

Firm Brochure

Flat Rock Global, LLC

1350 6th Ave, 18th Floor
New York, NY 10019
(212) 596-3413 (telephone)
www.flatrockglobal.com

This brochure provides information about the qualifications and business practices of Flat Rock Global, LLC. If you have any questions about the information contained in this brochure, please contact us at (212) 596-3413. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

This brochure does not constitute an offer, solicitation or recommendation to sell or an offer to buy any securities, investment products or investment advisory services. Such an offer may only be made to eligible persons by means of delivery of offering and governing documents that contain a description of the material terms relating to such investments, products or services.

Additional information about Flat Rock Global, LLC is also available on the SEC’s website at www.adviserinfo.sec.gov.

December 21, 2018

Item 2. Material Changes.

The following is a summary of the material changes made to our Brochure since our most recent filing on July 27, 2017:

1. Update to include current assets under management.
2. Update to include information relating to Flat Rock Opportunity Fund, a newly organized Delaware statutory trust registered under the Investment Company Act of 1940, as amended (the “1940 Act”), that is a continuously offered, non-diversified, closed-end management investment company, operated as an interval fund, for which we act as investment adviser, along with the conflicts of interest arising therefrom.
3. Revise to replace the detailed descriptions of each particular client with an overview of our business. Detailed information on each particular client is available in their respective public filings made pursuant to the requirements of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and the 1940 Act, available on the SEC’s EDGAR system at www.sec.gov/edgar.

Item 3. Table of Contents

Table of Contents

Item 2. Material Changes.....	2
Item 3. Table of Contents.....	3
Item 4. Advisory Business	4
Item 5: Fees and Compensation	4
Flat Rock Capital	4
Opportunity Fund.....	5
Item 6: Performance Based Fees and Side-By-Side Management.....	5
Item 7: Types of Clients.....	6
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss.....	6
Item 9: Disciplinary Information	7
Item 10: Other Financial Industry Activities and Affiliations	8
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	9
Item 12: Brokerage Practices	9
Item 13: Review of Accounts.....	11
Item 14: Client Referrals and Other Compensation.....	12
Item 15: Custody.....	12
Item 16: Investment Discretion.....	12
Item 17: Voting Client Securities.....	12
Item 18: Financial Information	12
Item 19: Requirements for State-Registered Advisers.....	13

Item 4. Advisory Business

Flat Rock Global, LLC (“Flat Rock” or “we” or “us”), a Delaware limited liability company, was formed in 2016 and is controlled by Robert K. Grunewald. In August 2017, Western Asset Management Company, a globally integrated fixed-income manager with \$429 million in assets under management as of June 30, 2017, acquired a 20% ownership interest in us. Western Asset Management Company is an independent affiliate of Legg Mason.

We provide investment advice to our clients in accordance with their investment objectives, policies and guidelines set forth in their applicable offering and/or governing documents, and not in accordance with the individual needs or objectives of any particular investor.

We currently provide investment management and other services to two clients: (a) Flat Rock Capital Corp. (“Flat Rock Capital”), a non-diversified, closed-end management investment company that has elected to be regulated as a business development company (“BDC”) under the Investment Company Act of 1940, as amended (the “Investment Company Act”); and (b) Flat Rock Opportunity Fund (“Opportunity Fund” and together with Flat Rock Capital, our “Clients”), a newly organized Delaware statutory trust registered under the Investment Company Act as a continuously offered, non-diversified, closed-end management investment company that is operated as an interval fund.

Flat Rock Capital’s strategy is focused on making debt investments in senior secured loans of U.S. middle-market companies (“Senior Loans”). Flat Rock Capital plans to hold many of its investments to maturity or repayment, but will sell its investments earlier if a sale or recapitalization of a portfolio company takes place, or if Flat Rock determines a sale of one or more of Flat Rock Capital’s investments is in its best interest. Flat Rock Capital seeks to create diverse portfolios of Senior Loans by investing approximately \$10 to \$25 million of capital, on average, in the securities of middle-market companies.

