

## North Wall Capital LLP

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**August 2018**

This “**Brochure**” provides information about the qualifications and business practices of North Wall Capital LLP. If you have any questions about the contents of this Brochure, please contact our Chief Compliance Officer (“**CCO**”), Ian Lokkerbol, by email: [ian.lokkerbol@northwallcap.com](mailto:ian.lokkerbol@northwallcap.com). Information in this Brochure has not been approved or verified by the U.S. Securities and Exchange Commission (“**SEC**”) or by any state securities authority.

Registration as an investment adviser does not imply that North Wall Capital LLP or any of its partners or employees possesses a particular level of skill or training in the investment advisory business or any other business.

*This Brochure does not constitute an offer to sell or solicitation of an offer to buy any securities. The securities of the Funds are offered and sold on a private placement basis under exemptions promulgated under the securities Act of 1933 and other applicable state, federal or non-U.S. laws. Significant suitability requirements apply to prospective investors in the Funds, including requirements that they be “accredited investors” as defined in Regulation D, “qualified purchasers” as defined in the Investment Company Act, or non-“U.S. Persons” as defined in Regulation S. Persons reviewing this Brochure should not construe this as an offer to sell or a solicitation of an offer to buy the securities of any of the Funds described herein. Any such offer or solicitation will be made only by means of a confidential private placement memorandum.*

Additional information about North Wall Capital LLP is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2: Material Changes**

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This Brochure is our initial Form ADV Part 2A which has been submitted with our application for registration with the SEC; therefore, there are no material changes to report. In the future, if the Brochure – when amended in conjunction with our annual update – contains material changes from our last annual update, we will identify and discuss those changes.

**Item 3: Table of contents**

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Item 2: Material Changes .....	2
Item 4: Advisory Business.....	4
Item 5: Fees and Compensation.....	4
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.....	16
Item 10: Other Financial Industry Activities and Affiliations.....	16
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....	16
Item 12: Brokerage Practices.....	17
Item 13: Review of Accounts.....	18
Item 14: Client Referrals and Other Compensation .....	18
Item 15: Custody .....	19
Item 16: Investment Discretion.....	19
Item 17: Voting Client securities .....	19
Item 18: Financial Information .....	19

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**Item 4: Advisory Business**

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North Wall Capital LLP is a UK based limited liability partnership (hereinafter “**North Wall**,” “**we**,” “**us**,” “**our**,” the “**Firm**” or the “**Advisor**”) which was incorporated in April 2017 by Fabian Chrobog. Mr. Chrobog serves as “**Limited Partner**” to the Firm and is the Firm’s principal owner.

The Advisor currently provides discretionary investment management and advisory services to US Qualified Purchasers and institutions, and non-US professional investors in privately offered funds (“**Funds**”). In addition, the Advisor expects to provide discretionary and/or non-discretionary investment management and advisory services to separately managed accounts (“**SMAs**”), or provide other investment advisory services to qualified individuals or institutions domiciled in or outside the United States (collectively referred to as “**Clients**” throughout this Brochure).

Each Client will be provided with services pursuant to the objectives specified in the relevant offering document, investment management agreement (“**IMA**”), offering memorandum (“**OM**”) or equivalent.

We do not currently participate in any Wrap Fee Programs.

The Advisor currently manages \$15,000,000 regulatory assets under management (“**RAUM**”) on a discretionary basis as of 30 July 2018. The Advisor does not currently manage any non-discretionary assets.

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**Item 5: Fees and Compensation**

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The fees applicable to each Client are set forth in detail in the relevant documents. A brief summary of such fees is provided below.

***Management Fee***

The Advisor’s fees and compensation are described in the IMA or equivalent, entered into with each Client. The Advisor generally charges a Client an asset-based fee (the “**Management Fee**”) pursuant to an agreed upon schedule per each agreement. Management fees are charged at rates up to 2% on assets. The Advisor may, in its sole discretion, waive all or part of the management fee with respect to any Client. At North Wall’s sole discretion, the Management Fee may be waived, reduced, or calculated differently with respect to certain Fund investors. Reasons for differing management fee terms may include the quantum of the funds invested, the duration for which the funds are entrusted to the Advisor, the terms of performance-based fees agreed to by the investor, and reasons deemed to be strategic in the sole discretion of the Advisor.

The frequency with which a Client will be charged a Management Fee, and whether the Management Fee will be deducted from the account or the Client will be billed, will be subject to the terms of the IMA between the Advisor and the Client.

***Performance based fees***

The Advisor is entitled to a performance-based fee based on the returns generated to the Client. The structure of any performance fee is subject to negotiation and agreement with the

Client and documented in the investment management agreement and/or fund documentation.

***Other Types of Fees or Expenses***

Aside from the management fee, VAT may be applicable, subject to status of the account. In addition, each Fund/SMA is responsible for custody fees, administration fees, research expense and brokerage fees in addition to North Wall Capital's charges.

