

Evolution Credit Partners Management, LLC

125 High Street
High Street Tower, 26th Floor
Boston, Massachusetts, 02110
(617) 410-4800

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This brochure provides information about the qualifications and business practices of Evolution Credit Partners Management, LLC. If you have any questions about the contents of this brochure, please contact us at (617) 410-4800 or at info@evolutioncreditpartners.com. 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.

Evolution Credit Partners Management, LLC is registered as an investment adviser with the SEC. An investment adviser’s registration with the SEC does not imply a certain level of skill or training.

Additional information about Evolution Credit Partners Management, LLC also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2: Material Changes

There have been no material changes to this brochure since the Adviser's initial filing in February 2018.

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Item 4: Advisory Business

Founded in November 2017, Evolution Credit Partners Management, LLC (“**Evolution**,” “**Adviser**,” “**we**,” “**us**,” “**our**” or the “**Firm**”), is a Delaware limited partnership. The Firm’s principal owners are Rene J. Canezin and Michael P. Guarnieri. The Firm’s principal place of business is in Boston, Massachusetts.

The Firm provides investment advisory services on a discretionary basis to its Clients, which consist of Evolution Credit Partners I, L.P. (the “Fund” or the “Master Fund”), and Evolution Credit Partners I (Cayman), L.P. (the “Offshore Fund”), private pooled investment vehicles (collectively referred to as the “**Funds**”) and holders of separately managed accounts (“**Managed Accounts**”), including certain proprietary accounts. Collectively, the Funds and Managed Accounts will be referred to herein as the Firm’s “**Clients**.”

The Funds are exempt from registration under the Investment Company Act of 1940, as amended (the “Investment Company Act”), pursuant to Section 3(c)(7) of the Investment Company Act. Interests in the Funds are privately offered only to “qualified purchasers” or “knowledgeable employees.” Generally, the Fund’s investors are high net worth individuals or institutions, such as universities, trusts, family offices, and other professional investors. Evolution Credit Advisors I, L.P., a Delaware limited liability company, is the Fund’s general partner.

Client accounts are managed in accordance with the investment objectives, strategies, restrictions and guidelines, as described in the relevant offering documents and/or investment advisory agreements. The Firm generally does not tailor its advisory services to the individual needs of those persons or entities that invest in the Funds, and investors in the Funds may not impose restrictions on investing in certain securities and other financial instruments.

In addition, the Firm has the right to enter into agreements, such as side letters, with certain investors in the Funds that may in each case provide for terms of investment that may be different than the terms provided to other investors in the Funds. Additionally, the Firm has entered into an agreement with an investor (the “**Strategic Investor Agreement**”) that is not affiliated with the Firm (the “**Strategic Investor**”), pursuant to which the Strategic Investor has made an investment in a Fund. In consideration for this investment, the Strategic Investor is granted certain rights and is subject to certain obligations that are different from those generally provided to other investors. The Strategic Investor has no obligations or responsibilities to, and is not involved in the management of the Funds.

Shares or limited partnership interests in the Funds are not registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), and the Funds are not registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”). Accordingly, interests or shares in the Funds are offered and sold exclusively to investors satisfying the applicable eligibility and suitability requirements, in private transactions within and outside the United States.

As of December 31, 2018, the Adviser manages \$446,393,819 of regulatory assets under management.

Item 5: Fees and Compensation

Evolution receives compensation from the Funds calculated as a percentage of the assets managed and/or on performance achieved with respect to the Funds, or specific interests therein, as provided in the governing documents of the relevant Funds. Once the Funds have invested capital of at least \$300 million, they are subject to a management fee ranging from 1.0% to 1.25% per annum, that is charged on a

quarterly basis, in advance or in arrears and subject to step-up and step-down provisions, based on invested capital, as outlined in each Fund's Limited Partnership Agreement. Prior to the Funds having invested capital of at least \$300 million, the Funds are subject to a flat \$3.0 million management fee. Additionally, the Funds are subject to a performance fee or allocation ranging from 10% to 15% of the appreciation of the net asset value of the Funds on an annual basis, subject to a high-water mark. If it is determined by the Funds that affiliates of Evolution receive performance fees in excess of the Funds' performance fee obligation, these amounts will be returned to the Funds within ninety days after the end of that given fiscal quarter. Evolution will negotiate fees and other terms in "side letters" for the Funds in accordance with the relevant governing documents. Evolution may, in its discretion, elect to reduce or waive the management fee or the performance fee or allocation with respect to any investor in the Funds, including, but not limited to, any affiliate of Evolution.

