals, investment objectives, investment time horizon, and investment preferences. Napier Park expects that Managed Accounts will in most cases follow strategies similar to other Funds it advises, as described above. See Item 8 “Methods of Analysis.”

Particular Investment Restrictions

Individual investors in the Funds are not consulted in the design or implementation of such Fund’s investment programs. Each Fund’s account documentation will describe that Fund’s investment program.

With respect to Managed Accounts, each advisory agreement and related account documentation will specify the particular investment program and any related investment restrictions. It is expected that in general each Managed Account will be customized to reflect a particular client’s investor profile.

Definitions

As used in Item 8.B below, the term “Alternative Investments” includes Funds and Managed Accounts.

Assets under Management

As of March 27, 2013, Napier Park has approximately \$851,536,358 in discretionary assets under management and \$0 in non-discretionary assets under management based on December 31, 2013 gross assets under management.

Item 5 Fees and Compensation

Napier Park's fee schedule will be available upon request.

Fees Charged: Market Strategies Products

Each Fund will pay Napier Park a management fee, and in certain cases an incentive fee or incentive allocation (if earned). Fees earned with respect to each Fund may compensate Napier Park or its affiliates for the provision of certain ancillary services, the responsibility for all or a portion of which may be subcontracted to other parties. The amount of fees to be paid by a sponsored vehicle will be set forth in the offering materials for that vehicle.

Fees Charges: Managed Accounts

The investment advisory agreement and account documentation relating to each Managed Account will specify the fees payable to Napier Park. Such fees may include management fees and incentive fees. Napier Park may share a portion of such fees with certain placement, sales or referral agents.

Napier Park or its affiliates may provide certain administrative services related to the support of the Managed Accounts for fees.

Method of Payment of Fees

The Funds will pay any management and incentive fees at such times and in such manner specified in their respective documentation. Such fees will be deducted from the Fund and reflected in an investor's net asset value per share or capital account, as applicable.

Management fees and incentive fees in respect of any Managed Account will be paid as set out in the respective documentation for the relevant Managed Account(s) and may be customized or differ from the above.

Additional Compensation Received by Affiliates

Affiliates of Napier Park typically may receive placement fees for placing Funds. Napier Park may also receive fees from a Fund or Managed Account (the amount of which will be specified in an agreement) for the provision of administrative services, the responsibility for all or a portion of which may be subcontracted to other parties. Affiliates of Napier Park also may have relationships with, and provide certain services to, a Fund or Managed Account for which the affiliate receives compensation. Affiliates of Napier Park may be compensated by a Fund and the manager thereof for placing assets in a Fund.

Additional Fees and Expenses

As described in more detail in their respective offering or account documentation, each Fund and each Managed Account bears its organizational and initial offering expenses and its operating and other expenses, which may include, but not be limited to, direct investment-related expenses (e.g. custodial fees, interest expense, consulting and other professional fees relating to particular investments), reporting and legal expenses, accounting, audit and tax preparation expenses, ongoing expenses relating to the offering and sale of the fund's interests, remuneration to directors or managing members, as applicable, insurance, administrator fees, liability insurance premiums, any extraordinary expenses and other similar expenses related to the fund.

As described in more detail in each client's advisory agreement and related account documentation, each Managed Account client may incur other costs and charges in certain circumstances (for example where individual securities are held in the Managed Account).

Compensation of Napier Park Personnel

Napier Park's personnel or supervised persons do not receive commissions tied directly to the sale of any particular securities or other investment products advised by Napier Park in the form of asset-based sales or services fees. Affiliates of Napier Park that serve as placement agents, referral agents or distributors for Napier Park products and third party marketers do receive such compensation.

Payment of Fees in Advance and Arrears

All fees currently payable to Napier Park are payable in arrears. Fees for Managed Accounts shall generally be payable in arrears or less than six months in advance as specified in such Managed Accounts' (s) relevant documentation.

Item 6 Performance-Based Fees and Side-By-Side Management

Market Strategies Products and Managed Accounts:

Napier Park and its affiliates receive performance-based fees from certain Funds and Managed Accounts. Other Managed Accounts or Funds are charged fixed fees, including asset-based fees. The performance-based fees may create an incentive for Napier Park to cause the relevant Fund or Managed account to make investments that are riskier or more speculative than would be the case if Napier Park did not receive a performance-based fee, or to direct investments in favor of a Fund or Managed Account receiving a performance-based fee. Please refer to Item 11 "Code of Ethics Participation in Client Transactions and Personal Trading" and Item 12 "Brokerage Practices" for a discussion of conflict management procedures, incentive compensation arrangements, managerial review and oversight and allocation policies applicable to Napier Park, all of which are intended to mitigate conflicts.

Item 7 Types of Clients

Napier Park provides investment advice to Funds, Managed Accounts and other investment vehicles. However, the ultimate investors in Funds and Managed Accounts advised by Napier Park typically are institutional investors, registered funds, funds of funds, pension plans, Citigroup affiliates, state and municipal and government entities.

Market Strategies Products:

Ultimate investors in each Fund which transacts Market Strategies are required to make a minimum capital commitment generally ranging between \$250,000 and \$10,000,000 depending on the product. The minimum for a specific Fund will be set forth in the offering materials for that fund.

Managed Accounts:

With respect to the Managed Accounts, the clients are the holders of the Managed Accounts. Napier Park expects that such clients may include individuals, trusts, institutions, investment funds and pension plans. Napier Park generally requires a minimum investment of \$50 million for both Discretionary Managed Accounts and Non-Discretionary Managed Accounts.

At its discretion, Napier Park may accept lower capital commitments from an investor in a managed account operated through Napier Park.

Item 8 Methods of Analysis, Investment Strategies and Risk of Loss

Napier Park advises on the following strategies:

MARKET STRATEGIES PRODUCTS:

European Credit Opportunities Strategies:

Investment Strategy and Method of Analysis:

The following statements in relation to Napier Park apply in respect of the European Credit Opportunities Strategies (“ECOS”) team who manage a strategy which currently focuses on European corporate credit themes.

The investment strategy is to invest opportunistically in European corporate credit-related instruments including, but not limited to, investment grade and high yield bonds, leveraged loans and CLO tranches. It may also invest in post-reorganization equity or equity-like instruments that result from or are related to a corporate restructuring.

ECOS takes a value-oriented approach to investing, and seeks current income and capital appreciation by investing principally in obligations of corporate issuers facing operational or financial difficulties, as well as obligations of corporate issuers that present inherent value through mergers, acquisitions, divestitures, and other event-driven opportunities. ECOS makes investments that it considers will generate current income and capital appreciation based on a perceived difference in the prices available in the financial markets for a corporation’s obligations and their inherent underlying economic value.

ECOS intends to engage in short sales and various transactions in derivatives as either as hedges of its investment portfolio or as individual investments. ECOS may also affect short sales and derivative transactions in situations where investments are overvalued and have a high probability of declining in value. In addition, ECOS may use derivatives as a substitute for actual long or short positions.

ECOS will seek to hedge, in whole or in part, the currency exposure resulting from the purchase of obligations denominated in a currency other than Euro through spot, forward, option or swap transactions in situations where it considers it both possible and economic to do so.

Strategy Risks:

Alternative Investments advised by ECOS may be subject to the following risks, among others.

Investment Objective and Investment Strategy

There can be no assurance that the Alternative Investment will achieve its investment objective and investment results may vary over time.

The investment strategy of the Alternative Investment is broad and is expected to involve the making of investments in a wide range of strategies, markets and instrument in global markets (including developed and emerging markets). The investments of the Alternative Investment are subject to risks that may result in a loss of all or part of an investment, such as interest rate and foreign exchange rate volatility, world and local market price and demand and general economic factors and activity. Asset classes or instruments may at times be out of market favor for considerable periods, creating adverse consequences for the portfolio, which may prompt ECOS to change its strategy. In certain instances, anticipated catalysts (such as extraordinary corporate actions) may fail to materialize as expected, which could cause losses on an issuer's securities.

