



APC ASSET DEVELOPMENT I, LP

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March 29, 2024

This Brochure provides information about the qualifications and business practices of APC Asset Development I, LP. If you have any questions about the contents of this Brochure, please contact us at APCcompliance@aristotlecap.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 authority.

Additional information about the firm also is available on the SEC’s Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov.

Registration as an investment adviser with the SEC does not imply that the firm has a certain level of skill or training.

ITEM 2: MATERIAL CHANGES**Item 2 – Material Changes**

Within this section, APC Asset Development I, LP (“APC Development” or the “Firm”) must identify and discuss any material changes to its Form ADV Part 2A (the “Brochure”).

This Brochure, dated March 28, 2024, replaces the prior version filed on January 26, 2024.

This summary of material changes is designed to make clients and prospective clients aware of information that has changed since the filing of the Brochure’s prior version, which may be of importance to them.

Item 10: Other Financial Industry Activities and Affiliations

- updated to add two newly formed affiliates.

ITEM 3: TABLE OF CONTENTS

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ITEM 4: ADVISORY BUSINESS

APC Asset Development I, LP (“APC Development” or the “Firm”) was formed to manage vehicles investing primarily in senior secured debt obligations, most or all of which will be collateralized loan obligation transactions (“CLOs”). The Firm also invests in and manages interests issued by such CLOs on behalf of its investors. APC Asset GP I, LLC serves as the Firm’s general partner (“General Partner”). The General Partner is a wholly-owned subsidiary of Aristotle Pacific Capital, LLC (“Aristotle Pacific”). Aristotle Pacific is the General Partner’s sole member.

Aristotle Pacific, an investment firm established in 2007, focuses on total return credit-oriented investment strategies primarily for institutional investors. Prior to the Firm’s formation, Aristotle Pacific served as collateral manager for certain CLOs. As the collateral manager, Aristotle Pacific was responsible for the selection and disposition of such CLOs’ investments that met the criteria set forth in the terms of the applicable CLO indenture. Aristotle Pacific sponsored the formation of APC Development. During December 2023, Aristotle Pacific transitioned management of the CLOs to APC Development. In connection with the transition and assumption of collateral management duties, APC Development entered into a service agreement with Aristotle Pacific through which, for a fee, APC Development is able to utilize Aristotle Pacific’s investment personnel involved with debt obligations and CLO management. Aristotle Pacific further supports APC Development through the provision of systems, credit research, capital markets and structure product expertise, legal/compliance functions, traditional middle office and back-office services, and administrative and infrastructure services. The General Partner may designate one or more persons of Aristotle Pacific to serve as officers of APC Development, with delegated authority to perform such duties, including overseeing the day-to-day operations of the Firm. Additional information regarding Aristotle Pacific and its advisory business is set forth in Aristotle Pacific’s Form ADV, which is available upon request.

APC Development’s principal place of business is located in Newport Beach, California.

APC Development, together with Aristotle Pacific and its other collateral manager affiliates, has approximately \$24.6 billion in assets under management as of December 31, 2023, across multiple CLOs and investment strategies. Note that the method for computing client assets under management is different from the method for computing regulatory assets under management required for Item 5.F in Form ADV Part I.

APC Development provides investment management services to institutional clients. As an adviser, APC Development generally has discretionary authority to determine which investments are bought and sold and the amounts of such investments that are appropriate for each client. Limitations on our investment authority, if any, are set forth in the applicable governing documents or investment management agreements. APC Development’s advisory services will be focused on the management of broadly syndicated, senior secured, leveraged loans, CLOs, and the investment of securities issued by such CLOs.

APC Development does not participate in wrap fee programs. Please refer to Item 8: Methods Of Analysis, Investment Strategies And Risk Of Loss, for a description of the strategies and types of investments used by APC Development on behalf of its client accounts.

ITEM 5: FEES AND COMPENSATION

As collateral manager to CLOs, APC Development receives a collateral management fee at an annual rate, as specified in the applicable collateral management agreement, of the collateral principal balance of the CLO, payable quarterly in arrears. APC Development may also be paid an incentive fee from a CLO that is dependent upon achieving target returns for junior and/or equity noteholders.

