

FIRM BROCHURE

(PART 2A OF FORM ADV)

Chenavari Investment Managers (Luxembourg) S.a r.l.
2 Boulevard de la Foire
L – 1528 Luxembourg
+352 2786 0405
www.chenavari.com
compliance@chenavari.com

31 March 2019

This brochure provides information about the qualifications and business practices of Chenavari Investment Managers (Luxembourg) S.a r.l. If you have any questions about the contents of this brochure, please contact us at +352 2786 0405, or by email at: compliance@chenavari.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. Registration with the SEC or a state securities authority does not imply a certain level of skill or training.

Additional information about Chenavari Investment Managers (Luxembourg) S.a r.l also is available on the SEC's website at www.adviserinfo.sec.gov

ITEM 2: MATERIAL CHANGES

Material Changes since the Last Update

Chenavari Investment Managers (Luxembourg) S.a r.l.'s ("Chenavari" or the "Firm" last update of its Brochure was as of 30 June 2018, and there have been no material disclosures to make.

ITEM 3: TABLE OF CONTENTS

FIRM BROCHURE (<i>PART 2A OF FORM ADV</i>)	1
Chenavari Investment Managers (Luxembourg) S.a r.l	1
ITEM 2: MATERIAL CHANGES	2
<i>Material Changes since the Last Update</i>	2
ITEM 3: TABLE OF CONTENTS	3
ITEM 4: ADVISORY BUSINESS	5
<i>Firm Description</i>	5
<i>Principal Owners</i>	5
<i>Types of Advisory Services</i>	5
<i>Tailored Relationships</i>	7
<i>Wrap Fee Programs</i>	7
<i>Assets Under Discretionary and Non-Discretionary Management</i>	7
ITEM 5: FEES AND COMPENSATION	7
<i>Description</i>	7
<i>Fee Billing</i>	8
<i>Other Fees or Expenses</i>	8
<i>Participation or Interest in Client Transaction</i>	8
ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT	9
ITEM 7: TYPES OF CLIENTS	9
ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS	9
<i>Methods of Analysis and Investment Strategies</i>	9
<i>Risk of Loss</i>	10
ITEM 9: DISCIPLINARY INFORMATION	14
ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS	14
<i>Broker-Dealer Registration</i>	14
<i>Futures, Commodity Pool Operator, Commodity Trading Advisor</i>	14
<i>Related Person Arrangements</i>	14
<i>Arrangements With Other Investment Advisers</i>	14
ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING	14
<i>Code of Ethics</i>	14

<i>Participation or Interest in Client Transactions and Personal Trading</i>	15
ITEM 12: BROKERAGE PRACTICES.....	15
<i>Selecting Brokerage Firms</i>	15
<i>Research and Other Soft Dollar Benefits</i>	16
<i>Brokerage for Client Referrals</i>	16
<i>Directed Brokerage</i>	16
<i>Aggregation of Client Accounts</i>	16
ITEM 13: REVIEW OF ACCOUNTS.....	17
<i>Periodic Reviews</i>	17
<i>Review Triggers</i>	17
<i>Regular Reports</i>	17
ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION	17
<i>Client Referrals</i>	17
<i>Other Compensation</i>	18
ITEM 15: CUSTODY.....	18
ITEM 16: INVESTMENT DISCRETION	18
ITEM 17: VOTING CLIENT SECURITIES	18
ITEM 18: FINANCIAL INFORMATION.....	19
ITEM 19: REQUIREMENTS FOR STATE-REGISTERED ADVISERS	19

ITEM 4: ADVISORY BUSINESS

Firm Description

Chenavari Investment Managers (Luxembourg) S.a r.l. (“Chenavari” or the “Firm”) is a Luxembourg open-ended investment company organized as a partnership limited by shares under the laws of Grand Duchy of Luxembourg and qualifies as a Société d’investissement à capital variable – fonds d’investissement spécialisé), focussed on stressed/distressed European mezzanine structured finance investments. Chenavari Luxembourg is an authorised Alternative Investment Fund Manager (“AIFM”) as defined by the Alternative Investment Fund Managers Directive 2011/61/EU. The Firm was incorporated on 24 November 2008 with principle place of business at 2 Boulevard de la Foire, L – 1528 Luxembourg, with registration number B 143992.

The Firm is authorised and regulated by the Luxembourg Commission de Surveillance du Secteur Financier as a management company (No. S00001017) and as an Alternative Investment Fund Manager (No. A00001375). Please note that these registrations do not imply a particular level of skill or training on behalf of the Firm.