Due to the nature of the investments strategy, the portfolio may experience significant price volatility.

Concentration of Investments

The Alternative Investment may hold relatively few investments at any given time and may at certain times also hold substantial amounts of cash or cash equivalents. The Alternative Investments could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected, including by reason of a default of the issuer or of the collateral supporting a particular investment.

Short Selling

Short selling involves trading on margin and accordingly can involve greater risk than investments based on a long position. A short sale of a security involves the risk of a theoretically unlimited increase in the market price of the security, which could result in an inability to cover the short position and a theoretically unlimited loss. There can be no guarantee that securities necessary to cover a short position will be available for purchase.

Undervalued Securities

The identification of investment opportunities in undervalued securities is a difficult task, and there can be no assurance that such opportunities will be successfully recognized. While investments in undervalued securities offer opportunities for above average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from the Alternative Investments may not adequately compensate for the business and financial risks assumed.

Debt Securities

Debt securities that are invested in may be unrated or below investment grade. Such debt securities are subject to greater risk of loss of principal and interest than retail or higher-rated debt securities. The Alternative Investment may invest in debt securities which rank junior to other outstanding securities and obligations of the issuer, all or a significant portion of which may be secured on substantially all of that issuer's assets. The Alternative Investment may invest in debt securities which are not protected by financial covenants or limitations on additional indebtedness. The Alternative Investment will therefore be subject to credit, liquidity and interest rate risks. In addition, evaluating credit risk for debt securities of issuers in some jurisdictions involves uncertainty because credit rating agencies throughout the world have different standards, making comparison across countries difficult.

Derivatives; Leverage

The Alternative Investment may from time to time utilize both exchange-traded and over-the-counter futures contracts, options and contracts for differences as part of its investment policy. These instruments are highly volatile and expose investors to a high risk of loss. Derivative instruments may alter the default risk implicit in the transaction, in that the Alternative Investment will typically have rights against the issuer of the derivative as opposed to the issuer of the security underlying the derivative. The low initial margin deposit normally required to establish a position in such instruments permits a high degree of leverage. As a result, depending on the type of instrument, a relatively small movement in the price of a contract may result in a profit or a loss which is high in proportion to the amount of funds actually placed as initial margin and may result in unquantifiable further loss exceeding any margin deposited. Transactions in over-the-counter contracts may involve additional risk as there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of a position or to assess the exposure to risk.

The Alternative Investment may also sell covered and uncovered options on securities. To the extent that such options are uncovered, the Alternative Investment could incur an unlimited loss. ECOS expects that the Alternative Investment may enter into total return and credit default swaps. Because these are leveraged investments, a loss in the value of assets underlying swap transactions may have a magnified adverse effect on the value of the Alternative Investment's portfolio.

If the Alternative Investment invests in derivatives at inopportune times or judges market conditions incorrectly, such investments may lower the Alternative Investment's return or result in a loss. The Alternative Investment could also experience losses if derivatives are poorly correlated with its other investments, or if it is unable to liquidate its position because of an

illiquid secondary market. The market for many derivatives is, or may suddenly become, illiquid. Conversely, many of these products are subject to variation or other interim margin requirements, which may force premature liquidation of investment positions. Changes in liquidity may result in significant, rapid and unpredictable changes in the prices for derivatives.

Global Macro Strategies:

Investment Strategy and Method of Analysis:

The following statements in relation to Napier Park apply in respect of the Global Macro Strategies (“GMS”) team who manage a strategy which currently focuses on global macro investment themes.

The investment strategy is to invest in assets and strategies primarily in the interest rate and currency markets (in both developed and emerging markets) through investments, inter alia, in global fixed income products, currencies and their related derivatives. The strategy may also invest in equity, commodity and other market instruments.

The strategy will make investments that GMS considers will generate returns which are attractive taking into account, in respect of each investment and the portfolio as a whole, the risk assumed and the investment return profile.

GMS intends to apply macroeconomic principles to identify dislocations in asset prices in a variety of markets (including both developed and emerging markets), with the aim of making directional and relative value investments based upon the movements GMS expects will take place in particular markets. In summary, a directional investment is an investment that is based on the anticipation that prices of assets or indices of a particular kind will move in a particular direction and a relative value investment is an investment that is made on the assumption that the market has mispriced two assets, or classes of assets or indices, by underpricing or overpricing one relative to the other.

GMS intends to identify and take advantage of the market volatility, inefficiencies, imbalances and capital flows that it perceives, from time to time, exist in particular markets in order to create strategies that are compatible with GMS’s investment objective. GMS will utilize both its technical analysis and quantitative models to determine the markets in which the strategy will invest and the appropriate time to enter into or exit specific strategies.

The strategy may invest across a wide range of strategies, markets and instruments that GMS believes will achieve its investment objective.

GMS intends to use a variety of derivative instruments (including, but not limited to, interest rate swaps, options and futures contracts) to gain exposure to the global interest rate and currency markets, as well as taking direct holdings in currencies and government bonds. GMS does not intend that the strategy will acquire holdings of debt or equity issued by particular companies, the strategy may gain exposure to equities, commodities, government securities, foreign currencies, interest rates and other financial instruments by investing in financial indices or derivatives related thereto.

GMS will also seek to use derivative instruments and strategies (such as interest rate swaps, CDSs, options and futures contracts) for the purposes of both capturing gains and limiting or stopping losses. Risk management will be undertaken using systems employed by GMS that are designed to monitor individual positions and the overall portfolio.

Strategy Risks:

Alternative Investments advised by GMS may be subject to the following risks, among others.

Nature of Investments. The nature of the investment strategy of the Alternative Investment involves certain risks and the Alternative Investment utilises investment techniques (such as short selling and the use of derivatives) which may carry additional risks. An investment in the Alternative Investment therefore carries substantial risk and may be volatile and is suitable only for persons who can assume the risk of losing their entire investment. Accordingly, investment results may vary substantially over time and the value of an investor's investment in the Alternative Investment may substantially decline. Investors may receive less than the amount invested upon redemption or the winding up of the Alternative Investment. The risk factors described herein are not, and cannot be, a full and complete description of all the current and future potential risks associated with an investment in the Alternative Investment. Any person considering making an investment in the Alternative Investment should obtain their own independent advice on any potential risks associated with this investment.

Investment Objective and Investment Strategy. There can be no assurance that the Alternative Investment will achieve its investment objective and investment results may vary over time.

The investment strategy of the Alternative Investment is broad and is expected to involve the making of investments in a wide range of strategies, markets and instruments in global markets (including developed and emerging markets). The investments of the Alternative Investment are subject to risks that may result in a loss of all or part of an investment, such as interest rate and foreign exchange rate volatility, world and local market price and demand and general economic factors and activity.

Concentration of Investments. The Alternative Investment may hold relatively few investments at any given time and may at certain times also hold substantial amounts of cash or cash equivalents. The Alternative Investment could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected, including by reason of a default of the issuer or of the collateral supporting a particular investment.

Counterparty Risk. The Alternative Investment is subject to the risk of the inability of any counterparty with whom derivative instruments, sale and repurchase and securities lending arrangements, futures contracts, options, interest rate or foreign currency positions and any other transactions are carried out) to perform with respect to any transactions, banking and deposit taking functions, or, as the case may be, services, whether due to insolvency, bankruptcy or other causes. Some counterparties may require the posting of collateral and margin in order to carry out particular transactions, which could result in additional losses to the Alternative Investment in the event of the insolvency or bankruptcy of such counterparty.

