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This brochure provides information about the qualifications and business practices of Preston Capital, LLC ("Adviser"). If you have any questions about the contents of this brochure, please contact us at 949-272-2000 or Info@prestoncap.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authorities. Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

Additional information about Preston Capital, LLC also is available on the SEC's website at www.adviserinfo.sec.gov. Also, free and simple tools are available to you to review Adviser and its financial professionals at Investor.gov/CRS, which also provides free educational materials about broker-dealers, investment advisers, and investing.

ITEM 2 MATERIAL CHANGES

This item discusses only material changes that have been made to the Brochure since its initial registration filing, dated August 2023. Since that date, there have been no material changes to this brochure. Minor updates and clarifications occur throughout this document, and we encourage you to review the full Brochure. Adviser will distribute to you a summary of any material changes to this and subsequent Brochures promptly as necessary.

A current Brochure and/or Form CRS may be requested, free of charge, by contacting us by phone at 949-272-2000 or via email at Info@prestoncap.com. Additional information about Adviser and its employees is available on the SEC's websites adviserinfo.sec.gov and Investor.gov/CRS.

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ITEM 4 ADVISORY BUSINESS

Preston Capital, LLC (“Preston Capital” or the “Adviser”) is a Delaware limited liability company organized in July 2023. The ultimate beneficiaries of Adviser are Jon Nelson, Chief Executive Officer, Jonathan Hogan, President and Chief Financial Officer, and Jonathan Brooks, Managing Director.

Preston Capital provides investment advisory services to privately offered pooled investment vehicles (each a “Client”, and collectively “Clients” or the “Fund”), the principal entities of which are:

- Dogwood II LP, a South Dakota limited partnership, whose general partner is Market Garden Acquisition GP (Cayman) Ltd., a Cayman Islands exempted company under common control with the Adviser.
- Lodur Capital ICAV, an Irish collective asset management vehicle (“ICAV”) whose alternative investment fund manager (“AIFM”) is JTC Global AIFM Solutions (Ireland) Ltd., and who is advised by Adviser as a delegated investment manager.

The Fund is organized in a master-feeder structure, with the Lodur Capital ICAV investing all or substantially all of its assets into Dogwood II, LP. Any reference to the Fund as used herein encompasses the entire master-feeder structure comprised of Lodur Capital ICAV and Dogwood II LP. The Fund is closed to new investment.

Preston Capital, LLC's advisory services are limited to providing investment analysis for life contingent assets, specifically life settlements, which are longevity-based investments whose return is primarily derived by the longevity of an underlying life that is insured by a life insurance policy sold in the secondary or tertiary market for life insurance. The Fund is managed in accordance with the objectives and strategies outlined in that Fund's offering documents and Adviser does not tailor its investment advice to the needs of the individual investors (“Investors”) in the Fund. The Fund is closed to new Investors. Please see Items 5, 8, 12 and 14 for additional information regarding Adviser's investment strategy, the role of related companies in executing the investment program, and related fees.

As of March 13, 2024, Preston Capital, LLC has total regulatory assets under management of \$1,040,000,000, all of which is managed on a discretionary basis. Adviser does not advise assets on a non-discretionary basis.

ITEM 5 FEES AND COMPENSATION

The specific details of Fund fees, expenses, and allocation of distributions are discussed in their respective governing documents. In general, Adviser receives an advisory fee which varies for different clients as set forth in the applicable governing documents. Adviser also receives a performance allocation or carried interest equal to a percentage of the net invested capital following the investment period. Management fees are paid monthly or quarterly in advance or

arrears in accordance with the applicable governing documents. The timing of the performance allocation can vary based upon factors as detailed within the applicable governing document and is otherwise paid on an annual basis. Clients and prospective Investors should review the relevant governing documents for more complete information on the fees and expenses associated with their investment.

The Fund will bear all its organizational and operating expenses as discussed in detail in their respective governing documents. Generally, these will include, without limitation: legal, auditing, accounting, consulting and actuarial fees; administration fees; life insurance policy investment servicing fees; securities intermediary and custodian fees; costs of obtaining and maintaining licenses, registrations, costs of reporting to regulatory authorities and complying with requests of information there from, and costs of producing reports and notices to investors, financial statements, tax returns and Schedules K-1; expenses and fees associated with the acquisition, ownership and maintenance of life insurance policies (including premiums due thereon), and the enforcement and disposition of the life insurance policies, including principal, interest and fees in relation to any leverage facilities; expenses associated with meetings of the limited partners, advisory board or directors; extraordinary expenses (such as litigation); any pre-approved third-party expenses relating to unconsummated transactions; expenses of liquidation of the Fund or certain special purpose vehicles; any taxes, fees or other government charges levied against the Fund or special purpose vehicle and all expenses incurred in connection with any tax audit, investigation, settlement or review thereof; and expenses in relation to any leverage facilities of any special purpose vehicles, including any interest or fees.

The specific details of Fund fees, expenses and allocation of distributions are discussed in the Fund's governing documents, including the Dogwood II LP offering materials and the ICAV prospectus. Due to the Fund's structure, there are multiple layers of fees and expenses within the Fund, including management fees and incentive fees paid to Adviser, organization costs reimbursed to Adviser, and expenses paid to third parties, as further described below.

Fees and fund expenses are paid from Fund assets. Investors in the Fund will pay these fees and costs regardless of whether the Fund is profitable. Fees and costs will reduce any amount of money earned on investments over time. Clients and prospective Investors should review carefully the Fund fees to fully understand the total amount of fees being paid.