Chenavari delegates discretionary portfolio management and advisory services to an affiliate group entity, Chenavari Credit Partners LLP, a firm authorised and regulated by the UK Financial Conduct Authority. The Firm’s mission statement is to deliver a stable investment performance to clients through active investment management focussed on maximizing total returns while minimizing investment volatility.

In addition to the above, Chenavari also serves as a collateral/portfolio manager of structured credit products, or so-called synthetic collateralized debt obligations (CDO). CDOs repackage assets such as corporate loans and mortgage bonds into new debt with varying degrees of risk. Synthetic CDOs sell credit-default swaps that receive annual premiums in return for taking on the risk of losses from defaults on corporate bonds and other debt.

Principal Owners

The principal owners of Chenavari are Loic Fery, Frederic Couderc and Chenavari Financial Group (an entity of which Mr. Fery and Mr. Couderc are the principal owners).

Types of Advisory Services

Chenavari is a dedicated credit AIFM with investment allocations within the credit asset-class, including:

- Investment Grade Corporate Credits
- High Yield & Financial Corporate Credits
- Structured Finance securities
- Real Estate Debt
- SME Direct Loans
- Equity
- Trade finance

The credit investment strategies pursued evolve depending on opportunities arising in credit markets and are broadly defined as follows:

- Credit Spread Neutral/ Convexity strategies
- Relative Value strategies
- Directional strategies
- Regulatory Capital Strategy
- Direct Lending Strategy
- Specialty Finance Strategy

Investment strategies are deployed across several investment vehicles, with various liquidity terms:

- Highly liquid investment vehicles (weekly/monthly liquidity)
- Mid-term liquidity profile (semi-annual to 2-year liquidity)
- Longer term investment vehicles (5+ years lock)

Chenavari is the AIFM to several Alternative Investment Funds (“AIFs”), which seek to achieve returns within credit markets, including the following:

Chenavari Multi-Strategy Credit Fund Limited, a Cayman Islands exempted company (the “Multi-Strategy Fund”), focused on corporate credit markets, this AIF pursues strategies including, but not limited to: Credit Spread Neutral, Regulatory Capital Structured Finance, Short Biased Credit, Direct Lending, Multi-Strategy, Specialty Finance, and European Real Estate Debt.

Chenavari European Deleveraging Opportunities Fund II (GP) Limited, an exempted Limited Partnership organized under the laws of the Cayman Islands. This AIF pursues strategies including, but not limited to: Regulatory Capital.

Chenavari Real Estate Fund II (GP) S.a r.L., an exempted Limited Partnership organized under the laws of Luxembourg. This AIF pursues strategies including, but not limited to: European Real Estate Debt.

Chenavari European Private Debt Opportunities Fund (GP) S.a r.L., a private limited liability company organized under the laws of Luxembourg. This AIF pursues strategies including, but not limited to: Specialty Finance, Direct Lending (consumer finance, trade finance, receivables financing, leasing, SME loans, real estate debt) and Regulatory Capital.

Chenavari European Private Credit Opportunities Fund (General Partner) S.a r.L., a private limited company organized under the laws of Luxembourg. This AIF pursues strategies including, but not limited to: Bank Loan Portfolios, Specialty Finance Loans and Credit Origination, Opportunistic investing.

Chenavari Credit Fund S.C.A., SICAV-RAIF- Chenavari European Shipping Private Credit Fund, a reserved alternative investment fund with multiple sub-funds incorporated as a partnership limited by shares under the laws of Luxembourg. This fund pursues strategies including, but not limited to: Senior loans secured by shipping mortgages, Short-term senior secured facilities secured by shipping assets, equity or equity-linked instruments in relation to

participating in operating joint ventures targeting the acquisition of second-hand ships, and other secured loans or preferred equity investments.

Chenavari Credit Fund S.C.A., SICAV-RAIF- Chenavari Trade Finance Fund, a reserved alternative investment fund with multiple sub-funds incorporated as a partnership limited by shares under the laws of Luxembourg. This fund pursues strategies including, but not limited to: Short-term trade finance and back-to-back (purchase and sales linked to physical flow of commodities and other goods, longer-term commodity finance backed by real assets, and receivables-backed financing (discounting of receivables and invoices).

Tailored Relationships

Chenavari primarily manages AIFs which are not tailored to any individual investors, (i) it has and may in the future agree to enter into customized investment mandates with clients; and (ii) may organize the AIFs it manages into sub-portfolios in order to address concerns that may be common to one or more investors in the applicable AIF, such as liquidity or regulatory concerns.