Opportunity Fund’s strategy is to invest primarily in the equity and, to a lesser extent, in the junior debt tranches of collateralized loan obligations (“CLOs”) that own a pool of senior secured loans made to companies whose debt is rated below investment grade or, in limited circumstances, unrated. Flat Rock determines when to sell Opportunity Fund’s investment and will consider the following factors: the performance of such investment compared to initial expectations and the risk adjusted returns available in other transactions Flat Rock is evaluating.

Flat Rock has \$85 million assets under management as of September 30, 2018. All of the assets that we manage are managed on a discretionary basis.

Item 5: Fees and Compensation

We are generally entitled to receive management fees and incentive fees. While our fees are described in detail in the Clients’ applicable offering and/or governing documents, as an example, a summary of the fees to be earned for investment advisory services to our Clients, under each Investment Advisory Agreement we entered into with Flat Rock Capital and Opportunity Fund, respectively, is set forth below.

Flat Rock Capital

Management Fees

Flat Rock Global will be entitled to receive a management fee calculated at an annual rate of 1.375% of the gross assets of Flat Rock Capital as of the end of the two most recently completed quarters and is payable quarterly in arrears.

Incentive Fees

Flat Rock Global will be entitled to receive an annual incentive fee equal to 15% of the net investment income and 15% of net capital gains of Flat Rock Capital. The portion of the incentive fee based on net investment income is subject to a preferred return of 6% and a total return threshold.

Management fees and income incentive fees are payable quarterly in arrears. Capital gains incentive fees, if any, are paid annually.

Opportunity Fund

Management Fees

The management fee is calculated and payable monthly in arrears at the annual rate of 1.375% of our average daily total assets during such period. For purposes of calculating the management fee, the term “total assets” includes all assets, including any assets acquired with the proceeds of leverage.

Incentive Fees

The incentive fee is calculated and payable quarterly in arrears in an amount equal to 15.0% of Opportunity Fund’s pre-incentive fee net investment income for the immediately preceding quarter, and is subject to an annualized hurdle rate of 7.00%, subject to a “catch-up” feature, which allows Flat Rock to recover foregone incentive fees that were previously limited by the hurdle rate.

Except for the compensation and routine overhead expenses of personnel allocable to the investment advisory services we will provide, all other out-of-pocket costs and expenses of our Clients’ operations and transactions will be paid by our Clients.

Neither we nor any of our supervised persons accept compensation for the sale of securities or other investment products.

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

As noted under Item 5 above, we may be entitled to receive incentive fees with respect to our Clients. Incentive fees could motivate us to make investment decisions that are riskier or more speculative than would be the case if these arrangements were not in effect. The method of calculating the incentive fees may result in conflicts of interest with respect to the management and disposition of investments, including the sequence of dispositions. Certain of our individual employees, agents and affiliates may be compensated to some extent based upon investment profits for which they are responsible and, accordingly, may face the same potential conflict. To address these actual or potential conflicts of interest, we have adopted a Code of Ethics as required under SEC rules. We have also adopted written compliance policies and procedures as required under SEC rules. We believe our compliance policies and procedures are reasonably designed to prevent, detect and cure violations by us, our employees and our supervised persons of the Investment Advisers Act of 1940, as amended (the “Advisers Act”) and other applicable federal securities laws. Our policy is to manage our Clients’ investments consistent with applicable law. To that end, we have procedures in place which we believe are reasonably designed to prevent our Clients from being systematically favored or otherwise disadvantaged. We also attempt to address these conflicts through full and fair disclosure in the applicable offering documents and this brochure. For more information on the types of conflicts we face and the procedures for resolution of these conflicts we have adopted, please refer to Item 10 of this brochure.

Item 7: Types of Clients

Currently, we only provide investment advisory services to our Clients, but may provide investment advisory services to other clients in the future. For information on our Clients and their investment strategies, see Item 4 of this brochure.