In particular, the Alternative Investment intends to transact derivatives, futures contracts, sale and repurchase agreements, securities lending transactions and other types of transactions with the prime broker and other counterparties and is therefore reliant upon such parties' performance to execute its investment strategy. Certain credit and trading agreements to be entered into between the Alternative Investment, ISDA counterparties, sale and repurchase or securities lending counterparties and counterparties generally make provision for such parties to exercise rights to terminate such agreements in circumstances where the net asset value of the Alternative Investment has, over a specified period of time, decreased by a specified percentage. It may be that the net asset value of the Alternative Investment fluctuates sufficiently over time such that the termination right referred to in the previous sentence is exercisable by the relevant Prime Broker or counterparty. The Alternative Investment may also, on the occurrence of certain events or in particular circumstances, be required to post collateral and margin with the any counterparty or such other parties which could result in substantial losses to the Alternative Investment in the event of an insolvency or bankruptcy of any counterparty.

Currency Exposure. GMS expects that the Alternative Investment will take long and short exposures in a number of different currencies in order to generate returns but such exposures could result in substantial losses for the Alternative Investment.

Investments in the Alternative Investments are denominated in United States Dollars. Certain of the assets of the Alternative Investment may, however, be invested in securities and other investments which are denominated in currencies other than United States Dollars. Accordingly, the value of such assets measured in United States Dollars may be affected favorably or unfavorably by fluctuations in currency rates. GMS may not seek to hedge the resulting foreign currency exposure of the Alternative Investment. In addition, prospective investors whose assets and liabilities are denominated predominately in currencies other than United States Dollars should take into account the potential risk of loss arising from fluctuations in value between the United States Dollars and such other currencies.

Dealing Restrictions. Securities may be held by, or be an appropriate investment for, the Alternative Investment as well as by or for other clients of GMS or of other Citigroup companies and associated companies. There may be circumstances when purchases or sales of securities for one or more of such clients have an adverse effect on other clients (including the Alternative Investment) and certain transactions may not be able to be effected at the optimum price, date, time or amount.

Interest Rate Exposure. The Alternative Investment will make investments whose value is sensitive to interest rates. To the extent that prevailing interest rates change, it could negatively affect those investments and the performance of the Alternative Investment.

Derivatives; Leverage. The Alternative Investment may utilise both exchange-traded and over-the-counter futures contracts, options and contracts for differences as part of its investment policy. These instruments are highly volatile and expose investors to a high risk of loss. Derivative instruments often alter the default risk implicit in the transaction, in that the Alternative Investment will typically have rights against the issuer of the derivative as opposed to the issuer of the security underlying the derivative. The low initial margin deposit normally required to establish a position in such instruments permits a high degree of leverage. As a

result, depending on the type of instrument, a relatively small movement in the price of a contract may result in a profit or a loss which is high in proportion to the amount of funds actually placed as initial margin and may result in unquantifiable further loss exceeding any margin deposited. Transactions in over-the-counter contracts may involve additional risk as there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of a position or to assess the exposure to risk.

The Alternative Investment may also sell covered and uncovered options on securities. To the extent that such options are uncovered, the Alternative Investment could incur an unlimited loss. GMS expects that the Alternative Investment may enter into total return swaps and CDSs. Because these are leveraged investments, a loss in the value of assets underlying swap transactions may have a magnified adverse effect on the value of the Alternative Investment's portfolio.

If the Alternative Investment invests in derivatives at inopportune times or judges market conditions incorrectly, such investments may lower the Alternative Investment's return or result in a loss. The Alternative Investment could also experience losses if derivatives are poorly correlated with its other investments, or if it is unable to liquidate its position because of an illiquid secondary market. The market for many derivatives is, or may suddenly become, illiquid. Conversely, many of these products are subject to variation or other interim margin requirements, which may force premature liquidation of investment positions. Changes in liquidity may result in significant, rapid and unpredictable changes in the prices for derivatives.

Borrowing and Refinancing. GMS expects the Alternative Investment may use borrowings for the establishment of strategies and trading positions.

GMS expects that most borrowing provided to the Alternative Investment will be conditional on the Alternative Investment posting collateral of a certain market value with the provider of the borrowing (such as pursuant to sale and repurchase or securities lending arrangements). Should the value of such collateral decline, the Alternative Investment may be required to provide additional collateral. If such a situation was to arise, there can be no certainty that the Alternative Investment will have sufficient additional collateral and there is a risk that the borrowing counterparty may terminate the borrowing and sell the collateral, thereby generating losses for the Alternative Investment.

Liquidity and Market Characteristics. In some circumstances, investments of the Alternative Investment may be relatively illiquid making it difficult to acquire or dispose of them at the prices quoted on the various exchanges or otherwise. In particular, prior to exercise or expiration, a derivative's position can be terminated only by entering into an offsetting transaction. This requires a liquid secondary market on the exchange on which the original derivative's position was established. There can be no assurance that such a market will exist for any particular derivatives contract at any point in time. In that event, it might not be possible to establish or liquidate a position.

Furthermore, adverse publicity and investor perceptions about the types of investments the Alternative Investment may invest in, whether or not based on fundamental analysis, may be a contributing factor in a decrease in the value and liquidity of such investments. Accordingly, the

Alternative Investment's ability to respond to market movements may be impaired and the Alternative Investment may experience adverse price movements upon liquidation of its investments. Settlement of transactions may be subject to delay and administrative uncertainties.

Net Asset Value Considerations. The value of investment in the Alternative Investment is expected to fluctuate over time with the performance of the investments made by the Alternative Investment. An investor may not fully recover its initial investment when it chooses to redeem its investment in an Alternative Investment or upon compulsory redemption if the value of the investments in the Alternative Investment at the time of such redemption is less than the price paid by such investor to make its original investment. In certain circumstances, the valuation of investments in the Alternative Investment may be suspended or it may be calculated to be negative.

Conflicts of Interest. There can be no assurance that the potential, perceived or actual conflicts of interest will be resolved in favour of the Alternative Investment or the Alternative Investment, as the case may be. In particular, where the Alternative Investment is to acquire an investment from a Citigroup company, the price payable by the Alternative Investment may be more than the price that might have otherwise been paid had the seller been a third party.

Creditors' Rights and Enforceability of Security. The Alternative Investment's investments may be subject to various laws for the protection of creditors in the jurisdictions of incorporation of the issuers or borrowers and, if different, the jurisdictions from which they conduct business and in which they hold assets, which may adversely affect an issuer's or borrower's ability to make payment in full or on a timely basis. These insolvency considerations will differ depending on the country in which an obligor or its assets are located and may differ depending on the legal status of the obligor. Additionally, the Master Company, as a creditor, may experience less favourable treatment under different insolvency regimes, including where it seeks to enforce any security it may hold as a creditor.

Short Selling. Short selling by the Alternative Investment involves trading on margin and accordingly can involve greater risk than investments based on a long position. A short sale of a security involves the risk of a theoretically unlimited increase in the market price of the security, which could result in an inability to cover the short position and a theoretically unlimited loss. There can be no guarantee that securities necessary to cover a short position will be available for purchase.

Transaction Costs. The investment approach of the Alternative Investment may involve a high level of trading and turnover of the investments of the Alternative Investment which may generate substantial transaction costs which will be borne by the Alternative Investment.

Please also refer to "*General Risks*" below.

General Risks

Alternative Investments entail a high degree of risk. Investors should give careful consideration to the following risk factors and conflicts of interest detailed in this Item 8 and other product-specific information provided by the product, ECOS, GMS or Napier Park in evaluating the

merits and suitability of any Alternative Investment products. The following does not purport to be a comprehensive summary of all the risks and conflicts of interest associated with Alternative Investments. As used in this Item 8, “Alternative Investments” means the Funds and Managed Accounts. “Investment Managers” means Napier Park, ECOS or GMS unless the context indicates otherwise. Unless the context indicates otherwise, all references to “Alternative Investments” in this Item 8 should be read to include Funds and Managed Accounts.

