

Part 2A of Form ADV: *Firm Brochure*

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March 28, 2024

This Firm Brochure provides information about the qualifications and business practices of BH Credit Management LLC (“BHCM”). BHCM is wholly-owned by Barrow Hanley Global Investors (“Barrow Hanley” and together with BHCM, “the Firm”). Barrow Hanley Global Investors is the brand name for Barrow, Hanley, Mewhinney & Strauss, LLC. For information about the Firm or the contents of this brochure, please contact Hannah Ackels, Chief Compliance Officer (“CCO”), at the telephone number or email address provided above. The information in this brochure has not been approved or verified by the U.S. Securities and Exchange Commission (“SEC”) or by any state securities authority.

BH Credit Management is an investment adviser registered with the SEC. Additional information about Barrow Hanley is also available on the Firm’s website provided above or on the SEC’s website at www.adviserinfo.sec.gov. To search the SEC website, please use BHCM’s unique identifying number, CRD number 317505. Registration with the SEC does not imply any certain level of skill or training.

Item 2 Material Changes

This Firm Brochure dated March 28, 2024 is BHCM's disclosure document, prepared according to the SEC's requirements and rules. This amended Brochure contains disclosures about BHCM's advisory business as well as new and updated information since the last update on March 31, 2023.

This brochure includes a variety of formatting and narrative updates from the last amendment which we do not consider to be material changes.

Barrow Hanley will ensure that the Firm's clients receive a summary of any material changes to this and subsequent Brochures filed within 120 days of the close of its business' fiscal year, December 31st. Furthermore, Barrow Hanley will provide BHCM's clients with other interim disclosures about material changes as necessary.

Important Note about this Brochure

This Brochure is not:

- *An offer or agreement to provide advisory services to any person;*
- *An offer to sell interests (or a solicitation of an offer to purchase interests) in any collateralized loan obligation issuer or warehouse vehicle (each a "CLO") or other pooled investment vehicle (each a "Fund"), or*
- *A complete discussion of the features, risks, or conflicts associated with any Fund, CLO, or advisory service the Firm or its affiliates offers.*

As required by the Investment Advisers Act of 1940, as amended ("Advisers Act"), we provide this Brochure to current and prospective clients and make it available to the public by filing it on the SEC's Investment Adviser Public Disclosure website. Although this publicly available Brochure describes our investment advisory services and products, persons who receive this Brochure (whether or not from us) should be aware that it is designed solely to provide information about the investment advisory business of BH Credit Management, as necessary to respond to certain disclosure obligations under the Advisers Act. As such, the information in this Brochure differs from information provided in other relevant documents applicable thereto including but not limited to a client's organizational documents and a client's offering documents and related transaction documents ("CLO Documents"). More complete information about each CLO is included in the CLO Documents, certain of which will be provided to current and eligible prospective investors only by the CLO or persons authorized to communicate with current or potential eligible investors by the CLO or on its behalf. Therefore, any discussion in this Brochure of the CLOs advised by BH Credit Management or any other Barrow Hanley Funds, including but not limited to the investments held, the strategies employed, the risks of investing in, the fees and costs associated therewith and the conflicts of interest faced by BH Credit Management and its affiliates are qualified in their entirety by the respective CLO Documents or Barrow Hanley Fund governing and disclosure documents. To the extent that there is

any conflict between discussions herein and similar or related discussions in any such fund documents or CLO Documents, the fund documents or CLO Documents (as applicable) shall govern and control.

No offer or solicitation for an investment in the offered securities of a CLO or any other investment vehicle advised by the Firm will be made before the delivery of the relevant offering materials to potential investors who should read the offering memorandum and other offering materials carefully and consult with their tax, legal and financial advisors before making any investment decision.

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Item 4 Advisory Business

BH Credit Management LLC is a wholly-owned subsidiary of Barrow Hanley Global Investors™, an SEC-registered investment adviser with its principal office and place of business located at 2200 Ross Avenue, 31st Floor, Dallas, Texas 75201. Barrow Hanley began conducting business in 1979 and is a value-oriented investment adviser, providing investment management services to separately managed U.S and global equity and fixed income portfolios for large institutional clients, mutual funds, employee benefit plans, endowments, foundations, limited liability companies, and other institutions and individuals.

The business and affairs of BHCM will be managed exclusively by Barrow Hanley, as the managing member of BHCM. Barrow Hanley has entered into an agreement to act as a shared service provider to BHCM pursuant to a staff and services agreement. This arrangement is also disclosed in *Item 10 – Other Financial Industry Activities and Affiliations*.

BHCM acts as collateral manager, sponsor and originator to issuers of collateralized loan obligation securities and to special purpose vehicles entering into short-term and long-term warehouse, repurchase, or other credit facilities to finance the preliminary accumulation and “ramp-up” of loans comprising all or a portion of the initial pool of collateral for any such issuer (each a “CLO”). BHCM also acts as investment adviser to one or more private funds (each a “Fund” and, together with the CLOs, “Clients”) that invests directly or indirectly in the CLOs.

BHCM has adopted a set of Compliance Policies and Procedures that are reasonably designed to manage potential conflicts of interests and has implemented internal review processes for oversight by the CCO, its directors, and independent third-parties to address and mitigate actual conflicts.

FIRM OWNERSHIP

Barrow Hanley wholly-owns BHCM. Barrow Hanley is majority owned by Perpetual Limited (“Perpetual Group”) (ASX: PPT), a global financial services firm operating a multi-boutique asset management business, as well as wealth management and trustee services businesses. Please refer to Barrow Hanley’s Form ADV, Part 1, Schedules A and B, for additional information about ownership of the firm.

PORTFOLIO MANAGEMENT

BHCM acts as collateral manager, sponsor and originator to CLOs. Each CLO invests substantially all of its assets in, loans, notes, and other securities, as permitted by the CLO documents. CLO liabilities are backed by the specific loans and other assets held within the special purpose vehicle (“SPV”) structure. (collectively, “Assets”). In general, after its warehouse phase, a CLO is a pooled investment vehicle that has a tiered capital structure, issuing senior and mezzanine notes that are rated by one or more rating agencies (the “Rated Notes”) and unrated subordinated notes or other economic equity interests (the “Equity” and, together with the Rated Notes, the “CLO Securities”).

BHCM has separate segregated series (each a “Series”, and together, the “Series”) for (1) CLO collateral management activities (the “Management Series”), (2) EU/UK risk retention activities (the “Originator Series”), in the event that the applicable CLO is required to comply with risk retention requirements imposed by certain jurisdictions on sponsors of securitization transactions and (3) holding investments in CLO Securities (the “Investment Series”).

Funds advised by BHCM are expected to invest in a distinct Originator Series and Investment Series of BHCM as a way of obtaining exposure to the CLOs. Barrow Hanley will be the sole holder of the Management Series of BHCM.

Each CLO is described in, governed by, and/or otherwise subject to a variety of documents (collectively, the “CLO Documents”), including: (i) the CLO’s organizational documents; (ii) during the warehouse phase, the relevant warehouse collateral management agreement, credit and security agreement, securities account control agreement, and other warehouse transaction documents; and (iii) upon the issuance of its CLO Securities, an offering circular, indenture, collateral management agreement, collateral administration agreement, conditional sale agreement, purchase agreement, subscription agreements, and other transaction documents. The CLO Documents describe the roles of various persons involved in the CLO, establish our authority to perform certain investment management functions, including, without limitation, supervise and direct the investment and reinvestment of the collateral obligations and eligible investments and perform administrative and advisory functions as the collateral manager on behalf of the CLO in accordance with the applicable provisions under the collateral management agreement, collateral administration agreement and indenture and set forth detailed eligibility criteria, specifications and requirements regarding the types of investments and describe the overall composition of the CLO’s portfolio (including by imposing, as applicable, diversification, ratings, and concentration tests).

Fund governing documents similarly set forth and describe the roles, authorities and responsibilities of BHCM and other service providers to each Fund as well as the investment objectives and restrictions of such Fund. While, in many cases, certain prospective investors in a Fund or CLO will influence the investment criteria, guidelines, and other terms set forth in the relevant Client’s final governing documents, it is generally the case that our investment advice to each Client will primarily be limited to selecting and managing that Client’s assets. Subject to its investment guidelines and applicable laws, rules or regulations, each Fund can invest in another Fund, including interests issued by CLOs managed by BHCM and such interests can include mezzanine and equity CLO securities.

BHCM could hold interests in our CLOs, including in risk retention, if required, other Equity or first loss positions, or in any tranche of a CLO’s Rated Notes, and BHCM or an affiliate is expected to act as general partner (or in an equivalent role) for a Fund (in such capacity, the “General Partner”) and could otherwise have an investment interest in a Fund.

ASSETS UNDER MANAGEMENT

As of December 31, 2023, BHCM managed \$850,246,644 in regulatory assets under management.

Item 5 Fees and Compensation

ADVISORY FEES AND EXPENSES

Each Client pays BHCM (or an affiliate) certain fees as compensation for advisory and other services provided. Additionally, each Client bears certain expenses in connection with their operation. The actual fees and expenses for each Client, including how they are calculated, can vary from Client to Client (and fees and expenses for Funds can differ from those for CLOs). The particular fees paid, and expenses borne, by a Client are described in the Client's governing documents. The discussion herein is intended as a general summary and is qualified in all respects by the governing CLO Documents as it relates to any particular Client.

Fund Management Fees. Funds pay an annual fee based on a percentage of Fund assets and, if provided in the Fund's governing documents, an incentive component based on Fund performance. Asset based fees are generally charged quarterly, based on the market value of the Fund's assets. Certain funds can, where provided in the governing documents, pay a performance-based fee or carried interest. Additional fees for administrative, audit, and operating expenses are charged by the Fund's Administrator.

In some cases, the Firm can agree to waive or reduce fees for a particular investor in a Fund or CLO.