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

We are responsible for evaluating potential investments for our Clients. As noted in Item 4, Flat Rock Capital intends to make investments in Senior Loans. With respect to Flat Rock Capital, Flat Rock will source investments from a variety of different investment sources, including private equity sponsors, fundless sponsors, family offices, management teams, financial institutions, debt advisory firms, investment bankers, accounting firms and law firms in the United States. With respect to Opportunity Fund, we will identify potential investments using our market knowledge, experience and industry relationships with CLO collateral managers, underwriters and trading desks.

Flat Rock maintains a rigorous and disciplined investment process, which initiates with the sourcing of a potential transaction.

With respect to Flat Rock Capital, upon receiving information on a potential transaction, the information is circulated amongst the principals and the investment professionals of Flat Rock and discussed during regular investment meetings. Upon determination that a potential target has investment merit, Flat Rock will typically schedule an in-person or telephonic meeting with the management team, investment bank or private equity sponsor. Typically, after completing a preliminary analysis of the target's information, the principals of Flat Rock will decide whether to present the deal to Flat Rock's investment committee (the "Investment Committee"). From time to time, the investment process may require the issuance of an informal term sheet of indicative terms, which allows the intermediary, private equity firm or target company to select a smaller group of lenders to continue to conduct due diligence on the transaction. Presentations to the Investment Committee consist of a variety and number of investment memoranda that provides, among other data, a situation overview, a company overview, key investment considerations, investment risks, information on the management team, financial data, a financial model and investment return information. Other considerations that go into the evaluation process include an operational analysis of the key risks and opportunities; an analysis of industry dynamics and the competitive position of the company; background checks on key management and personnel; and a legal and accounting review. Investment Committee approval of the underwriting memorandum is required prior to proceeding towards negotiating final documentation and closing the transaction. Investing in middle market senior loans involves a risk of loss that Flat Rock Capital must be prepared to bear. Investments of the type that Flat Rock recommend are subject to financial market risks, including, but not limited to, changes in interest rates, which may have a substantial negative impact on the value of Flat Rock Capital's investments.

With respect to Opportunity Fund, all investment decisions will require unanimous approval by the members of our Investment Committee. Investment decisions will generally be based on a rigorous credit and structural review and relative value analysis performed by us, and potential investments will generally be analyzed on the merits of the individual transaction in terms of absolute return targets and relative value versus comparable opportunities. We will monitor Opportunity Fund's portfolio on an ongoing basis in an effort to identify changes to the portfolio that would optimize risk-adjusted returns.

Our team generally will prepare an investment memorandum that documents Flat Rock's rationale for the investment. The investment memorandum will include, among other things, (i) an overview of the investment's key terms (ii) the investment's projected returns; (iii) risks associated with the transaction and (iv) a description of the CLO manager.

Our sale and purchase decisions are reviewed and approved by the Investment Committee. The investment process is collaborative with frequent interaction between our investment professionals and the members of our investment committee before final approval is sought. The investment approval is based on the risk adjusted returns of the underlying investment as well that investment's potential effects on Opportunity Fund's overall portfolio.

In relation to CLOs in which Opportunity Fund invests, our professionals will conduct rigorous ongoing analysis on the senior secured loans, the CLO structure and the CLO collateral manager which generally will include monthly reporting providing an overview of:

- Senior secured loans in the CLO;
- Changes to the underlying portfolio;
- Portfolio metrics (including coupon, price, weighted average rating factor and any rating changes);
- Concentration limits;
- Covenant compliance; and
- Cash flows.

Further, we will follow a policy of holding formal reviews on a periodic basis of the CLO managers that manage Opportunity Fund's CLO investments, as applicable.

Risk management is an ongoing process that may include regular benchmarking of investment performance to the initial investment hypothesis and the maintenance and monitoring of a "risk rating list" on a monthly basis. Such risk rating is derived from general market information including security prices, press releases, news and statements, and ongoing due diligence to assist us in forecasting the occurrence of specific credit events and modeling outcomes. Through its portfolio monitoring and risk management process, we will continuously seek to optimize the risk-return profile of Opportunity Fund's portfolio, subject to, among other things, variations in general market liquidity, the illiquid nature of the securities in which Opportunity Fund invests, and the constraints presented by the limited length of the investment period.