Redemption of Citi Investments

Citi will redeem all Citi investments prior to July 21, 2014 according to the following schedule: 25% will be redeemed as of June 30, 2012, an additional 30% will be redeemed as of December 31, 2013 and the remaining 45% will be redeemed as of June 30, 2014. Following the redemption of all or a substantial part of the Citi investment, funds may have a significantly reduced asset base, which could have a material negative impact on the fund's ability to participate in certain investment opportunities, diversify its investment portfolio, and achieve its investment objective. Additionally, the reduction of a fund's asset base caused by the redemption of Citi investments may result in the applicable investment manager's determination to dissolve the fund. Consequently, the redemption of the Citi investment could have a material adverse effect on a fund and any investment in the fund, including, without limitation, on the value of the shares/interests and on the ability of investors to redeem their interest in a fund.

General Economic Conditions and Recent Events

Over the past few years, various sectors of the global financial markets have experienced an extended period of adverse conditions following serious disruptions in the U.S. residential mortgage market. Market uncertainty in the United States increased dramatically during this time, and adverse market conditions in the United States have expanded to other markets. These conditions have resulted in reduced liquidity, greater volatility, general widening of credit spreads and a lack of price transparency. These difficult global credit market conditions have adversely affected the market values of equity, fixed-income and other securities and these circumstances may continue or even deteriorate further. The short- and longer-term impact of these events is uncertain, but they have had and are likely to continue to have a material effect on general economic conditions, consumer and business confidence and market liquidity worldwide. Investments made by any Alternative Investment may be sensitive to the performance of the overall economy. A negative impact on economic fundamentals and consumer and business confidence would likely increase market volatility and reduce liquidity, both of which could have a material adverse effect on the performance of investments made by any Alternative Investment and these or similar events may affect the Alternative Investment's ability to execute its investment strategy.

Deterioration of the Credit Market

The recent global slowdown and the weakening of the credit market, along with a widening of credit spreads, a deterioration of the sub-prime and global debt markets, and a rise in interest rates, have reduced investors' demand for high yield debt and senior bank debt, which in turn has led some investment banks and other lenders to be unwilling to finance new investments or to only offer committed financing for these investments on unattractive terms. The ability of any fund to generate attractive investment returns for its investors may be adversely affected to the

extent the Alternative Investment may or its investments are unable to obtain favorable financing terms. Moreover, to the extent that such marketplace events are not temporary and continue, they may have an adverse impact on the availability of credit to businesses generally and could lead to an overall weakening of global economies. Such an economic downturn could adversely affect the financial resources of operating partners and investment projects in which any fund intends to participate, and may result in the inability of such partners and projects to make principal and interest payments on outstanding debt when due, and may also restrict the ability of any Alternative Investment may to sell or liquidate investments at favorable times or for favorable prices.

Investment in General

Any prospective client must be able to bear the risks involved and must meet the suitability requirements of the Alternative Investments. Some or all alternative investment strategies employed by the Alternative Investments may not be suitable for certain investors. No assurance can be given that the Alternative Investments' investment objectives will be achieved. Investments in hedge funds, private equity funds, and other types of private investment funds are typically speculative and involve a substantial degree of risk. Past results of the Alternative Investments are not necessarily indicative of future performance of any Alternative Investment and the performance of such Alternative Investment may be volatile. Such past performance may not be an accurate indicator of future returns. Investment results may vary substantially on a monthly, quarterly or annual basis. The establishment and use of an Alternative Investment does not constitute a complete investment program. A prospective client must realize that it could lose all or a substantial amount of its investment in an Alternative Investment.

Napier Park expects that certain Alternative Investments may underperform or experience financial difficulties, which difficulties may never be overcome. Certain Alternative Investments may be highly illiquid and/or permit redemptions infrequently and under very restrictive terms. Investment Managers may utilize highly speculative investment techniques, including extremely high leverage, highly concentrated portfolios, workouts and startups, control positions and illiquid investments. No assurance can be given that an Alternative Investment will achieve its goals or investment objectives.

Government Regulation – Financial Stability Legislation.

The recently enacted Financial Reform Act includes significant alterations to the regulations applicable to financial institutions and investment advisors, including the Alternative Investment, and Napier Park. The Financial Reform Act modifies registration requirements for private investment funds, modifies the standard to qualify as an accredited investor, and modifies a number of restrictions applicable to covered financial companies. The Financial Reform Act requires advisers to private funds to maintain certain records and reports pertaining to the following items, which are subject to SEC inspection: amount of assets under management; use of leverage; counterparty exposure; trading and investment positions; valuation policies and practices; types of assets held; side arrangements or side letters; trading practices and other information deemed necessary by the SEC. Additionally, the Financial Reform Act imposes regulatory changes with respect to covered financial companies relating to the operation, capital maintenance and activities of systemically important nonbank financial companies, and would restrict such entities from engaging in proprietary trading, investing in or sponsoring certain private funds and engaging in transactions with affiliates. The Financial Reform Act includes a

number of additional regulatory requirements with respect to entering into derivative and swap transactions, capital and margin requirements for swap transactions and obtaining approvals for swap transactions. Federal, state, and other governments, their regulatory agencies, or self regulatory organizations may enact further legislation and/or rules which impact the management of the Alternative Investment and the instruments in which Alternative Investment invests in ways that are unforeseeable. The U.S. Congress specifically delegated rule making authority necessary to implement certain provisions of the Financial Reform Act to a range of governmental regulators which wield discretionary authority, such as the SEC, the CFTC, the Board of Governors of the Federal Reserve System, and the to-be-established Financial Stability Oversight Council. Such legislation or regulation could limit or preclude the Alternative Investment's ability to achieve its investment objective.

Market Disruption and Political Risk

The success of any investment activity is influenced by general economic and financial conditions that may affect the level and volatility of asset prices, liquidity, interest rates and the extent and timing of investor participation in the markets for both equity and interest-rate-sensitive securities. Volatility, illiquidity, governmental action, currency devaluation, or other events in global markets in which the Alternative Investments directly or indirectly hold positions could impair the Alternative Investments' ability to achieve their investment objectives and could cause the Alternative Investments to incur substantial losses.

Business and Regulatory Risks

The industry of hedge funds, private equity funds, and other private investment funds has been and is expected to continue to be subject to increased regulation and public scrutiny. Legal, tax and regulatory changes are expected to occur that may adversely affect the Alternative Investments. The regulatory environment for hedge funds, private equity funds, real estate funds and other private investment funds is evolving globally, and changes in the regulation of private investment funds may adversely affect the value of investments held by the Alternative Investments and the ability to obtain the leverage the Alternative Investments might otherwise obtain or the ability of the Alternative Investments to pursue certain trading strategies. The effect of any future regulatory change on the Alternative Investments could be substantial and adverse.

Illiquidity of the Alternative Investments

Interests in the Alternative Investments will be offered without registration under the Securities Act, in reliance upon an exemption contained in Section 4(2) of the Securities Act and/or Regulation D under the Securities Act. There will be no public market for such interests in the Alternative Investments and, for a variety of regulatory reasons; no such market will be permitted to exist. The only source of liquidity lies in an investor's right to redeem from the Alternative Investments (if any such right even exists). Redemptions from the Alternative Investments may be subject to various restrictions, including prior notice and minimum redemption requirements, lock-up periods of one year or more, side-pocketed investments, and the right of the Alternative Investments to reduce the amount of redemptions in accordance with a redemption gate. In addition, in the event of a complete redemption from an Alternative Investment, a portion of the redemption proceeds may be retained by such Alternative Investment until the completion of such Alternative Investment's annual audit. The Alternative

Investments may have discretion to further defer payment of redemption proceeds, to suspend redemptions indefinitely and to satisfy redemptions in kind. In addition, redemption payments from certain Alternative Investments may be based on inaccurate/or estimated data, and may be subject to a return of any overpayments by the investor.

