

Intermediate Capital Group, Inc.

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This brochure provides information about the qualifications and business practices of Intermediate Capital Group, Inc. If you have any questions about the contents of this brochure, please contact the Chief Compliance Officer, Stuart Griffiths, at +44 (0) 20 3201 7752 or by email at stuart.griffiths@icgplc.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “**SEC**”) or by any state securities authority.

Additional information about Intermediate Capital Group, Inc. is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2: Material Changes

This is our first brochure filing and therefore we have no material changes to report. In the future we will use this item to describe any material changes.

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Item 4: Advisory Business

Intermediate Capital Group, Inc., a Delaware corporation, ("**Intermediate Capital**") plans to begin providing investment advice in or around March 2014. Intermediate Capital is a wholly-owned subsidiary of ICG FMC Limited, a company incorporated in the United Kingdom. ICG FMC Limited is a holding company of those subsidiaries in the ICG Group (as defined below) involved in the discretionary management of or providing investment advisory services to third-party assets. ICG FMC Limited is a wholly-owned subsidiary of Intermediate Capital Group plc.

Intermediate Capital Group plc and its affiliates (collectively, the "**ICG Group**") is a global specialist asset manager providing private debt, mezzanine finance, leveraged credit and minority equity. Intermediate Capital Group plc is premium listed on the London Stock Exchange, is a member of the FTSE 250, and is regulated in the United Kingdom by the Financial Conduct Authority. Since its inception, the ICG Group has developed a leading, diversified range of sub-investment grade debt strategies that include collateralized loan obligations, private debt funds, and other credit funds. With 175 employees, including approximately 70 investment professionals, ICG Group provides investment services to institutional investors, including sovereign wealth funds, banks, insurance companies, financial institutions, public and corporate pension funds, and family offices. The ICG Group is headquartered in London and has offices in Paris, Madrid, Stockholm, Frankfurt, Amsterdam, Hong Kong, Sydney, New York and Singapore.

Intermediate Capital wholly owns two subsidiaries: ICG Fund Advisors LLC and ICG Debt Advisors LLC. These subsidiaries are relying on the registration of Intermediate Capital for purposes of SEC reporting and are commonly referred to as relying advisers.

ICG Fund Advisors LLC and ICG North American Private Debt GP LP (the "**General Partner**" and, together with ICG Fund Advisors LLC, "**ICG Fund Advisors**") will offer discretionary advisory services to ICG North American Private Debt Fund LP and ICG North American Private Debt Fund (Offshore) LP (collectively, the "**Fund**"). ICG Debt Advisors LLC ("**ICG Debt Advisors**" and, together with ICG Fund Advisors and Intermediate Capital, the "**Advisor**" or "**ICG**") plans to offer discretionary management services to ICG US CLO 2013-I Ltd. and other collateralized loan obligation vehicles (collectively, the "**CLO**" and, together with the Fund, the "**Investment Vehicles**").

The Fund will invest in a portfolio of private investments primarily consisting of subordinated debt, but may also include senior secured debt, preferred stock, equity co-investments and other assets and securities. It will target investments in middle market North American companies.

The CLO will invest in a diversified pool primarily of loans and, to a lesser extent, bonds and other obligations.

ICG manages the Investment Vehicles pursuant to the objectives specified in the materials with which they are offered and will not tailor investment advice to the individual needs of any particular investor in an Investment Vehicle ("**Investors**"). Investors do not have the right to specify, restrict, or influence the investment objectives or any investment or trading decisions of the relevant Investment Vehicle, except insofar as they have consent rights to certain amendments to the Fund's partnership agreement (the "**Partnership Agreement**") or, in the case of the CLO, following an event of default.

ICG expects to be registered as an investment adviser with the SEC under the Investment Advisers Act of 1940, as amended (the "**Advisers Act**"), within 90 days of submitting its Form ADV and will make

any amendments as necessary. As of December 31, 2013, ICG expects to manage “Regulatory Assets under Management” of \$0 on a discretionary basis for the Investment Vehicles.

Item 5: Fees and Compensation

The CLO

For the services ICG Debt Advisors provides to the CLO, it will generally deduct a quarterly management fee (“**Portfolio Management Fee**”), which will include a “Base Portfolio Management Fee” and a “Subordinated Portfolio Management Fee”. Both the Base Portfolio Management Fee and the Subordinated Portfolio Management Fee will generally equal a percentage per annum based upon the principal amounts of assets under management (subject to reduction in respect of certain assets). Investors will also bear the “Portfolio Incentive Fee” (as defined below).

The CLO also will be responsible for paying:

- Government fees and taxes; and
- Trustee and administrative expenses.
- Other administrative expenses to be described in the offering circular of the CLO.

The Fund

For the services ICG Fund Advisors LLC provides to the Fund, it will generally receive a management fee (the “**Fund Management Fee**”) quarterly in advance in respect of each limited partner of the Fund (each, a “**Limited Partner**”). In the event that the Fund’s investment advisory agreement with ICG Fund Advisors LLC is terminated before the end of a quarter for which the Fund Management Fee has been paid, ICG Fund Advisors LLC will pro rate such Fund Management Fee based on the number of days elapsed and refund the amount of the Fund Management Fee allocable to the period subsequent to the termination date.

The Fund Management Fee during the investment period will generally equal a percentage per annum based upon invested capital and undrawn, committed capital.

After the earlier of (i) the end of the investment period and (ii) the time management fees in connection with a successor fund to the Fund have begun to accrue, the Fund Management Fee will step down and will equal a percentage per annum based upon the aggregate capital contributions of all Limited Partners (other than affiliates of the General Partner) with respect to investments that have not been disposed of (together with outstanding borrowings for such investments).

Fund Management Fees are paid by the Fund on behalf of the Limited Partners by requiring the Limited Partners to make capital contributions in respect of such fees. Fund Management Fees will be reduced by 100% of any commitment, closing, origination, transaction, break-up, directors’, monitoring, management, amendment and other similar fees paid to the Advisor and its affiliates in connection with the provision of capital and/or services to a portfolio company by the Fund. The General Partner may, in its sole discretion, vary the Fund Management Fee as to a particular Limited Partner, including Limited Partners that are members, partners, affiliates, or employees (current and/or former) of ICG Fund Advisors, members of their families or other entities for their benefit, by separate agreement, without notice to the other Limited Partners.

The Fund will generally bear all expenses related to its operations including, but not limited to:

- Legal;
- Administration;
- Auditing;
- Accounting;
- Research;
- Information, communication and reporting costs, including Limited Partner annual meeting expenses (excluding expenses of individual Limited Partners), expenses of the advisory committee; and financial statements, tax returns and Schedules K-1 expenses;
- Compliance for the Fund and the Advisor;
- Custodial;
- Regulatory (including fees relating to the preparation and filing of Form PF); and
- Other expenses relating to the acquisition, holding, monitoring, settlement, and disposition of the Fund's investments.

Each Limited Partner will also bear its pro rata share of the Fund's and ICG Fund Advisors' organizational expenses, including legal, accounting, filing, capital raising, meals, lodging, travel and other organizational expenses and organizational expenses of any feeder funds.

The Fund will also bear any costs related to transactions that are not completed, otherwise known as broken-deal expenses.