The Firm's management fees only cover advisory services from North Wall Capital. Clients are responsible for certain additional fees, expenses and costs (in addition to the management fee) which are incidental or related to the maintenance of an account for the buying, selling and holding of investments, including but not limited to brokerage commissions and related costs and expenses, transaction fees, custodial fees, governmental charges, deferred sales charges, taxes and duties, wire transfer and electronic fund fees, transfer fees, registration fees, withholding taxes payable and required to be withheld on by issuers or agents, fees associated with cash sweep or cash management vehicles (including unaffiliated money market funds) and other fees and taxes on brokerage accounts and securities transactions. The Clients also bear expenses such as legal, acquainting, offering and printing, regulatory or tax compliance expenses, operational expenses, audit expenses and administrative expenses.

Generally, the Advisor may have a pre-determined limit on its ordinary or extraordinary operating expenses. In such instances Client approval will be sought for excess expenditure. The Advisor's and Client's actual annual operating expenses are disclosed in the Advisor's year-end audited financial statements, which are provided to each Client or Investor, as required.

Neither the Firm nor its employees accept compensation, including sales charges or service fees, from any person for the sale of securities or other investment products.

Please also see Item 12: Brokerage Practices below.

**Item 6: Performance-Based Fees and Side-By-Side Management*****Incentive Allocation***

We, and any of our future affiliates, are entitled to be paid performance-based compensation by our Clients.

Any other incentive arrangements for Investment Advisory Services will be discussed in detail in each Client's IMA or other pertinent agreement.

Performance-based allocation arrangements may create an incentive for us to recommend investments which may be riskier or more speculative than those which we would recommend under a different arrangement.

As stated in "Item 5 – Fees and Compensation" above, North Wall is entitled to be paid performance-based compensation by certain of its Clients. To the extent the Firm is entitled to performance-based fees from some Clients but not others, we may have an incentive to favour the accounts that pay performance-based fees. We will address this possible conflict of interest through its trade allocation policy, in which investment opportunities are allocated

among Clients according to each Client's investment objectives and other relevant factors and in a fair and equitable manner, without regard to differences in fee arrangements.

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**Item 7: Types of Clients**

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Our clients will be the Clients, as described above in Item 4.

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

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The descriptions set forth in this Brochure of specific advisory services that we offer to Clients, and investment strategies pursued and investments made by us on behalf of our Clients, should not be understood to limit in any way our investment activities. We may offer any advisory services, engage in any investment strategy and make any investment, including any not described in this Brochure, that we consider appropriate, subject to each Clients' investment objectives and guidelines and our regulatory obligations. The investment strategies we pursue are speculative and entails substantial risks. Clients should be prepared to bear a substantial loss of capital. There can be no assurance that the investment objectives of any Client will be achieved.

***Investment Objective***

We are an opportunistic credit investor focusing in asset-backed, cash-backed and SME opportunities in Europe. We source on situations with inefficiencies due to characteristics such as complexity or size. Our proactive and thematic sourcing strategy is key to us delivering differentiated deals.

We have a preference for non-competitive situations and therefore focus on the lower mid-market. We typically invest in the sponsor-less space where there is substantially less competition.

***Investment Process***

Our investment process has been developed over many years of European investment experience.

We source potential transactions both inbound via our network and outbound via proactive thematic deal sourcing.

Our investment professionals conduct extensive analysis and due diligence to determine which of these investment opportunities provides an investable risk/reward proposition. The diligence process carried out by our investment professionals may include, but is not limited to, analysis of publicly available information, forensic accounting, valuation work, on-site information gathering and analysis of company specific, sector specific, and general market trends.

Clients and investors should understand that all investments are subject to risks and that the return and the principal value of investments fluctuate depending on general market conditions and other factors, so that from time to time the value of an investment may be worth more or less than its original cost. You should be prepared to bear the risk of loss if you desire to sell your investment at a time when its value is worth less than the original cost. Further, depending on the types of investments, there may be varying degrees of risk. You

should be prepared to bear investment loss including the loss of your original principal. You may lose money.

Past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy will be profitable.

***Risk Factors***

The following risk factors do not purport to be a complete list or explanation of the risks involved in the strategies we employ or in an investment in the accounts we advise. These risk factors include only those risks we believe to be material, significant or unusual, and relate to investment strategies or methods of analysis that may employed by us on behalf of a Fund/SMA or other Clients. The Advisor may employ investment strategies that may raise all or some of the below risk factors.

No assurance can be made that our investment strategy will be achieved or that substantial or complete losses will not be incurred.

***General Credit Risks/Credit Opportunities***

We intend to invest primarily in credit opportunities, a significant portion of which may be illiquid investments. In addition, we may invest in other debt instruments or obligations that are not secured by collateral, and, thereby, we may be exposed to losses resulting from default and foreclosure of any such investments. Therefore, the value of underlying collateral, if any, the creditworthiness of borrowers and the priority of liens are each of great importance in determining the value of our investments. No guarantee can be made regarding the adequacy of the protection of our security, if any, in the debt instruments in which we invest. Moreover, in the event of foreclosure, we or an affiliate thereof may assume direct ownership of any assets collateralizing such foreclosed loans. The liquidation proceeds upon the sale of such assets may not satisfy the entire outstanding balance of principal and interest on such foreclosed loans, resulting in a loss. Any costs or delays involved in the effectuation of loan foreclosures or liquidation of the assets collateralizing such foreclosed loans will further reduce proceeds associated therewith and, consequently, increase possible losses to us. In addition, no assurances can be made that borrowers or third parties will not assert claims in connection with foreclosure proceedings or otherwise, or that such claims will not interfere with the enforcement of our rights.