CLO Collateral Management Fees. In most cases, BHCM, or a BHCM affiliate, will be entitled to receive from a CLO: (i) a senior collateral management fee; and (ii) a subordinate collateral management fee (both of which typically begin to accrue at closing and are paid quarterly in arrears). Certain CLOs will additionally provide that if BHCM achieves a level of performance, as specified in the CLO Documents, an incentive collateral management fee (collectively with the senior collateral management fee and the subordinate collateral management fee, the "Collateral Management Fees"). Collateral Management Fees are payable only to the extent that funds are available for that purpose, in accordance with the priority of payments waterfall described in the relevant CLO Documents (the "CLO's Waterfall"). The senior collateral management fee occupies a higher priority in the CLO's Waterfall than the subordinate collateral management fee and, where present, the incentive collateral management fee. Where a CLO is subject to an incentive collateral management fee, that fee would represent performance-based compensation and would typically be only payable to the extent that: (i) funds are available in the CLO's Waterfall for such purpose on each payment date and (ii) certain specified returns hurdles are achieved, as described in the applicable CLO Documents.

CLO Warehouse Fees. In most cases, Warehouses pay customary management fees, structuring fees, and/or "warehouse success fees" (collectively "Warehouse Fees") to BHCM or an affiliate under the Warehouse's CLO Documents, as negotiated on a case-by-case basis. Warehouse Fees often include fees similar to the Collateral Management Fees described above, as well as certain fees negotiated in connection with a CLO payoff of a warehouse facility or upon the closing of a CLO, in each case as described in the relevant CLO Documents.

Expenses. Management Fees charged to Funds, CLOs, and Warehouses are exclusive of various costs and expenses that are incurred in connection with BHCM's provision of advisory services. As described in more detail below and in the relevant governing documents, the costs and expenses that will be borne by Clients (and, indirectly, by their investors) include, but are not limited to: organizational, custodial, brokerage, audit, line of credit, legal, risk management, consulting, third party administration, research-related fees, transfer taxes, wire transfer, and electronic fund fees, and other fees, expenses, and taxes on brokerage accounts maintained, and securities transactions effected, for the Client.

Direct and Indirect Expenses Incurred by CLOs. In addition to the fees paid to BHCM for its collateral management services, and as set forth in the relevant CLO Documents, CLOs pay (and investors in the CLO bear) a variety of other expenses related to the CLO's operations. These expenses will be the responsibility of the CLO and can be paid directly by the CLO or by BHCM or an affiliate for and on behalf of the CLO (in which case, BHCM or the affiliate will be entitled to reimbursement from the CLO). Examples of allocable direct expenses that could be borne by a CLO include, but are not limited to, the following:

- All fees and out of pocket costs and expenses incurred by BHCM in connection with the formation of a CLO and its consummation including, without limitation, legal and other expenses (excluding travel) incurred in connection with the offer and sale of interests in the CLO (i.e., organizational expenses);
- Expenses associated with the operation of the CLO under the CLO Documents in connection with the management of the CLO's Assets including expenses related to purchases and sales of Assets, workouts, research systems, and compliance monitoring (some of which can be shared expenses, as described below);
- Other operating expenses, including brokerage commissions and other charges for transactions in securities, other instruments, and investments;
- Escrow expenses;
- Borrowing charges on margin accounts, credit facility charges, and the costs of other indebtedness;
- Insurance costs;
- Governmental charges;
- Licensing costs;
- Audit fees;
- Valuation expenses;
- Financing and interest costs and expenses;
- Custodial fees and expenses;
- Administrative fees and expenses;
- Reporting expenses;
- Taxes;
- Legal and accounting fees and other professional expenses such as consulting and investment banking fees;
- Expenses associated with mailing and reproducing offering documents, any amendments thereto,

and other communications with investors;

- All expenses incurred in connection with any threatened, pending, or anticipated litigation, examination, or proceeding;
- All expenses incurred as a result of the CLO's obligation to indemnify BHCM, the administrator, the trustee, other service providers, their respective affiliates, and certain other parties against losses, liabilities, and expenses incurred in connection with the performance of their duties on behalf of, or the provision of services to, the CLO;
- All other expenses and liabilities incurred in connection with or arising out of the CLO's business, including extraordinary or non-recurring charges;
- Other amounts payable pursuant to the CLO's collateral management agreement;
- Any other expenses incurred by BHCM under the CLO Documents; and
- Reimbursements due to BHCM for all such costs and expenses, if any, borne by BHCM on behalf of the CLO.

Fund Expenses. In addition to any management fees, the Fund will bear (including through reimbursement of BHCM, Barrow Hanley, the Fund's General Partner, or their affiliates) all fees, costs, expenses, liabilities, and obligations relating to the Fund and any direct or indirect subsidiary of the Fund, any joint venture partners and direct or indirect subsidiaries and/or their respective activities, business, investments or actual or potential investments, including with respect to any entity formed to effect the acquisition and/or holding of an investment (to the extent not borne or reimbursed by an investment or a potential investment) (collectively, the "Business Entities"). Such fees, costs, expenses, liabilities, and obligations include those relating or attributable to or incurred in connection with: (i) the administrative costs of the Business Entities, including the fees and expenses paid to the Fund's administrator, accounting, appraisal, and valuation (including the costs of accounting, portfolio management, risk management and trade order management systems and software), tax (including tax preparation, consulting, entity-level taxes, and governmental charges), auditing (including auditor review of and reporting on controls, procedures, custody and valuation such as in an "agreed upon procedures" review), legal, compliance and regulatory activities, including in connection with filings pertaining to the Business Entities or their investments (including in relation to U.S. and non-U.S. filings and compliance requirements related to tax, securities, or other similar laws, rules, and regulations), (ii) consulting and other professional fees and expenses (including with respect to research, investment banking, deal sourcing, lobbying, or any of the other expense categories referenced in this paragraph) and custodial, clearing, and transfer agency fees and expenses, (iii) printing and mailing expenses (including the expenses incurred for the printing of any private placement memorandum, the subscription agreements, notices, reports and sales literature, and the delivery of such materials to existing and potential limited partners of the Fund, other promotional expenses (including fees and costs associated with satisfying local regulatory requirements in non-U.S. jurisdictions), (iv) organizational expenses, including the organization, management, operation, termination, winding up, and dissolution of the Business Entities and any Business Entity's trading or special purpose vehicles, (v) the cost of maintaining the existence of each Business Entity, (vi) the cost of obtaining and maintaining operational, credit or other ratings, (vii) the costs and expenses of products and services relating to research concerning any Business Entity's investments or potential investments, including quotation, pricing, data, statistical, risk and research programs, services and products, and travel expenses related to research or investments (including,

but not limited to, lodging and private air travel provided the cost expensed to the Partnership shall not exceed that of commercial first class air fare), (viii) all investment expenses incurred by any Business Entity (including activities with respect to the structuring, organizing, negotiating, consummating, financing, refinancing, acquiring, bidding on, owning, managing, repositioning, monitoring, operating, holding, hedging, restructuring, trading, taking public or private, selling, valuing, leasing, winding up, liquidating, or otherwise disposing of, as applicable, the Business Entities' investments and its actual and potential investments (including follow-on investments) or seeking to do any of the foregoing (including any associated legal, financing, commitment, transaction or other fees and expenses payable to attorneys, accountants, investment bankers, lenders, third party diligence software and service providers, consultants and similar professionals in connection therewith and any fees and expenses related to transactions that may have been offered to co-investors)), whether or not any contemplated transaction is consummated and whether or not such activities are successful (including conferences and meetings with counterparties or potential counterparties), (ix) indebtedness of, or guarantees made by or on behalf of any Business Entity (including any credit facility, letter of credit or similar credit support), including interest on borrowings, and commitment fees and related expenses payable to lenders, (x) investment banking, introduction, finders, asset management, and operational fees and expenses (including Placement Fees) (which may include success-based incentive/promotion, participations, and carried interest payments) and brokerage commissions, (xi) borrowing charges on securities sold short and hedging costs, (xii) bank service fees, withholding and transfer fees, settlement charges, any other expenses reasonably related to the purchase, sale, transmittal, due diligence, or management of the Business Entities' investments, (xiii) expenses related to the operation of entities formed for investment-related purposes (including office space, personnel, insurance and third party service provider expenses), (xiv) expenses relating to obtaining and maintaining insurance for any Business Entity, the General Partner, Barrow Hanley or any of their respective employees, members or affiliates, (xv) unreimbursed costs and expenses incurred in connection with any transfer or proposed transfer by a Limited Partner of an interest in the Fund ("Limited Partner"), (xvi) defaults by Partners in the payment of any capital contributions, (xvii) to the extent provided in the Partnership Agreement, or otherwise approved by the General Partner in its sole discretion, activities or proceedings of any advisory board of Limited Partners that may be established (an "LP Advisory Board") (including any costs and expenses incurred by representatives of the General Partner, the LP Advisory Board members, permitted observers and other Persons and entities in attending or otherwise participating in meetings of the LP Advisory Board), (xviii) any Limited Partner meeting(s) and any other conference or meeting with any Limited Partner(s), (xix) indemnification (including in connection with indemnifying any person or entity pursuant to any of the CLO Documents and advancing fees, costs, and expenses incurred by any such Person or entity in defense or settlement of any claim that may be subject to a right of indemnification pursuant to such CLO Document), except as otherwise set forth in the applicable CLO Document, (xx) actual, threatened, or otherwise anticipated litigation, mediation, arbitration, or other dispute resolution process (including any governmental inquiry, investigation, or proceeding involving any of the Business Entities), including any judgment, fine, other award, or settlement entered into in connection therewith, except as set forth in the CLO Documents, (xxi) amendments to, and waivers, consents, or approvals pursuant to, the constituent documents of the Business Entities, the General Partner, and Barrow Hanley and any alternative investment vehicle of the Partnership, including the preparation, distribution, and implementation thereof, (xxii) any third party experts, including independent appraisers, engaged by

Barrow Hanley, a joint venture partner or any of their respective affiliates or agents in connection with the Business Entities considering, making or holding an investment in the same entity as one or more Other Clients, (xxiii) expenses similar to any of the foregoing, (xxiv) all fees costs and expenses in relation to the activities of the advisory committee of BHCM (including travel expenses), (xxvi) any costs and expenses associated with the replacement of the Staff and Services Provider; (xxvii) to the extent not separately covered above, any other fees, costs, expenses, liabilities, or obligations in the CLO Documents; and (xxviii) any other fees, costs, expenses, liabilities, or obligations approved or consented to in accordance with the CLO Documents or the Fund's governing documents.