Lack of Regulation of Alternative Investments

The Alternative Investments are generally not subject to many provisions of the federal securities and commodities laws that are designed to protect investors in pooled investment vehicles offered to the public in the United States. The interests in Alternative Investments generally are not offered pursuant to registration statements effective under the Securities Act. In addition, the Alternative Investments generally are not subject to the periodic information and reporting provisions of the Exchange Act, nor in most cases will those Alternative Investments be registered as investment companies under the Investment Company Act. Similarly, the Investment Managers of Alternative Investments that trade in commodity interests may be exempt from the disclosure, reporting and record-keeping requirements of the Commodity Exchange Act of 1936, as amended.

Valuation Risks

Valuations of assets of the Alternative Investments' directly or indirectly held positions may involve uncertainties and require the application of business judgment. If such valuations should prove to be incorrect, the net asset value of an Alternative Investment could be adversely affected. Valuation of assets of the Alternative Investments is generally based on the net asset value of Alternative Investments reported by Napier Park in accordance with its practices and policies.

Risk Management

Napier Park's risk analysis team includes professionals with technical expertise in analyzing the risks of investing in Alternative Investments. Where applicable, Napier Park believes that risk management for a fund of funds requires an understanding of market risk and leverage, at both the Alternative Investment level. Accordingly, Napier Park's risk analysts maintain a proprietary risk management system that provides processes and tools designed for the complex strategies used by Alternative Investments. No risk management process is fail-safe, and no assurances can be given that Napier Park's risk management process will achieve its objective. From time to time, Napier Park may modify or change its risk management system in its sole discretion.

Leverage

The Alternative Investments are generally authorized to borrow funds in order to employ leverage, to manage liquidity and for any other purpose (as specified in their respective account documentation and governing documents). Such borrowings may be secured by a pledge of assets to the lender. Borrowing money to purchase securities may provide an opportunity for greater capital appreciation by permitting greater economic exposure to profitable positions. At the same time, leverage increases the Alternative Investments' exposure to capital risk and higher current expenses through greater exposure to losses, interest charges, fees imposed by lenders and transaction costs.

Effect of Substantial Redemptions

Substantial redemptions by investors within a short period of time could require an Investment Manager to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the value of the Alternative Investment's assets. The resulting reduction in the Alternative Investment's assets could make it more difficult to generate a positive rate of return or to recoup losses due to a reduced equity base. Because substantial redemptions may be funded by liquidating the more liquid assets in the portfolio, such redemptions may cause the remaining portfolio to be substantially less liquid overall.

Effects of In-Kind Redemptions

Proceeds of an in-kind redemption may be distributed to an investor directly or indirectly through a distribution of, without limitation, interests in one or more special purpose vehicles holding assets owned by an Alternative Investment or participations therein. To the extent an investor is distributed interests in one or more special purpose vehicles holding participation interests in the assets of such Alternative Investment, an investor may continue to be at risk of such Alternative Investment's business until all such assets are sold. The value of proceeds distributed in kind may increase or decrease before they can be sold either by an investor, if received directly, or by Napier Park of such Alternative Investment, if held through a special purpose vehicle. In the case of interests in special purpose vehicles, an investor will share a proportionate portion of the operating and other expenses borne by such vehicle, including possibly fees to Napier Park. Additionally, proceeds distributed in kind, either directly or indirectly, may not be readily marketable. The risk of loss and delay in liquidating these assets will be borne by investors. Furthermore, to the extent that an investor receive interests in one or more special purpose vehicles, such investor will generally have no control over when and at what price the assets in which such vehicles have an interest are sold.

Dependence on Key Personnel

The success of any Alternative Investment depends in substantial part on the skill and expertise of the key members of the investment team. There can be no assurance that the key members of any investment team will continue to be employed by Napier Park or its affiliates throughout the life of the Alternative Investment. The loss of the services of one or more of such officers or employees could have a material adverse effect on the performance and operation of the Alternative Investment. In the event that the services of any such personnel are lost, the Alternative Investment may not be able to successfully recruit new personnel with the requisite skills, knowledge, relationships or experience.

Reliance on Management

Although Napier Park seeks to monitor the performance of each investment, an Alternative Investment will rely upon management to operate the portfolio companies on a day-to-day basis. There can be no assurance that such management, or any new management, will continue to operate successfully.

Bankruptcy of Portfolio Companies

An Alternative Investment may make investments in portfolio companies that may experience financial difficulties and become insolvent or file for bankruptcy protection. Various U.S.

federal and state and non-U.S. laws in connection with such bankruptcy proceedings could operate to the detriment of such Alternative Investment. There is also a risk that a court may subordinate the investment to other creditors or require the Alternative Investment to return amounts previously paid to it by a portfolio company that became insolvent or files for bankruptcy, a risk that could increase if the Alternative Investment has management rights in such portfolio company.

Investment Selection

Napier Park will select investments on the basis of information and data prepared by the issuers of such securities or made directly available to Napier Park by the issuers of the securities and other instruments or through sources other than the issuers. Although Napier Park evaluates available information and data and seek independent corroboration when it consider it appropriate and when it is reasonably available, Napier Park is not in a position to confirm the completeness, genuineness or accuracy of such information and data.

Investment in Foreign Securities

The Alternative Investments may, either directly or indirectly take positions in non-U.S. securities. Investment in non-U.S. securities may be subject to greater risks than purely domestic investments because of a variety of factors, including currency controls and the fluctuation of currency exchange rates, changes in governmental administration or economic or monetary policy (in the United States and abroad) or changed circumstances in dealings between nations. In addition, there may be less publicly available information about non-U.S. issuers than about U.S. issuers, and non-U.S. issuers are not subject to uniform accounting, auditing and financial reporting standards and requirements comparable to those of U.S. issuers.

Counterparty Risk

The Alternative Investments are subject to the risk of the failure or default of any counterparty to the transactions of the Alternative Investments. The institutions, including brokerage firms and banks, with which the Alternative Investments do business, or to which securities have been entrusted for custodial purposes, may encounter financial difficulties that impair the operational capabilities or the capital position of an Alternative Investment. Hedging transactions, margin trading and other financial mechanisms designed to implement various trading strategies involve counterparty risk elements that may be impossible or impractical to eliminate or may create unforeseen exposures. If there is a failure or default by the counterparty to such a transaction, the contractual and other legal remedies available may be limited or inadequate. Counterparty risk may be reduced but not eliminated through the selection of financial institutions and types of transactions employed.

Correlation Risk

In many cases, the strategy will be based on an assumption that historical pricing correlations accurately represent future correlations. In contexts where a strategy is based on identifying apparent pricing anomalies based on historical correlations, a short- or long-term change in those correlations could adversely affect the anticipated market gain achievable from trading on the basis of the strategy.

Historical pricing patterns do not necessarily predict future relationships, particularly at times of serious market disruption or during unusual trading periods or market events. Consequently, the adoption of certain strategies will not necessarily eliminate or modulate market risk. Since many strategies assume a continuation of historical pricing patterns, any substantial deviation from those patterns can result in volatility and losses.

No Current Income

An Alternative Investment's investment policies should be considered speculative, as there can be no assurance that Napier Park's assessments of the short-term or long-term prospects of investments in the Alternative Investments will generate a profit. In view of the fact that there may be no assurance the Alternative Investments will make distributions, that such distributions may be infrequent and that investors may have limited rights to redeem from the Alternative Investments, an investment in an Alternative Investment is not suitable for investors seeking current income for financial or tax planning purposes.

No Manager Liability Beyond Investment Assets

Subject to Napier Park's fiduciary responsibility to investors in an Alternative Investment, such Investment Manager shall have no personal liability to an investor for the return of any investment in such Alternative Investment, it being understood that any such return shall be made solely from such Alternative Investment's assets.

Indemnification; Return of Redemptions and Distributions.