***Real Estate General Risks***

Investments in real estate are subject to various risks, including adverse changes in national or international economic conditions, adverse local market conditions, changes in supply of or demand for competing properties, the financial conditions of tenants, buyers and sellers of properties, changes in availability of debt financing, changes in interest rates, exchange rates, real estate tax rates and other operating expenses, potential regulations on rent control, environmental laws and regulations, zoning and planning laws and other governmental rules and fiscal policies, energy prices, changes in the relative popularity of certain property types, risks due to dependence on cash flow, risks and operating problems arising out of the presence of certain construction materials, as well as acts of God, uninsurable losses, war, terrorism and other factors which are beyond the control of the Advisor and the property manager. Investments may represent a first lost piece of the capital structure, which could

result in impairment of the investment to the extent the value of the underlying collateral falls as a result of property, market, micro- and/or macro-economic variables.

Many of these factors could cause fluctuations in real estate values, liquidity, occupancy rates, rent receivables or operating expenses causing a negative effect on the value of properties and returns derived from Investments. Some real estate assets the Fund/SMA may be exposed to may unexpectedly become non-performing for a wide variety of reasons.

Non-performing real estate investments may require a substantial amount of workout negotiations or restructuring, which may entail, among other things, a substantial write-down in the value of such asset and may impact the value of the participation in the relevant investment vehicle or portfolio company. However, even if an asset is performing as expected, a risk exists that upon maturity of financing, refinancing will not be available.

#### *Real Estate Development Risks*

As part of its investment strategy, the Fund/SMA may undertake investment in development of real estate or invest in real estate that requires refurbishment prior to its rental or sale. To the extent that the Fund/SMA invests in such development activities, it will be subject to the risks normally associated with such activities. The risks of development or refurbishment include, but are not limited to, market or site deterioration after acquisition, the timely receipt of zoning and other regulatory approvals, the cost, delays and timely completion of construction and/or project, the possibility of development cost overruns, poor quality workmanship and/or design, insolvency of building contractors and professional teams, inability to rent or sell or inability to rent or sell at a level sufficient to generate profits, and delays due to various factors (including risks beyond the control of the Fund/SMA, such as weather or labour conditions or material shortages) and the availability of both construction and permanent financing on favourable terms. These risks could result in substantial unanticipated delays or expenses and, under certain circumstances, could prevent completion of development activities once undertaken, any of which could have a material adverse effect on the financial condition and results of operations of the Fund/SMA and on the amount of funds available for distribution to the Investors. Properties under development or properties acquired for development may receive little or no cash flow from the date of acquisition through the date of completion of development and may continue to experience operating deficits after the date of completion. In addition, market conditions may change during the course of development that make such development less attractive than at the time it was commenced.

#### *Real Estate Valuation Risks*

The valuation of real estate and therefore the valuation of any underlying security relating to the Fund's/SMA's investments is inherently subjective due to, among other factors, the individual nature of each property, its location and the expected future rental revenues from that particular property. As a result, the valuations of the real estate assets underlying the Fund's/SMA's investments are subject to a degree of uncertainty and are made on the basis of assumptions which may not prove to be accurate, particularly in periods of volatility or low transaction flow in the commercial real estate market. In addition, any valuations relied on by the Advisor will reflect the position only at their date, and market volatility since the date of any such valuations and over the longer term may cause significant variations in the value of the real estate, potentially to the downside.



*Issuer's Inability to Pay Obligations*

We will invest in corporate debt obligations, which are subject to the risk of an issuer's inability to meet principal and interest payments on the obligations, therefore creating credit risk. There can be no guarantee that we will be successful in making the right selections and thus fully mitigate the impact of credit risk.

*Investment Judgment*

The profitability of a significant portion of our investment program depends to a great extent upon correctly assessing the future profitability of the price movements of securities and other investments. There can be no assurance that we will be able to accurately predict the long-term results of any security or other investment.

*Availability of Suitable Investments*

The success of our investment activities depends on our ability to identify overvalued and undervalued investment opportunities and to manage market exposure risk. Identification and exploitation of the investment strategies we pursue involve a high degree of uncertainty. No assurance can be given that we will be able to identify suitable investment opportunities in which to deploy all of our capital. A reduction in overall market volatility and liquidity, as well as other market factors, may reduce the pool of profitable investments for us. Certain of the investment strategies employed by us may be based on historical relationships among securities prices, exchange rates, interest rates and bond prices.

There can be no assurance that these historical relationships will continue and no representation made by us as to what results we will or are likely to achieve based on these trends and relationships.