CLO Expenses. The CLO will bear all fees, costs, expenses, liabilities, and obligations relating to the CLO and any direct or indirect subsidiary of the CLO. Such fees, costs, expenses, liabilities, and obligations include those relating or attributable to or incurred in connection with: (i) the administrative costs of the CLO, including the fees and expenses paid to an administrator, accounting, appraisal, and valuation (including the costs of accounting, portfolio management, risk management and trade order management systems and software), tax (including tax preparation, consulting, entity-level taxes, and governmental charges), auditing (including auditor review of and reporting on controls, procedures, custody and valuation such as in an "agreed upon procedures" review), legal, compliance and regulatory activities, including in connection with filings pertaining to the CLO (including in relation to U.S. and non-U.S. filings and compliance requirements related to tax, securities or other similar laws, rules and regulations), (ii) consulting and other professional fees and expenses (including with respect to research, investment banking, deal sourcing, lobbying or any of the other expense categories referenced in this paragraph) and custodial, clearing, and transfer agency fees and expenses, (iii) printing and mailing expenses (including the expenses incurred for the printing of any notices, reports, sales literature, and the delivery of such materials to existing and potential limited partners of the Fund, other promotional expenses (including fees and costs associated with satisfying local regulatory requirements in non-U.S. jurisdictions), (iv) organizational expenses, including the organization, management, operation, termination, winding up and dissolution of the CLO, (v) the cost of maintaining the existence of each CLO, (vi) the cost of obtaining and maintaining operational, credit, or other ratings, (vii) the costs and expenses of products and services relating to research concerning any investments or potential investments, including quotation, pricing, data, statistical, risk and research programs, services and products, and travel expenses related to research or investments (including, but not limited to, lodging and private air travel provided the cost expensed to the Partnership shall not exceed that of commercial first class air fare), (viii) indebtedness of, or guarantees made by or on behalf of any CLO (including any credit facility, letter of credit, or similar credit support), including interest on borrowings, and commitment fees and related expenses payable to lenders, (ix) investment banking, introduction, finders, asset management, and operational fees and expenses (including Placement Fees) (which may include success-based incentive/promote, participations and carried interest payments) and brokerage commissions, (x) borrowing charges on securities sold short and hedging costs, (xi) expenses relating to obtaining and maintaining insurance for any CLO, (xii) indemnification (including in connection with indemnifying any person or entity pursuant to any of the CLO Documents and advancing fees, costs and expenses incurred by any such Person or entity in defense or settlement of any claim that may be subject to a right of indemnification pursuant to such CLO Document), except as otherwise set forth in the applicable CLO Document, (xiii) actual, threatened or otherwise anticipated litigation, mediation,

arbitration, or other dispute resolution process (including any governmental inquiry, investigation or proceeding involving any CLO), including any judgment, fine, other award or settlement entered into in connection therewith, except as set forth in the CLO Documents, (xiv) any third party experts, including independent appraisers in connection with the CLO, (xv) expenses similar to any of the foregoing; (xvi) to the extent not separately covered above, any other fees, costs, expenses, liabilities, or obligations in the CLO Documents; and (xvii) any other fees, costs, expenses, liabilities, or obligations approved or consented to in accordance with the CLO Documents.

Treatment of Shared Expenses. Certain costs and expenses are incurred for the benefit of, or shared by, multiple Clients (“Shared Expenses”) of BHCM and/or Barrow Hanley; these can include, but are not limited to, the following:

- Due diligence expenses, including reasonable travel expenses related to client investments;
- Out-of-pocket expenses directly related to a current or prospective investment;
- Research related expenses;
- Computer software and news and information services, including but not limited to expenses relating to maintaining Bloomberg accounts, risk management software;
- Expenses related to workouts;
- Expenses related to compliance monitoring of a Client’s Assets;
- Expenses related to pricing services; and
- Special investment opportunities such as private placement or limited availability investments.

Pursuant to its written Expense Allocation Policy for CLO Clients, the Firm endeavors to allocate shared expenses in a manner that we consider, in our discretion based on the circumstances and on an overall basis, to be fair and equitable to the Funds, CLOs and other accounts that could benefit from the shared expense. Generally, Shared Expenses will be allocated *pro rata* based on relative assets under management of the accounts benefitting from the Shared Expense, but can be allocated in another manner, if the Firm deems it to be appropriate under the circumstances.

The Firm also faces certain conflicts of interest in making allocation decisions with respect to Shared Expenses to the extent it has differing pecuniary interests in the Funds, CLOs, or other accounts and the current or anticipated performance of such accounts and the impact of such performance on compensation paid or payable to the Firm. Additionally, certain accounts’ governing documents do not permit them to directly or indirectly bear certain costs and expenses and other clients could be subject to expense caps. To the extent that any Fund or CLO cannot bear the costs of a Shared Expense but benefits from that Shared Expense, the Firm would typically directly bear the responsibility for the portion of the Shared Expense that would otherwise be allocable to such clients, which creates a conflict of interest for the Firm in identifying which accounts benefit (and the extent of each account’s benefit) from a Shared Expense and in determining the manner in which the Shared Expense will be allocated. For example, where the Firm incurs a Shared Expense that could benefit multiple accounts, not all of which allow for reimbursement, the Firm has an incentive to allocate the Shared Expense only to those accounts which are permitted to bear it in order to avoid incomplete reimbursement or otherwise to choose an allocation methodology which increases the portion of the Shared Expense that is reimbursable.

Termination of the Advisory Relationship: An investment advisory agreement can be terminated if (a) the Client and Firm agree in writing or (b) the general partner of the Fund is removed as the general partner of the Fund, in which case the replacement general partner of the Fund shall be permitted to terminate the investment advisory agreement upon thirty days prior written notice to the Firm, in which case a proportionate refund of the advisory fee, when and if made in advance, will be repaid by BHCM to the Client.

CONFLICTS OF INTEREST

As a fiduciary, BHCM must act in its clients' best interests and must care for the clients' assets in such a manner as to benefit that client. Violations of the Firm's fiduciary duty could damage the reputation of BHCM, harm its clients, and subject the organization and its employees to legal liability and regulatory penalties. Compliance with this duty can be achieved by identifying potential conflicts of interest, trying to avoid conflicts of interest where practicable, and fully disclosing the material facts concerning conflicts that arise or are likely to arise with respect to any client and the Firm's business. The Firm's policy is to consider conflicts, or potential conflicts of interest when conducting business and address the conflicts it identifies. Conflicts arise both inside and outside the Firm. The Firm examines, reviews, and addresses these conflicts and competing interests formally through its policies, procedures, and internal controls, and monitors conflicts on an ongoing basis.

Actions within the Firm's business that pose potential conflicts of interest, which the Firm's Code and the Compliance Manual are designed to address include:

- Advisory agreements and fees, and performance-based fees.
- Investment risk management.
- Valuation of Assets held by the Funds and CLOs.
- Capital structure conflicts between investments in bonds, and/or bank debt, and/or equity holdings acquired for clients of the Firm.
- Custody and affiliates deemed to have custody.
- Communication of holdings and duty of confidentiality.
- Expense allocation for CLO Fund Clients.
- Material non-public information ("MNPI").
- Personal securities, political contributions, or other transactions.
- Proxy voting.
- Side by side management of clients' assets.
- Referral and placement arrangements.
- Trade execution, aggregation and allocation.
- Cross trading.
- Whistleblowing and retaliation.

The Firm makes investments in numerous issuers/companies for clients' portfolios, which include equity and/or debt (bonds or credit). Conflicts could arise when the Firm makes investments in senior and/or junior securities, or securities with competing interests for different investment strategies. The Firm manages conflicts that can arise as between investment strategies through allocation policies and procedures, internal review processes, and oversight by the CCO, directors, and independent third-parties.

This is not intended to be an exhaustive list of conflicts. Employees should consider whether a course of action represents a conflict and consult with the CCO if there is any doubt. Employees shall notify the CCO of any personal conflict of interest relationship which might involve the Firm's clients, such as the existence of any economic relationship between the employee's personal transactions and securities held or to be acquired by any account of the Firm. The CCO shall review the Code and the Compliance Manual at least annually, and at any time a policy or procedure is determined to be ineffective or outdated. Each department manager is responsible to assist the CCO in reviewing the Compliance Manual and identifying risks, considering any actual or potential conflicts of interest, any changes in the Firm's business or activities, and any amendments to the Advisers Act or securities regulations. Additional interim reviews can be conducted as deemed necessary by the CCO.

Please see Item 12: Brokerage Practices, for more information about expenses incurred in connection with the purchase or sale of Assets and BHCM's trading practices, including the factors we consider in selecting intermediaries and determining the reasonableness of their compensation.

Item 6 Performance-Based Fees and Side-by-Side Management

PERFORMANCE-BASED FEES

As noted in Item 5, if and to the extent provided in the CLO Documents, BHCM or an affiliate will be eligible to receive performance-based fees from a CLO in the form of the incentive collateral management fees. Performance compensation is payable only after the CLO has achieved a certain return target, typically in the form of an internal rate of return hurdle, which is based on payments received by the equity holders thereunder in relation to their initial investment in the CLO.

Performance-based compensation arrangements create an incentive for BHCM to: (i) recommend investments that are riskier or more speculative than those that might be recommended under a different fee arrangement, such as a management fee only arrangement, and (ii) dispose of investments at a time and in a sequence that would generate the most performance-based compensation. Additionally, where a performance fee is based on realized gains, BHCM has an incentive to cause a CLO to realize gains in order to earn or increase its fee, although continuing to hold the Asset might have been in the CLO's best interest.

SIDE-BY-SIDE MANAGEMENT

BHCM does not offer its own mutual funds and expects to manage only CLOs and the Fund (or Funds similar to the Fund). However, BHCM is wholly-owned by Barrow Hanley, which manages a number of accounts and Funds for affiliated entities of its parent company, Perpetual Group. Additionally, the CLOs can include proprietary or affiliate investments, and the Fund(s) will invest in CLOs advised by BHCM. Conflicts of interest can arise when a portfolio manager has management responsibilities for more than one account, or the Firm must make decisions that impact more than one account, including some which pay performance based fees or include proprietary or affiliate assets and others which do not.

Mitigating Conflicts: The Firm recognizes the conflicts that can arise with performance fee structures and/or proprietary and affiliate investments and seeks to mitigate these and other potential conflicts between accounts through allocation policies and procedures. The Firm's investment management and trading policies are designed to address potential conflicts in situations where two or more funds or accounts participate in investment decisions involving the same securities or issuer. For example, the Firm's investment management and trading policies are intended to address situations where multiple accounts could invest in the same opportunity.