The General Partner may, but will be under no obligation to, provide co-investment opportunities to Limited Partners, the ICG Group, or other third parties. Co-investment opportunities may be offered to Limited Partners where the General Partner determines that the size or risk of an investment is either prohibited by the Partnership Agreement or is not in the Fund's best interest. Any co-investment opportunity will be provided to the Limited Partners at the General Partner's discretion on such terms and conditions that the General Partner and the Limited Partners participating therein agree, which terms shall be no more favorable than those offered to the Fund. The allocation of co-investment opportunities may involve a benefit to the ICG Group including, without limitation, management fees or incentive allocations from the co-investment opportunity, capital contributions to the Fund and capital commitments to Other Accounts (as defined below). There can be no assurances with respect to the amount of any investment opportunity that will be allocated to the Fund.

For further details on the Advisor's brokerage practices refer to Item 12 of this Brochure.

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

The CLO

The "Portfolio Incentive Fee" will generally be equal to a specified percentage of the available proceeds after the subordinated notes have received a specified internal rate of return, and will be paid to ICG Debt Advisors.

The Fund

The Fund may allocate a portion of its investment profits to an affiliate of Intermediate Capital Group plc (the "**Special Limited Partner**") as a carried interest of a specified percentage of profits on distributions derived from the disposition of investments (and, in certain circumstances, other income

from investments) following a preferred return to the Limited Partners as set forth in the Partnership Agreement.

Compensation based on performance will only be charged in accordance with the provisions of Rule 205-3 under the Advisers Act. The General Partner may, in its sole discretion, waive or reduce distributions of carried interest with respect to Limited Partners, including, without limitation, Limited Partners that are members, partners, affiliates or employees (current and/or former) of ICG Fund Advisors or its affiliates, or members of the families of such persons and trusts or other entities for their benefit.

Performance based fee arrangements may create an incentive to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement.

Please see “Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading – Certain Potential Conflicts of Interest – Performance Allocation / Fund Management Fee” regarding potential conflicts of interest in relation to performance-based fees.

Item 7: Types of Clients

Investors in the Investment Vehicles may include a variety of institutional investors and sophisticated high net worth individuals capable of understanding the risks of their investments, including the following types of Investors:

- Banks and other financial institutions
- Insurance companies
- Investment companies
- Public and private retirement and pension plans
- State and municipal government agencies
- Sovereign wealth funds
- Hedge funds and fund of funds
- Corporations
- Individuals

Each Investor will be a “qualified purchaser” in order to satisfy the Section 3(c)(7) exemption under the U.S. Investment Company Act of 1940, as amended. ICG requires the Investors to make representations concerning their financial sophistication and ability to bear the risk of loss of their entire investment.

The minimum initial investment in the Fund is \$10,000,000 or such lesser amount as determined in the sole discretion of the General Partner.

The minimum initial investment in the CLO is \$250,000.

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

Methods of Analysis & Investment Strategy**The CLO**

ICG Debt Advisors brings together an experienced CLO investment team, with a portfolio manager supported by a team of four analysts, which between them have 15 years of relevant experience.

ICG Debt Advisors' investment process for evaluating potential opportunities and investments may include a variety of proprietary and non-proprietary research models and methods of analyses. It derives information used to make investment decisions on behalf of the CLO from a variety of both internal and external resources, such as financial newspapers and magazines, research and reports provided by third parties and corporate ratings services. In addition, ICG Debt Advisors generally conducts an in depth review of the target companies/investments, which may include, without limitation, (i) analyses of corporate activities and financials, (ii) reviews of annual reports, prospectuses and other filings with the SEC, if any, and (iii) where appropriate, interviews and meetings with senior management of such target companies.

Generally, ICG Debt Advisors seeks to capitalize on both long- and short-term inefficiencies in the market by investing across a spectrum of investments, often employing bottom-up analysis, utilizing market technicals and fundamentals to select investments. There may be occasions when (consistent with applicable CLO guidelines) the strategy may be weighted to deep value or be more opportunistic and seek short term gains.

All investment opportunities are submitted to the Advisor's US Credit Investment Committee for review and, and if considered appropriate, approval. Unanimous approval is required for an investment to be executed on behalf of the CLO.

The Fund

ICG Fund Advisors brings together an experienced North American credit investment team, with the three senior members having an average of 20 years of experience, as well as a vast network of relationships. ICG Group believes there is a significant opportunity to complete attractive private debt investments in middle market companies in the United States and Canada. The majority of the Fund's investments are expected to be completed in connection with private equity-sponsored transactions. Additionally, the Fund may invest in non-sponsored transactions, generally in connection with management-owned business and management-led buyouts.

ICG Fund Advisors' investment process will include transaction evaluation, execution, and management. ICG Fund Advisors expects that numerous transactions will be sourced each year through direct relationships with private equity sponsors and through the ICG Group's broad relationships with financial intermediaries and other transaction sources. Prospective investments undergo a significant defined due diligence process, which may include the findings from third-party consultants and advisors. Once it is determined a particular portfolio company is suitable for investment, the investment team will work with the company's management to determine the appropriate structure for the investment, based on ICG Fund Advisors' risk assessment. Post-transaction management will play a critical role in the monitoring of the investments and along with various detailed monthly reports; ICG Fund Advisors may at times place an observer on a portfolio company's board.

All investment opportunities are submitted to the Advisor's North American Private Debt Investment Committee for review, and if considered appropriate, approval. Unanimous approval is required for an investment to be recommended to the Fund.

Certain Risk Factors.

Investing in each of the CLO and the Fund involves various risks, including loss of capital that Investors should be prepared to bear. The following list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in the Investment Vehicles. Prospective investors are urged to consult their professional advisers and review the legal documents and offering memoranda for the particular Investment Vehicle before deciding to invest.

General Risks Relating to an Investment in the Investment Vehicles.***No Assurance of Investment Return.***

Neither the CLO nor the Fund can provide assurance that it will be able to choose, make and realize investments in any particular company or portfolio of companies. There can be no assurance that an Investment Vehicle will be able to generate returns for its investors, that the returns will be commensurate with the risks of investing in the type of companies and transactions described herein or that the Advisor's methodology for evaluating risk-adjusted return profiles for investments will achieve its objectives. An investment in an Investment Vehicle should only be considered by persons who can afford a loss of their entire investment.

Newly Formed Company.

The Investment Vehicles and the Advisor are relatively new entities and have little operating history upon which Investors can evaluate their performance. Additionally, ICG Group has not previously managed a fund pursuing the same investment objective, strategy and geographic region as the CLO or the Fund. Although the Advisor's investment professionals have considerable prior industry experience, Investors should draw no conclusions from their prior experience or the performance of any other ICG Group investments or funds. Although several investment professionals who will participate in managing the Fund have previously worked together, they have not previously worked together at ICG as a group in the context of a newly-formed private debt investment fund.

Changes in Legislation or Regulation.

Changes in the legislative and regulatory environment may affect the Investment Vehicles, including the ability of the issuer to make payments on the notes in the CLO. Recent changes in legislation, together with uncertainty about the nature and timing of regulations that will be promulgated to implement such legislation, may create uncertainty in the credit and other financial markets and create other unknown risks.

Illiquidity.