Wrap Fee Programs

Chenavari does not use a wrap fee program.

Assets Under Discretionary and Non-Discretionary Management

As at 31 December 2018, Chenavari has assets under its discretionary management of c.\$1.3 billion, and total regulatory assets under management are approximately US\$8.0 billion.

As at 31 December 2018, the whole Chenavari Financial Group discretionary managers US\$5.1bn (including committed but undrawn capital of approximately US\$161 million).

ITEM 5: FEES AND COMPENSATION

Description

Chenavari historically charges management fees based on assets under management as well as performance fees based on investment appreciation on the portfolios that it manages. Management fees have historically been (0.5% to 1.5%) of assets under management. Performance fees have historically been twenty percent (20%) of the appreciation in the applicable account. In addition, performance fees are often subject to a high water mark and may incorporate equalization or a similar adjustment methodology. Chenavari may, in its discretion, offer a different fee structure to any investment advisory client or to any particular investor in any AIF that it manages. Investors should refer to the final offering document or private placement memorandum (collectively, the "Offering Documents") of a particular vehicle or account agreement with Chenavari for more information on applicable fees.

Chenavari or any of its affiliates may also occasionally receive origination fees and/or ongoing investment monitoring fees (such as without being limited to directorship fees and expenses) relating to its Private Equity/Private Debt investment activities.

Fee Billing

Each of the AIFs will pay fees, in consideration for the services provided. Management fees are typically paid on a monthly or quarterly basis. Performance fees are typically paid on an annual basis, or upon a redemption by an investor of its interests in an AIF other than at year-end, or as part of the applicable waterfall at the time of amortization of the investment for a closed-end vehicle.

Other Fees or Expenses

Each AIF will pay fees to its Directors by way of remuneration for their services to the AIF and the trading subsidiaries of the AIF (if applicable). Current Directors' fees of each AIF are disclosed in each Directorship Services Agreement if not the relevant Offering Document.

In general, all administration, custody, brokerage, agent and similar fees, and all other operating, organizational and offering expenses of an AIF, or account with respect to a client other than an AIF, are typically paid directly by such AIF or account. In some instances, certain AIF costs and expenses may be limited to a level specified in the AIF's relevant offering documents

Each of the AIFs will typically bear all costs, expenses and liabilities necessary to carry on the business, purpose and activity for which it was formed. These may include, but not being limited to:

- Management and performance fees to be paid to Chenavari entities
- fees and expenses incurred in connection with the formation and ongoing Fund structuring
- marketing fees and expenses
- Regulatory fees and expenses
- organisational expenses
- execution software tools
- costs and expenses related to investments or prospective investments
- interest and commitment fees
- costs of audits of financial statements
- fees and expenses for financial and tax accounting
- fees and expenses of any administrator
- fees and expenses of any custodian
- primer broker and general brokerage and transaction fees
- fees and expenses of any outside legal counsel
- costs of any outside appraisers, accountants, attorneys or other experts
- expenses incurred in obtaining pricing services
- fees paid to any directors
- auditing and accounting fees and expenses
- costs of any insurance
- third-party expenses incurred in connection with transactions not consummated
- litigation expenses
- applicable taxes
- research costs via research payment account

Participation or Interest in Client Transaction

Neither Chenavari nor any of its supervised persons receives any referral fee, commissions or other similar compensation in connection with any sales of securities or other investment products.

ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As previously noted in this brochure, Chenavari generally receives performance fees with respect to each of the portfolios over which it exercises discretionary management authority.

The Firm may simultaneously be an AIFM of multiple types of products on behalf of clients, known as side-by-side management. These clients may have different investment objectives, restrictions, strategies or other limitations, which gives rise to a variety of conflicts of interest for the Firm, its staff and supervised persons.

ITEM 7: TYPES OF CLIENTS

Chenavari currently provides risk management services to AIFs as well as separate accounts on behalf of institutional investors, multi-managers and family offices globally.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Methods of Analysis and Investment Strategies

Chenavari focuses on fundamentally-driven investment strategies, driven by dedicated research and analysis, and complemented by customized quantitative modelling. Most research is generated internally, in order to benefit from select trading ideas with limited following by other market participants. Research is both bottom-up and top-down in nature, including analysis of corporate-specific factors as well as macroeconomic indicators, consideration of business-cycle developments and detailed analysis of market structural and technical factors.