In addition to advisory fees, investors may indirectly incur certain other fees and expenses, such as investment related expenses, custodial fees, legal expenses, audit and tax preparation costs and expenses, regulatory and filing fees, fees payable to an administrator and other similar expenses. In addition, almost all fixed income instruments trade at a bid/ask spread and without an explicit brokerage charge. Accordingly, while there is not a formal trading expense, clients will bear the implicit trading costs reflected in those spreads. See Item 12: Brokerage Practices below for more information about APC Development's brokerage practices.

Neither APC Development nor any of its supervised persons accepts any sales-based compensation for investment advisory services. In addition, neither APC Development nor its supervised persons earn commissions for the sale of securities or other investment products.

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

A description of the fees, including performance-based fees, received by APC Development is provided above in Item 5. APC Development may provide investment advisory services to additional clients in the future that have similar or different performance-based compensation arrangements than those discussed above.

The fees, including performance-based fees, that APC Development receives as compensation for managing certain client accounts may differ from one another. This creates a potential conflict of interest because the financial benefit that comes from a client account paying a higher fee or a performance-based fee may provide an incentive for APC Development to favor such client's account over others. As a registered investment adviser, APC Development has a fiduciary duty to exercise due care to ensure that investment opportunities are allocated equitably among all participating clients over time.

In general, investment decisions for each client will be made independently from those of other clients, with specific reference to the individual needs and objectives of each client. Different account guidelines and/or differences within particular investment strategies may lead to the use of different investment practices for client accounts within a similar investment strategy. In addition, APC Development will not necessarily purchase or sell the same securities at the same time or in the same proportionate amounts for all accounts, particularly if different accounts have materially different amounts of capital under management by APC Development or different amounts of investable cash available. As a result, although APC Development manages multiple accounts with similar or identical investment objectives, or may manage accounts with different objectives that trade in the same securities, the portfolio management decisions relating to these accounts, and the performance resulting from such decisions, may differ from account to account. APC Development has implemented policies and procedures to address trade allocation and aggregation decisions. These policies and procedures seek to ensure fair and equitable treatment of all participating clients over time. The policies and procedures include compliance monitoring and oversight of allocation and aggregation practices.

ITEM 7: TYPES OF CLIENTS

As described above, APC Development provides investment management services primarily to CLOs. APC Development also manages and invests in certain securities issued by such CLOs, debt securities or obligations and syndicated leveraged loans on behalf of its investors, which may include state and municipal entities, corporations, foundations and endowments, insurance companies and other types of institutional investors.

Eligibility and minimum investment amounts are generally set forth in the applicable governing or offering documents; in certain cases, however, the General Partner may reduce or waive the minimum investment amount in its sole discretion.

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

Investment Strategies. APC Development manages CLOs and invests in such CLOs in accordance with the investment guidelines set forth in the applicable governing documents.

Methods of Analysis. APC Development, through the services agreement with Aristotle Pacific, utilizes the investment staff and systems of Aristotle Pacific, including individuals with experience managing CLOs and investments in bank loan debt instruments. The CLO investment team's investment process is anchored by a fundamental, bottom-up approach that is complemented by a top-down analysis. As part of its active management process, multiple members of the investment team participate throughout each stage of the investment process. APC Development does not employ a quantitative strategy.

The investment process begins with a top-down assessment, which incorporates both the macro-economic environment as well as technical factors that could materially impact the credit markets. Members of the investment team meet daily to discuss major economic releases, market news, and government policy. We assess the economic climate and outlook and also incorporate a review of credit events that may impact the portfolios and the new issue calendar. In addition to daily investment meetings, the investment team conducts quarterly sector reviews that help formulate short-term and long-term sector outlooks. The investment team articulates the top-down assessment through the portfolio risk position and sector allocation selection. These considerations also drive the allocation strategies, in terms of weights for rating quality and sector selection.

The investment team's bottom-up analysis employs a screening process. The screening process focuses primarily on larger, more liquid issuers. Companies that pass the primary screens are then subjected to additional screening by the analysts and portfolio managers to assist in the decision to initiate the fundamental analysis based on the company's relative attractiveness. Research on other issuers may also be initiated by the portfolio managers and research analysts for other reasons such as an issue's relative attractiveness, company specific events, upcoming new issues and temporary market dislocations.

While the universe of potential investments narrowed through the screening process, fundamental credit analysis is the primary determinant in constructing investment portfolios. Credit analysis is performed on each company and a relative value analysis is performed on each security. Together, relative value is assessed across companies and within a capital structure.