Napier Park and other persons retained by an Alternative Investment are entitled to indemnification and/or exculpation for liability and losses incurred or arising out of their performance of services, except under certain circumstances, from the respective Alternative Investment as set forth in more detail in the respective account documents. An Alternative Investment may also enter into indemnification arrangements and other arrangements that impose limitations on liability with its service providers and other parties

Early Termination

In the event of the early termination of an Alternative Investment, it is possible that, at the time of such sale or distribution, certain securities held by the Alternative Investment would be worth less than the initial cost or previously reported value of such securities, resulting in a loss to investors.

Limited Operating History

Some Alternative Investments may be newly established and have no or limited operating history. The past performance of the principals of, or entities associated with, the Investment Managers may not be construed as an indication of the future results of an investment in such Alternative Investments.

Limited Voting Rights

The documents governing the Alternative Investments will generally provide that investors have no voting rights except in limited circumstances. Generally, investors will have no right to vote on many matters affecting the Alternative Investments, including, without limitation, the election and dismissal of directors, most amendments, supplements or other modifications to the

governing documents of the Alternative Investments or the merger and/or consolidation of the Alternative Investments or the liquidation of the Alternative Investments.

Defaulting Investors; Exclusion from Investments

Upon the failure of an investor in an Alternative Investment to fund required capital contributions, such investor will be in default. The amount of such default will accrue interest. In addition, a number of remedies may be exercised against such investor including (i) causing the defaulting investor to forfeit a portion of future distributions made by the Alternative Fund and (ii) causing the defaulting investor to be excluded from participating in future investments. In addition, the defaulting investor may have no rights to make capital contributions to the Fund.

If investors fail to fund significant subscription obligations or to make required capital contributions when due, such failure could limit an Alternative Investment's opportunities for investment diversification and could adversely affect returns as well as the Alternative Investment's ability to implement its investment strategy or otherwise continue operations. The general partner (or similar party) of the Alternative Investment will have the right in its discretion to take certain actions in order to cover shortfalls arising from the default of the investor or the exclusion or excuse of the investor as the general partner deems appropriate under the circumstances. The general partner may, for example, (i) require an increase in the capital contributions of all other investors or (ii) obtain the agreement of another investor or a third party to cover all or a portion of the shortfall. If the general partner elects to have the other investors cover the shortfall, such investors will have an increased share in such investments in proportion to their respective capital commitments, and accordingly in the risks associated with such investments.

An investor may be excluded or excused from participating in any portfolio investment if the general partner determines in its discretion that such participation might otherwise have certain materially adverse effects on a portfolio company, the Alternative Investment, other investors or any of their respective affiliates, including if such participation would be likely to result in violations of law or the imposition of a material regulatory or legal burden, or as a result of certain circumstances relating to such investor.

Involuntary Sale of Interest

The general partner of an Alternative Investment may cause an investor to sell its interest if the general partner determines that the continued participation of such investor would have a material adverse effect on the general partner, the Alternative Investment, any portfolio company, any other investor or any of their respective affiliates.

Tax Risks

Tax consequences to investors from an investment in an Alternative Investment are complex. There may be changes in tax laws or interpretations of such tax laws adverse to the Alternative Investment or its investors. There can be no assurance that the structure of an Alternative Investment or of any investment will be tax-efficient to any particular investor. Prospective investors are strongly urged to consult their own tax advisers with reference to their specific tax situations, including any applicable U.S. state or local or non-U.S. taxes and, in the case of U.S. tax exempt and non-U.S. investors, with reference to any special issues that investment in an Alternative Investment may raise for such investors. For example, there can be no assurance that

an Alternative Investment will have sufficient cash flow to permit it to make annual distributions in the amount necessary to pay tax liabilities resulting from investors' ownership of interests such Alternative Investment.

Political Risks and Catastrophic Events

Depending on the country in which a portfolio company is located, there may exist the risk of adverse political developments, including nationalization, confiscation without fair compensation or war. Portfolio investments may also be subject to catastrophic events and other force majeure events, such as fires, earthquakes, adverse weather conditions, changes in law, eminent domain, riots, terrorist attacks and similar risks. These events could result in the partial or total loss of a portfolio investment or significant down time resulting in lost revenues, among other potentially detrimental effects.

Substantial Fees and Expenses

The Alternative Investments are required to meet certain fixed costs, including organizational and offering expenses, investment-related expenses, and ongoing administrative and operating expenses (such as fees payable to the service providers). These fees and expenses may be substantial and are payable regardless of whether any profits are realized by the Alternative Investments.

Side Letters and Other Agreements

Some Alternative Investments may enter into separate agreements with certain investors, such as those affiliated with the Investment Managers or those deemed to involve a significant or strategic relationship, to waive certain terms, or to allow such investors to invest in separate classes of interests with different terms than those of the other investors, including, without limitation, with respect to fees, liquidity or depth of information provided to such investors concerning the Alternative Investment. Under certain circumstances, these agreements could create preferences or priorities for such investors with respect to other investors of the Alternative Investment. In addition, Napier Park may specifically allocate capacity with respect to some of the Alternative Investment's investments to clients or investors who desire increased exposure to such investments. New classes of interests of the Alternative Investment may be established without the approval of the existing investors.

Some Alternative Investments may offer certain investors additional or different information and reporting than that offered to other investors. Such information may provide the recipient greater insights into the Alternative Investment's activities than is included in standard reports to investors, thereby enhancing the recipient's ability to make investment decisions with respect to the Alternative Investment.

The foregoing list of risk factors is not a complete explanation of the risks involved in an investment in an Alternative Investment.

Item 9 Disciplinary Information

To the best of our knowledge, currently there are no legal or disciplinary events that may be material to a client or prospective client to adhere.

Item 10 Other Financial Industry Activities and Affiliations

Many of the individuals providing client services through Napier Park making investment decisions have in the past held, and will continue to hold, similar positions as officers and employees of affiliates of Napier Park Global Capital LLC. Napier Park may share resources, other employees and management, as well as investment ideas and opportunities, with any or all affiliates engaged in similar activities.

Napier Park may recommend that its clients invest in investment funds in which Napier Park or one of its affiliates is a managing or non-managing general partner (or equivalent).

Material Relationships or Arrangements With Certain Related Persons.**Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading****Code of Ethics**

Napier Park has adopted a Code of Ethics that memorializes Napier Park's fundamental duties as a fiduciary. The Code of Ethics includes standards of business conduct and incorporates a personal investments policy. Each employee providing services through Napier Park receives a copy of the Code of Ethics upon hiring and annually thereafter and must sign an attestation that such employee has read and understood such Code of Ethics.

Napier Park's Code of Ethics requires each employee to prioritize the interests of the client, to avoid conflicts of interest, to never abuse such employee's position of trust and responsibility and to comply with all federal securities laws. Employees are required to safeguard material non-public information in such employee's possession and are prohibited from using such information to such employee's personal benefit. Each employee must treat information belonging to clients as confidential and take care to protect such information from unauthorized access by third parties.

To avoid any potential conflict of interest involving personal transactions, Napier Park requires each employee providing services through Napier Park to notify compliance upon opening a personal account, to pre-clear personal transactions and disclose all potential conflicts of interest with regard to such a personal transaction before engaging in the transaction. Employees are also subject to a restricted list and blackout periods. In addition, access persons (defined as employees providing services through Napier Park with access to non-public information regarding Napier Park's purchase or sale of securities and directors, officers and partners) will (i) upon starting employment, provide a complete record of his or her securities holdings to compliance and annually thereafter and (ii) any individuals providing services on behalf of Napier Park in the United States resident must arrange to have duplicate confirmations sent to compliance, unless such information has been provided through other means. All employees are required to inform compliance of any violation of the Code of Ethics that comes to his or her notice.

A copy of Napier Park's Code of Ethics will be provided to any client or prospective client upon request.