*Available Information*

We will select investments, in part, on the basis of information and data filed by the issuers of securities with various government regulators or made directly available to us by such issuers, or through sources other than the issuers. Although we evaluate all such information and data, and seek independent corroboration when we consider it appropriate and when it is reasonably available, we are not in a position to confirm the completeness, genuineness or accuracy of such information and data, and in some cases, complete and accurate information is not readily available.

*Lack of Diversification*

Certain Fund/SMA portfolios may consist of only a limited number of investments. Those Fund/SMA would be far less diversified than many other investment vehicles. Unfavourable performance of such concentrated investments may have a substantial adverse impact on the returns of such Clients. The concentrated focus of such a Client on a limited number of investments may cause its performance to be more volatile and result in its incurring greater losses during unprofitable periods as compared to a more diversified approach.

*Equity Securities*

Although a Fund/SMA portfolio is expected to be comprised primarily of credit instruments, we may nevertheless invest in equity and equity-related securities, including, without limitation, equity investments acquired in connection with restructured debt securities or instruments, or in connection with reorganizations and/or restructurings of debt securities, equity securities or other obligations and assets of undervalued, operationally challenged and/or financially troubled companies or institutions. Equity securities fluctuate in value in response to many factors, including the activities and financial condition of individual companies, the business market in which individual companies compete, industry market conditions, interest rates and general economic environments.

*Hedging*

We may engage in certain hedging transactions, including derivatives, options and swaps. Hedges can be more difficult to implement than many other types of transactions, and the possibilities for errors may be greater than for other transactions. Additionally, there is no guarantee that these hedging transactions will prevent losses to the Fund/SMA. The success of our hedging strategy will be subject to our ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the investments in the portfolio being hedged. Since the characteristics of many securities change as markets change or time passes, the success of our hedging strategy will also be subject to our ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. In addition, hedging transactions may result in poorer overall performance for the Fund than if no such hedging transactions were executed. Moreover, we may determine not to hedge against, or may not anticipate, certain risks. Finally, we may be exposed to certain risks that cannot be hedged, such as credit risk (relating both to particular investments and counterparties).

*Derivatives*

In addition, we may, from time to time, utilize both exchange-traded and over-the-counter futures, options and contracts for differences, for hedging purposes, as well as other derivatives. Regulatory restraints may restrict the instruments that we may trade. Such derivative instruments are highly volatile, involve certain special risks and expose investors to a high risk of loss. The low initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage. As a result, a relatively small movement in the price of a contract may result in a gain or a loss which is high in proportion to the amount of funds actually placed as initial margin, and may result in unquantifiable further losses exceeding any margin deposited. Further, when used for hedging purposes, there may be an imperfect correlation between these instruments and the investments or market sectors being hedged.

*Leverage*

We may, as applicable, employ leverage in connection with our investment strategies or for any other purpose deemed necessary, desirable or appropriate at such times, in such amounts and subject to such terms and conditions as we may determine in our sole and absolute discretion. Such leverage may take a variety of forms, including loans, repurchase agreements, derivative instruments that are inherently leveraged, margin borrowing from securities brokers and dealers and other financing arrangements, as determined by the General Partner

in its sole and absolute discretion. The use of leverage increases both the possibility for gain and the risk of loss. Leverage may be secured by the Fund's/SMA's securities and other assets. Under certain circumstances, a lender may demand an increase in the collateral that secures such obligations, and if we are unable to provide additional collateral, the lender could liquidate assets held in the account to satisfy such obligations. Liquidation in that manner could have extremely adverse consequences. In addition, the amount of borrowing and the interest rates on that borrowing, both of which will fluctuate, may have an effect on our profitability. In addition, the use of leverage may cause a U.S. tax-exempt investor to realize Unrealized Business Taxable Income (UBTI).

#### *Price and Liquidity Fluctuations of Investments*

The market value of our investments may fluctuate with, among other things, changes in prevailing interest rates, general economic conditions, the condition of financial markets, developments or trends in the securities markets and the financial condition of the issuers of the securities in which we invest. During periods of limited liquidity and higher price volatility, our ability to acquire or dispose of investments at a price and time we deem advantageous may be impaired. As a result, in periods of rising market prices, we may be unable to participate in price increases fully to the extent that a Client account is unable to acquire the desired positions quickly; conversely, our inability to dispose fully and promptly of positions in declining markets will cause our net asset value to decline as the value of unsold positions is marked to lower prices.

#### *Securities Market Volatility*

Securities markets are volatile and may decline significantly in response to adverse issuer, political, regulatory, market or economic developments. Different parts of the market and different types of debt and equity securities may react differently to these developments. For example, small cap stocks may react differently than large cap stocks. Issuer, political or economic developments may affect a single issuer, issuers within an industry, sector or geographic region, or the market as a whole.

#### *Risk of Operations/Liquidity Risks*

Some of investments we make may be thinly traded, if at all tradable, potentially making it difficult for us to dispose of a position at the time or price desired. Moreover, in periods of extreme market volatility, the bid/ask spreads for some securities that ordinarily are liquid may widen, making it difficult or undesirable to sell the securities. Furthermore, if Fund investors elected to withdraw a substantial amount from their Capital Accounts, we might be forced to close out existing positions at a time when it was disadvantageous to do so. There can be no assurance that the trading markets will remain liquid enough for management to close out existing positions at any time there is a need to do so.