For liquid strategies and vehicles, the Portfolio Management and credit research teams hold daily meetings to assess the impact of the most recent market movements, macro indicators and corporate news-flow as a group. In addition, formal strategy meetings are held monthly, attended by the senior members of each investment team, to discuss portfolio composition, strategy ideas, risk characteristics and bottom-up fundamental research from the credit research team as well as technical factors such as supply and demand flows. Any positions associated with a live trade are monitored continuously, with any relevant developments being reported and interpreted either immediately on the trade floor or during one of the regular structured meetings described above.

The Firm's investment strategies primarily include, though not being limited to:

ABS: Fundamentally-based and active trading to take advantage of market and structural inefficiencies in European ABS markets across RMBS, CLOs, CDOs and other structured finance securities.

Consumer Finance: Financing that comprises credit cards, prepaid cards and personal loans.

Credit Spread Neutral/Convexity: Relative value trading of credit indices and derivatives.

Long/Short Corporate Credit: Relative value and directional opportunities across the capital structure in corporate markets including High Yield, Stressed/Distressed, Convertible Bonds, Financials and Leveraged Loans.

European Real Estate Debt: Lending investors' capital to realize high added-value real estate operations.

Leasing: Allowing the use of an asset by a company; providing economic characteristics of ownership for a company being financed by this means.

Receivables Financing: Also, called debt factoring, consisting of financing a company by buying its account receivables whereby the receivable is then used as self-liquidating collateral.

Regulatory Capital: Opportunistic corporate credit and structured finance transactions, including primary and secondary deals of asset-backed securities, collateralized loan obligations and credit-linked notes.

Shipping Financing: Senior loans secured by shipping mortgages, Short-term senior secured facilities secured by shipping assets.

Short biased credit: Using cash and derivative instruments to opportunistically combine select identified short risk positions, long volatility positions and long risk positions.

SME Loans: Providing senior and mezzanine credit to select small and mid-size companies.

Specialty Finance: Opportunistic investments including primary and secondary deals of asset-backed securities, credit-linked notes and providing financing to companies involved in specialty finance and asset-backed financing of loan portfolios.

Trade Finance: Financing the physical flow of goods, typically taking the goods as collateral.

Risk of Loss

An investment in an investment vehicle managed by Chenavari regularly involves a high degree of risk, including the risk that the entire amount invested may be lost. No guarantee or representation is made that the investment program will be successful or that each investment vehicles' returns will exhibit low correlation with an investor's traditional securities portfolio. The description below provides a brief overview of the main different investment risks:

General Investment and Trading Risks

All investments present the risk of loss of capital. Such investments are subject to investment-specific price fluctuations as well as to macro-economic, market and industry-specific conditions including, but not limited to, national and international economic conditions, domestic and international financial policies and performance, conditions affecting particular investments such as the financial viability of national and international politics and governmental events and changes in income tax laws. The Investment adviser believes that its investment policies moderate this risk through a careful selection of securities and other financial instruments and strategies. No guarantee can be made that the trading of any such investment vehicle will be successful. The investment policies may refer to investment techniques which can, in certain circumstances, maximize any losses.

Credit Derivatives Risk

The investment vehicle may enter into one or more credit default swaps ("CDS") as part of its primary strategy. The use of credit derivatives is a highly-specialized activity which involves strategies and risks different from those associated with ordinary portfolio security transactions. The Investment vehicle's risk of loss in a credit derivative transaction varies. For example, if the Investment vehicle purchases protection under a CDS, and if no default occurs with respect to the security, the Investment vehicle's loss is limited to the premium it paid for the CDS. In contrast, if there is a default by the seller of protection under a CDS, the Investment vehicle's loss will include both the premium that it paid for the CDS and the loss of payment under the swap. Any CDS will also be subject to counterparty risk.

Fixed Income Securities

The Investment vehicle may invest:

- in bonds or other fixed income securities, which may be unrated by a credit-rating agency or below investment grade and which are subject to greater risk of loss of principal and interest than higher-rated debt securities.
- in debt securities, which rank junior to other outstanding securities and obligations of the issuer, all or a significant portion of which may be secured on substantially all of that issuer's assets.
- in debt securities, which are not protected by financial covenants or limitations on additional indebtedness.

Each Investment vehicle will therefore be subject to credit, liquidity and interest rate risks.

Higher yielding debt securities are generally unsecured and may be subordinated to certain other outstanding securities and obligations of the issuer, which may be secured on substantially all the issuer's assets. The lower rating of debt obligations in the higher yielding sector reflects a greater probability that adverse changes in the financial condition of the issuer or in general economic conditions or both may impair the ability of the issuer to make payments of principal and interest. Non-investment grade debt securities may not be protected by financial covenants or limitations on additional indebtedness. In addition, evaluating credit risk for debt securities involves uncertainty because credit rating agencies throughout the world have different standards, making comparison across countries difficult. It is likely that a major economic recession could disrupt severely the market for such securities and may have an adverse impact on the value of such securities. In addition, it is likely that any such economic downturn could adversely affect the ability of the issuers of such securities to repay principal and pay interest thereon and increase the incidence of default for such securities.