Other Expenses

Dogwood II LP will bear its own expenses and the ICAV will bear its own expenses. Such expenses include the following: expenses incurred in formation and organization of the Fund, the General Partners and their related entities and the offering of the interests ("Organizational Expenses"); management and incentive fees as described above; fees of any investment intermediary, custodian and escrow agent; all premiums, insurance, indemnification, sourcing/origination fees, escrow fees, servicing costs and other expenses associated with the acquisition, holding and disposition of its proposed or actual investments; legal expenses; and actuarial expenses; expenses related to the research, due diligence and monitoring of actual and prospective investments (whether or not consummated) and the consummation of investments, including third-party investment sourcing fees; research and market data or technology; due diligence expenses including consulting and appraisal fees; travel expenses; brokerage fees,

commissions and expenses; clearing and settlement charges; custodial fees and expenses; bank service fees; interest expenses and fees related to financings or refinancing; and fees and expenses of third-party professionals, including consultants, investment bankers, attorneys and accountants; reorganizational expenses; operational expenses including fees and expenses relating to technology used to research investments, manage risk, facilitate valuations, facilitate accounting functions, facilitate compliance with the applicable laws and rules, and facilitate the order execution of investments such as portfolio management systems; fees and expenses of third-party risk management products, models and services; third-party administrative fees and expenses; consultants, valuation service providers, attorneys and accountants; the costs of any litigation or investigation involving activities of the Fund or any investment vehicle; third-party audit and tax preparation expenses; insurance expenses, including premiums for cybersecurity insurance and liability insurance covering Adviser, the General Partner, and the members, partners, officers, employees and agents of any of them; fees and expenses of the General Partner and any investment vehicle's directors and officers; costs of preparing and distributing reports and notices; taxes; expenses incurred in connection with negotiating and complying with provisions of any side letter agreement; fees and expenses related to regulatory licensing, filing or registration fees or taxes; expenses incurred in connection with the offering and sale of the Fund and other similar expenses related to the Fund (excluding fees payable to any placement agent); among others.

Generally, all expenses borne by the Fund, other than the management fee and any expenses that the General Partner determines should be allocated to a particular partner or partners, will be allocated pro rata based on capital commitments. To the extent that expenses to be borne by the Fund are paid by Adviser or the General Partner, the Fund will reimburse such party for such expenses.

Other Fees to Adviser and Related Persons

Placement Fee: A fee shall be charged to Dogwood II LP by Adviser as a percentage on all acquisitions of Fund investments in policies. This fee is in addition to the management fee and carried interest borne by investors in the Fund.

For additional information on these relationships and arrangements, please see Items 12 and 14.

Side Letter Agreements

Adviser or its related persons will have the discretion to waive or modify the application of, or grant special or more favorable rights with respect to, provisions of the offering as described in the prospectus, private placement memorandum or partnership agreement to the extent permitted by applicable law. These may be affected through the creation of additional classes of interests for certain investors or through side letter agreements. Although certain investors may receive different material terms, Adviser generally will only offer such terms if they believe other investors will not be materially disadvantaged and are otherwise consistent with applicable laws and regulations.

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

As discussed in Item 5, Adviser is eligible to earn performance-based fees as part of its advisory compensation with respect to the Fund. Performance-based fees are described in more detail in the Fund's offering documents.

Performance-based fees create an incentive to maximize investment returns by making investments that may be subject to greater risks than would otherwise be the case if Adviser were not able to earn a performance-based fee. Additionally, Adviser has an incentive to favor Funds that pay higher performance-based fees by investing in more potentially profitable investments for those Funds and/or devoting more time and resources to them. Adviser has adopted policies and procedures that seek to mitigate these conflicts including policies concerning allocation of investment opportunities and conflicts of interest.

ITEM 7 TYPES OF CLIENTS

Adviser provides investment advice to two private funds. The Funds generally require a \$5 million minimum capital commitment. Adviser may modify or waive such minimum investment requirement from time to time. Fund interests may be purchased only by investors who (i) qualify as "accredited investors," as defined in Regulation D promulgated under the U.S. Securities Act of 1933, as amended (the "Securities Act") and (ii) are not subject to disqualification under Rule 506(d) of Regulation D of the Securities Act. Investors may be required to meet other suitability requirements as set forth in the Fund's subscription agreement (the "Subscription Agreement") or as determined by the General Partner in its sole discretion.

The Fund is closed to new investment.

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

The Fund will pursue its objectives by investing indirectly in a diversified portfolio of life insurance and longevity-related investments consisting primarily of policies, assets that derive their value from policies, life insurance-backed investments, longevity-related investments, and other investments.

The Fund will draw on Adviser's expertise in actuarial and medical underwriting analysis to identify assets with above-average risk-return profiles in light of a general expectation that acquired investments will be held through maturity, but permitting disposition thereof at Adviser's discretion. Returns on such assets are generally uncorrelated to returns in the broader equity, fixed-income, and commodities markets.

The Fund will acquire a pool of life insurance policies through direct acquisition of individual policies and portfolios of policies. The portfolio is expected to be leveraged by issuing (directly or indirectly) notes against the policies as set forth in governing documents. Leverage increases the potential for gains or losses on investments as the loss or gain on an investment increases in proportion to the degree of leverage employed. The use of leverage

may result in forced liquidations of portfolio assets (which might otherwise have been desirable or profitable) as a result of margin or collateral calls. Additionally, leverage may increase expenses as a result of interest and other costs and premiums associated therewith, which may not be recovered through investment gains. To the extent that Adviser has discretion to incur, increase or decrease leverage, its decisions may be made at inopportune times, decreasing the value of an investor's account.

The Fund may also purchase equity interests in other life settlement vehicles and, at the discretion of Adviser, may invest in debt transactions secured by a first lien on individual life insurance policies or portfolios thereof, which transactions may include secondary market purchases of debt instruments and originate loans.

Prospective investors should carefully review in its entirety the Fund's offering documents prior to committing funds.