Illiquidity in the collateralized default obligation ("CDO"), leveraged finance and fixed income markets may affect holders of the securities. Events in the CDO (including CLO), leveraged finance and fixed income markets contributed to a severe liquidity crisis in the global credit markets that has existed for the past few years. The financial markets have experienced substantial fluctuations in prices for leveraged loans and reduced liquidity for such obligations.

Reliance on the Principals, ICG Fund Advisors and their Professionals.

Limited Partners will have no opportunity to control the day-to-day operations, including investment and disposition decisions, of the Fund. Limited Partners must rely entirely on ICG Fund Advisors to conduct and manage the affairs of the Fund. ICG Fund Advisors will have complete discretion in directing the investment of the Fund's assets. The success of the Fund will depend in large part upon the skill and expertise of ICG Fund Advisors to identify and consummate suitable investments and to dispose of investments of the Fund at a profit. ICG Fund Advisors will rely on the skill and expertise of the ICG Group's investment professionals, and others providing investment and other advice and services with respect to the Fund. In addition, investment professionals and committee members may be replaced or added at any time. Conflicts of interest may arise in allocating management time, services or functions, and ICG Fund Advisors and the ability of the members of the investment team to access other professionals.

Risks Relating to the Assets of the Investment Vehicles.***Credit Risk.***

One of the fundamental risks associated with the Investment Vehicles' investments is credit risk, which is the risk that an issuer will be unable to make principal and interest payments on its outstanding debt obligations when due. An Investment Vehicle's return to Investors would be adversely impacted if an issuer of debt in which such Investment Vehicle invests becomes unable to make such payments when due.

Many of the Fund's investments are expected to be in subordinated debt securities, leveraged loans, marketable and non-marketable common and preferred equity securities and other unsecured investments, each of which involves a higher degree of risk than senior secured loans. The CLO will invest primarily in leveraged loans. Although most of the CLO's investments are expected to be in senior secured loans, a portion will be in second lien loans.

There are varying sources of statistical default and recovery rate data for leveraged loans and numerous methods for measuring default and recovery rates. The historical performance of the leveraged loan market is not necessarily indicative of its future performance.

Highly Competitive Market for Investment Opportunities.

The activity of identifying, completing and realizing on attractive investments that fall within the objective of an Investment Vehicle is highly competitive and involves a high degree of uncertainty and will be subject to market conditions. In particular, in light of changes in such market conditions, including changes in long-term interest rates, certain types of investments may not be available to an Investment Vehicle on attractive terms.

General Economic and Market Conditions.

The market for private debt and other investments generally, and the success of an Investment Vehicle's investment activities in particular, will be affected by general economic and market conditions, as well as by changes in applicable laws, trade barriers, currency exchange controls, rate of inflation, currency depreciation, asset reinvestment, resource self-sufficiency and national and international political and socioeconomic circumstances in respect of the countries in which such Investment Vehicle may invest. These conditions and opportunities may include, among others, the continued reduction in the

availability of second lien funding, the continued increase in equity contribution percentages for leveraged buyouts, the continuation of high levels of private equity fundraising, the continued demand for non-investment grade debt by financial sponsors and the expansion of the leveraged buyout market. No assurance can be given that such conditions, trends or opportunities will arise or continue, as applicable, or that private debt can be acquired or disposed of at favorable prices or that the market for such investments will either remain stable or, as applicable, grow or improve, since this will depend upon events and factors outside the control of the Advisor. These factors may affect the level and volatility of securities prices and the liquidity of an Investment Vehicle's investments, which could impair such Investment Vehicle's profitability or result in losses. In addition, general fluctuations in the market prices of securities and interest rates may affect an Investment Vehicle's investment opportunities and the value of such Investment Vehicle's investments.

Potential for Decline in Loan Performance.

Negative economic trends nationally as well as in specific geographic areas of the United States could result in an increase in loan defaults and delinquencies, therefore loan performance may decline.

Rising Interest Rates may Render Some Obligors Unable to Pay Interest.

The Investment Vehicles' assets may bear interest at floating interest rates. To the extent interest rates increase, periodic interest obligations owed by the related obligors will also increase. As prevailing interest rates increase, some obligors may not be able to make the increased interest payments on their obligations or refinance their balloon and bullet obligations, resulting in payment defaults. Conversely if interest rates decline, obligors may refinance their collateral obligations at lower interest rates which could shorten the average life of the investments.

Balloon loans and bullet loans present refinancing risk.

The investments of the CLO will primarily consist of obligations that are either balloon loans or bullet loans. The inability of an obligor to refinance or repay balloon or bullet payments will result in a default and impair the investment results.

Risks Relating to the Fund.

Reliance on Portfolio Company Management.

Although ICG Fund Advisors will monitor the performance of each investment and portfolio company in the Fund, it is the responsibility of a portfolio company's management to operate the company on a daily basis. There is no guarantee that the management team of a portfolio company or any successor will be able to operate the portfolio company in accordance with the Fund's expectations or ICG Fund Advisors' suggestions, or that the Fund will be able to recover on its investments.

Use of Third Parties in Diligence Process.

Before making investments, ICG Fund Advisors will typically conduct the due diligence that it deems appropriate for each investment. ICG Fund Advisors may utilize outside consultants, legal advisors, accountants, investment banks and other third parties to complete the due diligence process. The involvement of third-party advisors/consultants may present a number of risks primarily relating to the General Partner's reduced control of the functions that are outsourced. When making an assessment

regarding an investment, ICG Fund Advisors will rely on the resources available to it, including information provided by the third party during the due diligence process.

Portfolio Company Specific Risks.

Portfolio companies may be affected by force majeure events (i.e., events beyond the control of the party claiming that the event has occurred, including acts of God, fire, flood, earthquakes, war, etc.). In addition, the cost to a portfolio company or the Fund of repairing or replacing damaged assets resulting from such events could be considerable. There can be no assurance that each portfolio company will be fully insured against all risks inherent to its business. Additionally, a major governmental intervention into the industry, such as the nationalization of an industry, could result in a loss to the Fund.

Use of Leverage by Portfolio Companies.

The Fund may invest in portfolio companies whose capital structures may already have significant leverage (including substantial leverage senior to the Fund's investment, a considerable portion of which may be secured and/or may be at floating interest rates), which may impair these companies' ability to finance their future operations and capital needs. The debt securities acquired by the Fund may be the most junior in what will typically be a complex capital structure. Furthermore, to the extent companies in which the Fund has invested become insolvent, the Fund may determine, in cooperation with other debt holders or on its own, to engage, at the Fund's expense in whole or in part, counsel and other advisors in connection therewith. In addition to leverage in the capital structure of portfolio companies, the General Partner may incur leverage on behalf of the Fund.

Risks Relating to the CLO.

Illiquidity and Potential for Early Redemption or Re-pricing.

Investment in a CLO involves certain risks relating to the securities the CLO issues and the assets it holds. The securities issued by a CLO have limited liquidity and are subject to transfer restrictions that may require investors to retain their interests in the CLO for its duration. Conversely, the CLO may be subject to an early redemption or re-pricing. In such case, an investor may not realize its desired return, and may not be able to reinvest the proceeds of redeemed securities in assets with a comparable interest rate or maturity. Furthermore, there can be no assurance that, upon any such redemption or refinancing, the proceeds from the liquidation of the CLO's assets would permit any payment on the CLO equity after all required payments are made to the holders of the more senior CLO securities.