Evolution generally deducts the asset-based fee described above from the Funds accounts quarterly in advance or in arrears as provided in the governing documents of the Funds. Because investors in the Funds generally are not permitted to make intra-quarter redemptions and management fees are prorated for any periods shorter than a full payment period, investors do not pay a management fee in excess of what they owe for any period. As described in Item 6 below, Evolution generally receives a performance allocation from the Funds' accounts on a quarterly basis, or a shorter period coinciding with an earlier date if an investor redeems their interest in the Funds. The Funds also generally make a performance allocation with respect to liquidating investors at the time distributions are made to such investors.

Managed Accounts are subject to management fees and performance-based fees similar to those described above. These fees are negotiated on a case-by-case basis with each Managed Account client prior to commitment.

In addition to management and performance fees paid to Evolution and/or its affiliates, Clients generally also incur other fees and expenses that it pays to unaffiliated third-parties directly, such as brokerage and other transaction-related costs to trading counterparties, and custodial fees paid directly to the account's custodian. See also Item 12: Brokerage Practices.

The recipients of this Brochure should refer to the governing documents of the Funds for specific information about expenses borne by the Funds.

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

Item 6: Performance-Based Compensation and Side by Side Management

Evolution and/or its affiliate(s) accept performance-based compensation from certain of the Clients. Because Evolution and its affiliates manage more than one Client account, the potential exists for one Client to be favored over another Client. In particular, Evolution, its affiliates, and their investment personnel have a greater incentive to favor Clients that pay Evolution or its affiliates higher performance-based compensation. In addition, principals and certain employees of Evolution have personal investments in one or more of the Clients, and such investments are not proportionate among the various Clients. Accordingly, Evolution has an incentive to favor Clients in which its principals or employees have a greater interest.

Evolution adopted and implemented policies and procedures intended to address conflicts of interest relating to the management of multiple Client accounts and Clients in which Evolution's principals or

employees invest. In particular, Evolution adopted and applies investment allocation policies designed to achieve equitable allocation among Clients over time. Specifically, the allocation policy prevents Evolution from taking compensation into account when allocating investment opportunities. Further, in allocating investment opportunities among Clients, Evolution takes into account a number of factors, including, without limitation, the relative amounts of capital available for new investments, Client suitability and eligibility, regulatory and legal requirements, tax considerations, investment guidelines, and the investment programs and portfolio positions of the accounts for which participation is appropriate.

Item 7: Types of Clients

Evolution advises private investment funds, which rely on certain exclusions from the definition of “investment company” in the Investment Company Act of 1940, as amended. Evolution also provides investment advisory services to Managed Accounts.

Investors in the Funds may include but are not limited to: individuals, banks or thrift institutions, investment companies, pension and profit sharing plans, trusts, estates or charitable organizations, or corporations or business entities other than those listed previously, private investment funds or other entities.

Evolution determines in its sole discretion any requirements for entering into an investment advisory agreement with the Funds or otherwise opening or maintaining a Managed Account, including whether the Funds are large enough to implement its desired investment program. The Funds generally have a \$1,000,000 minimum investment requirement. Managed Account minimums are separately negotiated on a case-by-case basis with each prospective Managed Account client. Evolution reserves the right to waive or reduce any such minimum at its sole discretion.

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

Investment Objective:

The Firm focuses on investing primarily in middle market companies that it believes to be established and stable, with positive cash flow. The investment portfolio of each Client is primarily composed of investments in senior secured first lien loans, second lien secured loans and, to a lesser extent, secured or unsecured mezzanine loans, and preferred equity of private, U.S. middle market companies.