In addition, we may recommend to our Clients investments in, among other things, various types of debt or equity securities, including credit instruments that may be secured, unsecured, rated or unrated, and such investments are subject to specific risks relating to the type of security held, the issuer of such security, and various other risks. Investments in various types of debt securities are subject to non-payment risk, and may be speculative in nature. Securities recommended by Flat Rock may have limited or no liquidity. We may also recommend that our Clients borrow funds to make investments. As a result, such Clients would be exposed to the risks of borrowing, also known as leverage. Leverage increases the volatility of investments by magnifying the potential for gain and loss on amounts invested.

For information on potential risks related to conflicts between us and our Clients, see Item 10 below.

Item 9: Disciplinary Information

Flat Rock has not been involved in any disciplinary actions or material legal or administrative proceedings related to its business activities.

Item 10: Other Financial Industry Activities and Affiliations

There exist potential conflicts of interest with our Clients, related to the relationships between us and our Clients. These potential conflicts include the following:

- From time to time, certain of our employees and affiliates may serve as directors, officers and/or committee members of, and provide advice to, companies in which our Clients invest and/or are actively involved in the operations and management of such companies. Investors should be aware that the receipt of non-public information by our related persons regarding these companies could preclude us from effecting discretionary transactions on behalf of our Clients in certain securities of these issuers.
- Flat Rock Capital and Opportunity Fund may face conflicts with each other or other investment vehicles that may be created in the future and managed by Flat Rock. Flat Rock and its affiliates must allocate their time between advising Flat Rock Capital, Opportunity Fund and managing other investment activities and business activities in which Flat Rock may be involved, including sharing senior management and investment personnel with any other investment programs that may be sponsored by Flat Rock and its affiliates in the future.
- The compensation payable by Flat Rock Capital and Opportunity Fund to Flat Rock and other affiliates will be approved by Flat Rock Capital's board of directors and Opportunity Fund's board of trustees, consistent with the exercise of the requisite standard of conduct applicable to directors under Maryland and Delaware law, respectively. Such compensation is payable, in most cases, regardless of the quality of the assets acquired, the services provided to our Clients or whether our stockholders receive distributions, and may be based in part on the value of assets acquired with leverage.
- Flat Rock and its affiliates are not restricted from forming additional BDCs, interval funds, or other investment programs, from entering into other investment advisory relationships or from engaging in other business activities, even though such activities may be in competition with us or may involve substantial time and resources of Flat Rock and its affiliates.
- Flat Rock will receive substantial fees from its Clients in return for its services, and these fees could influence the advice provided to its Clients. Among other matters, the compensation arrangements could affect our judgment with respect to any offering, private or public, of equity by our Clients, which allow us to earn increased management fees.
- To the extent permitted by the Investment Company Act and interpretations of the SEC staff, Flat Rock may determine it is appropriate for its Clients and one or more other clients to participate in an investment opportunity. To the extent required, our Clients will seek exemptive relief from the SEC to engage in co-investment opportunities with Flat Rock. There can be no assurance that our Clients will obtain such exemptive relief and if our Clients are unable to obtain such relief, our Clients may be excluded from such investment opportunities. These co-investment opportunities may give rise to conflicts of interest or perceived conflicts of interest between Flat Rock Capital, Opportunity Fund and the other participating accounts.

To mitigate these conflicts, Flat Rock will seek to execute such transactions for all of the participating investment accounts, including its Clients, on a fair and equitable basis, taking into account such factors as the relative amounts of capital available for new investments and the investment programs and portfolio positions of its Clients, the clients for which participation is appropriate and any other factors deemed appropriate. Flat Rock believes that it has sufficient personnel to discharge fully its responsibilities to its Clients.