The investment team's approach to underwriting credit uses a traditional methodology. Cash flow generation and the particular company's ability to service its debt is paramount. When operating cash flow is not sufficient to service a company's debt obligations, the investment team will look for reliable secondary sources of liquidity.

The capital structure is scrutinized to determine the optimal relative value. Since each analyst researches issuers with loans and/or bonds, they are able to scrutinize the capital structure of a company in greater detail and with greater understanding in order to determine the best relative value. Additionally, they assess factors such as a company's cost structure, competitive position, and management. The investment team may also meet with management teams to gain additional insight into a potential investment.

Portfolio managers are responsible for all final buy and sell decisions. Portfolio managers will construct portfolios that they feel contain the most effective mix of investments in accordance with investment objectives and portfolio guidelines. Investments with the most favorable risk/reward analysis will tend to have a greater representation in the portfolio. Other considerations include how an investment contributes to the overall portfolio's composition (diversification, ratings, duration, yield, etc.).

Once an investment is made, the investment team conducts on-going investment oversight of the portfolios and their holdings each business day. Portfolio values are monitored daily through third-party pricing. Credit updates are captured in our investment research system. The system aggregates information such as portfolio holdings, analyst comments and investment theses for portfolio management and credit teams. Research on individual issuers is typically updated quarterly and instantly shared with the investment teams. On a quarterly basis, the Investment Committee, along with the portfolio managers and portfolio support professionals, formally meet to review portfolio positioning, investment views and benchmarks to ensure all investment decisions are known and the portfolio is not subjected to unintended risks. Decisions to sell investments are generally based upon achieving appreciation targets, relative value opportunities elsewhere and/or changes in the corporate fundamentals.

Investment Strategy and Client Account Risks. The investment strategy and client account specific risk factors discussed below provide a general description of the nature of various risks which a portfolio may be exposed to. All investing involves risk of loss. Past performance does not guarantee future results. Clients and/or investors are likely to be exposed to additional risks not described herein. The following list of risks factors does not purport to be a complete enumeration or explanation of the risks involved in an investment. Investors are advised to review the most current offering documents or private placement memorandum for a complete and in-depth description of the applicable investment strategies, objectives and risks.

Active Management Risk – The portfolio manager's judgments about the value or potential appreciation of an investment may prove to be incorrect or fail to have the intended results, which could adversely impact the strategy's performance and cause it to underperform relative to other strategies with similar goals or relative to its benchmark, or not to achieve its investment objective.

Market and Regulatory Risk – Events in the financial markets and in the economy (including wars, pandemics, natural disasters, terrorist acts or security operations) may cause volatility and uncertainty and may affect performance. Due to the interdependencies between markets, events in one market may adversely impact other markets or issuers in unforeseen ways which may negatively impact a strategy's performance. Illiquid investments may experience periods of diminished liquidity.

During a general downturn in the financial markets, multiple asset classes may decline in value simultaneously. Governmental and regulatory actions may impair portfolio management and have unexpected consequences on particular markets, strategies, or investments. Future market or regulatory events may impact a strategy in unforeseen ways.

Price Volatility Risk – The market value of investments will go up or down, sometimes rapidly or unpredictably. Price volatility can be caused by many factors, including changes in the economy or financial markets or for reasons specific to a particular issuer. The volatility of non-investment grade debt securities (including loans) may be greater than for investment grade securities.

Interest Rate Risk – The values of debt securities fluctuate as interest rates change. Debt securities with longer durations or fixed interest rates tend to be more sensitive to changes in interest rates, making them more volatile than debt securities with shorter durations or floating or adjustable interest rates. Floating or adjustable-rate instruments (such as most loans) typically have less exposure to interest rate fluctuations and such fluctuations will generally be limited to the period of time until the interest rate on the security is reset. There is a lag in the adjustment of interest rates between periods when these interest rates are reset.

Credit Risk – The risk that an issuer or guarantor of a debt instrument is unable or unwilling to meet its financial obligations. The credit quality of a portfolio's securities can change rapidly in certain market environments, particularly during volatile markets, and the default of a single holding could cause significant deterioration of a portfolio's value. A debt instrument's issuer (or borrower or counterparty to a repurchase agreement or reverse repurchase agreement) may not be able to meet its financial obligations (e.g., may not be able to make principal and/or interest payments when they are due or otherwise default on other financial terms) and/or may go bankrupt.