The Firm’s investment team uses a disciplined, credit-driven investment strategy including pursuing investments in senior secured loans, and aiming to maintain the appropriate allocation among the various types of senior secured loans, as well as junior secured debt to allow the Firm to achieve its returns while maintaining its desired credit risk profile; performing in-depth due diligence on companies, management teams and private equity sponsors, and conducting fundamental credit and valuation analyses; seeking to structure investments to provide the Funds with security, current cash pay interest, and additional upside through original issue discount (“OID”) or other fees; and actively managing portfolio investments through ongoing dialogue with equity owners and management, monitoring of operational results, financial reports and compliance with covenants, and periodically evaluating potential exit alternatives for part or all of each investment.

Risk Factors:

Opening an account with the Firm involves substantial risks, and prospective Clients should carefully consider, among other factors, the risks described below. The following explanation of certain risks is not exhaustive, but rather highlights some of the more significant risks involved in the Clients' investment strategies. For a complete explanation of the Clients' relevant investment strategies and their associated risks, investors should review the relevant offering documents or investment management agreement, which may contain additional explanations of strategies, risks and other related details not discussed below.

General Risk of Loss: There can be no assurance that a Client's investment objectives will be achieved or that a Client will receive a return of its capital. Each Client or underlying investor shall be prepared to bear the loss of its investment.

Absence of Operating History: Although key personnel of the Firm have had extensive experience investing in the private credit market while employed by other institutions, the Clients and the Firm do not have significant operating history upon which to evaluate the Clients' likely performance. Past performance of previous investments or investment vehicles managed by key personnel of the Firm may not be construed as an indication of the future results of an investment in the Clients.

Nature of Loans Generally: Although the Clients invest primarily in loans and other debt instruments or obligations secured by collateral, the Clients may be exposed to losses resulting from default and foreclosure of any such loans or interests in loans in which it has invested. Therefore, the value of underlying collateral, the creditworthiness of borrowers and the priority of liens are each of great importance in determining the value of the Clients' investments. No guarantee can be made regarding the adequacy of the protection of the Clients' security in the loans or other debt instruments in which they invest.

There are limited restrictions on the credit quality of loans and debt instruments that the Clients invest in, and therefore the Clients' debt instruments may have speculative characteristics. Borrowers that are the subject of such loans and that issue such debt instruments are often highly leveraged and may not have more traditional methods of financing available to them.

Nature of Middle Market Senior Loans: Middle market senior loans generally are unrated or if rated will have ratings or implied or imputed ratings below investment grade. The lower rating of such loans reflects a greater possibility that adverse changes in the financial condition of the borrower or in general economic conditions (including, for example, a substantial period of rising interest rates or declining earnings) or both may impair the ability of the borrower to make payment of principal and interest. The market for lower-rated and comparable non-rated debt instruments and securities is thinner, often less liquid, and less active than that for higher-rated and comparable non-rated debt instruments and securities, which can adversely affect the prices at which such debt instruments and securities can be sold and may even make it impracticable to sell such debt instruments and securities. In addition to the foregoing, such loans may become non-performing for a variety of reasons. A non-performing loan may require substantial work-out negotiations or restructuring that may entail, among other things, a substantial reduction in the interest rate and/or a substantial write-down of principal of or accrued interest due on the loan as well as substantial legal and other fees and expenses. Because of the unique and customized nature of a loan agreement and the private syndication of a loan, certain loans may not be purchased or sold as easily as publicly traded securities. Historically, the trading volume in the loan market has been small relative to other markets. Loans may encounter trading delays due to their unique and customized nature, and transfers may require the consent of an agent or borrower. Another risk is pre-payment, which may occur

at any time without premium or penalty. The exercise of pre-payment rights during periods of declining spreads could cause the Funds to reinvest proceeds in lower-yielding investments.

Nature of Middle Market Companies: Loans to middle market companies may carry more risks than loans to larger, publicly-traded entities. For example, there is generally no publicly available information about privately-owned middle market companies and some obligors may not meet net income, cash flow and other coverage tests that may be imposed by certain lenders. Further, middle market companies that borrow below investment-grade loans may be highly leveraged. These companies generally have more limited access to capital and higher funding costs, may be in a weaker financial position, may need more capital to expand or compete, and may be unable to obtain financing from public capital markets or from traditional sources, such as commercial banks. These companies frequently have shorter operating histories, narrower product lines and smaller market shares than larger businesses, which render them more vulnerable to competitors' actions and market conditions, as well as general economic downturns.