Arrangements with affiliates can create a conflict of interest in that BHCM might appear to have an incentive to favor affiliates. BHCM manages these conflicts of interest through allocation policies and procedures, internal review processes and oversight by the CCO, directors and independent third-parties.

Shared Expenses: Certain costs and expenses are incurred for the benefit of, or shared by, multiple clients ("Shared Expenses"); these can include, but are not limited to, the following:

- Due diligence expenses, including reasonable travel expenses related to client investments.
- Out-of-pocket expenses directly related to a current or prospective investment.
- Research related expenses.
- Computer software and news and information services, including but not limited to expenses relating to maintaining Bloomberg accounts, and/or risk management software.
- Expenses related to workouts.
- Expenses related to compliance monitoring of a CLO's Assets.
- Expenses related to pricing services; and
- Special investment opportunities such as private placement or limited availability investments.

Pursuant to its expense allocation policy and procedures, BHCM endeavors to allocate shared expenses in a manner that we consider, in our discretion based on the circumstances and on an overall basis, to be fair and equitable to the CLOs and other accounts that could benefit from the shared expense. Generally, Shared Expenses will be allocated pro rata based on relative assets under management of the clients benefitting from the Shared Expense, but can be allocated in another manner, if BHCM deems it to be appropriate under the circumstances.

BHCM also faces certain conflicts of interest in making allocation decisions with respect to Shared Expenses to the extent the Firm has differing pecuniary interests in its Clients or other accounts and the current or anticipated performance of such accounts and the impact of such performance on compensation

paid or payable to BHCM or its affiliates. Additionally, certain accounts' governing documents do not permit them to directly or indirectly bear certain costs and expenses, and other clients could be subject to expense caps. To the extent that any accounts who cannot bear the costs of a Shared Expense will benefit from that Shared Expense, BHCM or its affiliates would typically directly bear the responsibility for the portion of the Shared Expense that would otherwise be allocable to such accounts, which creates a conflict of interest for BHCM in identifying Clients that benefit from a Shared Expense and for the Firm in determining the manner in which the Shared Expense will be allocated. For example, where a Shared Expense could benefit multiple accounts, not all of which allow for reimbursement, the Firm has an incentive to allocate the Shared Expense only to those accounts which are permitted to bear it, in order to avoid incomplete reimbursement or otherwise to choose an allocation methodology which increases the portion of the Shared Expense that is reimbursable.

VALUATION

The investments held by the Funds and CLOs often will not have a readily available market price to value portfolios. Because the Firm's fees are based on the value (and appreciation) of client assets, there is an inherent incentive to assign higher values to an asset. To address this conflict, BHCM has adopted a Valuation Policy and procedures which is overseen by the Firm's Valuation Committee. The Fund will account for its investments at fair value in accordance with GAAP. For this purpose, "Fair Value" is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Fund will use any one or a combination of the following sources, as appropriate in light of market conditions and the Firm's policies and procedures: (1) a price provided by an independent pricing service; (2) a price provided by one or more brokers; (3) a value provided by a third party valuation specialist; (4) a value obtained by putting a position out to bid in the secondary market; or (5) in situations where the General Partner or the Firm reasonably concludes in good faith that pricing service values, broker quotations, and/or secondary market bids are not available or do not present a reasonable valuation, in which case will use the discounted cash flow approach described in governing documents. The Fund could use another method of valuation if such method is reasonably determined to better or more accurately reflects the value of underlying investments and is in accordance with accounting standards and practices. Furthermore, the Fund can delegate the determination of valuations in part or in whole to a service provider. Although fair values assigned to assets are intended to reflect the price that would have been paid by a willing buyer to a willing seller on the measurement date, there can be no guarantee that an asset will ultimately be able to be sold at such fair market value.

Item 7 Types of Clients

BHCM's clients are Funds and CLOs.

Clients will generally be organized as Delaware limited partnerships or exempted limited partnerships formed under the laws of the Cayman Islands, in each case excepted from the definition of an "investment company" pursuant to Section 3(c)(7) of the Investment Company Act of 1940, as amended (the "1940 Act"), and the securities they issue be exempt from registration under the Securities Act of 1933, as

amended (the “Securities Act”), pursuant to Regulation D and/or Regulation S thereunder, although other exceptions could be relied on in certain circumstances.

It is expected that each Client’s investors will acquire interests in private placement transactions and will be either (i) non-U.S. Persons acquiring through offshore transactions in reliance on Regulation S or (ii) (a) in the case of CLOs, both “qualified institutional buyers” (as defined in Rule 144A under the Securities Act) and “qualified purchasers” (as defined in Section 2(a)(51) of the 1940 Act), or (b) in the case of Funds “qualified purchasers”. In certain cases, a Fund’s or CLO’s investors could include persons or entities that are both “accredited investors” as defined in Section 501(a) of Regulation D under the Securities Act and either qualified purchasers or “knowledgeable employees” within the meaning of Rule 3c-5 under the 1940 Act.

Additional details concerning applicable investor criteria will be provided in each Client’s governing documents.

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

The following risk factors are those generally applicable to the CLOs we manage and to the Funds which invest, directly or indirectly, in CLO Securities. These risks could be exacerbated to the extent that the portfolio is concentrated in one or more particular types of loans. There can be no assurance that there will be any return of capital. The material risks involved with CLO investments are discussed below. However, additional risk factors, including risk factors that are specific to a particular CLO’s investment strategy, are described in the applicable CLO Documents. Because the Funds will invest primarily, directly or indirectly, in CLO equity and other junior CLO Securities, the Fund could have heightened exposure to the risks that the CLOs in which it invests are subject.

Risk Analysis: BHCM primarily defines risk as the probability of a permanent loss of our clients’ capital. This differs from the commonly accepted academic definition of risk as price volatility, and while we recognize these risk metrics and incorporate them into our analysis, they are residuals of our active approach to selecting individual investments that preserve our client’s capital. Thus, we measure portfolio risk as the total sum of the probability of loss for each individual holding in the portfolio. The team mitigates the risk of price volatility for the portfolio by analyzing fundamental and technical factors to determine position sizing, or whether any involvement meets our risk standards.

BHCM’s comprehensive investment risk review is a supplemental analysis that is intended to assist us in identifying risk in our portfolios rather than driving our investment process or dominating selection of individual investments. Our investment process is fundamental, and we build portfolios one investment at a time by assessing the credit quality of each investment.

Clients and investors should be aware that political, social, and economic uncertainty creates and exacerbates risks and could impact our investment strategies, processes, and methods of analysis. Social, political, economic, and other conditions and events (such as natural disasters, epidemics and pandemics,

terrorism, conflicts and social unrest) will occur that create uncertainty and have significant impacts on issuers, industries, governments, and other systems, including the financial markets, to which CLOs and their investments are exposed. As global systems, economies and financial markets are increasingly interconnected, events that once had only local impact are now more likely to have regional or even global effects. Events that occur in one country, region, or financial market will, more frequently, adversely impact issuers in other countries, regions or markets, including in established markets such as Europe. These impacts can be exacerbated by failures of governments and societies to adequately respond to an emerging event or threat.

Uncertainty can result in or coincide with, among other things: increased volatility in the financial markets for securities, derivatives, loans, credit, and currency; a decrease in the reliability of market prices and difficulty in valuing assets (including the assets in which the CLOs invest); greater fluctuations in spreads on debt investments and currency exchange rates; increased risk of default (by both government and private obligors and issuers); further social, economic, and political instability; nationalization of private enterprise; greater governmental involvement in the economy or in social factors that impact the economy; changes to governmental regulation and supervision of the loan, securities, derivatives, and currency markets and market participants and decreased or revised monitoring of such markets by governments or self-regulatory organizations and reduced enforcement of regulations; limitations on the activities of investors in such markets; controls or restrictions on foreign investment, capital controls and limitations on repatriation of invested capital; the significant loss of liquidity and the inability to purchase, sell and otherwise fund investments or settle transactions (including, but not limited to, a market freeze); unavailability of currency hedging techniques; substantial, and in some periods extremely high, rates of inflation, which can last many years and have substantial negative effects on credit and securities markets as well as the economy as a whole; recessions; and difficulties in obtaining and/or enforcing legal judgments.

Although it is impossible to predict the precise nature and consequences of these events (or similar), or of any political or policy decisions and regulatory changes occasioned by emerging events or uncertainty on applicable laws or regulations that impact us, our Clients and their investments, it is clear that these types of events are impacting and will, for at least some time, continue to impact Clients and borrowers and in many instances the impact will be adverse and profound. For example, companies in which CLOs invest are being significantly impacted by these emerging events and the uncertainty caused by these events. With respect to loans to such companies, CLOs will be impacted if, among other things, (i) amendments and waivers are granted (or are required to be granted) to borrowers permitting deferral of loan payments; (ii) borrowers default on their loans, are unable to refinance their loans at maturity, or go out of business permanently; and/or (iii) the value of loans held by the CLO decreases as a result of such events and the uncertainty they cause. There can be no assurance that such emerging events will not cause a CLO to suffer a loss of any or all of its investments or interest thereon. A CLO would also be negatively affected if our operations and effectiveness or those of our affiliates or an issuer, obligor, or borrower (or any of the key personnel or service providers of the foregoing) is compromised, or if necessary or beneficial systems and processes are disrupted.

The following is a summary of the methods of analysis employed by BHCM on behalf of Clients and the

related risks.

Qualitative Analysis: BHCM subjectively evaluates factors such as quality of management, competitive position of companies, current industry trends, and characteristics of borrowers' behavior to predict changes based on the data. Trade simulations are used to optimize the portfolio risk and return taking into account the collateral quality tests. Fundamental credit analysis helps control the downside risk of credit deterioration and ratings downgrades. BHCM further seeks to reduce risk through adherence to its investment strategy diversification rules. A risk in using qualitative analysis is that the Firm's subjective judgment can prove incorrect.

Quantitative Analysis: BHCM evaluates quantitative factors such as leverage levels, spread-per-turn of leverage, and other growth factors in evaluating where to spend additional fundamental and qualitative efforts. The team pays attention to technical factors with ratings levels, outlooks, recoveries, and market participants involved. These technical factors influence the potential price volatility a position is likely to encounter over its life. A risk of using quantitative analysis comes from possible inaccurate assumptions.