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

We, Flat Rock Capital and Opportunity Fund have each adopted a code of ethics, which sets forth standards of business conduct for all supervised persons. Our code of ethics, pursuant to Rule 204A-1 of the Advisers Act, is primarily designed to educate supervised persons about our and our Clients' philosophy regarding ethics and professionalism, emphasize our fiduciary duties to our Clients, encourage supervised persons to comply with applicable laws, prevent the misuse of material non-public information, restrict the circulation of rumors and other forms of market abuse and address conflicts of interest that arise from personal trading by access persons. Among other things, we and our Clients will impose restrictions on access persons relating to the purchase or sale of certain securities for their own accounts and the accounts of certain affiliated persons. Access persons are required to submit reports disclosing personal securities transactions. We also maintain certain policies and procedures designed to prevent supervised persons from misusing material non-public information or trading the same security ahead of our Clients.

In the course of our activities, including activities on behalf of our Clients, we or our affiliates may acquire confidential information or otherwise become restricted in our investment activities. In such event, we may not be free to act upon such confidential information in the course of performing our duties for our Clients, and we or an affiliate may not be able to initiate a transaction for our Clients that we otherwise would have initiated, with the result being that we are unable to purchase or dispose of an investment. Such restrictions would apply even if we were not involved in, and could not have benefitted from, the receipt of such information. Our Clients or prospective clients may request a copy of our code of ethics by contacting our Chief Compliance Officer, Richard A. Petrocelli, at rich@flatrockglobal.com.

Item 12: Brokerage Practices

We generally negotiate directly with the underlying companies with which Flat Rock Capital invests, especially in those instances where we are originating the investment. While we may pay a finder's fee associated with identifying investment opportunities, we don't anticipate paying a brokerage commission or selecting financial institutions or counterparties for transactions. If however we are involved in selecting financial institutions or counterparties for a transaction, we would seek to obtain the best execution and net results for Flat Rock Capital under the circumstances, taking into account factors such as price (including the applicable brokerage commission or dealer spread), size of the order, and difficulty of execution and operational capabilities of the brokerage firm and the firm's risk and skill in positioning blocks of securities. Although we will generally seek reasonably competitive trade execution costs we will not necessarily pay the lowest spread or commissions available. We do not direct securities transactions to any broker-dealer in exchange for referral of clients.

With respect to Opportunity Fund, ALPS Distributors, Inc. will serve as its principal underwriter, within the meaning of the Investment Company Act, and will act as the distributor of Opportunity Fund's shares on a best efforts basis, subject to various conditions. ALPS Distributors, Inc. also may enter into agreements with financial intermediaries and their agents that have made arrangements with Opportunity Fund and are authorized to buy and sell shares of Opportunity Fund. Shares of Opportunity Fund will not be listed on any national securities exchange and ALPS Distributors, Inc. will not act as a market maker in Fund shares. To the extent fees are charged by financial intermediaries in connection with the offer or sale of Opportunity Fund's shares, such fees will be borne by Flat Rock. None of the compensation paid to ALPS Distributors, Inc. for serving as Opportunity Fund's distributor will be borne by Opportunity Fund.

Flat Rock or its affiliates, in our own discretion and from our own resources, may pay additional compensation to financial intermediaries in connection with the sale and servicing of Fund shares (the "Additional Compensation"). In return for the Additional Compensation, Opportunity Fund may receive certain marketing advantages including access to a financial intermediaries' registered representatives, placement on a list of investment options offered by a financial intermediary, or the ability to assist in

training and educating the financial intermediaries. The Additional Compensation may differ among financial intermediaries in amount or in the manner of calculation: payments of Additional Compensation may be fixed dollar amounts, or based on the aggregate value of outstanding shares held by shareholders introduced by the financial intermediary, or determined in some other manner. The receipt of Additional Compensation by a selling financial intermediary may create potential conflicts of interest between an investor and its financial intermediary who is recommending Opportunity Fund over other potential investments. Payments of Additional Compensation by the Adviser or its affiliates may have the effect of increasing Opportunity Fund's assets under management, which would result in a corresponding increase in management fees payable to us. Flat Rock has not adopted a limitation on the maximum permissible amount of the Additional Compensation that could be paid to financial intermediaries.