Competition and Availability of Investments: A number of entities will compete with the Firm to make the types of investments that it plans to make in U.S. middle market companies. The Firm will compete with public and private funds, commercial and investment banks, commercial financing companies, and business development companies. Additionally, as competition for investment opportunities increases, alternative investment vehicles, such as hedge funds, may frequently invest in U.S. middle market companies. As a result of these new entrants, competition for investment opportunities in U.S. middle market companies has intensified, and the Firm expects the trend to continue.

Many of the Firm's potential competitors are substantially larger and are expected to have considerably greater financial, technical and marketing resources than it does, including other private investment firms and hedge funds, large and well-capitalized operators, contractors, commercial, investment and merchant banks and insurance and reinsurance companies. For example, some competitors may have a lower cost of capital and access to funding sources that are not available to the Firm. In addition, some of the Firm's competitors have higher risk tolerances or different risk assessments, which could allow them to consider a wider variety of investments and establish more relationships than the Firm. There can be no assurances that the competitive pressures faced by the Firm will not have a material adverse effect on the Firm's business, financial condition and results of operations. Furthermore, as a result of this competition, the Firm may not be able to take advantage of attractive investment opportunities from time to time, and it can offer no assurance that it will be able to identify and make investments that are entirely consistent with its investment objective.

Entrants into the Firm's industry compete on several factors, including price, flexibility in transaction structuring, customer service, reputation, market knowledge and speed in decision-making. The Firm believes that some of our competitors may make loans with interest rates that are lower than the rates the Clients provide. The Firm may lose investment opportunities if it does not match its competitors' pricing, terms and structure. However, if the Clients match its competitors' pricing, terms and structure, the Clients may reduce their net investment income and increase its risk of credit loss.

In addition, although the Firm intends to seek diversity, investments could potentially be concentrated in relatively few industries or sectors. Additionally, the investments will likely be concentrated geographically in North America. These limitations may substantially adversely affect the aggregate returns realized by investors because of the unfavorable performance of a small number of such investments.

Disruption in Credit Markets: In recent years, the global economy has been negatively affected by significant disruptions in the credit markets, including the collateralized debt obligation and leveraged finance markets, and a general economic downturn and, in certain countries, recession. Significant risks

for the Clients and investors continue to exist as a result of credit market volatility and uncertain economic conditions. These risks include, among others, (a) the possibility of accelerated prepayments of attractively priced (i.e. the all-in yield), structured or performing Client assets as a result of increased liquidity and competition in the middle market private debt asset class driven by economic conditions, relative performance, monetary policy or other governmental action or other factors, and (b) the impact of adverse economic conditions on the obligors of the Client's assets. These risks may affect the returns, if any, to the investors or the ability of Clients to return any or all of the investors' capital.

The market for a number of financial products, including leveraged loans, is volatile. Disruptions in the credit markets may reduce opportunities for the Client to make investments and may also heighten refinancing risk in respect of maturing Client assets. Any events that slow, delay or reverse economic recovery or cause a deterioration in loan performance generally may affect the returns, if any, to investors or the ability of the Clients to return any or all of the investors' capital.

Due Diligence: Before making investments, the Firm conducts due diligence to the extent it deems reasonable and appropriate based on the applicable facts and circumstances. When conducting due diligence, the Firm generally evaluates a number of important business, financial, tax, accounting, environmental, regulatory and legal issues in determining whether or not to proceed with an investment. Nevertheless, when conducting due diligence and making an assessment regarding an investment, the Firm is required to rely on resources available to it, including information provided by potential counterparties, equity managers and other independent sources. The due diligence process may at times be required to rely on limited or incomplete information, particularly with respect to less-established companies. Accordingly, the Firm cannot guarantee that the due diligence investigation it carries out with respect to any investment opportunity will reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity.

Illiquid and Long-Term Investments: The Clients invest assets in long-term investments, which tend to be illiquid. Illiquidity may result from the absence of an established market for investments as well as legal or contractual restrictions on their resale. To the extent that there is no trading market for a particular investment, the Clients may be unable to liquidate that investment or may be unable to do so at a profit. Clients and/or investors should expect that they will not receive a return of capital for several years even if the Clients' investments are successful.