Risks for All Forms of Analysis: Each investment strategy is subject to the risk of a loss in value due to their investment in securities and market fluctuation. BHCM's securities analysis methods rely on the assumption that the Firm has accurate and unbiased information from the rating agencies and other publicly-available sources of information about companies' bonds and structured loans it purchases and sells. While BHCM is alert to indications that data can be incorrect, there is always a risk that its analysis can be compromised by inaccurate or misleading information.

Portfolio Diversification: BHCM uses several portfolio exposure constraints in constructing portfolios which ensure prudent diversification of its clients' portfolios. The portfolio is subject to "Eligibility Criteria" set forth in the CLO Documents.

ESG and Responsible Investing:

Barrow Hanley is a signatory to the United Nations-supported Principles for Responsible Investment ("PRI"), the Investor Stewardship Group ("ISG"), and an Alliance member of the International Financial Reporting Standards (IFRS) Sustainability Alliance. The Firm believes that the consideration of material Environmental, Social, and Governance ("ESG") factors in its investment process aligns with its pursuit of superior risk-adjusted returns for clients and their beneficiaries.

Hedging Risks: BHCM could engage in a variety of hedging transactions. Hedges can be more difficult to implement than many other types of transactions and the possibilities for errors might be greater than other transactions. There is a risk that price movements on the instrument used to create the hedge might not correspond to price movements in the investment against which the manager is using the instruments to hedge because of fundamental differences between the two instruments and the factors that affect price movements.

Interest Rate Risks: Holding variable-rate loans will often result in returns that are more volatile when

interest rates are more volatile. Additionally, if a Client borrows money or issues notes based on a fixed rate, and interest rates subsequently decline, the Client could be subject to paying interest at above market rates for a significant period of time. Any hedging activities to mitigate these risks might not fully protect the account from the impact of interest rate changes or volatility.

Illiquid Investment Risks: Illiquid investments might be difficult to sell for their fair market value. Illiquid investments are subject to industry cycles, downturns in demand, market disruptions and the lack of available capital from potential lenders or investors. Accordingly, there can be no assurance that a fund will be able to dispose of such investments in a timely manner and/or on favorable terms.

Leverage Risks: Each CLO will be significantly leveraged through the issuance of notes and BHCM could use leverage in connection with a Fund's portfolio. Additionally, a Fund's investments in junior and equity tranches in CLOs are inherently and often significantly levered.

The use of leverage has the effect of potentially increasing losses. If income and appreciation on investments made with borrowed funds are less than the required interest payments on the borrowings, the value of the fund's net assets will decrease. Accordingly, any event which adversely affects the value of an investment would be magnified to the extent the investment is leveraged.

CLOs generally are highly levered entities. Although leverage presents opportunities for increasing a CLO's total return, it also has the effect of potentially increasing losses. During a CLO's warehouse phase, warehouse leverage can also result in an increased risk of loss and increased volatility to the CLO due to possible margin calls, events of default, adverse fluctuations in interest rates, downturns in the leveraged loan market or the economy and the possible inability to refinance such warehouse debt when it matures or liquidate the related loan portfolio for an amount sufficient to pay such warehouse debt and return capital and/or profits to the CLO or its investors.

If an event of default occurs under the related warehouse facility, the lenders, or other counterparties to the warehouse facility (or some designated portion or agent thereof) would be able to exercise remedies with respect thereto including but not limited to the liquidation of or taking title to the collateral for such facility which will terminate the rights thereto of the CLO and could result in a full or partial loss of the CLO's direct or indirect investment therein. Once the CLO issues its CLO Securities, the leverage is embedded in the structure of the CLO itself with the claims of the holders of each class of CLO Securities that is senior to one or more other classes of CLO Securities being senior to the claims of the holders of such subordinated classes with the most subordinate class of CLO Securities bearing the risk of loss before any more senior class of CLO Securities.

Any event that adversely affects the value of a CLO's direct or indirect investment in its loan portfolio could result in a substantial loss to the CLO and its investors which would be greater than if such CLO's account was not subject to leverage. Interest or similar costs associated with such leverage will be a direct or indirect expense of the related CLO, and, to the extent not covered by net returns attributable to the Assets acquired, will cause the returns of such CLOs to be lower than if they have not used leverage. Interest

or similar costs associated with leverage could be based on one or more interest rate indices, which can be different from the interest rate indices applicable to the Assets supporting such leverage. Any such mismatch will not necessarily be hedged.

Prepayment Risk: CLOs can invest in loans or other fixed income interests as to which the obligor or issuer has the right to prepay principal. If an obligor or issuer exercises that right earlier or at a higher rate than expected, the CLO could incur losses from being unable to recoup the initial investment and/or from having to reinvest in lower-yielding Assets. This can have an adverse effect on income, total return and/or price of the security. Prepayment risk tends to be highest in periods of declining interest rates.

Reinvestment Risk: As part of the ordinary management of its portfolio, a CLO will typically generate cash from asset repayments and sales and reinvest those proceeds in substitute assets, subject to compliance with its investment guidelines and certain other conditions. The earnings with respect to such substitute assets will depend on the quality of reinvestment opportunities available at the time. The need to satisfy each CLO's investment guidelines and identify acceptable assets could require the Adviser to purchase substitute assets at a lower yield than those initially acquired or require that the sale proceeds be maintained temporarily in cash or cash equivalents, either of which might reduce the yield that the CLO is able to achieve. The investment guidelines and other CLO terms could incentivize the Adviser to buy riskier assets than it otherwise would, which could result in additional losses.

Regulatory and Compliance Risks: There are risks and costs associated with compliance with rules and regulations, including federal and state securities laws, ERISA, the Dodd- Frank Act, the Freedom of Information Act, and state and local laws governing real property investments (to the extent such strategy or fund involves real property investments). Also, funds managed by BHCM are generally not expected to be registered under the Investment Company Act. Significant regulatory changes can be anticipated over time and could have an adverse impact on BHCM or its clients.

Risk Retention Information: BHCM intends to act as collateral manager for “open market” CLOs and, as a result, does not intend to comply with the U.S. credit risk retention requirements under the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”). However, we could act as collateral manager for CLOs in which we or one or more of our affiliates could decide to hold and retain certain CLO Securities issued by such CLOs, in order to comply with EU, United Kingdom (“UK”) or Japanese risk retention regulations as an “originator” or “sponsor” (each as defined in the applicable regulations). Additionally, we and/or our affiliates could hold CLO Securities in addition to the requisite risk retention amount. There has been very little guidance issued with respect to such risk retention regulatory regimes and therefore the regulatory environment in which any CLO intending to be structured to comply therewith is highly uncertain. There can be no assurance that applicable governmental authorities will agree that any of the transactions, structures, or arrangements entered into by us and our affiliates, and the manner in which we or they hold credit risk retention interests, if any, will satisfy the applicable regulators. Credit risk retention regulations and the interpretation thereof in the U.S., in Europe, in the United Kingdom, and in Japan are subject to change, clarification, and interpretation by governmental authorities and courts in a manner that could have an adverse effect on us, our affiliates, and any applicable

CLOs and the investors therein. Despite our intent to only act as collateral manager for “open market” CLOs, it is possible that a governmental authority determines that any CLO managed by us is not an “open-market” CLO. As a result, we would no longer be in compliance with the U.S. credit risk retention requirements under the Dodd-Frank Act and could be required to acquire additional CLO Securities. If we fail to comply (or are unable to comply) with the U.S. credit risk retention requirements under the Dodd-Frank Act, such failure (or inability) could (i) result in significant negative reputational consequences, (ii) materially and adversely affect our ability to perform our obligations as collateral manager to any CLO and/or (iii) have a material adverse effect on the CLOs managed by us.

Failure to comply with one or more of the applicable credit risk retention requirements specified in the offering documents of a CLO that are intended to be complied with can result in a loss of liquidity for the CLO Securities issued by such CLO as well as various penalties for those investors subject to an applicable regulatory regime including, in the case of those investors subject to regulatory capital requirements thereunder, the imposition of a punitive capital charge on the CLO Securities acquired by the relevant investors and/or the requirement to take corrective action, as applicable. Aspects of the credit risk retention requirements and what is or will be required to demonstrate compliance to national regulators remain unclear.

Senior Secured Loans Risks: The risks that the collateral securing the loans could decrease in value, could be difficult to sell in a timely manner, could be difficult to appraise, and could fluctuate in value based upon the success of the business and market conditions, including as a result of the inability of a fund to raise additional capital. Moreover, in some circumstances, a lien could be subordinated to claims of other creditors. In addition, deterioration in a fund’s financial condition and prospects, including any inability to raise additional capital, could be accompanied by deterioration in the value of the collateral for the loan. Consequently, the fact that a loan is secured does not guarantee receipt of principal and interest payments according to the loan’s terms, or at all, or the ability to collect on the loan should remedies be enforced.

Withdrawal of the United Kingdom from European Union Risk: After the UK’s exit from the European Union (“EU”) the two governmental bodies signed the EU-UK Trade and Cooperation Agreement (“TCA”), an agreement on the terms governing certain aspects of the EU’s and UK’s relationship. Notwithstanding the TCA, following the transition period, there is likely to be considerable uncertainty as to the UK’s post-transition framework. The UK’s decision to leave the EU has caused uncertainties in the financial and other markets, and such uncertainties could continue, which could affect the risk profile of the Clients and the CLO Securities. These uncertainties could have a material adverse effect on the Clients’ and obligors’ business, financial condition, results of operations and prospects. Any impact on obligors could impair their ability to make payments due under the underlying loans, which would affect the ability of any CLO Client to make payments on its CLO Securities.

General Market and Investment Risk: BHCM employs long-term value investment strategies seeking positive returns based on a research driven, bottom-up process when managing client accounts. A risk in a long-term credit strategy is that by holding the assets for a length of time, the Firm does not seek to take advantage of short-term gains that could be profitable to a client. Moreover, if the Firm’s analysis is

incorrect an asset can decline sharply in value before the Firm makes a decision to sell.

Investment risk includes a possible decline in market valuation/price, bankruptcy/default, reduced credit rating, interest rate fluctuation, or early call of debt. Other general risks include:

- Market volatility risk resulting from changing economic or market conditions;
- Tightening spreads for credit investments will result in fewer or less desirable investment opportunities;
- Credit risk of downgrade or default;
- Political risk, changes in legislation, changes in monetary policy, and/or tax code risk;
- Foreign market, economic, political, taxation, and currency risk; and
- Environmental, Social and Governance Risks.