Trading Practices

Participation and Interest in Client Transactions. Napier Park has implemented policies and procedures that address affiliated transactions. Therefore, from time to time, Napier Park or its affiliates may effect a securities transaction between one or more Funds. In such case, one Fund will purchase securities held by another Fund. Napier Park effects these transactions only (i) when it deems the transaction to be in the best interests of both client accounts and (ii) at a price that Napier Park has determined by reference to independent market indicators, which Napier Park believes to constitute "best execution" for both accounts. Neither Napier Park nor its affiliates will receive any compensation, directly or indirectly, for arranging such a transaction. To the extent that Napier Park or its affiliates engage in principal agency, agency cross transactions or cross trades, such transactions will be consummated in accordance with FSA rules and regulations and in relation to services provided to clients from the United States only in accordance with Section 206(3) of the Advisers Act and, as applicable, Rule 206(3)-2 promulgated thereunder. Per FSA rules and regulations, participation and interests in client transactions requires prior approval by the relevant Fiduciary Committee members approval by e-mail is required and documented at the next Fiduciary Committee meeting.

Aggregation of Transactions. If a portfolio manager operating through Napier Park believes that the purchase or sale of a security is in the best interests of more than one client, the portfolio manager may, but is not obligated to, aggregate the securities to be sold or purchased, to the extent permitted by applicable law and regulations. In such event, the transactions, as well as the expenses incurred in such transactions, will be allocated by the portfolio manager consistent with fiduciary duties to ensure that all clients are treated fairly and in accordance with Napier Park procedures relating to the Allocation of Investments as described in Item 12. The portion of an aggregated order to be allocated to each client's account will be specified contemporaneously with the execution of the trade.

Interest in Client Transactions

Napier Park may recommend securities in which it and/or its affiliates directly or indirectly have a financial interest. Napier Park affiliates also may buy and sell securities that Napier Park recommends to advisory clients for purchase and sale. Napier Park may give advice and take action in the performance of its duties to clients which differs from the advice given, or the timing and nature of action taken, with respect to the accounts of its affiliates and/or the accounts of other clients.

In certain instances, affiliates of Napier Park may acquire investments in an issuer on a side-by-side basis with an investment vehicle managed by Napier Park. Such investments may provide the vehicle with access to investments that it could not otherwise have obtained. However, this practice may give rise to potential conflicts of interest. Napier Park and its affiliates will seek to fairly and equitably allocate, based on the particular facts and circumstances, investment

opportunities between or among funds and its affiliates and other investment accounts. Please see Item 12 “Brokerage Practices”, - Allocation of Investment Opportunities for more details.

Temporary investments in which an account’s assets may be invested include instruments issued, or funds managed by, an affiliate of Napier Park, in which case such affiliate will receive fees or other compensation in connection with such investment. Such fees will be in addition to the advisory fees and other compensation paid to Napier Park.

Inside Information

In addition, Napier Park has adopted procedures to guard against insider trading. In the event that Napier Park obtains material, non-public information about an issuer, it may be prohibited from trading the issuer’s securities until the information becomes public or is no longer material. Napier Park’s investment flexibility may be constrained as a consequence of Napier Park’s inability to use such information for investment purposes.

Other Conflicts of Interest

Napier Park or any of its respective affiliates or directors may have an interest in a Fund or in any transaction effected with or for it, or a relationship of any description with any other person, which may involve a potential conflict with their duties to the Fund, and none of them will be liable to account for any profit or remuneration derived from doing so. If Napier Park has, or may have, in relation to a proposed transaction for the Fund, a material interest or a relationship that gives or may give rise to a conflict of interest, Napier Park will not knowingly advise, or deal in the exercise of discretion in relation to that transaction, unless it takes reasonable steps to ensure fair treatment for the Fund.

For example, such potential conflicts may arise because:

- (a) Napier Park or its affiliates undertake business for other clients;
- (a) a director or employee of Napier Park or its affiliates is a director of, holds or deals in securities of, or is otherwise interested in, any company the securities of which are held by or dealt in on behalf of the Fund;
- (b) the transaction relates to an investment in respect of which Napier Park or one of its affiliates may benefit from a commission, fee, mark-up or mark-down payable otherwise than by the Fund;
- (c) Napier Park or one of its affiliates may act as agent for the Fund in relation to transactions in which it is also acting as agent for the account of other clients of Napier Park or its affiliates; or
- (d) a transaction of the Fund may be in units or shares of a collective investment scheme or any company in relation to which Napier Park or one of its affiliates is the manager, operator, adviser or trustee.

Affiliates of Napier Park engage in a broad spectrum of activities, including financial advisory activities, and managing private investment funds, and other activities, and may from time to time present potential conflicts of interest with, Napier Park's clients. Many of these potential conflicts of interest arise in connection with the investment banking activities and other investment management activities of Napier Park affiliates. In these cases, these relationships or proprietary investment activities may result in a Fund or Managed Account not being permitted to pursue certain investment opportunities. Accordingly, no assurances can be given that all potentially suitable investment opportunities will be offered to any given Fund or Managed Account.

Napier Park affiliates may provide services to, invest in, advise, sponsor and/or act as investment manager to investment vehicles and other persons or entities (including prospective investors in the Funds and Managed Accounts) which may have similar structures and investment objectives and policies to those of the Funds and Managed Accounts and which may compete with the Funds and Managed Accounts for investment opportunities and which may co-invest with the Funds and Managed Accounts in certain transactions. In addition, Napier Park affiliates and their respective clients may themselves invest in securities that would be appropriate for the Funds and Managed Accounts and may compete with the Funds and Managed Accounts for investment opportunities.

Napier Park affiliates may provide advisory and other services to parties entering into transactions with entities advised by Napier Park. In such instances, steps will be taken to ensure that the investment decision-making process on behalf of the Napier Park advised entity is insulated from any investment banking considerations.

Generally speaking, officers and employees providing services through Napier Park will devote such time as they deem necessary to carry out the operations of the Funds and/or Managed Accounts. However, officers and employees providing services through Napier Park are not necessarily required to devote full time to a given Fund's or Managed Account's business and they may have conflicts of interest in allocating their time between such fund and other related or unrelated activities.

It is also possible that Napier Park professionals will be permitted to co-invest in certain investment opportunities in which a given client fund invests as a further incentive and means of aligning such professionals' interests with the interests of the fund's investors.

Investors in Napier Park's various Funds are expected to include entities and persons located in various jurisdictions, who may have conflicting investment, tax and other interests with respect to their various fund investments. As a result, conflicts of interest may arise in connection with decisions made by Napier Park or its affiliates that may be more beneficial for one type of investor than another type of investor. Napier Park will follow the investment objective and standards for resolving such conflicts set forth in each of its fund's governing documents -e.g., by focusing on the pre-tax investment objectives of a fund as a whole.

In certain situations, Napier Park may be restricted or precluded from pursuing an investment with respect to a given property due to certain regulatory considerations arising under ERISA, section 17 of the Investment Company Act of 1940, or similar laws.

Procedures for Resolving Conflicts of Interest

On any issues involving actual conflicts of interest, Napier Park will be guided by its legal obligations, including but not limited to the contractual requirements governing such situation, as well as its good faith judgment as to a client's best interests. Napier Park may refer the matter to a committee designed to monitor fiduciary relationships. Subject to the applicable investment management agreement and other governing documents, Napier Park may take such actions as it may deem necessary or appropriate to ameliorate the conflict. As an FSA regulated and authorized company, Napier Park is required to document all its actual or perceived conflicts of interest together with the remedial action that has been taken to reduce or minimize these conflicts. Such steps can include disclosure.

Item 12 Brokerage Practices

Brokerage Discretion

Napier Park generally is not limited in its authority to select broker-dealers for trade execution.

In selecting an unaffiliated broker-dealer for trade execution, Napier Park uses its best judgment to select a broker-dealer that provides prompt and reliable execution at favorable securities prices and reasonable commission rates. Napier Park has an obligation to provide best execution to Professional Clients as defined in the FSA's Conduct of Business Rules. Best execution means taking all reasonable steps to obtain the best possible result for the execution of client orders, and acting in the best interests of our clients when we pass orders to other parties for execution. In doing so, we need to take into account price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order, known as the "execution factors".