Mortgage-related and other asset backed securities

Asset backed securities are securities that entitle the shareholders thereof to receive payments that depend primarily on cash flow from a specified pool of financial assets, either fixed or revolving, that by their terms convert cash within a finite time period, together with rights or other assets designed to assure the servicing or timely distribution of proceeds to shareholders of asset backed securities.

The market value of a portfolio of asset backed securities generally will fluctuate with, among other things, the financial condition of the obligors or issuers of the portfolio and the underlying assets, general economic conditions, the condition of certain financial markets, political events, developments or trends in any particular industry and changes in prevailing interest rates.

Asset backed securities are often subject to extension and prepayment risks which may have substantial impact on the timing of their cashflows. The average life of each individual security may be affected by a large number of factors such as structural features (including the existence and frequency of exercise of any optional redemption, mandatory prepayment or sinking fund features), the prevailing level of interest rates, the actual default rate of the underlying assets, the timing of recoveries and the level of rotation in the underlying assets. As a result, no assurance can be made as to the exact timing of cashflows from the portfolio of securities. This uncertainty may affect the returns of a AIF. In addition, to the extent that they are not guaranteed, each type of asset backed securities entails specific credit risks depending on the type of assets involved and the legal structure used.

Synthetic Securities

AIFs may invest in credit derivative transactions referencing corporate credit portfolios (such as bespoke tranches or index tranches). Investments in such types of assets through the purchase of synthetic securities present risks in addition to those resulting from direct purchases of such securities, and will expose the AIFs to the credit risk of the counterparty as well as that of the reference obligor. The terms of the credit derivative transactions typically require payment to be made by any AIF to the counterparty if certain events occur, and those events are not limited to an event of default under the reference obligation. Any AIF typically will be required to post collateral with the counterparty to secure the AIF's obligation under the credit derivative transaction, and the AIF's obligation to the counterparty will be senior in priority to any distributions on shares of the AIF.

Market Risk

The market price of an investment owned by an Investment vehicle may go up or down, sometimes unpredictably. The value of an investment may decline due to general market conditions, such as real or perceived adverse economic conditions or general adverse investment sentiment. Investments may also decline in value due to factors which affect a particular market sector.

Counterparty risk

Some of the markets in which the Investment vehicle may trade are "over-the-counter" or "interdealer" markets. The participants in such markets are typically not subject to credit evaluation and regulatory oversight as are members of "exchange-based" markets. This exposes each investment vehicle to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the investment vehicle to suffer a loss.

Such "counterparty risk" is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the investment vehicle has concentrated its transactions with a single or small group of counterparties.

Subject to the investment restrictions contained herein, the investment vehicles are not restricted from dealing with any particular counterparty or from concentrating any or all of their transactions with one counterparty. Moreover, no investment vehicle has an internal credit function dedicated to the evaluation of the creditworthiness of its counterparties.

The ability of each investment vehicle to transact business with any one or number of counterparties, the lack of any meaningful and independent evaluation of such counterparties' financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by such investment vehicle

Availability of Investment Strategies

The success of the AIF's investment activities will depend on the Investment Advisers' ability to identify investment opportunities as well as assess the import of news and events that may affect the financial markets and make investment decisions. Identification and exploitation of the investment strategies to be pursued by each investment vehicle involves a high degree of uncertainty. No assurance can be given that the Investment Adviser will be able to locate suitable investment opportunities in which to deploy all of an Investment vehicle's assets or to exploit discrepancies in the securities and derivatives markets or that it will decide to make such investments. Investors should also be aware that the nature of the AIF's investment and the appointment of its service providers create its own restrictions. In addition, the AIF's trading strategies may create situations where entities in which it is invested or the service providers it appoints may be considered to have conflicts of interest with any of such AIFs.

Potential Illiquidity of the AIF's Investments.

The lack of an established, liquid secondary market for many of the AIF's investments and transfer restrictions typical to such Investments may have an adverse effect on the market value of such investments and on each AIF's ability to dispose of them. Any AIF may not be able to sell these investments when it desires to do so or to realize what it perceives to be their fair value in event of a sale. In addition, the sale of such assets often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than does the sale of investments which are eligible for trading on an exchange or for which there is an active over-the-counter market.