Long-Term Purchases: BHCM follows a long-term value strategy for principal preservation and income with a research driven, bottom-up approach in managing client accounts. BHCM generally purchases securities with the idea the securities are currently undervalued and will be held as long-term holdings. A risk in a long-term purchase strategy is that by holding the security the Firm will not seek to take advantage of short-term gains that could be profitable to a client. Moreover, if the Firm's predictions are incorrect, a security will decline sharply in value before the Firm makes the decision to sell.

Short-Term Purchases: When utilizing a short-maturity fixed income strategy, BHCM purchases securities with the idea of selling them before they mature which can be a relatively short time. BHCM does this in an attempt to increase income by taking advantage of higher rates available from maturity extensions while maintaining an overall average maturity similar to clients' benchmarks. A risk in the short-term purchase strategy is that higher interest rates can lead to price loss that offsets increased income.

BHCM's Bank Loan investment strategy is long-term and illiquid in nature and consists of debt investments, including, but not limited to, bonds, senior secured loans, unsecured loans, second lien loans, debtor-in-possession financings, delayed drawdown loans, revolving bank loans, participation interests, CLOs, synthetic securities, and distressed debt and restructurings that are typically traded by banks and other institutional investors engaged in loan syndications. Bank Loan portfolios will lack diversification by concentrating investments in few issuers or industries. Bank loan settlement is subject to delays due to extensive and customized documentation for loan transfer, significant fees, and agent bank or underlying obligor's consent. The creditworthiness of obligors/issuers/issues of lower-rated investments, loans, or bonds will be more complex than for obligors/issuers/issues of higher quality. Returns from bank loan investments will not be commensurate with the risks of investing and will result in a permanent loss of capital.

Participation interests might not entitle the holder to direct rights against the obligor, among other things, to enforce compliance with the terms of the related loan agreement, no rights of set-off, or might not directly benefit from the collateral supporting the debt.

CLOs can be unregistered securities, are intended to be long-term investments, and are illiquid. CLOs will use various forms of leverage, and/or operate with a significant leverage ratio, which will increase losses. CLOs will include equity investments, which can be subject to volatility or dilution. Contractual demands by lenders to a client to reduce its leverage will force such client to sell investments on an emergency basis at prices less than those obtainable in a more orderly liquidation. Financing arrangements will contain cross-default provisions that, if exercised, expose it to particular risk of loss. Financing arrangements that contain financial covenants could require the maintenance of certain financial ratios. CLOs are regarded as “high-yield” or “junk” and are seen as predominately speculative.

Synthetic securities or total return swaps present risks in addition to those resulting from direct purchases of the underlying securities or assets and will have a contractual relationship only with the counterparty of such synthetic security and not the underlying obligor. With synthetic securities there is counterparty risk if financial institutions do not provide transparent financial statements, or the financial institution fails, will increase counterparty risk.

Distressed securities and restructurings are investments in companies/issuers that are experiencing or expect severe financial difficulties and will result in a permanent loss of capital.

Counterparty Risk: Bank Loan and High Yield investments are subject to counterparty risk due to settlement default, or lack of protections for settlement, segregation, and/or minimum capital requirements.

Item 9 Disciplinary Information

As a registered investment adviser, BHCM is required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of its advisory business or the integrity of its management. The Firm and its management personnel have no reportable legal or disciplinary events to disclose.

Item 10 Other Financial Industry Activities and Affiliations

Perpetual Group is invested in Funds managed by BHCM.

The Fund's General Partner is BH Credit Holding GP LLC (“BHCH GP”), a Delaware limited liability company and affiliate of BHCM. BHCH GP is registered as a foreign company in the Cayman Islands. The initial Fund has, and future Funds expect to, invest in, among other things, CLOs advised by BHCM. BHCH GP could serve as General Partner or managing member of any future Funds.

BHCM has entered into a staff and services agreement with Barrow Hanley (the “Staff and Services Agreement”) pursuant to which Barrow Hanley provides employees and performs certain back-office, credit analysis, and reporting functions, among other services necessary for BHCM to render services to Clients. Barrow Hanley is compensated for these services and can terminate the Staff and Services Agreement upon prior written notice to BHCM. Termination of the Staff and Services Agreement would

impede BHCM's provision of services.

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

The Firm's officers and employees are permitted to invest for their own personal accounts and such activities are subject to the Firm's Code of Ethics and Conduct. Employees and other associated persons invest in certain pooled investments managed by the Firm, and the advisory fee and investment minimum are waived for employees/associated persons' investments. Additionally, as noted above, Perpetual is expected to invest in the Fund (and could also invest in future Funds) and Funds are expected to invest in CLO Securities directly or through interests in BH Capital Management's Origination Series and/or Investment Series.

Although we do not expect in the ordinary course to enter into principal transactions or cross-transactions, there could be circumstances where a transaction is effected between Clients or between a Client and other advised client accounts, proprietary accounts, and others with whom they have contractual arrangements. In effecting these transactions, we have potentially conflicting divisions of loyalties and responsibilities regarding the parties to the transaction. Such transactions are subject to compliance with applicable law, as well as policies and procedures we have designed to mitigate and disclose conflicts of interest. Where a Client and an affiliate engage in a transaction on a principal basis, this includes provision of appropriate disclosure and receipt of consent prior to settlement of the transaction.

CODE OF ETHICS AND CONDUCT

As a fiduciary, the Firm and its employees owe a duty of loyalty, fairness, and good faith to the Firm's clients. BHCM has adopted the Firm's Code of Ethics and Conduct ("Code") that sets forth high ethical standards of business conduct that the Firm requires of its employees, including compliance with applicable federal securities laws, and addresses potential conflicts that arise from personal transactions. The Firm's Code is adopted in compliance with the requirements of Section 204A-1 of the Investment Advisers Act of 1940 and Section 17j-1 of the Investment Company Act of 1940.

The Code:

- Requires disclosure of any personal and/or business matter;
- Prohibits employees from trading on MNPI or communicating MNPI to others in violation of the law, frequently referred to as "insider trading";
- Imposes a Duty of Confidentiality on all employees to keep confidential at all times any nonpublic information they obtain in the course of their employment at the Firm, except as required for conducting the Firm's business;
- Restricts accepting or giving gifts from/to vendors or clients;

- Restricts or prohibits certain political and charitable contributions made for the purpose of obtaining or retaining business;
- Restricts or prohibits employees' political contributions;
- Generally, restricts employees' personal transactions through:
 - Requiring pre-clearance of personal securities transactions;
 - Prohibiting employees from trading in securities when that security is actively being traded or is considered for purchase or sale for client portfolios; and
 - Restricting personal political and charitable contributions.

The Code requires all employees to report to the Firm's Chief Compliance Officer:

- All Reportable Accounts for brokerage or securities transactions;
- Disclosure of Reportable Securities and Reportable Transactions;
- Political Contributions to state or local officials;
- Gifts given and received and Business Entertainment activities;
- Conflicts or potential conflicts of interest with the Firm and/or its clients; and
- Violations of the Code.

The Code provides the Firm's Policy for Possession of MNPI. Barrow Hanley maintains a list of restricted securities to which the Firm or its employees will have access to MNPI and provides training to supervised persons with respect to conflicts of interest and how such conflicts are resolved under Barrow Hanley's policies and procedures.

The Firm's Code is available upon request to clients and prospective clients by contacting the Compliance Department at 214-665-1900 or bhmscompliance@barrowhanley.com.

INTERNAL CONTROLS

BHCM has adopted Barrow Hanley's Compliance Policies and Procedures that the Firm believes are reasonably designed to mitigate conflicts of interest and to detect and address or prevent violations of the Investment Advisers Act of 1940 (the "Advisers Act") in accordance with Rule 206(4)-7 (the "Compliance Program Rule").

Item 12 Brokerage Practices

INVESTMENT OR BROKERAGE DISCRETION

The Assets bought and sold on behalf of the CLOs typically trade at a bid/ask spread and without an explicit brokerage charge. While the CLOs do not pay commissions or other formal trading expenses of the sort associated with more traditional equity market transactions, the CLOs bear the implicit trading costs

reflected in these spreads. We seek “best execution” for client transactions. Best execution generally refers to the execution of portfolio transactions in such a manner that total cost or proceeds in each transaction is the most favorable under the circumstances. The SEC defines best execution to include “qualitative considerations,” not merely the lowest possible execution cost.

Assets to be Bought or Sold: The Firm generally has authority to determine the assets to be bought or sold for Clients and the broker, dealer, or other trading venue through which such transactions are executed, in each case subject to Client’s governing documents.

Fixed Income Best Execution:

When trading agency and non-agency mortgages, commercial mortgage-backed securities, asset-backed securities, bank loans, CLO tranches and large orders for other securities, Barrow Hanley utilizes its internal expertise to access those broker/dealers willing to commit capital to facilitate the transaction, at the best price under the circumstances. In many cases, the broker/dealer who participated in the original underwriting of the security can be the best source of bids/offers. In other instances, the Firm utilizes its trading experience and knowledge of the markets to solicit bids/offers from those broker/dealers who have expressed interest in sectors and securities Barrow Hanley either owns or in which the Firm has expressed an interest. Bank loan trades also consider overall trade price.

Barrow Hanley will on occasion buy and sell the same security at the same time for different accounts due to cash flow needs and considerations. These trades are not crossed, but instead are exposed to and/or worked in the market in an effort to achieve best execution for both clients.

Although not expected to be a frequent occurrence, if a Client were to buy or sell bonds in a broker market, the execution of such transactions can often require commitment of capital by the executing brokers. With respect to U.S. Treasury or Agency securities, the Firm would typically request bids/offers using internet-based trading systems, primarily Bloomberg Fixed Income Trading Platform (“FIT”). The Firm uses Market Axess in the pursuit of best price execution for corporate bonds and other securities.

Trade Allocation:

Investment Grade and High Yield Bonds

Portfolio Managers or traders set up trade pre-allocations using CRIMS. Aggregation of client transactions allows transactions to be executed in a timely, equitable, and efficient manner. CRIMS runs a pre-trade compliance check for accounts in trade orders; after execution, CRIMS runs a post trade compliance check, then a member of the operations staff exports the trades from CRIMS to APX. CRIMS sends the allocation to the broker through CTM. The DTC matching program alerts operations of any trade discrepancies between the Firm’s information and the broker’s information, which is resolved by operations before trade settlement. Brokers execute bond trades based on instructions from Barrow Hanley’s Portfolio Managers or Traders and settle trades on a DVP/RVP basis. Account instructions are provided through Alert, allocations are provided through CTM, and trades are affirmed and settled by operations.