#### *Risks of Foreign Investments*

We may invest in securities of foreign companies, governments and government agencies. Investing in such securities, which are generally denominated in foreign currencies, and the use of forward foreign currency exchange contracts, involves unusual risk not typically associated with investing in securities issued by U.S. companies or by the U.S. government or its agencies or instrumentalities. Moreover, individual foreign economies may compare unfavourably with the U.S. economy in growth of gross national product, rate of inflation, rate

of savings and capital reinvestment, resource self-sufficiency, balance-of-payment positions and in other respects. Some of the countries in which we may invest have laws and regulations that currently preclude or severely restrict direct foreign investment in securities of their companies. Securities of some foreign companies are less liquid and their prices are more volatile than securities of comparable U.S. companies. Investing in foreign securities creates a greater risk of securities clearance and settlement problems. Further, some of the securities in which we may invest may be thinly traded and relatively illiquid or may cease to be traded after we invest in them. In addition to being illiquid, such securities may be issued by unseasoned companies and may be highly speculative. In addition, we occasionally may acquire relatively large positions in a few securities. In such cases, and in the event of extreme market activity, we may not be able to liquidate investments promptly, if the need should arise, which could materially and adversely affect the results of such investments.

#### *Small and Medium Capitalization Companies*

We may invest in the debt and other securities of companies with small to medium-sized market capitalizations where such companies meet the investment criteria described herein. While such companies may provide significant potential for appreciation, such investments, particularly small-capitalization securities, involve higher risks in some respects than do investments in securities of larger companies. The prices of small capitalization and even medium-capitalization securities are often more volatile than prices of large capitalization securities, and the risk of bankruptcy or insolvency of many smaller companies (with the attendant losses to long investors) is higher than for larger, “blue-chip” companies. In addition, due to thin trading in some medium or small capitalization securities, an investment in those securities may be illiquid. The small to medium sized market capitalization securities may, at times, significantly underperform the large capitalization securities and may do so in the future. A related concern for short sale risk is that smaller companies tend to be more readily acquired.

#### *Securities of Sub-Investment Grade Companies*

Special risks may arise if we invest in the securities of sub-investment grade and highly leveraged companies. Although such investments may result in significant returns, they involve a substantial degree of risk. If the “natural leverage” created by a company’s high level of borrowing works against a short position, our losses would be heightened. If we purchase distressed and/or non-performing debt securities, and subsequent to purchasing them find that they are no longer readily traded by broker-dealers, these securities may not show any return for a considerable period of time. Many distressed and/or non-performing securities ordinarily remain unpaid while the company is in bankruptcy and may not ultimately be paid unless and until the company reorganizes and/or emerges from bankruptcy proceedings. As a result, if they are no longer readily traded by broker-dealers, such securities may have to be held for an extended period of time. There is no assurance that we will correctly evaluate the nature and magnitude of the various factors that could affect the prospects for a successful reorganization or similar action. In any reorganization or liquidation proceeding relating to a company in which we invest, we may lose our entire investment. Under such circumstances, the returns generated from our investment may not compensate the Investors adequately for the risks assumed.

*High Yield Securities*

We will invest in “high yield” bonds and preferred securities that are rated in the lower rating categories by the various credit rating agencies (or in comparable non-rated securities). Securities in the lower rating categories may be subject to greater risk of loss of principal and interest than higher-rated securities, and are generally considered to be predominately speculative with respect to the issuer’s capacity to pay interest and repay principal. They are also generally considered to be subject to greater risk than securities with higher ratings in the case of deterioration of general economic conditions. Because investors generally perceive that there are greater risks associated with the lower-rated securities, the yields and prices of such securities may tend to fluctuate more than those for higher-rated securities. The market for lower-rated securities is thinner and less active than that for higher rated securities, which can adversely affect the prices at which these securities can be sold. In addition, adverse publicity and investor perceptions about lower-rated securities, whether or not based on fundamental analysis, may be a contributing factor in a decrease in the value and liquidity of such lower-rated securities.

*Participation and other Indirect Economic Interests*

A portion of our assets may consist of participation interests or other indirect economic interests in assets. In such circumstances, we will not directly own the debt assets underlying such participation or other economic interests and/or have custody thereof. As a result, we will be exposed to the risk that the assets of the holder/custodian of any such underlying debt assets may be subject to the claims of third-party creditors or other parties. In addition, as an owner of participation interests or other indirect economic interests (including as a member of a loan syndicate), we may not be able to assert any rights against borrowers of the underlying indebtedness, and may need to rely on the holder/custodian (or other financial institution) issuing the participation interests or such other entity charged with the responsibility for asserting such rights, if any. Such holders/custodians and financial institutions or other entities may have reasons not to assert their rights, whether due to a limited financial interest in the outcome, other relationships with the underlying defaulting borrowers, the threat of potential counterclaims or other reasons, that may diverge from the interests of the Fund. The failure of such holders/custodians and financial institutions or other entities to assert their rights (on behalf of the Fund) or the insolvency of such entities could materially adversely affect the value of our assets.