Investing in life settlements involves a substantial degree of risk and, therefore, is only appropriate for sophisticated investors who have the financial ability and willingness to accept the risks involved. These risks also include, but are not limited to, the speculative nature of investing in life settlement assets and the substantial charges which will be incurred, regardless of whether any profits are earned. There is no guarantee that Adviser's investment strategy will achieve the investment objectives. Investors need to be financially able and prepared to potentially lose their entire investment. All prospective investors should form their own opinions prior to making any investment decision and are urged to consult with their own legal, financial, accounting, tax and other relevant advisers as to the merits of their investment.

The following is a list and description of material risks associated with life settlement assets. This list is not exhaustive and is provided for illustrative purposes only. Prospective investors should consult Fund offering documents for a discussion of Fund specific risks.

Alternative Data. Adviser may use alternative data in its investment process. Alternative data includes datasets that have been culled from a variety of sources, such as internet usage, payment records, financial transactions, weather and other phenomena, location and mobility data, data gathered by satellites, and government and other public records databases. Adviser applies these alternative data in an effort to better anticipate micro- and macro-economic trends and otherwise to develop or improve trading or investment themes. The analysis and interpretation of alternative data involves a high degree of uncertainty and may entail significant expense, including technological efforts, that are expected to be borne by the Fund. No assurance can be given that Adviser will be successful in utilizing alternative data in its investment process.

Moreover, there has been increased scrutiny from a variety of regulators regarding the use of alternative data in this manner, and its use or misuse under current or future laws and regulations could create liability for Adviser and the Fund in numerous jurisdictions. Adviser cannot predict what, if any, regulatory or other actions may be asserted with regard to alternative data, but any adverse inquiries or formal actions could cause reputational, financial, or other harm to Adviser or to the Fund. Conversely, any future limitations on the use of alternative data could have a material adverse impact on the performance of the Fund.

Life Settlement Investment Risk – Generally. Life settlements are life contingent investments with significant exposure to longevity risk. Not only are there challenges in sourcing policies and assessing the legal, financial and longevity risks attendant to acquiring policies, but also there are significant challenges in managing life settlement investments, tracking insureds and collecting death benefits.

Life settlements are long-term investments and are not readily marketable. In addition to the cost of acquiring a policy, premiums must be paid to keep the policy in force through maturity, and these additional premium payments are material. Cash flows must be managed in order to ensure that sufficient cash is on hand to keep policies in force. If Adviser does not accurately determine future premium requirements, if insureds live longer than expected, if life insurance companies increase cost of insurance rates, or if death benefits on matured policies prove uncollectable, there may not be sufficient resources to maintain policies in force. The life settlement market is highly uncertain and subject to a variety of forces intrinsic to both the life settlement market and general economic forces.

Uncertainty of Life Settlement Market. Demand for and pricing of the policies depends significantly on the health, medical condition and life expectancy of the insured; life expectancy tables then in use by the life settlement industry; changes in general economic conditions, including interest rates, inflation rates, government regulations, overall industry conditions, political conditions, volatility in the financial markets, and the legislative and regulatory environment. Accordingly, Adviser may not be successful in its attempts to identify suitable policies and acquire them. These same factors affecting demand for and pricing of policies may make it difficult to dispose of them. The market for policies is not liquid and is uncertain. These uncertainties may result in paying too much for policies or selling policies at too low a price. Furthermore, should there be a need to sell policies for liquidity reasons then it may not be possible to do so at prices acceptable to Adviser, or at all. All of the foregoing could adversely affect Adviser's ability to execute its investment strategy and meet investment objectives.

Adverse Scrutiny or Publicity Related to the Longevity-Contingent Asset Market. Many regulators, lawmakers and other governmental authorities, as well as many insurance companies and insurance industry organizations, are unfavorable towards or otherwise concerned about certain aspects of the longevity-contingent asset markets. The industry and some of its participants have also been, and may continue to be, portrayed negatively in a number of widely read publications and other forms of media. These opponents regularly contend that longevity-contingent transactions are contrary to public policy by promoting financial speculation on human life and often involve elements of fraud and other wrongdoing. Continued public opposition to the longevity-contingent asset industry, as well as actual or alleged wrongdoing by participants in the industry, could have a material adverse effect on investments, including on the value and/or liquidity of policies.

Compliance with State Insurance Laws. Many U.S. states require any person who enters into a life settlement contract with an owner of a policy who is a resident of that state to be licensed as a life settlement provider, unless an exemption is available. If a transaction is

subject to any state life settlement law, the licensed provider must comply with all provisions of that law relating to the purchase of life insurance policies. In some cases, certain portions of these laws may apply to any person involved in the transaction. For example, some states consider premium finance loans secured by a life insurance policy to be a life settlement contract and some states also consider the purchase of an interest in an entity that owns a life insurance policy to be a life settlement if the trust or other entity was formed for the principal purpose of acquiring policies.

The jurisdictional reach of state life settlement laws is sometimes uncertain and a state may, in certain instances, contend that its law applies even though a purchaser of life insurance policies has complied with the laws of the state of residence of a seller. Little or no guidance has been provided by state regulators in many states regarding how life settlement laws will be interpreted and enforced. Should Adviser engage in the purchase or sale of policies in violation of applicable regulatory regimes, Adviser and/or the Fund could be subject to fines and to administrative and civil sanctions and, in some instances, to criminal sanctions.

Changes in U.S. Insurance Regulation. Changes in state and federal statutes, laws and regulations might make it more difficult to purchase and sell policies, thereby hindering the implementation of Adviser's strategies for acquiring, reselling, holding, or potentially securitizing the policies. For example, in March 2010, the American Council of Life Insurers, an insurance carrier trade association, issued a press release calling for a complete ban on life settlement securitization. While that effort was not successful, any such federal or state legislation, if passed, could have the effect of severely limiting or potentially prohibiting the continued operation of life settlement purchasing operations.