In certain circumstances we may select a broker-dealer based upon brokerage or research services provided to us, and we may pay a higher commission than other brokers would charge. These services will be received, and our brokerage practices will be conducted, at all times in compliance with Section 28(e) of the Securities Exchange Act of 1934. Pursuant to our brokerage policies and practices, prior to executing a transaction with a broker-dealer we must determine in good faith that the commission paid is reasonable in relation to the services received.

We currently manage investments for two clients. Thus, prior to trading on behalf of our Clients, we adopted written policies ("Trade Allocation Policies") for the allocation of securities transactions among our Clients. The Trade Allocation Policies will be premised on the general practice of aggregating the transactions executed on behalf of our Clients, as applicable. We may, but are not obligated to, aggregate transactions and will do so only when we believe that such aggregation is consistent with our duty to seek best execution for our Clients. The type of client, the investment strategies applicable to each client, system capabilities and constraints, and other factors may result in transactions for certain clients not being aggregated. If specific transactions are not aggregated, a client may pay higher brokerage commissions, may receive a less favorable price, or incur other costs, which also may affect the performance of such client. To the extent that we aggregate such transactions, the Trade Allocation Policies will state that we will do so in a manner:

- consistent with the duty to seek best execution;
- that treats each of our clients fairly; and
- is consistent with our advisory agreements.

Generally, aggregated transactions are averaged as to price and transactions costs and will be allocated among participating clients pro rata. Additionally, we may consider the following when determining whether and how to allocate transactions:

- cash flow changes;
- the suitability of a particular transaction for a client;
- desire for "round lots";
- clients' asset size; and
- clients' current portfolio, including:
 - whether the new investment opportunity relates to a client's existing portfolio holdings; or
 - whether the new investment opportunity will preserve, protect or enhance the value of a client's existing investments.

Upon request, we will provide a client with aggregate allocation information relating to such client's transactions. We will also furnish a copy of the Trade Allocation Policies upon a client's request.

Item 13: Review of Accounts

We will conduct reviews of our Clients and their investments on at least a monthly basis. As described in Item 10 above, certain of our employees and/or affiliates may serve as directors, officers and/or committee members on portfolio companies in which our Clients invest and/or are actively involved in the operations and activities of such companies. In connection with such activities, we and/or our affiliates will monitor portfolio companies and the performance thereof. With respect to accounting matters, independent public accounting firms have been engaged to conduct annual audits of Flat Rock Capital and Opportunity Fund.

While we generally conduct reviews of our Clients accounts on at least a monthly basis, we may conduct additional or more frequent reviews under certain circumstances, including in the event of poor or below forecasted performance of an investment.

With the assistance of Flat Rock, Flat Rock Capital values its assets each quarter. The valuation committee of Flat Rock Capital's board of directors reviews and discusses preliminary valuation prepared by Flat Rock and any independent valuation firm. Under the Investment Company Act, Flat Rock Capital is required to carry its portfolio investments at market value or, if there is no readily available market value, at fair value, as determined by Flat Rock Capital's board of directors. However, the majority of Flat Rock Capital's investments will not be publicly traded or actively traded on a secondary market and will instead be traded on a privately negotiated over-the-counter secondary market for institutional investors. With respect to investments for which pricing data is not readily available or when such pricing data is deemed not to represent fair value, our board of directors has approved a multi-step valuation process each quarter. In connection with our valuation process, Flat Rock reviews these investment ratings on a quarterly basis, and our board of directors reviews and affirms such ratings. As a result, Flat Rock Capital will value these securities quarterly at fair value as determined in good faith by its board of directors, with the assistance of Flat Rock and one or more third-party valuation firms and/or pricing services.

Opportunity Fund determines its net asset value ("NAV") of its shares daily, as of the close of regular trading on the NYSE (normally, 4:00 p.m., Eastern time). Each time Opportunity Fund calculates NAV, it will accrue as a liability any amounts owed to Flat Rock as payment for incentive fees, which could vary over time. In computing Opportunity Fund's NAV, portfolio securities of Opportunity Fund are valued at their current market values determined on the basis of market quotations. If market quotations are not readily available, securities are valued at fair value pursuant to valuation policies approved by the Board.