Limited Recourse and Subordination.

The debt securities of a CLO are limited recourse obligations of the issuer and will only be satisfied with the proceeds of the CLO's assets. To the extent such assets are insufficient to pay the issuer's debt securities in full, an investor in such debt securities may suffer a loss of all or a portion of its investment. The equity securities of a CLO (which may be in the form of "subordinated notes") are highly leveraged, unsecured obligations of the issuer and are subordinated to payment in full of the issuer's debt securities. To the extent the issuer's assets are insufficient to pay its debt securities in full, an investor in equity securities may suffer a loss of all or a portion of its investment. The ability of the issuer to fulfill its payment obligations under its debt and equity securities depends on the performance and value of its assets.

Risks Relating to Underlying Assets.

Risks that impact the performance and value of a CLO's assets include risks relating to default, refinancing, prepayment, liquidity, market value, credit, interest rate, reinvestment and certain other risks. The assets of a CLO are typically below investment grade, may be unsecured and may be subordinated to other obligations of the related obligors. As such, repayment on these assets may be impaired by any adverse changes in the financial condition of such obligors and general market conditions. Furthermore, the need to liquidate assets rapidly upon an early redemption may result in the Issuer receiving less for such assets than it might at a later date. Both the CLO and its underlying assets are subject to the risk of general market deterioration and change in law or regulation that may affect the CLO's ability to pay its obligations. Potential investors in a CLO should consider these risks, as well as the structural and liquidity risks relating to their potential investment.

Interest Rate Risk.

Interest rate risk will be inherent in the CLO because of, among other things, a difference between the interest rate basis of the CLO's rated notes and of floating/fixed rate assets purchased by the CLO, the CLO's cash balances not being required to be invested in floating rate investments, and changing levels of LIBOR or other indexes in relation to the floating rate CLO notes and floating rate assets. No assurance can be made that the portion of floating rate assets of the CLO that bear interest based on indices other than LIBOR will not increase in the future. The CLO is not expected to enter into hedge agreements to minimize such risk.

Reinvestment Risk.

The CLO's inability to invest or reinvest available funds (from the proceeds of the offering of the CLO securities or from sale proceeds, prepayments or other proceeds in respect of the assets) with comparable or favorable interest rates that satisfy the CLO's investment criteria may adversely affect the timing and amount of payments received by the holders of CLO's rated notes, the yield to maturity of the CLO's rated notes and the distributions on the CLO equity. There can be no assurance that ICG Debt Advisors will be able to invest or reinvest available funds in assets with comparable interest rates that satisfy the CLO's investment criteria or (if it is able to make such reinvestments) as to the length of any delays before such investments are made.

Prepayment Risk.

Loans are generally prepayable in whole or in part at any time, and ICG Debt Advisors cannot predict the timing or amount of prepayments. There can be no assurance that ICG Debt Advisors will be able to reinvest prepayment proceeds in a timely or advantageous manner.

Item 9: Disciplinary Information

The Advisor has not been subject to any disciplinary action, whether criminal, civil or administrative (including regulatory) in any jurisdiction. Likewise, no person involved in the management of the Advisor has been subject to such action.

Item 10: Other Financial Industry Activities and Affiliations

Due to the broad range of activities of the ICG Group, it is possible that at times it may engage in activities that present a conflict of interest to the Advisor and/or the General Partner. For example, it is possible that the various entities that form the ICG Group may invest at different levels of an issuer's

capital structure or otherwise in different classes of an issuer's securities. Such investments may give rise to conflicts of interests, or perceived conflicts of interest, between the ICG Group entities, including the Advisor and/or the General Partner. In the event that a conflict of interest arises, the Advisor and/or the General Partner will attempt to resolve such conflict on a case by case basis and in the best interests of the parties involved, while maintaining its duty of fiduciary care to the relevant Investment Vehicle.

Additionally, an Investment Vehicle may have conflicts of interest arising out of the overall investment activity of the Advisor, the General Partner and the ICG Group. To mitigate these conflicts, the ICG Group will not close a first investment by a new investment vehicle having the investment objective of primarily focusing on private investments in subordinated debt securities in the United States and Canada, until the earlier of (i) the end of the investment period of the Fund and (ii) such time as 75% of the aggregate capital commitments are invested in or committed to the Fund, other than as may otherwise be permitted under the Partnership Agreement.

Please see Item 11 below regarding certain potential conflicts of interest and the applicable offering memoranda for additional information.

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics

It is ICG's policy that all employees conduct themselves so as to avoid not only actual conflicts of interest with the Investors, but also that they refrain from conduct which could give rise to the appearance of a conflict of interest. ICG has adopted a Code of Ethics (the "**Code**") which describes its high standard of business conduct and fiduciary duty to its Investors. All ICG employees must acknowledge the terms of the Code annually or when it is amended.

ICG recognizes and believes that (i) high ethical standards are essential for its success and to maintain the confidence of its Investors; (ii) its long-term business interests are best served by adherence to the principle that the interests of Investors come first; and (iii) it has a fiduciary duty to its Investors to act in or not opposed to the best interests of the CLO and the Fund. All employees are required to act in accordance with the implied contractual covenants of good faith and fair dealing in respect of their dealings with investors. All employees must also comply with all federal securities laws.

The Code governs a number of potential conflicts of interest that exist when providing advisory services to the CLO and the Fund. The Code is designed to ensure that the Advisor meets its fiduciary obligation to Investors and to instill a culture of compliance within ICG. An additional benefit of the Code is to detect and prevent violations of securities laws. The Code is distributed to each employee at the time of hire, annually thereafter and when amended.

The Code addresses, among other things, the following:

- Requirements related to confidentiality;
- Limitations on, and reporting of, gifts and entertainment;
- Pre-clearance of political contributions;
- Pre-clearance and reporting of employee personal securities transactions;
- Pre-clearance of outside business activities; and
- Protection of persons who engage in "whistle blowing" activities from retaliation.

On an annual basis, all employees are required to certify that they are in compliance with the Code. The Code is available for review upon request. The Code is available to Investors and prospective investors upon request. Requests for a copy of the Code can be made by contacting the Chief Compliance Officer, Stuart Griffiths at +44 20 3201 7752.

Certain Potential Conflicts of Interest.

Broad and Wide-Ranging Activities.

The Advisor and the ICG Group engage in a broad spectrum of activities. In the ordinary course of their business activities, the Advisor and the ICG Group may engage in activities where the interests of the Advisor and the ICG Group or the interests of their clients may conflict with the interests of the Investors. Other present and future activities of the Advisor and/or the ICG Group may give rise to additional conflicts of interest. In the event that a conflict of interest arises, the Advisor will attempt to resolve such conflicts in a fair and equitable manner on a case-by-case basis by senior management of the ICG Group and representatives of the Advisor, who will in many circumstances be the same individuals. Any such discussions will take into consideration the interests of the relevant parties and the circumstances giving rise to the conflict. The Advisor will have the power to resolve, or consent to the resolution of, conflicts of interest on behalf of, and such resolution will be binding on, the Investment Vehicles. Investors should be aware that conflicts will not necessarily be resolved in favor of the interests of the relevant Investment Vehicle. These resolutions may include, by way of example and without limitation, refraining from investing in or disposing of the security giving rise to the conflict of interest, appointing an independent fiduciary or consulting with the relevant Investment Vehicle's advisory committee.