*Priority of Debt Instruments*

We may invest in secured debt issued by companies that have or may incur additional debt that is senior to the secured debt owned by us. In many instances, loans purchased by us may be part of a unitranche structure in which a single lien on behalf of all the lenders in the structure will be filed against the assets of the company if the lenders holding the different tranches of debt will contractually agree to their respective priorities in those assets.

In the event of insolvency, liquidation, dissolution, reorganization or bankruptcy of any such company, the owners of senior secured debt (*i.e.*, the owners of first priority liens), including in a unitranche structure through the contractual agreements between the lenders, generally will be entitled to receive proceeds from any realization of the secured collateral until they have been reimbursed. At such time, the owners of junior secured debt (including, in certain circumstances, the Fund/SMA) will be entitled to receive proceeds from the realization of the collateral securing such debt. There can be no assurances that the proceeds, if any, from the

sale of such collateral would be sufficient to satisfy the loan obligations secured by subordinate debt instruments. To the extent that we own secured debt that is junior to other secured debt, we may lose the value of its entire investment in such secured debt.

#### *Interest Rate Risk; Prepayment*

The value of fixed interest rate debt instruments generally has an inverse relationship with future interest rates. Accordingly, if interest rates rise, the value of such instruments may decline. In addition, to the extent that the receivables or loans underlying specific financial instruments may be prepaid without penalty or premium, the value of such financial instruments may be negatively affected by increasing prepayments. Such prepayments tend to occur more frequently as interest rates decline.

#### *Equitable Subordination*

Under the laws of certain jurisdictions, a court may use its equitable powers to subordinate the claim of a lender to some or all of the other claims against the borrower under certain circumstances. The concept of equitable subordination is that a claim may normally be subordinated only if its holder is guilty of some misconduct. The remedy is intended to be remedial, and not penal. In determining whether equitable subordination of a claim is appropriate in any given circumstance, courts may look to whether the following conditions have been satisfied: (i) whether the claimant has engaged in some type of inequitable conduct; (ii) whether the misconduct has resulted in injury to the creditors of the bankrupt company or conferred an unfair advantage on the claimant; and (iii) whether equitable subordination would be inconsistent with other applicable provisions of the bankruptcy code. While the stated test could be interpreted broadly, equitable subordination is usually confined to three general paradigms: (x) when a fiduciary of the debtor (who is also a creditor) misuses its position to the detriment of other creditors; (y) when a third party (which can include a lender) controls the debtor to the disadvantage of other creditors; and (z) when a third party actually defrauds other creditors. We may be subject to claims from creditors of an obligor that debt assets of such obligor, which are held by the Fund, should be equitably subordinated. The concept of equitable subordination (or the equivalent thereof) may vary from jurisdiction to jurisdiction.

#### *Corporate Debt*

Bonds, notes, and debentures issued by corporations may pay fixed, variable, or floating rates of interest, and may include zero-coupon obligations. Corporate debt instruments may be subject to credit rating downgrades. Other instruments may have the lowest quality ratings or may be unrated. In addition, we may be paid interest in kind in connection with investments in corporate debt and related financial instruments (e.g., the principal owed in connection with a debt investment may be increased by the amount of interest due on such debt investment). Such investments may experience greater market value volatility than debt obligations that provide for regular payments of interest in cash and, in the event of a default, we may experience substantial losses.

#### *Stressed Debt*

Stressed issuers are issuers that are not yet deemed distressed or bankrupt and whose debt securities are trading at a discount to par, but not yet at distressed levels. An example would be an issuer that is in technical default of our credit agreement, or undergoing strategic or

operational changes, which results in market pricing uncertainty. The market prices of stressed and distressed instruments are highly volatile, and the spread between the bid and the ask prices of such instruments is often unusually wide.

#### *Equitable Subordination*

Under common law principles that in some cases form the basis for lender liability claims, if a lender (i) intentionally takes an action that results in the undercapitalization of a borrower or issuer to the detriment of other creditors of such borrower or issuer, (ii) engages in other inequitable conduct to the detriment of such other creditors, (iii) engages in fraud with respect to, or makes misrepresentations to, such other creditors or (iv) uses our influence as a stockholder to dominate or control a borrower or issuer to the detriment of other creditors of such borrower or issuer, a court may elect to subordinate the claim of the offending lender or bondholder to the claims of the disadvantaged creditor or creditors (a remedy called “equitable subordination”). If we engage in such conduct, we may be subject to claims from creditors of an obligor that debt held should be equitably subordinated.