Furthermore, if an AIF enters into credit derivative transactions it will need to obtain the consent of the counterparty to terminate or assign the transaction. If any investments have not matured or been redeemed prior to the liquidation of the relevant AIF, the AIF will be required to liquidate such Investments and may incur significant loss due to their illiquidity. The size of each AIF's positions may magnify the effect of a decrease in market liquidity for such instruments. An investment in any AIF is suitable only for certain sophisticated investors who do not require immediate liquidity for their investments.

Credit Rating

Credit ratings issued by credit rating agencies are designed to evaluate the safety of principal and interest payments of rated securities. They do not evaluate the market value risk of securities and, therefore, may not fully reflect the true risks of an investment. In addition, credit rating agencies may or may not make timely changes in a rating to reflect changes in the economy or in the conditions of the issuer that affect the market value of the security. Consequently, credit ratings are used only as a preliminary indicator of investment quality.

Currency value fluctuations

An AIF may make Investments denominated in a number of currencies, subject to complying with relevant investment restrictions. Changes in currency exchange rates may adversely affect the value of investments, returns received from collections made, gains and losses realized on any sale of investments and the amount of distributions, if any, to be made by an AIF. In addition, the AIF will incur costs in converting investment principal and income from one currency to another.

Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments.

Hedging

In connection with the financing of certain investments, an AIF may employ hedging techniques designed to protect against adverse movements in securities prices, currency and/or interest rates and other risks. While such transactions may reduce certain risks, the transactions themselves may entail certain other risks. Thus, while an AIF may benefit from the use of these hedging mechanisms, changes in interest rates, securities prices, currency exchange rates or other factors may result in a poorer overall performance for an AIF than if it had not entered into such hedging transactions.

ITEM 9: DISCIPLINARY INFORMATION

Chenavari has no disciplinary information to disclose.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS***Broker-Dealer Registration***

This is not applicable to Chenavari.

***Futures, Commodity Pool Operator, Commodity Trading Advisor
Related Person Arrangements***

This is not applicable to Chenavari.

Arrangements With Other Investment Advisers

Chenavari delegates portfolio management of the AIFs to a related investment adviser, Chenavari Credit Partners LLP.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING***Code of Ethics***

Chenavari has a compliance manual containing policies and procedures in conformance with the requirements of Rule Section 206(4)-7 of the Investment Advisers Act 1940. This manual contains Chenavari's Code of Ethics (the "Code of Ethics"). The Code of Ethics contains specific undertakings by Chenavari employees to conduct themselves with integrity and exercise proper skill, care and diligence in the course of their employment with the Firm. In addition, the Code of Ethics provides guidelines for employees in the conduct of their duties for Chenavari, including, without limitation, with respect to:

- A) Standard of Conduct
- B) Confidential Information
- C) Material Inside Information
- D) Fiduciary Duty and Conflicts of Interest

- E) Front running
- F) Unfair Treatment of Certain Clients Vis-a-Vis Others
- G) Dealing with Clients as Agent and Principal: Section 206(3)
- H) Personal Trading; Timely Reporting of Trades
- I) Employee's Responsibility to Know the Rules and Comply
- J) Designation and Responsibilities of Chief Compliance Officer

A copy of such Code of Ethics will be provided to any client or prospective client upon request.

Participation or Interest in Client Transactions and Personal Trading

Chenavari uses conflicts management systems and personal account dealing pre-approval procedures to monitor and control conflicts of interest that may arise when it or its related persons have an interest in a transaction or security in which a client has a material interest or is considering an investment. The conflicts of interest policy ensures that Chenavari and related persons will take all reasonable steps to manage these conflicts and where arrangements are insufficient to deal with a conflict, the nature and sources of the conflict shall be disclosed to the client and a waiver will be requested before any commitment or undertaking is made to the client. In the event the conflict is not manageable and there may be risks of damage to the client, Chenavari will decline to act for the client with regards to the proposed transaction. The active disclosure of actual or potential conflicts is a part of the policy in the appropriate circumstances and will be done in a format that is clear and easy to understand. It is the Firm's responsibility to disclose actual or potential conflict of interest only where we are not reasonably confident that procedures and measures for managing the conflict or potential conflict will prevent the risk of damage to client interests.

For recommendation to clients where Chenavari or the related person has a material interest, the conflicts of interest policy ensures that this conflict is managed effectively by the Compliance Department.