Sourcing Policies. The Fund does not contemplate making additional acquisitions. Nonetheless, in the event the Fund does make additional acquisitions, this section discusses the risks related to new acquisitions.

The pace of policy acquisitions depends on the availability of policies that meet Adviser's eligibility criteria and other purchase parameters. The supply of policies that meet the criteria is limited and thus the period required to become fully invested could be extremely long and the prices for such policies may be higher than standard pricing models will predict. There are only a limited number of policies available in the market. There can be no assurance that Adviser will be able to source policies on acceptable terms.

Changes in the economy and other circumstances may result in a reduced number of policies meeting Adviser's eligibility criteria from entering the life settlement market. If fewer policies are sold by policy owners into the secondary market, this will necessarily reduce the supply available for purchase. Such changes could result from, among other things, changes in the economy and its impact on market participants; life insurance companies offering enhanced cash surrender values to policy owners, improvements in health or health coverage or long-term care coverage (including, enhanced governmental benefits); entry into the market of less reputable third-party brokers; the establishment of new licensing requirements for market participants and a delay in complying or an inability to comply with such new requirements; and/or refusal of policy issuers to consent to transfer. A change in the availability of the policies could adversely affect Adviser's ability to execute its investment strategy and meet investment objectives.

Pricing Models and Competition. Adviser uses proprietary models to determine the prices at which it will buy or sell policies. These models take into account several factors, including, without limitation, future premium payments, expected death benefits, the estimated longevity of the underlying insured, model discount rates, discounts for legal risks and stresses applied to these factors. If inputs to these models are incorrect, Adviser may pay too much for a policy or may sell policies at too low a price. Competitors utilize their own models and will be willing to pay more or less than Adviser for certain policies. If the competitors utilize pricing models that generate higher prices for policies than Adviser may be outbid in the market and will not be able to acquire policies.

Uncertainty of Life Expectancy Estimates. Adviser uses, among other factors, the life expectancy of the underlying insureds to determine prices it will accept for policies. The return on such purchases is almost entirely dependent upon how accurate the actual longevity of an insured is as compared to such insured's expected life expectancy. Life expectancies are estimates of the expected longevity or mortality of an insured. The medical underwriting process underlying life expectancy estimates is subjective and uncertain. In addition, there can be no assurance that the applicable medical underwriting firm received accurate or complete information regarding the health of an insured under a policy, or that such insured's health has not changed since the information was received. Different medical underwriting firms use different methods and may arrive at materially different mortality estimates for the same individual based on the same information, thus causing a policy's value to vary. The valuation of policies will vary depending on the dates of the related mortality estimates and the medical underwriting firms who provide such estimates. Moreover, as methods of calculating mortality estimates change over time, a mortality estimate prepared by any medical underwriting firm in connection with the acquisition of a policy may be different from a mortality estimate prepared by the same underwriting firm at a different point in time. Historically, changes in methodologies used by life expectancy underwriting firms have resulted in increased life expectancy estimates, and there can be no assurance that there will be no further changes in methodologies resulting in material increases to life expectancy estimated received and relied on by Adviser. Thus, the actual longevity of an insured may be materially different than the predicted mortality estimate. If the actual maturity date of policies are longer than projected, it will result in a reduction in the value of policies held by investors and may result in policies becoming unprofitable. Furthermore, it would negatively impact the time within which investors could expect to receive a return of their investment and Adviser's ability to meet investment objectives and goals. The business of rendering life expectancies for individual insured is generally not regulated by U.S. federal or state governments. There can be no assurance that this business will not become more broadly regulated and, if so, that any such regulation would not have a material adverse effect on Adviser's ability to obtain insured life expectancies in connection with the purchase or sale of policies.

Improvements in Medicine and Disease Treatment. Life expectancy estimates do not take into account improvements in treatment methodologies or changes in an insured's behavior, and these factors may render a life expectancy that was accurate when made inaccurate. Factors including, but not limited to, better access to health care, better adherence to

treatment plans, improved nutritional habits, improved lifestyle, improved economic environment and a higher standard of living could lead to increases in the longevity of the insureds under the policies. Improvements in medicine, treatment, pharmaceuticals, and other medical and health services may enable insureds to live longer. It is difficult, if not impossible, to quantify these risks and, as a result, actual results will vary, and perhaps materially so, from the expected life estimates.

Premium Optimization. Determining the actual amount of premium required to keep a policy in force through maturity is a key factor in pricing and maintaining policies. This process often involves deconstructing policy illustrations and making determinations regarding the applicable cost of insurance and mortality charges. If Adviser's determinations are higher than necessary, the prices it will pay for a policy may not be competitive and, if the determinations are too low, then Adviser risks overpaying for a policy. There can be no assurance that the models, software and techniques used or developed will generate accurate optimized premium streams for policies.

Furthermore, Adviser must ensure that policies remain in force until they mature or are sold. Failure to pay premiums on policies will result in termination or "lapse" of the policies and will result in the loss of the investment. Adviser must determine premium requirements and build those requirements into its projection of cost for a given policy. Future premiums will generally be reserved for this purpose.

Premium Increases. In the event an insurance company experiences significantly higher than anticipated expenses associated with operation and/or policy administration, or, in some instances, lower investment returns, the insurance company may have the right to increase the charges to each of its policy owners, subject to guaranteed maximums. If a life insurance company increases the cost of insurance charged for any of the policies, the amounts required to be paid for insurance premiums may increase, incurring additional costs which may adversely and materially affect returns on such policies and consequently reduce the value of such policies.

Since mid-2015, more than fifteen life insurance companies have instituted increases in the cost of insurance charges related to certain universal life insurance policies and some insurance companies have instituted multiple increases and continue to do so. In many instances these increases were material. There can be no assurance that policies acquired for investors will not be subject to cost of insurance increases. Policies affected by a cost of insurance increase may see a material reduction in value and Adviser may decide or may be forced to allow such policy to lapse, resulting in a loss on the investment.