#### *Special Situation Investments*

We may invest in companies involved in, or the target of, acquisition attempts or tender offers or in companies involved in or undergoing work-outs, liquidations, spin-offs, reorganizations, bankruptcies or other catalytic changes or similar transactions. In any investment opportunity involving any such type of special situation, there exists the risk that the contemplated transaction either will be unsuccessful, take considerable time or will result in a distribution of cash or a new security, the value of which will be less than the purchase price to the Fund/SMA of the security or other financial instrument in respect of which such distribution is received. Similarly, if an anticipated transaction does not in fact occur, we may be required to sell our investment at a loss. Because there is substantial uncertainty concerning the outcome of the transactions involving financially troubled companies in which we may invest, there is a potential risk of loss by the Fund/SMA of its entire investment in such companies.

#### *Borrowing; Interest Rates; Margin*

We may borrow funds from brokerage firms and banks on behalf of the Fund/SMA in order to be able to increase the amount of capital available for marketable securities investments. The rates at which the Fund/SMA can borrow, in particular, will affect the operating results of the Fund/SMA. Even if we make a profit on a trade, the interest expense incurred in carrying the position may exceed the profit generated by the trade. Any use of short-term borrowings or repurchase agreements will result in certain additional risks to the Fund/SMA. For example, should the securities pledged to brokers to secure the Fund’s/SMA’s margin accounts or repurchase obligation decline in value, we could be subject to a “margin call,” pursuant to which we must either deposit additional funds with the broker or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. In the event of a sudden drop in the value of the Fund’s/SMA’s assets, we might not be able to liquidate assets quickly enough to pay off its margin debt.

#### *Institutional Risks; Counterparty Risk*

Institutions will have custody of the assets of the Fund/SMA. Certain of our assets will be exposed to the credit risk of the dealers, brokers and exchanges through which we deal, whether we engage in exchange-traded or off exchange transactions. These firms and/or



financial institutions, regardless of how large or well capitalized, may encounter financial difficulties that impair the operating capabilities or our capital position. If any broker-dealer or other financial institution holding the Fund's/SMA's assets were to become bankrupt or insolvent, it is possible that we would be able to recover only a portion, or in certain circumstances, none of the Fund's/SMA's assets held by such bankrupt or insolvent entity.

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**Item 9: Disciplinary Information**

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North Wall has no legal or disciplinary events to report that are material to a current or prospective Client's or Fund investor's evaluation of North Wall's advisory business or the integrity of its management.

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**Item 10: Other Financial Industry Activities and Affiliations**

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North Wall has been registered with the Financial Conduct Authority ("FCA") in the United Kingdom since August 2017.

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

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***Code of Ethics and Personal Trading***

North Wall has adopted a "**Code of Ethics**" that establishes the high standard of conduct that we expect of our employees and procedures regarding our employees' personal trading of securities. Our employees are required to certify their adherence to the terms set forth in the Code of Ethics upon commencement of employment and annually thereafter. Employees also are required to provide quarterly certifications of compliance with certain Code of Ethics provisions including compliance with the Firm's personal trading policy, misuse of material non-public information, anti-money laundering procedures and insider trading.

The foundation of our Code of Ethics is based upon the following underlying fiduciary principles:

- Employees must at all times place the interests of Clients first;
- Employees must ensure that all personal securities transactions are conducted consistent with the Code of Ethics; and
- Employees should not take inappropriate advantage of their position at the Firm.

***Personal Securities Trading***

Employees are required to direct their brokers to send duplicate copies of personal discretionary brokerage account statements to North Wall's Chief Compliance Officer. These records are used to monitor compliance with North Wall's "**Employee Investment Policy**." Given North Wall's strategic focus, personal securities trading carried out by employees and covered persons is unlikely to have any impact on the Firm and/or its Clients. As such, the Firm does not restrict its employees or covered persons from making personal transactions but requires them to request prior approval ahead of carrying out a transaction (including making any private investments), adhere to a 30-day holding period and, at the discretion of the CCO, agree to close positions should they be deemed to conflict with the interests of the Firm and/or its Clients.



Furthermore, employees are required to gain pre-approval from the CCO ahead of engaging in any outside business activities that may present a conflict with the employee's duties at the Firm.

We will provide a copy of our Code of Ethics to current or prospective Clients or Fund investors upon request.

### ***Participation or Interest in Client Transactions***

Neither North Wall nor its related persons generally purchase any securities for our own accounts from, or sell any securities for our own accounts to, our Clients. We may purchase or sell securities for our own accounts that we also recommend to our Clients. The Firm will be cognizant of its fiduciary duty to its Clients if this occurs to operate in a manner that does not disadvantage any Clients. We may solicit qualified clients to invest in Funds. We could be considered to have recommended an investment as suitable for a Client as a result of our relationship. We will inform each Client of our relationship with an account prior to the Client's investment, but we do not intend to advise Clients as to the appropriateness of the investment and we will not receive any compensation for selling interests in any Fund we manage (except to the extent that we receive our Management Fee and Performance Allocation from Investors).

We disclose these, and other potential conflicts of interest, to Clients and Fund investors in the pertinent IMA or Fund offering documents. Offering documents are delivered to Fund investors prior to their investment, and Clients and Fund investors are given the opportunity to ask questions and seek answers regarding, among other things, potential conflicts involving us, our affiliates, or the executive officers of the foregoing.