The Personal Account Dealing Policy strictly prohibits front-running on client transactions and requires that at all times, Chenavari acts in the best interest of its clients. Before any personal trades are placed, all employees (including supervised persons) must complete the personal account dealing form in advance and await approval from the Compliance Department before executing the transaction.

ITEM 12: BROKERAGE PRACTICES

Selecting Brokerage Firms

Chenavari has a best execution policy which considers the following factors when selecting brokerage firms;

- price;
- costs;
- speed of execution;
- likelihood of execution and settlement;

- size of order;
- nature of the order (e.g. whether a market or limit order or a negotiated transaction);
- any impact an order, when and if published, may have on the market price; and
- any consideration relevant to the execution of an order.

Research and Other Soft Dollar Benefits

Chenavari may at times receive research from brokers which is made generally available to such brokers' clients, however Chenavari does not presently have any soft dollar arrangements with any broker that executes transactions for Chenavari clients. Research costs are directly charged to the Funds via a Research Purchase Account, which is managed by a Chenavari group affiliate, Chenavari Credit Partners LLP ("CCP").

Brokerage for Client Referrals

Chenavari does not consider referrals when selecting brokers to execute client transactions.

Directed Brokerage

Chenavari does not have any directed brokerage arrangements.

Aggregation of Client Accounts

Order aggregation, also known as bunching, batching, or trade aggregation, refers to the practice of combining orders for execution. Order aggregation occurs when Chenavari Credit Partners LLP select the relevant for which trade orders will be aggregated and allocated, to which the execution prices will be allocated amongst those orders. Aggregation may cause a delay in the execution of the transaction, and it may operate to its advantage or disadvantage on some occasions. Further, aggregated orders may result in a higher or lower price being obtained or a delay in executing the order.

Chenavari acts only in an agency capacity and does not trade on behalf of its own account, that is, proprietary trading. In the instance the Firm should trade on its own account, it would not be permitted to aggregate an AIF order with that of its own account.

Chenavari may, at its reasonable discretion:

- aggregate orders for a particular AIF with orders for other AIFs and allocate the investments or proceeds acquired among the participating AIFs in a manner that they believe is fair and reasonable; and
- if the entire combined trade order is not executed at the same price, Chenavari may average the prices paid or received, and charge the relevant AIFs with the average net price. Investors should be aware that aggregation of orders may work to their disadvantage in relation to a particular trade order. However, order aggregation will only be undertaken if it is **not** likely to work to the disadvantage of an investor.

When order aggregation does occur, orders will be allocated in a fair way, that is, at a weighted average price. Allocation on partial fills will also be made on a weighted average basis.

ITEM 13: REVIEW OF ACCOUNTS

Periodic Reviews

Chenavari conducts a daily internal PnL reconciliation of client accounts, weekly reviews for liquid strategies and monthly review for illiquid strategies. The reviews are undertaken at a sub-book level rather than an AIF level.

Review Triggers

Additional reviews may be triggered by factors such as contributions to or withdrawals from the account as well as market, economic or geo-political events. Senior investment personnel are provided with regular reports with regards to the performance and portfolio attributes of the accounts. In addition, ongoing monitoring is conducted and aims at ensuring that portfolios are managed in line with client guidelines and restrictions.

Regular Reports

Chenavari provides its investors with detailed monthly reports, including official NAV (standard), risk parameters and credit sensitivities, including disclosure of largest long and short risk concentrations (Open Protocol). In addition, upon request, investors may be added to the weekly report distribution list where NAV estimates and full portfolio reports will be provided.

Chenavari will also inform clients of any material changes regarding their account (such as, without being limited to, key advisory personnel changes, changes in the investment strategy or risk management process and changes of service providers). Such notice will be provided in the regular monthly report or by a special intra-month communication, as determined by Chenavari.

Pursuant to EU regulation MIFID II, Chenavari's affiliate CCP must inform clients where the overall value of their portfolio, as evaluated at the beginning of each reporting period, depreciates by 10% and thereafter at multiples of 10%, no later than the end of the business day in which the threshold is exceeded or, in a case where the threshold is exceeded on a non-business day, the close of the next business day.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

Client Referrals

Chenavari has entered into introductory agreements with several third parties to introduce us to qualified potential investors in different markets and geographies. The business introducer's commission is structured as a portion of the fees payable by the applicable referred investor(s), subject in each case to such investor being approved by Chenavari, in its discretion, and meeting appropriate regulatory criteria for investing in the applicable AIF.