Additional Underwriting Risks. When underwriting a policy, Adviser will attempt to assess the risks associated with its origination, including misstatements in insurance applications and use of funding from third parties in origination. The proper assessment of these risks involve a careful review of the underlying policy documentation, which at times may be incomplete. There can be no assurance that Adviser will have access to all of the documentation necessary to assess these risks or, even if such documentation is available, will properly assess such risks.

Insurable Interest Risk. All states require that the initial purchaser of a new life insurance policy have an insurable interest in the insured individual's life at the time of issuance. Whether an insurable interest exists in the context of the purchase of a life insurance policy is critical because in the absence of a valid insurable interest, life insurance policies are unenforceable under the laws of many states. Where a life insurance policy has been issued to a policy holder without an insurable interest in the life of the insured, the life insurance company may not be required to pay the death benefit under the policy and may also be entitled to retain the premiums paid. Furthermore, even if the issuing insurance company honors the policy and pays the death benefits, the estate of the insured may have a claim for the death benefits.

Generally, there are two forms of insurable interest in the life of an individual, familial and financial. Additionally, an individual is deemed to have an insurable interest in his or her own life. Insurable interest is determined at the inception of the policy. The definition of exactly what constitutes "insurable interest" tends to vary by state. Some cases have also been initiated by life insurance companies, challenging the legality of the original issuance of policies on insurable interest grounds and asserting that such policies constitute "Stranger-Originated Life Insurance" or "STOLI," which is defined as a practice or plan to initiate a life insurance policy for a third-party investor who, at the time of policy origination, has no insurable interest in the insured. Some states permit the heirs and beneficiaries of an insured to recover the death benefits under such STOLI policies rather than the policy owner which lacked insurable interest. In fact, over the past several years there have been an increasing number of cases brought by estates of insureds seeking the death benefits paid under alleged STOLI policies and courts in a number of states, especially Delaware have rendered decisions favorable to the estates in these cases.

Certain policies purchased for investment may be deemed by an issuing insurance company to be STOLI policies, whether purposefully, if Adviser deems such policy to be an attractive investment even after taking into account the insurable interest risk, or inadvertently, where the true nature of the policy is not discovered prior to its acquisition. Should an issuing insurance company or the estate of the insured successfully challenge the validity of a policy, investors will lose their investment in such Policy.

Origination Risks. Policy investments also face the risk that an original owner of a policy, the related insured, the insurance agent involved in the policy issuance, or other party may have committed fraud, or misstated or failed to provide material information in connection with the origination or subsequent sale of such policy. While most life insurance policies may not be challenged for fraud after the end of the two-year contestability period, there may be situations where such fraud in connection with the issuance of a policy may survive the contestability period. If an issuing insurance company successfully challenges a policy on the grounds of fraud, investors may lose their entire investment in such policy. Furthermore, if the age of an insured was misstated, investors may receive lower death benefits than expected. In addition, there may be information directly relevant to the value of a policy, including, but not limited to, information relating to the insured's medical or financial condition, to which Adviser will not have access. It is not possible to verify the accuracy or completeness of each piece of information or the completeness of the overall information supplied by such parties. Any such misstatement or omission could cause Adviser to rely on

assumptions which turn out to be inaccurate. Additionally, there can be no assurance that the seller of a policy properly acquired it from the former owner, or that a former beneficiary or other interested party will not attempt to challenge the validity of the transfer. The occurrence of any one or more of these factors could adversely affect the investment's performance and returns.

Credit Risk of Life Insurance Companies. Investments in policies will assume the credit risk associated with issuance by various life insurance companies. The failure or bankruptcy of any such life insurance company could have a material adverse impact on the ability to achieve investment objectives. A life insurance company's business tends to track general economic and market conditions that are beyond its control, including extended economic recessions, interest rate changes, or changes in investor perceptions regarding the strength of insurers generally and the policies or annuities they offer. Adverse economic factors and volatility in the financial markets may have a material adverse effect on a life insurance company's business obligation to pay death benefit on policies.

Life insurance companies face substantial exposure to interest rate movements through their investments in fixed-income securities. During times of persistent low interest rates, life insurance companies' income from investments might be insufficient to meet contractually guaranteed obligations to policyholders.

The insolvency of any insurance company or a downgrade in the ratings of an insurance company could have a material adverse impact on the value of the related policies, the collectability of the related death benefits, cash surrender value or other amounts agreed to be paid by such insurance company. In the event that a life insurance carrier becomes insolvent or is placed into receivership, most state guaranty associations place fund coverage limits are probably smaller than the face values of the policies. In addition to the limitations on the amount of coverage, which vary by state, there are limitations on who may make claims under such coverage and investors may not be eligible to make such claims.

Liquidity Risk relating to the Policies. The liquidation value of policies is important where, for example, it becomes necessary to sell the policies in order to meet cash flow needs. In many cases liquidations may not be a viable option to meet liquidity because of, among other things, (1) the lack of a market for such policies at the time; (2) the uncertainties surrounding the liquidation value of an individual policy; (3) the extensive amount of time and effort it might take to sell a policy; (4) the effect that excessive sales of policies may have on transactions and future cash flows; and (5) tax consequences.

Policies Acquired Subject to Retained Rights to Death Benefits. Adviser may acquire from client portfolios policies subject to an agreement to maintain the policy in force and pay a portion of the death benefit proceeds to a third party such as the original owner of the policy or its designee. If any such policy lapses, investors will not only not receive the related death benefits but may also be contractually obligated to pay the original owner of the policy all or a portion of the death benefits that would have been payable under such policy at the death of the related insured. In addition, there is a risk that such policy may be more difficult to sell or pledge. The occurrence of any one or more of these events could

materially and adversely affect the amount and timing of distributable proceeds.