Interest Rate Risk: Interest rate fluctuations may have a substantial negative impact on the Clients. A reduction in the interest rates on new investments relative to interest rates on current investments could also have an adverse impact on the Clients' net investment income. An increase in interest rates could decrease the value of any investments the Clients hold with interest rate floors above prevailing rates or earning fixed interest rates, and also could increase the Clients' interest expense, thereby decreasing its net income.

Prepayment Risk: The frequency at which prepayments (including voluntary prepayments by obligors and accelerations due to defaults) occur on loans will be affected by a variety of factors, including the prevailing level of interest rates and spreads, as well as economic, demographic, tax, social, legal and other factors. Generally, obligors tend to prepay their fixed-rate obligations when prevailing interest rates fall below the coupon rates on their obligations. Whether a loan is prepaid will depend both on the continued positive performance of the portfolio investment and the existence of favorable financing market conditions that allow such portfolio investment the ability to replace existing financing with less expensive capital. As market conditions change frequently, it is unknown when, and if, this may be possible for any given portfolio investment. In the case of some of these loans, having the loan prepaid may reduce the achievable

yield for the Clients, which could have a material adverse effect on the Clients' business, financial condition and results of operations.

Creditors' Rights: The Clients' investments and the collateral underlying those investments are subject to various laws for the protection of creditors in the jurisdictions of the investments concerned. Such differences in law may also adversely affect the rights of the Clients as a lender with respect to other creditors. Additionally, the Clients, as a creditor, may experience less favorable treatment under different insolvency regimes than those that apply in the United States, including in cases where the Clients seek to enforce any security it may hold as a creditor.

Stated Maturity of Debt Instruments: The Firm actively invests in investments through the end of and defined investment period and, as such, the stated maturity of debt instruments may exceed the agreed upon term of the Funds. The Firm generally makes debt investments where it expects that the principal amount of such instrument will be paid prior to the stated maturity of such instrument, provided, however, that there is no guaranty that borrowers will repay such obligations prior to the stated maturity date, or that the instrument will not be amended to extend the stated maturity date or otherwise modify the terms.

Recourse to the Clients' Assets: The Clients' assets, including any investments made by the Clients are available to satisfy all liabilities and other obligations of the Clients. If the Clients become subject to a liability, parties seeking to have the liability satisfied may have recourse to the Clients' assets generally and will not be limited to any particular assets, such as the asset representing the investment giving rise to the liability. Accordingly, investors could find their interest in the Clients' assets adversely affected by a liability arising out of an investment of the Clients.

Effect of Bankruptcy and Restructurings: The Clients may make investments in companies that become involved in bankruptcy proceedings or restructurings or that experience financial difficulties. A bankruptcy filing may adversely and permanently impact the value of a company and can involve very high administrative costs that may impair the value of the company. Under certain circumstances, payments to the Clients may need to be restored to the company if any such payment or distribution is later determined to have been a fraudulent conveyance, preferential payment or similar transaction under applicable bankruptcy and insolvency laws. As a result, distributions to investors may need to be returned to the Clients. Furthermore, investments in distressed companies and restructurings may be adversely affected by statutes relating to, among other things, fraudulent conveyances, voidable preferences, lender liability and the court's discretionary power to disallow, subordinate or disenfranchise particular claims.

Possible Lack of Portfolio Diversification: The Firm endeavours to build and manage a diversified portfolio for Clients with investments having representation in various industries and economic sectors, geographic regions and deal types which may include growth financings, recapitalizations and buyouts. Despite the foregoing objectives, the portfolio may be concentrated in certain industries and/or economic sectors, geographic regions and/or deal types subject to certain limits as may be imposed by the investors.

Credit Facility to Bridge Capital Calls: The Funds have a revolving credit facility to bridge capital calls based on the aggregate capital commitments of certain investors. In connection with credit facility leverage used by the Funds, the Funds are required to make certain representations and warranties to its lender. The Funds are also required to indemnify the lenders pursuant to any credit facility in case such representations and warranties are inaccurate. Under the credit facility, the Funds would incur additional interest and other expenses with respect to such facility. Events of default under the credit facility include, among other things, failure to pay amounts due under such credit facility, failure to inform the credit facility provider of certain events with respect to the Funds, failure to provide the credit facility with certain

periodic reports and financial statements, breach by the Funds of other representations and covenants contained in credit facility documentation and other similar terms.