ICG Group Policies and Procedures.

Specified policies and procedures implemented by the ICG Group to mitigate potential conflicts of interest and address certain regulatory requirements and contractual restrictions may reduce the synergies across the ICG Group's various businesses that the Investment Vehicles expect to draw on for purposes of pursuing attractive investment opportunities. Because the ICG Group has many different asset management businesses, it is subject to a number of actual and potential conflicts of interest, greater regulatory oversight and more legal and contractual restrictions than that to which it would otherwise be subject if it had just one line of business. In addressing these conflicts and regulatory, legal and contractual requirements across its various businesses, the ICG Group has implemented certain policies and procedures (e.g., information walls) that may reduce the positive synergies that the Investment Vehicles expect to utilize for purposes of finding attractive investments. For example, the ICG Group may come into possession of material non-public information with respect to companies in which an Investment Vehicle may be considering making an investment or companies that are the ICG Group's advisory clients. As a consequence, that information, which could be of benefit to an Investment Vehicle, might become restricted to those other businesses and otherwise be unavailable to such Investment Vehicle, and could also restrict such Investment Vehicle's activities. Additionally, the terms of confidentiality or other agreements with or related to companies in which any fund of the ICG Group has or has considered making an investment may restrict or otherwise limit the ability of an Investment Vehicle, its portfolio companies and their affiliates to make investments in or otherwise engage in businesses or activities competitive with such companies. The ICG Group may enter into one or more strategic relationships in certain regions or with respect to certain types of investments that, although they may be intended to provide greater opportunities for the Investment Vehicles, may require the Investment Vehicles to share such opportunities or otherwise limit the amount of an opportunity the Investment Vehicles can otherwise take. While the Investment Vehicles will typically hold no publicly

traded securities, ICG has implemented a structured employee investment policy with pre-approval and quarterly reporting requirements. The Advisor also maintains a restricted list to avoid any possible conflicts with portfolio holdings.

Performance Allocation / Fund Management Fee.

The existence of the Portfolio Incentive Fee and the General Partner's carried interest may create an incentive for each of ICG Debt Advisors and the General Partner, respectively, to make more risky investments on behalf of the respective Investment Vehicle than it would otherwise make in the absence of such performance-based compensation, although, in the case of the Fund, the significant commitment by the General Partner and the Special Limited Partner to invest in investments and the clawback should tend to reduce this incentive. In addition, the fact that a portion of the Fund Management Fee is calculated based on capital contributions with respect to investments that have not been disposed of, rather than capital commitments, may create an incentive for ICG Fund Advisors to (i) make more speculative investments than it otherwise would have made if Fund Management Fees were based on capital commitments, (ii) seek to deploy the capital commitments in investments at an accelerated pace, (iii) hold investments longer than it otherwise would have if Fund Management Fees were based on capital commitments and/or (iv) employ a greater degree of leverage than it otherwise would have if Fund Management Fees were based on capital commitments.

Other Fees.

ICG Fund Advisors may earn commitment, closing, origination, transaction, break-up, directors', monitoring, management, amendment, and other similar fees in connection with the provision of capital to a portfolio company by the Fund. The Fund Management Fee payable by a Limited Partner will generally be reduced by an amount equal to 100% of such Limited Partner's pro rata share of such fees. Except as set forth above, the Limited Partners will not receive the benefit of fees or other compensation received by the ICG Group in connection with the provision of services by the ICG Group to the Fund or third parties. For greater certainty, ICG Fund Advisors engages and retains strategic advisors, consultants, and other similar professionals who are not employees or affiliates of ICG Fund Advisors and who may, from time to time, receive payments from, or allocations with respect to, portfolio companies. In such circumstances, such amounts will not be deemed paid to or received by ICG Fund Advisors and such amounts will not be subject to offset.

Allocation of Investment Opportunities.

The Advisor and the ICG Group may provide investment management services to other clients, other investment funds, client accounts (including managed accounts), and proprietary accounts in which the Investment Vehicles will not have an interest (such other clients, funds and accounts, collectively the "**Other Accounts**").

The respective investment programs of the Investment Vehicles and the Other Accounts may or may not be substantially similar. The Advisor and the ICG Group may give advice and recommend securities to Other Accounts which may differ from advice given to, or securities recommended or bought for, the Investment Vehicles, even though their investment objectives may be the same or similar to those of the Investment Vehicles. In addition, in managing its proprietary accounts, the ICG Group may purchase or sell securities for its own account and references to "Other Accounts" may include such activities as the context requires. The ICG Group or such Other Accounts, whether now existing or created in the future, could compete with an Investment Vehicle for the purchase and sale of investment opportunities.

While the Advisor will seek to manage potential conflicts of interest in good faith, the portfolio strategies employed by the Advisor and the ICG Group in managing the Other Accounts could conflict with the transactions and strategies employed by the Advisor in managing the Investment Vehicles and may affect the prices and availability of the securities and instruments in which an Investment Vehicle invests. Conversely, participation in specific investment opportunities may be appropriate, at times, for both an Investment Vehicle and Other Accounts. It is the policy of the Advisor to generally share appropriate investment opportunities (and sale opportunities) with the Other Accounts. In general and except as provided below, this means that such opportunities will be allocated pro rata among an Investment Vehicle and the Other Accounts based on available capacity for such investment in each fund, taking into account capital commitments, available cash and the relative capital of the respective funds and such other factors as the Advisor determines in good faith to be appropriate. Nevertheless, investment and/or sale opportunities may be allocated other than on a pro rata basis, if the Advisor deems in good faith that a different allocation among an Investment Vehicle and the Other Accounts is appropriate, taking into account, among other considerations (a) risk-return profile of the proposed investment; (b) such Investment Vehicle's and any Other Account's objectives, whether such objectives are considered solely in light of the specific investment under consideration or in the context of the portfolio's overall holdings; (c) the potential for the proposed investment to create an industry, sector or issuer imbalance in such Investment Vehicle's and any Other Account's portfolios; (d) liquidity requirements of such Investment Vehicle and Other Accounts, including during a wind-down of such Investment Vehicle or such Other Account; (e) tax consequences; (f) regulatory restrictions; (g) the need to re-size risk in such Investment Vehicle's or Other Accounts' portfolios; (h) redemption or withdrawal requests from Other Accounts and anticipated future contributions into such Investment Vehicle and Other Accounts; (i) proximity of an Other Account to the end of its specified term/commitment period; (j) when a pro rata allocation could result in de minimis or "odd lot" allocation; (k) availability of leverage and any requirements or other terms of any existing leverage facilities; (l) the nature and extent of involvement in the transaction on the part of the respective teams of investment professionals dedicated to such Investment Vehicles or such Other Accounts; and (m) other considerations deemed relevant by the Advisor.