Policies may Expire when an Insured Attains a Certain Age. A policy may have a stated expiration date on the date at which the underlying insured reaches a certain attained age and, beyond such date, the issuing insurance company may not be obligated to pay the death benefit, but rather only the cash surrender value, if any, in accordance with the terms of that policy. Therefore, if the underlying insured survives to the stated maturity date, the issuing insurance company may pay an amount substantially less than the death benefit, which could have an adverse effect on performance.

Privacy Laws and Factors May Limit the Information. Both federal and U.S. state statutes safeguard an insured's private health information. In addition, insureds frequently have an expectation of confidentiality even if they are not legally entitled to it. Even if Adviser properly obtains and uses otherwise private health information, but fails to maintain the confidentiality of such information, Adviser or the Fund may be the subject of complaints from the affected individuals, their families and relatives and, potentially, interested regulatory authorities. Additionally, it is possible that, due to a misunderstanding, Adviser may request and receive information that it in fact did not have a right to request or receive. This uncertainty increases the likelihood that a transaction party may sell, or cause to be sold, life insurance policies in violation of applicable law, which could potentially result in additional costs related to defending claims or enduring regulatory inquiries, rescinding such transactions, possible legal damages and penalties and probable reduced market value of the affected life insurance policies. Each of the foregoing factors may delay or reduce investors' return and investors may suffer a loss (including a total loss) on their investment.

Tracking the Insured. Another risk regarding policies is tracking the location and health status of the insured. Adviser will rely on the ability of a third-party servicing company to perform these tasks and to collect proceeds from the policy at the death of the insured. In certain instances the servicing and tracking agents may not be able to contact an insured or an insured's representative and substantial unplanned expenses could be incurred in locating the insured or the insured's representative.

Overall Life Settlement Transaction Risks. Despite good faith efforts in selecting suitable policies for investment, there can be no assurance that the investment program will perform as anticipated. Adviser's goal is to reduce, to the extent possible, controllable risks relating to life settlements, with the understanding that determining the exact time that such policies reach maturity (at the death of the insured) will not be possible, although efforts will be made through medical underwriting and actuarial projections to keep the maturity date within a reasonably predictable time frame.

Policies Are Illiquid Long-Term Investments. The return of capital and the realization of gains, if any, from a policy generally will occur only upon the partial or complete disposition of such policy, or upon its maturity. The market for life insurance policies is less developed than other more established asset classes, which may limit the ability to resell policies in a timely manner.

Risk of Life Settlements Being Deemed Securities. It is possible that sales of life insurance policies, depending on the facts and circumstances attending the particular sales, or a program of which the sale of a life insurance policy is a part, could implicate U.S. state and federal securities laws.

On July 22, 2010, the SEC released a staff report recommending that life settlements be clearly defined as securities so that the investors in life settlements transactions are protected under the U.S. federal securities laws. To date, the SEC has not made such a recommendation to Congress. However, if the statutory definitions of “security” were amended to encompass life settlements involving non-variable life insurance policies, Adviser and the Fund could become subject to additional extensive regulatory requirements under the federal securities laws. Any legislation implementing such regulatory change or a change in the transactions that are characterized as life settlement transactions could lead to significantly increased compliance costs and increased liability risk, and could adversely affect the ability to acquire or sell life insurance policies in the future. This could materially and adversely affect Adviser’s business, financial condition and results of operations, which in turn could materially and adversely affect investors.

Certain U.S. state laws specifically characterize life settlements as securities transactions. Thus, in some states, purchases and sales of life insurance policies may be subject to applicable state securities laws. If any life insurance policies are sold on behalf of clients, such sales will be effected in compliance with any applicable federal and state securities laws. The failure to comply with applicable securities laws in connection with the purchase or sale of life settlement policies could result in Adviser and/or the Fund being subject to fines, administrative and civil sanctions and rescission of life settlement policy purchase or sales transactions. Each of the foregoing factors could materially and adversely affect the Fund and investments therein.

Concentration and Diversification of Life Insurance Companies. Adviser intends to diversify its portfolio by investing in a variety of life insurance policies. The ability to achieve diversification with regard to the portfolio depends in part upon the level of assets in the portfolio, the face amounts of policies available for acquisition and the cost of acquiring and maintaining the policies.

Cybersecurity Risk. As part of its business, Adviser processes, stores and transmits large amounts of electronic information, including information relating to transactions and personally identifiable information of investors and insureds named in the policies and certain of their family members. Similarly, service providers may process, store and transmit such information. Adviser has procedures and systems in place that it believes are reasonably designed to protect such information and prevent data loss and security breaches and requires that service providers maintain similar procedures and systems, as appropriate. However, such measures cannot provide absolute security. The techniques used to obtain unauthorized access to data, disable or degrade service, or sabotage systems change frequently and may be difficult to detect for long periods of time. Hardware or software acquired from third parties may contain defects in design or manufacture or other problems that could unexpectedly compromise information security. Network connected services provided by third parties may be susceptible to compromise, leading to a breach of Adviser’s or a related

party's network. Adviser's systems or facilities may be susceptible to employee error or malfeasance, government surveillance, or other security threats. Online services provided by Adviser to clients and investors may also be susceptible to compromise. Breach of information systems may cause information relating to transactions and personally identifiable information to be lost or improperly accessed, used or disclosed.

The loss or improper access, use or disclosure of proprietary information may cause investment efforts to suffer, among other things, financial loss, the disruption of business, liability to third parties, regulatory intervention or reputational damage. Any of the foregoing events could have a material adverse effect on Adviser and clients or investors.