Use of Debt to Acquire Investments: The Funds may make portfolio investments and satisfy other of the Funds capital needs with proceeds from drawdowns under one or more revolving credit facilities (the collateral for which can be, for example, one or more assets of the Fund, such as asset-backed facilities, or the undrawn capital commitments of investors, such as subscription lines) prior to calling for capital contributions. Capital calls, including those used to pay interest on subscription lines, asset-back facilities and other indebtedness, may from time to time be “batched” together into larger, less frequent capital calls or closings, with the Funds’ interim capital needs being satisfied by the Funds borrowing money from such credit facilities. Subject to the Funds’ partnership agreements, there is no limitation on the amount of time any such borrowing may remain outstanding and the interest expense and other costs of any such borrowings will be the Funds expenses and, accordingly, decrease net returns of the Funds. It is expected that interest will accrue on any such outstanding borrowings at a rate lower than the preferred return, which will begin accruing when capital contributions to fund such investments, or repay borrowings used to fund such portfolio investments, are actually made to the Funds. In light of the foregoing, the Firm has an incentive to fund (i) new portfolio investments, (ii) the ongoing capital needs of existing portfolio investments and of the Funds, with the proceeds of such borrowings in lieu of drawing down capital commitments. As a general matter, use of leverage in lieu of drawing down capital commitments amplifies returns (either negative or positive) to investors.

Calculations of net and gross IRRs in respect of investment and performance data with respect to the Funds, as reported to investors from time to time, are based on the later of the payment due date of capital contributions or the date funds were received from investors. This treatment also applies in instances where a fund utilizes borrowings under a fund’s subscription-based credit facility in lieu of capital contributions or in advance of receiving capital contributions from investors to repay any such borrowings and related interest expense. As a result, use of a credit facility with respect to investments will impact calculations of returns and will result in a higher or lower reported IRR than if the facility had not been utilized and instead the investors’ capital had been contributed at the inception of an investment, which will present conflicts of interest as a result of certain factors, including the interest rate on such borrowings typically being less than the rate of the preferred return and that such preferred return does not accrue on such borrowings, and only accrues on capital contributions when made. As a result, use of such long-term leverage arrangements with respect to investments may effectively reduce or eliminate the preferred return received by investors and accelerate or increase distributions of carried interest paid by the Funds thereby providing affiliates of the Firm with an economic incentive to fund investments through long term borrowings in lieu of capital contributions.

Leveraged Nature of Investments: The portfolio companies in which the Clients may invest may be highly leveraged, thereby increasing the degree of credit risk inherent in each investment. Leverage often imposes restrictive financial and operating covenants on a company, in addition to the burden of the debt service, and may impair its ability to finance future operations and capital needs or to pay principal and interest on the Client’s investments when due. The leveraged capital structure of portfolio companies will increase the exposure of the Client’s investments to any deterioration in a company’s condition or industry, competitive pressures, an adverse economic environment or rising interest rates. In the event any portfolio company cannot generate adequate cash flow to meet its debt service needs, the Clients may suffer a partial or total loss of capital invested in the portfolio company, which could adversely affect the returns of the Clients. Furthermore, the companies and securities in which the Clients will invest may or may not be rated by a credit rating agency.

Cybersecurity: The Firm, the Clients' service providers and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to a number of different threats or risks that could adversely affect the Clients, despite the efforts of the Firm and service providers to adopt technologies, processes and practices intended to mitigate these risks and protect the security of their computer systems, software, networks and other technology assets, as well as the confidentiality, integrity and availability of information belonging to the Clients. For example, unauthorized third parties may attempt to improperly access, modify, disrupt the operations of, or prevent access to these systems of the Firm, the Clients' service providers, counterparties or data within these systems. Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users of the Firm's systems to disclose sensitive information in order to gain access to the Firm's data or that of its underlying investors. A successful penetration or circumvention of the security of the Firm's systems could result in the loss or theft of an investor's data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system or costs associated with system repairs. Such incidents could cause the Clients, the Firm or their service providers to incur regulatory penalties, reputational damage, additional compliance costs or financial loss. Similar types of operational and technology risks are also present for companies in which the Clients invest, which could have material adverse consequences for such companies, and may cause the Clients' investments to lose value.