The most significant estimate inherent in the preparation of Opportunity Fund's financial statements likely will be the valuation of Opportunity Fund's investments and the related amounts of unrealized appreciation and depreciation of investments recorded. There generally is no single method for determining fair value in good faith. As a result, determining fair value usually requires that judgment be applied to the specific facts and circumstances of each investment while employing a consistently applied valuation process for the types of investments we make. Opportunity Fund will be required to specifically fair value each individual investment on a quarterly basis.

Opportunity Fund's board of trustees is responsible for the valuation of our portfolio investments for which market quotations are not readily available, as determined in good faith pursuant to Opportunity Fund's valuation policy and consistently applied valuation process. Opportunity Fund's board of trustees has delegated day-to-day responsibility for implementing the portfolio valuation process set forth in its valuation policy to Flat Rock, and has authorized Flat Rock to utilize the independent third-party pricing services and independent third-party valuation services that have been approved by Opportunity Fund's board of trustees. Portfolio securities and other assets for which market quotes are readily available are

valued at market value. In circumstances where market quotes are not readily available, the board of trustees has adopted methods for determining the fair value of such securities and other assets. Valuations of Opportunity Fund's investments are disclosed in its reports publicly filed with the SEC.

Item 14: Client Referrals and Other Compensation

Neither we nor any of our affiliates receive any economic benefit from any person (other than our Clients) for providing investment advice or other advisory services to our Clients. We may also earn fees (such as break-up or topping fees) in connection with any transaction that is not consummated.

We do not currently compensate any person for referrals of any type.

Item 15: Custody

Our Clients' cash and securities are maintained at U.S. Bank, N.A., a qualified custodian. We are responsible for the selection of qualified custodians with respect to our Clients and may change custodians at any time and from time to time without the consent of, or notice to, investors. In general and to the extent required by law, independent public auditors will conduct an annual audit of our Clients, and audited financial statements will be provided to investors on an annual basis. Such statements generally are filed with the SEC within 90 days after the end of each fiscal year, but there can be no assurance that this will occur. Qualified custodians do not provide statements directly to investors in our Clients.

Item 16: Investment Discretion

We have discretionary power and authority over the types of investments to be bought or sold, as well as the amount to be bought or sold, subject to the investment objectives and limitations set forth in the applicable governing documents of our Clients.

Item 17: Voting Client Securities

While we have proxy voting authority with respect to our Clients, we generally do not expect, due to the nature of our Clients' investments, to be called upon to vote securities held by Flat Rock Capital or Opportunity Fund. Nevertheless, in the event that we are called upon to vote proxies, we will vote proxies in accordance with our proxy voting policies and procedures, which have been adopted pursuant to Rule 206(4)-6 of the Advisers Act. The scope of our authority to vote securities includes authority to vote proxies and corporate actions, but may not include the authority to vote or file class action, bankruptcy or other litigation claims or related matters. In general, our proxy voting policy requires that we vote proxy proposals, amendments, consents or resolutions in a manner that serves the best interests of our Clients and will enhance the long-term value of the securities being voted. Conflicts of interest may arise when voting securities held by our Clients. We seek to avoid material conflicts of interest through our proxy policies and procedures which require that we vote proxies in an objective and consistent manner across our Clients, based on internal and external research, and without consideration of any client relationship factors.

Our Clients or prospective clients may request a copy of our proxy voting policies and procedures by contacting our Chief Compliance Officer, Richard A. Petrocelli, at rich@flatrockglobal.com.

Item 18: Financial Information

There are no financial conditions affecting us that are reasonably likely to impair our ability to meet contractual commitments to our Clients. We also disclose that we have not been subject to a bankruptcy petition at any time during the past ten years.

Item 19: Requirements for State-Registered Advisers

Not applicable.