Generally, trades are allocated across accounts participating in the trade on a pro-rata basis; exceptions are typical for high yield bonds especially, but for investment grade and high yield bonds the exceptions may include, but are not limited to, the following:

- Accounts under-weighted/over-weighted in a security may receive a greater/ lesser allocation to equilibrate with weightings in other accounts.
- Security has minimum denomination that does not allow smaller portfolios to participate.
- Accounts low in cash.
- Accounts with a client-directed restriction that prohibits purchase of a particular issue.
- Accounts that designate commissions to a specific broker may be excluded.

Bank Loans and CLOs

Collateral Management: pre-trade, the CLO team utilizes a proprietary tool to determine whether a prospective loan will comply with the parameters of the CLO and the eligibility criteria of the CLO indenture and monitor loan holdings. This tool is controlled and protected by the Firm's end-user computing guidelines. At the CLO team's discretion, they will also contact the trustee for additional confirmation prior to the loan being added to the portfolio. Post trade, monthly trustee reports are reviewed by the CLO Structuring Portfolio Manager and the Compliance team.

Separate Accounts: for other accounts for which bank loans are suitable investments, trades are entered into CRIMS to run pre-trade compliance. Bank Loan and CLO trades that pass pre-compliance are executed, then finalized in CRIMS and Wall Street Office ("WSO") as executed trades, and the details of the trade flows electronically from CRIMS into APX. Security master data pertinent to the trade is further enhanced by external sources upon import. WSO confirms trade details with ClearPar and alerts a member of the operations staff of any discrepancies between WSO Markit and ClearPar, which are resolved by investment operations before trade settlement.

Trades for buying or selling the same loan are aggregated or formed as a block trade to benefit the clients participating in the trade order by improving efficiencies relating to trade access, cost, timing, execution, mitigation of certain operational risks or when minimum purchase or sale amounts (e.g., private placements, certain debt securities) facilitate the transaction. Aggregated trade orders receive the average price for all the executions of the trade.

In certain circumstances, the Firm may purchase or sell the same loan for accounts based on portfolio management decisions for different accounts and based on the client's investment guidelines or objectives, or when the Bank Loan or CLO Portfolio Managers determine that aggregation is not practicable, or when the trade is inconsistent with a client's direction. If/when the Portfolio Manager determines to sell a loan for a client and buy the loan for another client, these trades are exposed to the market and executed with a loan dealer at the current fair market price in an effort to achieve best execution for both clients.

Certain trade orders may not be aggregated due to circumstances of the trade, including thinly traded/low volume transactions, a client's directed brokerage arrangement, a loan's threshold limitations, aggregate ownership interests from legal or regulatory requirements, or a company's ownership restrictions that limit the potential size of the investment opportunity.

Generally, Bank Loan and CLO trades, including partially filled orders, are allocated on a pro rata basis across all accounts participating in the block.

Factors that may determine how an investment opportunity is allocated (including on a non-pro-rata basis) may include, but are not limited to, the following considerations:

- Investment objectives, guidelines and restrictions of the client, including any limitations and restrictions on a client's portfolio that are imposed by the client's private placement memorandum, offering memorandum, offering circular, limited partnership agreement, indenture, investment management agreement or CMA, or other similar disclosure, offering, and governing documents (collectively, the "governing documents").
- Regulatory restrictions or legal contractual requirements
- Size, nature, and type of investment.
- Current holdings, targeted asset mix, diversification requirements.
- The availability of cash or the size of a client's portfolio.
- Pre-determined tactical plan of a client or clients and corresponding capital commitments.
- Minimum trade denominations.
- Target investment return.
- The client's risk-return considerations and risk tolerance level.
- Relative exposure to market trends.
- Client's tax consequence.
- Specific liquidity requirements or liquidity needs or constraints of the client.
- The Bank Loan and CLO Portfolio Managers determination that the purchase or sale opportunity is inappropriate, in whole or in part, for one or more of the clients; or
- Other considerations that the Portfolio Managers deem necessary or appropriate in light of the circumstances at such time.

Factor specific determinations for a departure from pro-rata allocation includes:

- "Full First Fill" Instructions means certain designated accounts receive their full allocation of a Bank Loan and CLO trade and other accounts receive less than a full allocation. This may occur if/when the Portfolio Managers determine that certain clients' accounts be fully filled before others due to tax considerations, to saturate warehouse arrangements for new CLO issuers, to ramp up a pooled investment vehicle, or other factors specific to the trade. When those accounts receive full allocations, the remaining quantities of the trade are allocated in accordance to the Bank Loan and/or CLO strategy's allocation policy. When a Bank Loan and/or CLO trade is allocated using full first fill instructions, the Portfolio Managers shall document the rationale for the fair and

reasonable determination and provide the documentation to Compliance by the close of business on the date such transaction is allocated.

- ***De Minimis Allocations*** means a client is allocated less than the pre-allocated quantity or the Bank Loan Portfolio Manager(s) may determine to allocate no amount to that client account. A “de minimis allocation” is a departure from pro rata allocations. -When a Bank Loan or CLO trade is allocated using de minimis instructions, the Portfolio Managers shall document the rationale for the fair and reasonable determination and provide the documentation to Compliance by the close of business on the date such transaction is allocated.
- Other Circumstances means the Portfolio Managers may determine that pro-rata allocation is not reasonable under the circumstances and may include, but is not limited to:
 - when a client account has insufficient cash.
 - the instrument is outside the client’s investment guidelines (even though the client is, for example, within the class approved by the investment committee to participate in the allocation).
 - the investment duration is inappropriate for the client account.
 - investment of a pro rata amount is inappropriate for the particular client account due to industry, issuer or credit quality concentration or other similar portfolio restrictions, considerations or leverage covenant requirements, and
 - pursuant to a directed sale in accordance with the terms of a client’s governing documents.
- When a Bank Loan or CLO trade is not allocated pro-rata due to circumstances outside of those described above, the Portfolio Managers shall document the rationale for the fair and reasonable determination and provide the documentation to Compliance by the close of business on the date such transaction is allocated.

Research and Brokerage Practices: The Firm’s fixed income group receives bundled trade execution and research, which may be defined as a client commission practice or soft dollars. The fixed income group does not currently purchase third-party research or research-related products on a soft dollar commission basis.

Trade or Operational Errors: An error occurs when an employee of Barrow Hanley or an agent of the Firm mistakenly acts or fails to act or takes unintentional deviation from what was intended or should have occurred.

In the event an error occurs in the handling of a client’s transaction, including but not limited to trades and/or cashflows the Firm’s policy is to seek to identify and correct errors as promptly as possible and to:

- Notify the CCO.
- Identify and promptly resolve errors.
- Monitor and reconcile account activity.
- Document the trade or operational error.

- Notify the client(s) affected by the error upon discovery, generally within 24 hours of correction.
- Reimburse the client or broker for any loss resulting from the error.
- Maintain an error log containing appropriate documentation of the error.

Trade Management Oversight Committee (“TMOC”): Barrow Hanley’s trade management oversight committee meets quarterly to review the Firm’s brokerage practices and commission payments to third-party brokers, TCA reports, research data reports, and broker voting. TMOC covers the following:

- Equity TCA reports that provide analysis of, among other things, trade costs using implementation shortfall rankings, execution venue, and brokers’ performance.
- Fixed income trace date reports for evaluation of trade execution.
- Approved Broker Lists, research consumption and broker voting, brokerage allocation, total equity commissions paid, trade volume and best execution data.
- Trading environment and market activity, the Firm’s current business activity, and political and market impact.
- The presentation of performance information in marketing materials for the Firm’s equity and fixed income products.

The independent adviser writes a memorandum of the details of each meeting and emails it to the CCO and CEO.

Item 13 Review of Accounts

PORTFOLIO MANAGEMENT SERVICES AND REVIEWS

Generally, each portfolio is managed and reviewed by BHCM’s portfolio management team. A daily diversification report and periodic parameter test reports are provided to the portfolio managers for their review of the client’s portfolio and the overall strategy. The investment strategy’s portfolio management team is jointly and primarily responsible for the daily review of the client’s account.

Generally, the master list of securities is reviewed and the appropriateness of each security for portfolio use at that time is determined in accordance with the relationship between price and the value of the security and the objectives of each portfolio.

The accounts of each CLO are reviewed on an ongoing basis by our portfolio management team. Reviews assess overall portfolio strategies, performance and compliance with investment guidelines in the relevant Client’s CLO Documents, including any investment restrictions and eligibility criteria. Primary responsibility for the execution of these reviews resides with the CLO’s portfolio management team. For each CLO, the CLO’s trustee prepares schedules of fees and expenses, distributions and dividends (the

“priority of payment waterfalls”), which are reviewed and agreed to by our CLO operations staff.

The trustee of each CLO provides investors with monthly and quarterly written reports as described in the CLO Documents for each Client. We could also furnish reports to the trustees of the CLOs.

Item 14 Client Referrals and Other Compensation

Not applicable.

Item 15 Custody

BHCM expects to be deemed to have “custody” of the Funds, within the meaning of Rule 206(4)-2 under the Advisers Act, to the extent an affiliate of BCHM will act as each Fund’s General Partner. For such Funds, BCHM maintains the Fund’s assets in properly designated accounts with qualified custodians (subject to certain exceptions for privately offered securities), and provides investors in the Fund with audited financial statements within 120 days following the fiscal year end (or 180 days in the case of a fund-of-funds). Investors should review these audited financial statements carefully. If you have not received timely audited financial statements, or you have any questions about them, please contact us immediately.

Item 16 Investment Discretion

The governing documents for each client grant BCHM discretion to manage the Client’s portfolio, subject to the detailed description of such the Client’s specific investment objectives, eligibility criteria and investment guidelines, policies, and restrictions set forth therein. While BCHM has sole discretion to pursue any investment strategy on behalf of a Client that is not prohibited by the applicable governing documents, and to modify the strategy from time to time in the future without the approval of or prior consultation with any other person, governing documents can include restrictions. In particular, CLO Documents typically place significant restrictions on BCHM’s ability to buy and sell collateral obligations on behalf of the CLO. Accordingly, as a result of such restrictions, BCHM could be unable to buy or sell assets on behalf of a CLO or to take other actions which it might otherwise consider in the best interests of such CLO and the holders of the CLO Securities.