If the investor decides to invest within the 12-month period following referral to Chenavari, the introducer receives from Chenavari an introducers fee set forth in its agreement with Chenavari, which is a percentage applicable to the potential investor's initial investment. To the extent a referred investor makes an investment in an AIF in the period from 13 -24 months following the

referral, the fee is reduced to 50% of the introducers fee. The introducer will receive 20% of the net management fee (after rebate, if any) provided the referred investors remain invested in the AIFs.

If there is a subsequent investment by a referred investor within 12 months of such investor's initial investment in an AIF, the same fees are paid as with respect to the initial investment.

Other Compensation

Chenavari has no other referral or similar compensation arrangements to disclose.

Chenavari or any of its affiliates may also occasionally receive origination fees and/or ongoing investment monitoring fees (such as without being limited to directorship fees and expenses) relating to its Private Equity/Private Debt investment activities.

ITEM 15: CUSTODY

Chenavari does not take or maintain physical custody of any client cash or securities. All client assets are maintained by a qualified custodian. Clients receiving statements directly from such custodians should carefully review those statements and should carefully compare such statements to any reports sent by Chenavari.

Chenavari and/or its affiliates may be deemed to have custody of the funds and securities of the AIF by virtue of their status as an AIFM.

To ensure compliance with Rule 206(4)-2 under the Advisers Act, the AIFs are subject to an annual audit in accordance with the applicable accounting standards, (including US GAAP, Luxembourg GAAP and IFRS) by an independent public accountant registered with and subject to regular inspection by the Public Company Accounting Oversight Board (PCAOB). The relevant audited financial statements are distributed to each investor via the respective AIF Administrator within 120 days of the AIFs fiscal year-end.

ITEM 16: INVESTMENT DISCRETION

Chenavari delegates discretionary authority over all client accounts that it manages to Chenavari Credit Partners LLP, an affiliate company. Each strategy employed by the AIFs employs a defined risk framework.

ITEM 17: VOTING CLIENT SECURITIES

Chenavari's overarching principle is that proxy votes should be cast in a way designed to ensure that proxies are voted in the best interests of clients.

Voting decisions are made on a case by case basis by an assessment of the matter at hand and after taking into consideration the likely effect on the performance on the portfolio or AIF.

Chenavari recognizes the strong link between good corporate governance and investment value. There may be circumstances where Chenavari believe it is in the best interests of the AIF to vote in a manner which may differ to the general consensus of the market or industry convention at the time.

Corporate Governance is concerned with the way in which companies are directed and controlled. We believe that effective Corporate Governance is advanced through the application of corporate governance principles outlined in Rule 206(4)-6 of the Investment Advisers Act of 1940.

If Chenavari determines that it has, or may be perceived to have, a conflict of interest when voting a proxy, it will address matters involving such conflicts of interest as follows:

- A) If a proposal is addressed by the specific principles herein, Chenavari will vote in accordance with such policies;
- B) If Chenavari believes it is in the best interest of the clients to depart from the specific principles provided for herein, Chenavari will be subject to the requirements of C or D below, as applicable;
- C) If the proxy proposal is (1) not addressed by the specific principles or (2) requires a case-by-case determination by Chenavari, then Chenavari may vote such proxy as it determines to be in the best interest of the AIFs, without taking any action described in D below, provided that such vote would be against Chenavari's own interest in the matter (i.e., against the perceived or actual conflict). Chenavari will record the rationale of such vote in writing;
- D) If the proxy proposal is (i) not addressed by the specific principles or (ii) requires a case-by-case determination by Chenavari, and the Firm believes it should vote in a way that may also benefit, or be perceived to benefit, its own interest, then Chenavari must take one of the following actions in voting such proxy:
 - (a) delegate the voting decision for such proxy proposal to an independent third party;
 - (b) delegate the voting decision to an independent committee of partners, members, directors or other representatives of the Clients, as applicable;
 - (c) inform the investors in the clients of the conflict of interest and obtain consent to (majority consent in the case of a Fund) vote the proxy as recommended by the XYZ; or
 - (d) obtain approval of the decision from Chenavari's Chief Compliance Officer and third-party legal advisors.

Where a resolution is deemed to be contentious, the relevant Chenavari analyst or portfolio manager will consider all the relevant information, including external reports received from corporate governance advisers, and may contact the relevant company to obtain further details or clarification on the matter prior to making a final recommendation. All decisions are made with the close assistance of the Head of Operations.

Chenavari will make available for inspection a summary of all proxy voting records for the previous calendar year upon request.

ITEM 18: FINANCIAL INFORMATION

This item is not applicable to Chenavari.

ITEM 19: REQUIREMENTS FOR STATE-REGISTERED ADVISERS

This item is not applicable to Chenavari.