Orders may be combined for all such accounts, and if any order is not filled at the same price, they may be allocated on a volume-weighted average price basis. Similarly, if an order on behalf of more than one account cannot be fully executed under prevailing market conditions, securities may be allocated among the different accounts on a basis which the Advisor considers equitable. From time to time, an Investment Vehicle and an Other Account may make investments at different levels of an issuer's capital structure or otherwise in different classes of an issuer's securities. Such investments may inherently give rise to conflicts of interest or perceived conflicts of interest between or among the various classes of securities that may be held by such entities. While these conflicts cannot be eliminated, the Advisor, when practicable, will cause such Investment Vehicle and Other Account to hold investments in the same levels of an issuer's capital structure in the same proportion at each level; provided, however, that neither any Investment Vehicle nor any Other Account will be required to hold an investment if holding such investment would result in a violation of the provisions of the organizational documents of such Investment Vehicle or Other Account, as applicable, or constitute a breach of, or default or debt repayment event with respect to, any credit facility or other debt instrument or obligation (each such event, a "**Restrictive Event**"). If a Restrictive Event exists, the Advisor will use reasonable efforts to cause such Investment Vehicle to hold investments in each level of an issuer's capital structure in the same proportion as that held by the Other Accounts, but will only do so to the extent permissible by the Restrictive Event. In some circumstances, investments may be made at different levels of an issuer's capital structure or otherwise in different classes of an issuer's securities or on a disproportionate basis, even though no Restrictive Event would result if the Advisor deems in good faith that such investments among an Investment Vehicle and the Other Accounts are appropriate. It is possible that certain

portfolio companies of the Other Accounts may compete with the Investment Vehicles for one or more investment opportunities. Investors should be aware that conflicts will not necessarily be resolved in favor of an Investment Vehicle's interests.

The ICG Group may, on behalf of itself or Other Accounts, buy, sell, hold, or otherwise deal with securities or other investments that may be purchased, sold, or held by an Investment Vehicle and/or its parallel funds or that are otherwise issued by a portfolio company in which the CLO, the Fund and/or its parallel funds invest, or may give advice to Other Accounts with respect to such investments that may differ from advice provided to an Investment Vehicle and/or its parallel funds. While the ICG Group will seek to manage any resulting conflicts in an appropriate manner, such transactions or advice may have consequences that are adverse to the interests of an Investment Vehicle and/or its parallel funds, such as, for example, adversely affecting the availability, price or other terms of investments that the Advisor seeks to make for such Investment Vehicle and/or its parallel funds.

Investments in Which the Advisor and/or the ICG Group Have a Different Interest.

The Advisor and the ICG Group may invest in a broad range of securities and instruments throughout the corporate capital structure. These investments include (but are not limited to) investments in mezzanine debt securities, preferred equity securities and common equity securities. Accordingly, the Advisor, the ICG Group and/or Other Accounts may invest in different parts of the capital structure of a company or other issuer in which the Investment Vehicles, the ICG Group or Other Accounts invest. Further, if any Other Account were to purchase debt or other instruments from a portfolio company senior to an Investment Vehicle's investments, the ICG Group may, in certain instances, face a conflict of interest in respect of the advice it gives to, and the actions it takes on behalf of, such Other Account and such Investment Vehicle (e.g., with respect to the terms of such debt or other instruments, the enforcement of covenants, the terms of recapitalizations, exercise of rights, pursuit of remedies, etc.).

With respect to companies in which the Fund has an equity investment, to the extent that one of the Other Accounts is actually or effectively the controlling shareholder, it may be able to determine the outcome of all matters requiring stockholder approval and will be able to cause or prevent a change of control of such company or a change in the composition of its board of directors and could preclude any unsolicited acquisition of that company regardless as to whether the Fund agrees with such determination. So long as the Other Account continues to own a significant amount of the voting power of a company in which the Fund invests, even if such amount is less than 50%, it may continue to influence strongly, or effectively control, that company's decisions. As a result, the Fund's interests with respect to the management, investment decisions or operations of those companies may at times be in direct conflict with those of the Other Accounts.

In addition, where the Fund, the ICG Group and/or any Other Account invest in different parts of the capital structure of a portfolio company, their respective interests may diverge significantly in the case of financial distress of such portfolio company. For example, if additional financing is necessary as a result of financial or other difficulties, it may not be in the best interests of the Fund to provide such additional financing. If the ICG Group or any Other Account were to lose its respective investments as a result of such difficulties, the ability of the Advisor to recommend actions in the best interests of the Fund might be impaired. In addition, it is possible that in a bankruptcy proceeding an Investment Vehicle's interest may be subordinated or otherwise adversely affected by virtue of the Advisor's and/or the ICG Group's or any Other Account's involvement and actions relating to their investment. Moreover, there can be no assurance that the term of or the return on an Investment Vehicle's investment will be equivalent to or better than the term of or the returns obtained by the other affiliates or any Other Account participating in the transaction. This may result in a loss or substantial dilution of such Investment

Vehicle's investment, while the ICG Group and/or any Other Account recovers all or part of amounts due to it. Similarly, the Advisor's ability to implement an Investment Vehicle's strategies effectively may be limited to the extent that contractual obligations entered into in respect of the activities of the ICG Group impose restrictions on such Investment Vehicle engaging in transactions that the Advisor may be interested in otherwise pursuing.

Due to the various conflicts described herein, actions may be taken by the ICG Group and/or on behalf of Other Accounts that are adverse to an Investment Vehicle.

Portfolio Company Relationships.

The Fund's portfolio companies may be counterparties or participants in agreements, transactions or other arrangements with portfolio companies of other investment funds managed by the ICG Group that, although the ICG Group determines to be consistent with the requirements of such funds' governing agreements, may not have otherwise been entered into but for the affiliation with ICG Fund Advisors and/or the ICG Group, and which may involve fees and/or servicing payments to ICG Fund Advisors and/or the ICG Group-affiliated entities which are not subject to the management fee offset provisions described herein. From time to time employees of the ICG Group may serve as directors or advisory board members of certain portfolio companies or other entities. In connection with such services, ICG Fund Advisors may receive directors' fees or other similar compensation which will offset management fees as described above. Such amounts have not been, and are not expected to be, material.

Portfolio Company Interests.

The ICG Group may invest on behalf of itself and/or Other Accounts in a portfolio company that is a competitor of a portfolio company of an Investment Vehicle or that is a service provider, supplier, customer, or other counterparty with respect to a portfolio company of an Investment Vehicle. In providing advice and recommendations to, or with respect to, such portfolio companies, and in dealing in their securities on behalf of itself or such Other Accounts, to the extent permitted by law, the ICG Group will not take into consideration the interests of an Investment Vehicle and its portfolio companies. Accordingly, such advice, recommendations and dealings may result in adverse consequences to an Investment Vehicle or its portfolio companies. Conflicts of interest may also arise with respect to the allocation of the ICG Group's time and resources between such portfolio companies. In addition, in providing services to such portfolio companies, the ICG Group may come into possession of information that it is prohibited from acting on (including on behalf of an Investment Vehicle) or disclosing as a result of applicable confidentiality requirements or applicable law, even though such action or disclosure would be in the interests of an Investment Vehicle. To the extent not restricted by confidentiality requirements or applicable law, the ICG Group may apply experience and information gained in providing services to portfolio companies of an Investment Vehicle to provide services to competing portfolio companies invested in by the ICG Group or Other Accounts, which may have adverse consequences for an Investment Vehicle.