### **Item 12: Brokerage Practices**

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As an adviser and a fiduciary to the Clients, we require that the Clients' interests must always be placed first and foremost, and our trading practices and procedures prohibit unfair trading practices and seek to disclose and avoid any actual or potential conflicts of interests or resolve such conflicts in the Client's favor. We have adopted the following policies and practices to meet our fiduciary responsibilities and to ensure our trading practices are fair to all Clients and that no Fund or other Client account is systematically advantaged or disadvantaged over any other.

In certain circumstances, we may also have the authority to select and appoint custodians of the assets of our Clients. The Firm's authority is limited by its own internal policies and procedures and each Client's Agreement and investment guidelines.

### ***Best Execution***

In selecting an appropriate broker-dealer to affect a Client trade, we seek to obtain "**Best Execution**," meaning generally the execution of a securities transaction for a Client in such a manner that the Client's total costs or proceeds in the transaction are most favourable under the circumstances. Accordingly, in seeking Best Execution, we will take into consideration the price of a security offered by the broker-dealer, as well as the broker-dealer's full range and quality of services including, among other things, the broker-dealer's facilities, reliability and financial responsibility, execution capability, commission rates, responsiveness to us, special execution and block positioning capabilities, clearance, and settlement and custodial services.

***Soft Dollars***

Services provided or paid for by brokers will be of a type, and will be received pursuant to arrangements, permitted under the rules of the FCA. Such services may take the form of trade execution on behalf of a Fund or other Client and/or the provision of research to the Adviser. Although the services are expected to be of a type that would qualify as brokerage or research services under Section 28(e) of the U.S. Securities Exchange Act of 1934, as amended, the arrangements through which the services are received by the Adviser are not in every event expected to satisfy the requirements of Section 28(e).

***Allocation of Investment Opportunities***

As a fiduciary, the firm must allocate investment opportunities among its Clients in a fair and equitable manner. We will seek to allocate orders and investment opportunities in accordance with its allocation procedures, which are designed to help assure that investment opportunities are allocated in a manner that is fair and equitable to each Client and that no Client is improperly favored over any other Client. Although such allocations may be pro rata as to the participating Clients, they will not necessarily be so, where the firm's allocation policies (e.g., differing objectives or other considerations) dictate a different result. Allocation decisions will be made in consideration of a variety of factors, including, but not limited to, the investment objective, investment guidelines and restrictions, current portfolio holdings, concentration and liquidity considerations, legal restrictions and relative account size applicable to each Client. If conflicts arise in the allocation of investment opportunities, we will seek to resolve such conflicts fairly. The foregoing policy does not require that each opportunity be made available to all accounts, leaving significant discretion to the firm. For example, accounts may have different objectives, so that the same transaction would not necessarily be made available to all accounts.

**Item 13: Review of Accounts**

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Our portfolio managers and investment professionals continuously monitor and analyze the transactions, positions, and investment levels of our Clients to ensure that they conform with the investment objectives and guidelines that are stated in the pertinent Client agreements or offering documents. In these reviews, the Firm pays particular attention to any changes in the investment portfolio's fundamentals, overall risk management and changes in the markets that may affect price levels. North Wall engages in active management of its Clients and reviews transactions, positions and cash balances on a daily basis.

***Account Reporting***

We will distribute an audited financial report with respect to the previous fiscal year to all Fund/SMA investors within 120 days of fiscal year end. In addition, the administrator to the Fund/SMA will distribute quarter statements to the Investors detailed their investment and any changes during the period.

**Item 14: Client Referrals and Other Compensation**

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This Item is inapplicable.

**Item 15: Custody**

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To the extent we have custody with respect to the assets of a Fund, we will comply with Rule 206(4)-4 under the U.S. Investment Advisers Act of 1940, as amended, including, as applicable, by meeting the conditions of the annual audit provision. Under that provision, upon completion of the fund's annual audit, the adviser is required to distribute the fund's audited financials to fund investors within 120 days of the fund's fiscal year end.

We do not expect to have custody of the assets of any SMA, but in any instance in which we do have such custody, we will comply with all pertinent provisions of Rule 206(4)-4.

**Item 16: Investment Discretion**

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We have full discretionary authority with respect to some or all of our Clients, including authority to make decisions with respect to which securities to be bought and sold, as well as the amount and price of those securities. Prior to assuming full discretion in managing Client assets, North Wall entered into an investment management agreement that sets forth the scope of its discretion. Additionally, the Firm may have full discretion with respect to selecting the broker-dealers to be used for transactions and the commissions to be paid to those broker-dealers. These terms are established in the offering documents of each Client.

**Item 17: Voting Client securities**

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To the extent that we are delegated proxy voting authority on behalf of our Clients, we will comply with our proxy voting policies and procedures that are designed to ensure that such proxies are voted in the best interest of the Clients. The Fund investors may not direct voting of proxies.

Upon request, we will provide Clients and Fund investors with a copy of our proxy voting policies and procedures and/or a record of all proxy votes cast by the pertinent Fund or other Client account.

**Item 18: Financial Information**

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This Item is inapplicable.