Napier Park may choose to participate in seminars or conferences, or other types of capital introduction service programs (collectively referred to as "Cap Intro Programs") held by affiliated and/or non-affiliated prime brokers for their current or prospective clients that are hedge fund or investment managers that manage funds or other types of investment vehicles or who are otherwise eligible to invest in Napier Park products. Napier Park may have an incentive to select or recommend a broker-dealer based on its interests in receiving client referrals or invitations to participate in such Cap Intro Programs.

Research and Other Soft Dollar Arrangements

Napier Park currently does not utilize client's agency commission dollars to purchase research and other services i.e. soft dollars.

Allocation of Investment Opportunities

Affiliates of Napier Park and other proprietary investment accounts managed by Napier Park may co-invest with a client advised by Napier Park on a side-by-side basis from time to time. Clients may, from time to time, compete with such other investors for access to potential investments. Napier Park and its affiliates will seek to fairly and equitably allocate, based on the particular facts and circumstances, such investment opportunities between or among the funds and its affiliates and other proprietary investment accounts. However, such allocation will not necessarily be made pro rata based on available assets. There can be no assurance that a particular investment opportunity which comes to the attention of Napier Park's affiliates will be referred to Napier Park and the funds it manages. Napier Park is not obligated to refer any specific investment opportunity to a client.

In the event that two or more Napier Park clients or portfolios managed by Napier Park officers through affiliates (including proprietary portfolios) have cash available for investment at the same time and an investment opportunity arises that may be appropriate for each client and the affiliated portfolio but whose availability to Napier Park and its affiliates is limited, Napier Park and its affiliates will seek to fairly and equitably allocate such investment opportunity between or among such funds, taking into account such factors as each fund's investment objective, industry and sector focuses, size and available cash.

Napier Park will generally allocate trades on a pro-rata basis based upon capital weighting, subject to the factors detailed below.

The business requires it to select from a large array of possible eligible investments those that are appropriate to the relevant Fund and/or Managed Account. It must then decide the quantity that it is prudent to purchase, to which Fund and/or Managed Account they should be allocated and in what size. It will never be possible to list fully every single factor that each business should take into account for each possible investment opportunity and indeed part of the skill of the investment manager at both the level of the individual and the team is the ability to weigh up the relevant factors in order to come to a balanced decision ("**the Allocation Factors**"). However, the following serves as a non-exhaustive list of the factors that Napier Park should consider in respect of each portfolio when determining the allocation of assets:

- 1) An allocation percentage for each relevant client Fund and/or Managed Account
- 2) Investment cost both in terms of size, currency mix and intended growth strategy.
- 3) Current leverage, target leverage and average life of portfolio.
- 4) Sovereign issuer concentrations, exposure to core and non-core sovereign issuer sectors, exposure and the correlation of exposures to similar sovereign credit risks.
- 5) Current funding requirement for sovereign bonds.
- 6) Geographic concentration of current assets exposures.
- 7) Individual Fund and/or or Managed Accounts requirements as set out in any private placement memorandum and/or similar documents.

Aggregation of Transactions

If a portfolio manager believes that the purchase or sale of a security is in the best interests of more than one client, the portfolio manager may, but is not obligated to, aggregate the securities to be sold or purchased, to the extent permitted by applicable law and regulations. In such event, the transactions, as well as the expenses incurred in such transactions, will be allocated by the portfolio manager consistent with fiduciary duties to ensure that all clients are treated fairly and in accordance with Napier Park procedure relating to the Allocation of Investments as scribed above. The portion of an aggregated order to be allocated to each client's account will be specified contemporaneously with the execution of the trade.

Item 13 Review of Accounts

Review of Accounts

Market Strategies Product, and Managed Accounts:

Fiduciary committees consisting of senior Napier Park professionals including legal, risk and compliance meet quarterly or half yearly to review client accounts, fund performance and any significant events.

Client Reports

Market Strategies Fund Products:

Napier Park will report performances on at least a quarterly basis.

Managed Accounts:

With respect to the Managed Accounts Napier Park's clients are the holders of the Managed Account. The relevant advisory agreement and related account documentation will specify the reports to be provided to the client, but generally holders of Managed Accounts receive at least a quarterly statement.

Item 14 Client Referrals and Other Compensation

Napier Park does not receive any economic benefits from non-clients for providing investment advice or other advisory services to clients.

Napier Park may enter into agreements with its employees, and/or third parties to solicit clients for Napier Park's investment advisory services. Under such agreements, persons may refer or solicit clients and receive compensation for such services. The structure of any agreement with a third party, including the compensation payable to the solicitor, will be disclosed fully to the client as required by applicable law. Different solicitors, including affiliates, may receive varying amounts of compensation for their services.

Napier Park also may enter into agreements to refer clients to its affiliates. Under such arrangements, Napier Park would receive compensation for such referrals.

Item 15 Custody

Napier Park does not provide custodial services to its clients. Client assets are held with banks, registered broker-dealers, or other qualified custodians

Napier Park will cause the Funds, Managed Accounts and any related special purposes vehicles which it manages to maintain its funds and securities with a qualified custodian, which may include a U.S. bank, an SEC-registered broker-dealer, a CFTC-registered futures commission merchant, and a foreign financial institution that segregates client assets.

In addition, each Fund, Managed Account or special purpose vehicle is required to be audited at least annually and to provide audited financial statements to its investors within 120 days after the end of its fiscal year. (Otherwise, the relevant fund custodian will send each such fund investor at least a quarterly account statement showing such fund's positions and NAV, and the fund's aggregate account transactions during the quarter. In addition, a surprise examination of the relevant fund will be conducted by a qualified independent accountant.)

Item 16 Investment Discretion

Napier Park has the authority to determine, without obtaining specific client consent, the investments and temporary investments. A Fund will acquire, subject in each case to the limitations and restrictions described in the funds' offering materials and governing documents (in the case of the funds) and the investment advisory agreements. A Fund or account may receive distributions from an Investment Fund in kind in the form of securities of portfolio companies, some of which may be illiquid or restricted securities. With respect to such distributions, Napier Park may have the discretion to sell such securities and distribute the cash proceeds, distribute such securities in kind or offer the funds' investors the option, subject to Napier Park's consent, either to receive the securities in kind or have the fund sell them and distribute the cash proceeds. While Napier Park will use reasonable efforts in such instances to sell or to distribute marketable securities promptly, investors will bear any associated costs or market risks during the disposition process.

Managed Accounts. The relevant advisory agreement and related account documentation will specify the investment authority (including limitations on it) granted to Napier Park by the holder of the Managed Account.

Item 17 Voting Client Securities

Napier Park has been delegated the authority to vote investment proxies on behalf of certain of its clients and has adopted written policies that are reasonably designed to ensure proxies are voted in the best interest of its clients and to resolve conflicts of interest (the "Policies"). The general policy is to vote proxy proposals, amendments, consents or resolutions relating to client securities, including interests in private investment funds, if any, in a manner that serves the best interests of client accounts, as determined by Napier Park in its discretion. Clients may request a copy of the Policies and the proxy voting record relating to their account by contacting Napier Park. Napier Park is also FSA regulated and compliant with the UK Stewardship Code (the "Code") which requires conflict of interests to be referred to legal and compliance and documented, together with any compensating controls that have been established to mitigate any conflict as set forth in the Policies. Furthermore, pursuant to the Code, each business within

Napier Park that trades equities also undertakes to review and make available its voting record to its clients on an annual basis.

Item 18 Financial Information

All client fees owed to Napier Park are either paid in arrears or paid less than six months in advance. Under relevant SEC rules, this means that Napier Park is not required to disclose information about its financial position or balance sheets. Nonetheless, we confirm that we believe that Napier Park has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has never been the subject of a bankruptcy proceeding.