Material, Non-Public Information.

The Advisor may come into possession of material non-public information with respect to an issuer. Should this occur, the Advisor would be restricted from buying or selling securities, derivatives or loans of the issuer on behalf of the Investment Vehicles until such time as the information became public or was no longer deemed material to preclude the Investment Vehicles from participating in an investment. Disclosure of such information to the General Partner's personnel responsible for the affairs of the Fund

will be on a need-to-know basis only, and the Fund may not be free to act upon any such information. Additionally, there may be circumstances in which one or more of certain individuals associated with the Advisor will be precluded from providing services related to an Investment Vehicle's activities because of certain confidential information available to such individuals and the Advisor. Therefore, an Investment Vehicle may not have access to material non-public information in the possession of the ICG Group which might be relevant to an investment decision to be made by such Investment Vehicle, and such Investment Vehicle may initiate a transaction or sell an investment which, if such information had been known to it, may not have been undertaken. Due to these restrictions, an Investment Vehicle may not be able to initiate a transaction that it otherwise might have initiated and may not be able to sell an investment that it otherwise might have sold.

Service Providers.

Certain advisors and other service providers, or their affiliates (including accountants, administrators, lenders, bankers, brokers, attorneys, consultants, and investment or commercial banking firms and certain other advisors and agents) to the Investment Vehicles, the ICG Group or their portfolio companies may also provide goods or services to or have business, personal, political, financial or other relationships with the ICG Group. Such advisors and service providers may be investors in an Investment Vehicle, affiliates of the Advisor, sources of investment opportunities or co-investors or counterparties therewith. These service providers and their affiliates may contract or enter into any custodial, financial, banking, advising or brokerage or other arrangement or transaction with an Investment Vehicle, the Advisor or any investor in an Investment Vehicle or any company or entity any of whose securities are held by or for the account of an Investment Vehicle. These relationships may influence the Advisor in deciding whether to select or recommend such a service provider to perform services for an Investment Vehicle or a portfolio company (the cost of which will generally be borne directly or indirectly by such Investment Vehicle or portfolio company, as applicable). Similarly, these service providers and their affiliates may engage in competitive activities and may earn fees from or receive or provide other consideration from such persons or entities, and may provide different advice or services, take different action, or hold or deal in different loans for any other client or account, including their own accounts, from the advice or services they provide, action they take, or loans they hold or deal for an Investment Vehicle. Notwithstanding the foregoing, investment transactions for an Investment Vehicle that requires the use of a service provider will generally be allocated to service providers on the basis of best execution, the evaluation of which includes, among other considerations, such service provider's provision of certain investment-related services and research that the Advisor believes to be of benefit to such Investment Vehicle. In certain circumstances, advisors and service providers, or their affiliates, may charge different rates or have different arrangements for services provided to the ICG Group, the Advisor or their affiliates as compared to services provided to an Investment Vehicle and the Fund's portfolio companies, which may result in more favorable rates or arrangements than those payable by such Investment Vehicle or portfolio companies.

Other Affiliate Transactions.

The Advisor may engage in transactions with its affiliates by purchasing investments (the "**Identified Investments**") from or through the ICG Group as principal. In particular, following the initial closing of the Fund, the Fund may purchase from the ICG Group investments in companies that have been previously made by the ICG Group and that are within the Fund's investment objectives. Each subscription agreement will contain a consent to the transfer of any Identified Investments disclosed to the Limited Partner prior to the acceptance of such subscription and it is contemplated that any purchase of a portfolio investment, other than an Identified Investment so consented to, from the General Partner or the ICG Group as principal or underwriter or through such entity as agent will be

subject to the consent of the advisory committee of the Fund. The failure of the advisory committee to grant such consent would prevent the Fund from consummating such investments and therefore could adversely affect the Fund.

Valuation Matters.

The fair value of all investments or of property received in exchange for any investments of the Fund will be determined by the General Partner in accordance with the Partnership Agreement. Accordingly, the carrying value of an investment may not reflect the price at which the investment could be sold in the market, and the difference between carrying value and the ultimate sales price could be material. The valuation of such investments will be determined by the General Partner in accordance with procedures set forth in the Partnership Agreement.

Other Trading and Investing Activities.

Certain Other Accounts may invest in securities of publicly traded companies which are actual or potential Fund portfolio companies. The trading activities of those vehicles may differ from or be inconsistent with activities which are undertaken for the account of the Fund in such securities or related securities. In addition, the Fund may not pursue an investment in a portfolio company as a result of such trading activities by Other Accounts.

Diverse Investor Group.

The Investors of each Investment Vehicle are expected to be based in a wide variety of jurisdictions and take a wide variety of forms. Accordingly, they may have conflicting regulatory, legal, investment, tax and other interests with respect to their investments in the respective Investment Vehicle and with respect to the interests of investors in other investment vehicles managed or advised by the Advisor that may participate in the same investments as such Investment Vehicle. The conflicting interests of individual Investors with respect to other Investors and relative to investors in other investment vehicles may relate to or arise from, among other things, the nature of investments made by such Investment Vehicle and such other partnerships, the structuring or the acquisition of investments and the timing of disposition of investments, internal investment policies of such Investors and their target risk/return profiles. As a consequence, conflicts of interest may arise in connection with the decisions made by the Advisor, including with respect to the nature or structuring of investments that may be more beneficial for one investor than for another investor, especially with respect to investors' individual tax situations. In addition, an Investment Vehicle may make investments which may have a negative impact on related investments made by its Investors in separate transactions. In selecting and structuring investments appropriate for an Investment Vehicle, the Advisor will consider the investment and tax objectives of such Investment Vehicle and its Investors (and those of investors in other investment vehicles managed or advised by the Advisor) as a whole, not the investment, tax or other objectives of any Investor individually. As a consequence of the foregoing, the Advisor may elect to exclude certain Investors in the Fund from particular investments for legal or regulatory reasons applicable to any such investment, in which case non-excluded Investors shall be allocated a greater proportionate interest in such investment. Since the ICG Group will, through the General Partner or otherwise, make a substantial capital commitment to the Fund, conflicts may arise between its own interests and those of the Limited Partners in relation to such decisions.

Possible Future Activities.

The ICG Group may expand the range of services that it provides over time. Except as provided herein, the ICG Group will not be restricted in the scope of its business or in the performance of any such services (whether now offered or undertaken in the future) even if such activities could give rise to conflicts of interest, and whether or not such conflicts are described herein. The ICG Group has, and will continue to develop, relationships with a significant number of companies, financial sponsors and their senior managers, including relationships with clients who may hold or may have held investments similar to those intended to be made by an Investment Vehicle. These clients may themselves represent appropriate investment opportunities for an Investment Vehicle or may compete with an Investment Vehicle for investment opportunities.

Restrictions Arising under the Securities Laws.

The ICG Group's activities (including, without limitation, the holding of securities positions or having one of its employees on the board of directors of a portfolio company) could result in securities law restrictions on transactions in securities held by an Investment Vehicle, affect the prices of such securities or the ability of such entities to purchase, retain or dispose of such investments, or otherwise create conflicts of interest, any of which could have an adverse impact on the performance of an Investment Vehicle and thus the return to the Investors.