Strategic Investor: In recognition of its provision of the initial capital to the Funds, a key investor in one of the Funds has been designated as a "Strategic Investor" in such Fund, and is granted different economic terms in this Fund, as well as economic and other rights in an affiliate of the Firm (while not an equity holder in this affiliate). While the Funds and the Strategic Investor, respectively, seek to manage any potential conflicts of interest in good faith, there may be situations in which the interest of the Strategic Investor, as an investor in such Fund, conflicts with (without limitation) its relationship with the Firm.

Valuation of Client Assets: There may be situations in which the Firm is potentially incentivized to influence or adjust the valuation of the Clients' assets. For example, the Firm could be incentivized to employ valuation methodologies that may improve the Clients' track record or increase the value attributable to any securities distributed in-kind, which could increase the Firm's carried interest. The Firm has adopted valuation policies to address these potential conflicts.

Item 9: Disciplinary Information

Evolution has not been subject to any legal or disciplinary action, whether criminal, civil or administrative (including regulatory) in any jurisdiction. Likewise, no persons involved in the management of the Firm have been subject to such action.

Item 10: Other Financial Industry Activities and Affiliations

The Funds are affiliates of the Firm as is Evolution Credit Advisors I L.P., the Fund's general partner, as well as Evolution Credit Advisors I GP, LLC, the Offshore Fund's general partner and the general partner of Evolution Credit Advisors I, L.P. The general partners are wholly owned by Rene J. Canezin and Michael P. Guarnieri.

Neither Evolution nor any of its affiliates are registered or have an application pending to register as a broker-dealer or a registered representative of a broker-dealer.

Neither Evolution nor any of its affiliates are registered or have an application pending to register as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

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

Participation or Interest in Client Transactions

Employees, affiliates of the employees, and relatives of the employees make investments in the Funds. Evolution does not currently receive any compensation from such investments from employees.

Evolution and Evolution affiliates and employees may have a financial interest in the Funds through a performance allocation or a direct investment interest in the Funds. As such, Evolution could be considered to have recommended to investors that they buy or sell securities or investments in which the applicant or a related person has some financial interest.

Code of Ethics and Employee Investment Policy

The Firm adopted a Code of Ethics and Employee Investment Policy that establishes various procedures with respect to conflicts of interest including investment transactions in accounts in which employees of Evolution or its related persons have a beneficial interest or accounts over which an employee has investment discretion.

In general, employees (and members of their immediate households) must obtain written pre-approval from the Chief Compliance Officer (“CCO”) prior to executing a personal transaction in equity securities, fixed income products, options, futures and most other securities and financial instruments other than money market funds, mutual funds, certificates of deposit, investments in alternative assets, or other private investments. In addition, employees may not acquire securities for their own account in an initial public offering without the consent of the CCO. Employees must also obtain pre-approval from the CCO before engaging in any outside business activities or investing in private placements.

All Evolution employees are required to direct their brokers to send duplicate copies of brokerage statements to the CCO. These records are used to monitor compliance with the foregoing policies.

Item 12: Brokerage Practices

Evolution provides discretionary investment advice to the Funds and Managed Accounts. It does not now, nor does it expect at any time, to engage in trading with broker-dealers to execute Client portfolio transactions.

However, to the extent that Evolution does, in the future, engage in trading with broker-dealers, in selecting brokers for execution, Evolution assesses the reasonableness of their compensation and commissions charged on the basis of certain considerations, which includes the availability of middle market loans, amount of commission, quality of execution, the reputation, experience and financial stability of the broker-dealer involved and the quality of service, familiarity with the securities markets and investment techniques employed by the Firm, research and analytic services, clearing and settlement capabilities, the availability of margin or other leverage, block positioning or other special execution

capabilities or other services provided to the Clients. In allocating brokerage to the prime broker or such other broker-dealers, the commissions the Clients will pay to such broker-dealers will not necessarily represent the lowest commission rates available, but will reflect the Firm's evaluation of the research and other brokerage-related services supplied by such broker-dealers and which benefit the Clients, either alone or together with the other clients of the Firm or its affiliates. In each case, the Firm will make a determination that the amount of any increased commission costs on account of such services is reasonable relative to the value of services so provided.