Natural Disasters and Acts of War or Terror. Areas in which Adviser has offices or where it otherwise does business are susceptible to natural disasters and epidemics, pandemics or other outbreaks of serious contagious diseases ("natural disasters"). The occurrence of a natural disaster could adversely affect and severely disrupt the business operations, economies and financial markets of many countries (even beyond the site of the natural disaster) and could adversely affect Adviser's investment program and its ability to do business. In addition, terrorist attacks, or the fear of or the precautions taken in anticipation of such attacks, could, directly or indirectly, materially and adversely affect certain industries in which Adviser invests or could affect the areas in which Adviser has offices or where it otherwise does business. Other acts of war (e.g., invasion, acts of foreign enemies, hostilities and insurrection, regardless of whether war is declared) could also have a material adverse impact on the financial condition of industries or countries in which Adviser invests.

Adviser has a business continuity plan that was designed to address interruptions in our normal business operations. While we believe our plan is adequate to allow for the continued operations of our business, there is a risk that certain natural or unnatural events that have not been anticipated may impact our operations for a period of time, where Adviser is unable to provide continuous investment advisory services. Such examples include but are not limited to terrorist attacks and global pandemics.

No guarantee or representation is made that any investment program, including investment objectives, diversification strategies or risk monitoring goals, will be successful. Investment results may vary substantially over time. No assurance can be made that profits will be achieved or that substantial or complete losses will not be incurred.

Prospective investors should carefully review in its entirety a Fund's Private Placement Memorandum and the Prospectus of the ICAV (the "ICAV Prospectus") and consult with their own counsel and advisers as to all matters concerning an investment in the Fund prior to investment.

ITEM 9 DISCIPLINARY INFORMATION

Advisers are required to disclose all material facts regarding legal or disciplinary events that are material to an investor's or prospective investor's evaluation of their advisory business or the integrity of the firm's management. Adviser has no such legal or disciplinary events.

ITEM 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Neither Preston Capital, LLC nor any of the Adviser's management persons are registered, or have an application pending to register as a broker-dealer, futures commission merchant, a commodity pool operator, commodity trading advisor, or a registered representative or associated person of the foregoing entities.

In addition to the entities described in Item 4 the Adviser has the following affiliates:

Preston Ventures, a California limited liability company under common control with Adviser, provides sourcing and due diligence services on a non-exclusive basis on insureds related to policies being considered for direct acquisition by its clients. Preston Ventures has been engaged as the valuation agent for the Funds.

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ITEM 11 CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS, AND PERSONAL TRADING

Adviser has adopted a code of ethics pursuant to Rule 204A-1 of the Advisers Act establishing procedures that govern the conduct and securities transactions of each of Adviser's officers, employees and supervised persons. The Code of Ethics and Prohibition of Insider Trading (the "Code") is designed to prevent violations of the fiduciary responsibilities owed by Adviser to its Clients. All supervised persons of Adviser are required to acknowledge the terms of the Code upon commencement of their employment, and when it is amended. The Code is reasonably designed to address and prevent, or reasonably mitigate, conflicts of interest between Adviser, its personnel and Clients. The Code also includes provisions with respect to such matters as personal securities transactions, insider trading and other fraudulent acts. Clients, prospective Clients, investors, or prospective investors may request a copy of the Code by contacting Adviser via email at Info@prestoncap.com or by phone at 949-272-2000.

Adviser's management team may invest either directly or indirectly in the Fund. While Adviser believes that such management investments promote an alignment of interest with investors, it does create a situation where Adviser's interests or those of its affiliates, including Adviser employees, could conflict with other clients with which the management team has not invested. To mitigate conflicts, Adviser maintains policies and procedures it believes are reasonably designed to assure that opportunities and resources are allocated fairly and equitably based on considerations other than Adviser's compensatory or pecuniary interests. Adviser's management team, which meets routinely to review advisory decisions and recommendations, will also review account resource allocation.

Adviser, its related persons and all of its employees are strictly prohibited from investing in life insurance policies for their own account unless it is alongside other investors through the Fund.

ITEM 12 BROKERAGE PRACTICES

Adviser has complete discretion in deciding which policies are bought and sold, the amount and price of those policies, the intermediary to be used for a particular transaction, and commissions or markups and markdowns paid. Currently policies in which the Fund invests are not securities as defined under relevant federal laws, including both the Securities and Exchange Act of 1934, regulating brokers, dealers, and secondary market transactions in securities, and the Investment Advisers Act of 1940¹ regulating investment advisory activities. Adviser does not utilize securities broker-dealers to effect trades. The life insurance policies that Adviser obtains for Clients are generally acquired and liquidated in privately negotiated transactions effected by Adviser through one or more unrelated licensed life settlement providers or remarketing agents (“Providers”), or through tertiary sales.

A fee shall be charged by Adviser as a percentage on all acquisitions of Fund investments in policies (the Placement Fee from Item 5, above). These fees will be in addition to the management fee and carried interest borne by investors in the Fund.

Providers used to source policies are compensated pursuant to a purchase agreement between Adviser, on behalf of the Fund, and the provider. The Provider is paid either (i) a base fee calculated as a percentage of an insurance policy’s face amount and potentially an incentive fee subject to certain pricing targets being achieved or (ii) compensated with the difference between their investment in the policy and the price the policy is acquired for. In some cases, Adviser may determine to sell insurance policies rather than holding them to maturity.

Portfolio transactions will be allocated to Providers on the basis of numerous factors and not necessarily lowest pricing. Adviser has adopted an order execution policy and arrangements with a view to obtaining the best possible result for its clients taking into consideration the relevant “execution factors”, including price, costs, speed, likelihood of execution and settlement, size, nature or other considerations relevant to the execution of a particular transaction. Providers may supply other services that are beneficial to Adviser and/or certain accounts, but not beneficial to all accounts. In selecting a Provider, Adviser may consider, among other factors that are deemed appropriate under the circumstances, the ability of the Provider to effect the transaction as well as the Provider’s facilities, reliability and financial responsibility.