BHCM neither tailors its advisory services to the individual needs of any investor nor accepts investor-imposed investment restrictions. Therefore, investors must consider whether a particular Fund meets their investment objectives and risk tolerance prior to investing. However, as discussed in Item 4, a Client’s guidelines and restrictions can be determined with input from investors.

Item 17 Voting Client Securities

BHCM expects to be granted authority to vote proxies or exercise consents for each CLO or Fund, which includes voting on proposals, amendments, consents, or resolutions solicited by or in respect to the issuers of securities, including bank loan debt instruments. In accordance with the Firm's Proxy Voting Policy, BHCM seeks to exercise this authority in the best interest of the relevant Fund or CLO in light of all relevant circumstances.

While BHCM does not expect that a Fund or CLO will hold traditional equity securities, such a holding could result from a bankruptcy or work-out of a debt security or loan. In the rare case where a Fund or CLO holds an equity security that solicits a proxy, the Firm's policy is to vote in the best economic interests of the Fund or CLO as beneficial owner of the shares.

The Firm's Proxy Voting Policy and Guidelines is available upon request to clients and prospective clients by contacting the Compliance Department at 214-665-1900 or bhmscompliance@barrowhanley.com.

Item 18 Financial Information

BHCM is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual obligations to clients. BHCM has not been the subject of a bankruptcy petition at any time and has no additional financial circumstances to report.

Additional Information

Privacy Policy

Barrow Hanley has a duty to protect its clients, their agents, and its employees' personal information/ data it collects, and a duty to disclose to such persons its policy for collecting, processing, and protecting personal information/data. Because of the Firm's diverse clients and employees, Barrow Hanley has adopted policies, procedures, and practices to comply with applicable elements of Regulation S-P and applicable Data Privacy regulations.

Personal information may include non-public personally identifiable information/data and/or financial information, including names, addresses, phone numbers, ethnicity, bank account numbers, income, credit histories, Social Security numbers, descriptions, lists, or grouping of clients, information that identifies, relates to, describes, or could reasonably be linked directly or indirectly with a particular person, the Firm's account information, information relating to services performed, transactions entered into on behalf of clients, advice provided by Barrow Hanley to clients, and data or analysis derived personal information.

Barrow Hanley's employees are bound by this Privacy Policy and the Duty of Confidentiality in the Firm's Code that requires its employees to keep confidential any non-public and/or personal information obtained in the course of an individual's employment at Barrow Hanley. The Firm's personnel have the highest

fiduciary obligation to not reveal or disclose confidential company or client related information to a party that does not have a clear and compelling need to know such information, and to safeguard all such confidential information. It is Barrow Hanley's policy that employees shall not disclose client information, employee information, or information about the Firm, unless reasonable disclosure is necessary to conduct the Firm's business, required by law, directed by the client, or to provide the client with the Firm's services.

To fulfill the Firm's privacy requirements, Barrow Hanley has adopted Firm-wide practices to safeguard the information maintained about clients, clients' agents, and employees. These practices include:

- Adopting procedures for physical, electronic, and other safeguards to keep information safe, and for proper disposal of information, as outlined in the Firm's Books and Records Policy.
- Limiting access to information by the Firm's employees to those who need access to perform job duties/responsibilities.
- Reviewing confidentiality clauses in agreements with third parties who perform services for the Firm and thereby, need access to perform services.

Data Collection, Processing and Protection

Barrow Hanley will not disclose, share, or sell any personal information about a client or prospective client, their agents, a client's account, an employee, or an employee's circumstances unless one of the following conditions is met:

- The Firm has a reason to believe the recipient is a client's authorized representative.
- The Firm has a reason to believe, under the appropriate circumstances, that the recipient is an employee's authorized representative.
- The Firm is required or permitted by law to disclose specific information to the recipient; or
- The Firm is conducting business, as outlined in Barrow Hanley's Marketing Practices Policy.

When necessary and/or allowed under law, the Firm, at no cost to the requester, will make every attempt to respond to requests to know and/or delete personal information/data, within 45 days but retains its right to extend the response by an additional 45 days once per request. The Firm reserves the right to request personal information to verify the identity of the individual making the request.

How to Exercise Your Rights

Requests may be made no more than twice in a 12-month period and should be submitted by:

- Emailing bhmscompliance@barrowhanley.com, or
- Calling the CCO at 214-665-1987.

Information Barrow Hanley Collects, Maintains, and Processes Clients, Prospective Clients, and Their Agents

As an Investment Adviser, in order to provide investment management services to its clients and to conduct its business, Barrow Hanley collects, maintains, and processes personal information for and/or about its clients and their agents, and prospective clients and their agents. The information the Firm collects and maintains may include:

- Information received from or provided to the client and/or third party to open an account or provide investment advice to the client, including name, home and/or business addresses, personal and/or business email addresses, personal and/or business telephone numbers, personally identifiable details and/or information, and financial information.
- Information generated to service a client's account, including investment recommendations, trade data, custodial bank information, account numbers, and account statements.
- Information the Firm receives from third parties with respect to a client's account, such as trade confirmations from brokerage firms, custodians, or third-party vendors.
- Information that identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular natural person, including location data, online identifiers, or identification numbers.
- Other information obtained while conducting the Firm's business.

Employees and Prospective Employees

As an employer, Barrow Hanley routinely collects, maintains, and processes personal information for or about its employees' and prospective employees. In the past 12 months, the categories of personal information and their respected purposes include:

- Identifiers, such as name, address, email address, online identifiers, internet protocol address, Social Security numbers, or other similar identifiers. Identifiers are required to administer benefits and to ensure compliance with applicable federal and state law.
- Personal information, as defined in the California safeguards law, such as contact information and financial information. Personal Information is required by the federal securities laws and the Firm's Code to address its fiduciary duties and mitigate potential conflicts of interest.
- Protected classifications under California or federal law, such as race, gender, age, marital status, military/veteran status. Some protected classifications are required to administer benefits and to ensure compliance with applicable federal and state law. Additionally, protected classifications after deidentifying and aggregating data, may be used to satisfy client requests or marketing per Barrow Hanley's Marketing Practices Policy.
- Audio, electronic, visual, and similar information, such as call and video recordings. Barrow Hanley employs the use of workplace security cameras for legitimate business purposes as allowed by law.

- Professional or employment-related information, such as work history and prior employer. This information is collected for employment purposes and may be used for marketing purposes, (i.e., The Firm’s website).
- Education information, such as student records and directory information. Education information is collected for employment purposes and may be used for marketing purposes, (i.e., The Firm’s website).

Sale of Personal Information

Redistribution of employees’ data for the Firm’s business purposes is defined by California Consumer Privacy Act (“CCPA”) as “selling” such data. In the past 12 months, the Firm has “sold” Personal Information subject to the CCPA to clients and prospective clients who requested the disclosure of protected classifications via Request for Proposals (“RFP”) and questionnaires. All disclosures were deidentified and aggregated prior to disclosure. While Barrow Hanley may require the third-party to agree to not attempt reidentification, Barrow Hanley cannot control the extent to which the third-party may attempt to reidentify the data. For purposes of this Notice and policy, “sold” means the disclosure of Personal Information to a third party for monetary or other valuable consideration.

Consumer Privacy Regulations

California Consumer Privacy Act

If you are a California resident you may have certain rights under the California Consumer Privacy Act (Cal. Civ. Code §1798.100 et seq.) regarding your personal information, including:

- The right to request free of charge, the specific pieces of personal information we collected about you; the categories of personal information we collected; the categories of sources used to collect the personal information; the business or commercial purposes for collecting your personal information; and the categories of third parties with whom we share your personal information each as it pertains to our activities in the preceding twelve (12) months.
- The right to request, on legitimate grounds, deletion of your personal information that we collected.
- Request that we not “sell” your Personal Information to any third-party.
- Be free from unlawful discrimination for exercising your rights under the CCPA.

Other Data Protection Legislation

To the extent that the Firm obtains Personal Data subject to Data Protection Legislation, the Firm will maintain records as parts of its ongoing compliance with the relevant Data Protection Legislation. It is the policy of the Firm to ensure compliance with Data Protection Legislation.

Personal Data means any information relating to an identified or identifiable natural person.

Data Protection Legislation are the laws, including the EU General Data Protection Regulation, and any other laws which govern the collection and use of Personal Data.

The Firm will generally be deemed a data controller in respect of the Personal Data provided to it, which means the Firm determines the purposes and the means of processing of such Personal Data. The Firm will ensure that data processing complies with six general principles: (1) lawfulness, fairness and transparency; (2) limitation of purpose; (3) data minimization; (4) accuracy; (5) retention; and (6) integrity and confidentiality. Data Protection Legislation specifies certain “lawful bases” under which the Firm is allowed to use Personal Data, most commonly where: (a) the Firm needs to perform a contract it has entered into with a Data Subject; (b) where the needs to comply with a legal obligation; or (c) where it is necessary for the Firm’s legitimate interests and the Data Subject’s interests and fundamental rights do not override those interests.

If the Firm engages service providers to process Personal Data (or provides Personal Data to any affiliate), the Firm will ensure that appropriate data protections provisions are in place in accordance with Data Protection Legislation.

Barrow Hanley has entered into an inter-company agreement within our affiliate group that includes the appropriate data protections provisions with respect to Data Protection Legislation.

Data Subjects have rights as individuals which can be exercised in relation to the information the Firm holds about them under certain circumstances, including the right to: (1) request access to personal data (a data subject access request) and request certain information in relation to its processing; (2) request rectification of Personal Data; (3) request the erasure of Personal Data; (4) request the restriction of processing of Personal Data; (5) object to the processing of Personal Data; and (6) request the transfer of Personal Data to another party.

The Firm will retain personal information for as long as necessary to fulfill the purposes it has collected it for.

Acknowledgement

The Firm and its employees shall adhere to this Privacy Policy and procedures when/if a client closes their account or becomes an inactive client, and when/if an employee leaves their employment with the Firm. Barrow Hanley does not discriminate against any person who exercises their privacy rights under any regulation.

Barrow Hanley shall provide the Firm’s Privacy Policy to clients, prospective clients, their agents, employees, and prospective employees as required.