In selecting a broker-dealer to execute transactions and determining the reasonableness of the broker dealer's compensation, Evolution need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost.

Evolution does not currently expect to use soft dollars or maintain any soft dollar arrangements with brokers but may determine to do so in the future. Any such arrangements would fall within the safe harbor to investment advisers who use soft dollars in accordance with Section 28(e) of the Securities Exchange Act of 1934.

From time to time, brokers may assist the Firm in raising additional funds from investors, and representatives of Evolution may speak at conferences and programs sponsored by such brokers for investors interested in investing in the Firm. Through such "capital introduction" events, prospective investors in the Clients would have the opportunity to meet with representatives of Evolution. Currently, neither Evolution nor the Clients compensate any broker for organizing such events or for any investments ultimately made by prospective investors attending such events, nor do they anticipate doing so in the future. The Firm may accept subscriptions from investors who also provide services to the Clients, including brokers and their affiliates. Furthermore, certain executing brokers or their affiliates may serve as placement agents for one or more Clients. Relationships such as the ones described above could be viewed as creating a conflict of interest that potentially could affect Evolution's ability to seek best execution.

When determined to be in the best interests of Clients, Evolution may determine to execute an aggregated trade for multiple accounts. Upon execution, the shares of the trade will generally be allocated pro-rata amongst the multiple participating Client accounts at an average price and transaction cost, to the extent appropriate or practicable.

It will be the Firm's general policy that no Client will receive inappropriate preferential treatment or otherwise be treated unfairly. The Firm will seek to uphold this policy when making decisions regarding investment allocations.

Item 13: Review of Accounts

The Firm performs various quarterly and other periodic reviews of the Clients' portfolios as needed. Each Client's portfolio is reviewed in the context of each Client's stated investment objectives and guidelines.

A targeted review of a Client account may be triggered by material changes in key variables that may affect the performance of the Clients, including, without limitation, changes in the financial markets or activity, trends in the political, regulatory, or economic environment or revised Client objectives.

The Firm reports to Clients on a quarterly basis, as well as informally on an ongoing basis, regarding updates on the performance and status of the portfolio and other issues that might impact them.

Item 14: Client Referrals and Other Compensation

The Firm does not receive economic benefits from anyone who is not a Client for providing investment advice or other advisory services to the Clients.

The Firm may enter into written arrangements with third party marketers for the referral of Clients. Pursuant to the terms of such arrangements, third party marketers may be engaged by the Firm and typically may be entitled to a percentage of management fees earned by it on referred assets. All such compensation will be fully disclosed to each Client consistent with applicable law. The Client will incur no additional costs or expenses as a result of any such compensation arrangement.

Item 15: Custody

The Firm has custody, as defined in Rule 206(4)-2 under the Advisers Act (the “**Custody Rule**”), of the assets of the Fund as a result of our related person’s role as the general partner of the Funds.

To comply with the Custody Rule, Evolution complies with the pooled vehicle annual audit provision. Annually, upon completion of the annual audit of a Fund conducted in accordance with U.S. Generally Accepted Auditing Standards, Evolution shall ensure that the audited financial statements are delivered to Investors in the Funds within 120 days of its fiscal year end. The audited financial statements are prepared by an independent accounting firm that is registered with and subject to review by the Public Company Accounting Oversight Board, in accordance with U.S. Generally Accepted Accounting Principles. Investors should carefully review these audited financial statements.

Item 16: Investment Discretion

Evolution has full investment discretion in managing the investments of the Funds and the Managed Accounts. Evolution complies with the investment strategies and guidelines outlined in the Clients respective investment management agreements.

Item 17: Voting Client Securities

Neither Evolution nor Funds invest in public securities. Therefore, Evolution is generally not in a position to vote public company proxies. However, Evolution has established written policies and procedures setting forth the principles and procedures by which Evolution votes or gives consent with respect to securities owned by the Clients.

Item 18: Financial Information

Registered investment advisers are required in this Item to provide certain financial information or disclosures about the registered investment adviser’s financial condition. Evolution has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding. Evolution does not require or solicit prepayment of more than \$1,200 in fees for any clients, six months or more in advance, and therefore has not included a balance sheet.