Adviser may effect transactions with related persons, or clients thereof, including purchases of policies from and sales of policies to such persons or clients thereof. Such transactions are valued by Adviser in accordance with Adviser’s Valuation Policy. In determining the valuation policies applied to related party transactions, Adviser has a conflict of interest, as the valuation affects the terms of the transaction and could create an incentive for Adviser to transact positions at a price that favors the related party. Adviser seeks to mitigate this conflict by employing a robust valuation policy, engaging a third-party valuation specialist, and subjecting the Fund to an annual audit performed by an independent public accountant. Audited financial statements prepared in accordance with U.S. generally accepted accounting principles are distributed annually to Investors, as described further in Items 13 and 15.

¹ Securities and Exchange Act of 1934, Section 3, paragraph (a)(10) and Investment Advisers Act of 1940, Section 202, paragraph (a)(18).

Soft Dollars. No soft dollar benefits are received by Adviser; however, a Provider may supply information to Adviser that is helpful in making investment decisions. The fees charged by a given Provider in these circumstances may be higher than those charged by other Providers that may not offer such information. Adviser need not solicit competitive bids and does not have an obligation to seek the lowest available commission, cost or spread. Adviser maintains policies and procedures to review the quality of executions, including periodic reviews by its investment professionals.

Brokerage for Client Referrals. Adviser does not consider in selecting Providers whether Adviser or an affiliate receives client referrals from the Provider.

Directed Brokerage. Adviser does not permit investors to direct executions through specific Providers.

The Placement Fee creates a conflict of interest for Adviser in that it creates an incentive to trade the portfolio policies more frequently than it otherwise would. Additionally, the Adviser is responsible for determining the prices to be paid for these securities, and thus the Placement Fee to be earned. Adviser seeks to mitigate this conflict by employing a robust valuation policy, engaging a third-party valuation agent, and subjecting the Fund to an annual audit performed by an independent public accountant. Audited financial statements prepared in accordance with U.S. generally accepted accounting principles are distributed annually to Investors, as described further in Items 13 and 15.

Preston Ventures, an affiliate of Preston Capital, has been engaged to provide valuation services to the Fund. The Fund pays Preston Ventures a quarterly fee in connection with this valuation service, which such fee Preston Capital believes is below market rate for such services. The nature of this affiliation creates an incentive for Preston Ventures to inflate values in order to generate higher performance fees for Preston Capital. Preston Capital has adopted a valuation policy to address this conflict of interest.

ITEM 13 REVIEW OF ACCOUNTS

Fund holdings are reviewed at least quarterly by the Chief Investment Officer. Investors in the Fund receive a monthly report of unaudited fund performance and quarterly statements. In addition, the Fund is audited annually by an independent public accountant. The results of such audit are distributed to investors within 120 days after the end of the Fund's fiscal year end (see Item 15 for additional information).

ITEM 14 CLIENT REFERRALS AND OTHER COMPENSATION

Fund investors who subscribe through a placement agent or other third party may be subject to a sales charge in accordance with written disclosures provided to such investors. All or a portion of any such subscription charge is paid to the placement agent or other third party for services provided in connection with the solicitation of subscriptions. Any applicable subscription charge is paid out of the investor's capital contribution, reducing the amount invested and are disclosed, reviewed, and approved by the investor during the subscription process.

Adviser and its affiliates receive management fees, incentive-based compensation, and other fees as described in Fund offering documents in connection with providing advisory, administrative and other services to the Fund. Please see Item 5 and Item 6 for additional information regarding management fee and incentive-based compensation and Item 10 for a description of related persons.

As described in Items 5 and 12, Adviser will charge a fee on all acquisitions of Fund investments in policies (the Placement Fee from Item 5, above). These fees are in addition to the management fee and carried interest borne by investors in the Fund. This fee creates a conflict of interest for Adviser in that it creates an incentive to trade the portfolio policies more frequently than it otherwise would. Additionally, the Adviser is responsible for determining the prices to be paid for these securities, and thus the Placement/Disposition Fee to be earned. Adviser seeks to mitigate this conflict by employing a robust valuation policy, engaging third party valuation agent and subjecting the Fund to an annual audit performed by an independent public accountant. Audited financial statements prepared in accordance with U.S. generally accepted accounting principles are distributed annually to Investors, as described further in Items 13 and 15.

ITEM 15 CUSTODY

Client funds and investments are maintained with an independent qualified custodian in compliance with Rule 206(4)-2 under the Investment Advisers Act of 1940 (the "Custody Rule"). However, Adviser or an affiliate, as general partner, is deemed to have custody of Fund assets as a result of having broad authority to control those assets. To satisfy adviser obligations under the Custody Rule, Adviser will comply with the "audit exemption" by ensuring the Funds are subject to an annual audit performed by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board. Audited financial statements prepared in accordance with U.S. generally accepted accounting principles are distributed annually to Investors within 120 days of the Fund fiscal year end.

ITEM 16 INVESTMENT DISCRETION

Adviser manages accounts on a discretionary basis, determining the type, amount and price of policies to be bought and sold, subject to investment objectives, guidelines and restrictions agreed to with the Client and set forth in the relevant governing documents. These may include, by way of example, limitations on concentration of life insurance policies issued by a particular life insurance company.

ITEM 17 VOTING CLIENT SECURITIES

The instruments in which Adviser invests do not acquire issuer voting rights and, as such, Adviser does not expect to receive or vote proxies.

ITEM 18 FINANCIAL INFORMATION

Advisers are required to disclose any financial condition that is reasonably likely to impair their ability to meet contractual commitments to advisory clients. Adviser is not aware of any financial impairment that would preclude the Firm from meeting contractual commitments to Clients.