Additional Potential Conflicts.

The officers, directors, members, managers, employees, affiliates of the employees, and relatives of the employees of the Advisor may trade in securities for their own accounts, subject to restrictions and reporting requirements as may be required by law or the ICG Group's policies, or otherwise determined from time to time by the Advisor, as applicable. The ICG Group may conduct any other business, including any business within the securities industry, whether or not such business is in competition with an Investment Vehicle. Without limiting the generality of the foregoing, the ICG Group may act as the investment adviser or investment manager for others, may manage funds or capital for others, may have, make and maintain investments in their own name or through other entities, and may serve as officers, directors, consultants, partners or stockholders of one or more investment funds, partnerships, securities firms, advisory firms or management firms.

Side Letters.

The Fund or the General Partner may enter into a side letter or other similar agreement with a particular Limited Partner or Limited Partners with respect to the Fund without the approval or vote of any other Limited Partner, which would have the effect of establishing rights under, or altering or supplementing the terms of the Partnership Agreement or the Fund's subscription agreement (the "**Subscription Agreement**") with respect to such Limited Partner in a manner more favorable to such Limited Partner than those applicable to other Limited Partners. Any rights established, or any terms of the Partnership Agreement or any Subscription Agreement altered or supplemented in a side letter or other similar agreement with a Limited Partner will govern solely with respect to such Limited Partner notwithstanding any other provision of the Partnership Agreement or any Subscription Agreement.

Item 12: Brokerage Practices

As the Advisor to mezzanine funds and CLOs, ICG does not generally make investments in securities listed on national exchanges. If there were a situation where the Advisor would place a trade(s) through a broker, “best execution” would be sought in light of the circumstances involved in the transaction. “Best execution” means obtaining for an Investment Vehicle the lowest total cost (in purchasing a security) or highest total proceeds (in selling a security), subject to a number of factors the Advisor would consider in selecting a broker for any transaction, including, for example, the broker’s reputation, net price or spread, financial strength and stability, market access, efficiency of execution and error resolution, and the size of the transaction. ICG would not be obligated to obtain the lowest commission or best net price for an Investment Vehicle on any particular transaction.

Allocation and Aggregation

As ICG deals primarily with private securities purchased directly from the issuer, the Advisor will generally not be able to aggregate securities transactions for clients. However, where available and appropriate, the Advisor may aggregate purchases or sales of securities for client accounts. If transactions are aggregated and if any order is not filled at the same price, they may be allocated on a volume-weighted average price basis. Similarly, if an order on behalf of more than one account cannot be fully executed under prevailing market conditions, securities may be allocated among the different accounts on a basis which the Advisor considers equitable. See also “Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading – Certain Potential Conflicts of Interest – Allocation of Investment Opportunities.”

Item 13: Review of Accounts

Review of Accounts

ICG’s investment professionals review the CLO and the Fund on an ongoing basis. This analysis includes, but is not limited to, a review of:

- Compliance with the investment strategy and restrictions provided in the specific offering documents;
- Potential conflicts;
- Market conditions; and
- Performance.

These reviews take place by the analysts and at investment committees meetings where investment ideas and strategies are discussed and adherence to investment strategy is monitored. A variety of internal and external resources may be reviewed during the course of such meetings. In addition to these formal meetings, which take place weekly or as needed, investment professionals may meet and discuss the review of the CLO and the Fund on a more frequent, informal basis. The investment committees also conduct regular credit reviews based on monitoring and analysis performed by the portfolio managers and investment analysts.

Reporting

ICG provides unaudited performance reports on a monthly or quarterly basis to Limited Partners, as specified in the organizational and offering documents of the Fund, and audited financial statements to the Fund annually. The Advisor will distribute an audited financial report for the Fund to all Limited

Partners within 90 days of year-end, as well as quarterly letters that will include certain unaudited financial information within 60 days after the end of each fiscal quarter (in each case, subject to reasonable delays in the event of late receipt of any necessary financial information from any person in which investments are made by the Fund). In addition, the General Partner will conduct an annual informational meeting for all Limited Partners.

The trustee of the CLO will distribute audited reports to the Investors in the CLO on an annual basis.

Certain Investors in the Investment Vehicles may request information relating to an Investment Vehicle and, to the extent such information is readily available or may be obtained without unreasonable effort or expense, ICG will provide such Investors with the information requested. Investors that request and receive such information will consequently possess information regarding the business and affairs of an Investment Vehicle that may not be known to other Investors. As a result, certain Investors may be able to take actions on the basis of such information which, in the absence of such information, other Investors do not take.

Item 14: Client Referrals and Other Compensation

ICG has engaged third-party marketers to assist in prospective investor referrals. While they may initially be paid by the relevant Investment Vehicle, such expenses are not ultimately borne by the Investment Vehicles in general. However, to the extent the Fund incurs placement fees with respect to a Limited Partner, such Limited Partner may be allocated such placement fees (including any out-of-pocket expenses borne by any placement agent or financial advisor to the Fund or any costs relating to the indemnification of any placement agent) and the Fund Management Fees will be reduced on a dollar-for-dollar basis.

For details regarding economic benefits provided to the Advisor and its related persons by non-clients, please see Item 5, Fees and Compensation, above.

Item 15: Custody

The SEC takes the position that advisers to pooled investment vehicles are deemed to have custody with respect to the assets of such vehicles. However, advisers to pooled investment vehicles are considered to be in compliance with the custody rule if such pooled investment vehicle: (i) is audited at least annually; and (ii) distributes its audited financial statements prepared in accordance with generally accepted accounting principles to all limited partners (or other beneficial owners) within 120 days of the end of its fiscal year.

The Advisor is not deemed to have custody of the assets in the CLO.

The custody requirement will be met as ICG intends to deliver to Limited Partners audited financial statements within 90 days of the fiscal year end, as stated above in Item 13.

Item 16: Investment Discretion

Subject to any investment restrictions set forth in the offering memorandum of an Investment Vehicle, ICG has discretionary authority to make the following determinations without obtaining the consent of any Investor before the transactions are effected:

- the securities that are to be bought or sold;

- the total amount of the securities to be bought or sold;
- the brokers, investment banks or placement agents through which securities are to be bought or sold; and
- the commissions, fees or other rates at which securities transactions for an Investment Vehicle are transacted.

Our discretionary authority is derived from our authority as the Advisor of each Investment Vehicle and pursuant to the investment management agreement.

Item 17: Voting Client Securities

Although infrequent, when necessary ICG Fund Advisors will vote proxies/corporate actions of companies in which the Fund invests. The proxies/corporate actions will be reviewed and analyzed by the investment committee. Prior to voting, ICG Fund Advisors will make a determination, in its opinion, as to what vote is in the best interest of the Fund. ICG Fund Advisors will maintain a written record of the proxy/corporate action vote on each occasion that a vote is required.

Requests for a copy of ICG Fund Advisors' proxy voting policies and procedures and/or a record of all proxy votes cast by the Fund can be made by contacting the Chief Compliance Officer, Stuart Griffiths at +44 20 3201 7752.

Item 18: Financial Information

ICG has never filed for bankruptcy and is not aware of any financial condition that is reasonably likely to impair its ability to meet its contractual obligations to its clients.