Even though certain securities (such as loans) may be collateralized, there is no assurance that the liquidation of any collateral would satisfy interest and/or principal payments due to the portfolio on such securities, or that collateral could be easily liquidated in the event of a default. Such collateral may be difficult to identify and/or value, and if the value of the underlying collateral depreciates, recovery upon default may be difficult to realize.

Non-investment grade debt instruments are especially subject to credit risk during periods of economic uncertainty or during economic downturns, are considered to be mostly speculative in nature and are more likely to default on their interest and/or principal payments than higher rated securities.

High-Yield Securities Risk – High yield securities are typically issued by companies that are highly leveraged, less creditworthy or financially distressed and are considered to be mostly speculative in nature (high risk), are potentially less liquid, and have a greater risk of loss, that is they are more likely to default than higher rated securities.

Floating Rate Loan Risk – Floating rate loans (or bank loans) are usually rated below investment grade. Floating rate loans may be subject to liquidity risk, as they may be subject to irregular trading activity, wide bid/ask spreads and extended trade settlement periods. Investments in floating rate loans are typically in the form of an assignment or participation. Investors in a loan participation assume the credit risk associated with the borrower and may assume the credit risk associated with an interposed financial intermediary. Accordingly, if a lead lender becomes insolvent or a loan is foreclosed, the portfolio could experience delays in receiving payments or suffer a loss. In an assignment, the portfolio effectively becomes a lender under the loan agreement with the same rights and obligations as the assigning bank or other financial intermediary. Accordingly, if the loan is foreclosed, the portfolio could become part owner of any collateral, and would bear the costs and liabilities associated with owning and disposing of the collateral.

Liquidity Risk – Liquidity is the ability to sell securities or other investments within a reasonable amount of time at approximately the price at which the portfolio valued the security, which relies on the willingness of market participants to buy and sell securities. Certain investments may be difficult to purchase and sell, particularly during adverse market conditions, because there is a limited market for the investment or restrictions on resale. If the portfolio holds illiquid securities, it may be unable to take advantage of market opportunities or it may be forced to sell other, more desirable, liquid securities or sell illiquid securities at a loss if it is required to raise cash to conduct its operations.

Foreign Market Risk – Exposure to foreign markets through issuers can involve additional risks relating to market, economic, political, regulatory, geopolitical, or other conditions. These factors can make foreign investments more volatile and less liquid than U.S. investments. In addition, foreign markets can react differently to these conditions than the U.S. market. Markets and economies throughout the world are increasingly interconnected, and conditions or events in one market, country or region may adversely impact investments or issuers in another market, country or region.

Rating Agencies - Ratings assigned by nationally recognized statistical rating organizations (NRSRO's), including Moody's, S&P and/or Fitch, to securities acquired in a portfolio reflect only the views of those agencies. Explanations of the significance of ratings should be obtained from Moody's, S&P and Fitch. No assurance can be given that ratings assigned will not be withdrawn or revised downward if, in the view of Moody's, S&P or Fitch, circumstances so warrant.

Issuer Risk - The value of a security or instrument may decline for reasons directly related to the issuer, such as management performance, financial leverage and reduced demand for the issuer's goods or services.

Equity Securities Risk – Stock markets are volatile. The price of equity securities tend to go up or down in value, sometimes rapidly and unpredictably, in response to many factors, which may be due to the particular issuer, its industry or broader economic or market events.

Debt Securities Risk – Debt securities are affected by many factors, including prevailing interest rates, market conditions, governmental and regulatory actions, and market liquidity. Volatility of below investment grade fixed income securities (including loans) may be relatively greater than for investment grade securities.

Non-Diversification Risk – Non-diversification involves investing a greater percentage of assets in a single issuer or a fewer number of issuers as compared to a diversified portfolio. This increases potential price volatility and the risk that the value of the portfolio could go down because of the poor performance of a single investment or a small number of investments.

ESG Criteria Risk – The consideration of ESG criteria in the investment process could cause a portfolio to forgo investment opportunities available to other portfolios not using these criteria and underperform such strategies. Further, there can be no assurance that the ESG criteria utilized by or any judgment exercised by portfolio managers will reflect the beliefs or values of any particular investor. An independent third party ESG data provider's assessment of the financial materiality of ESG factors could be inaccurate, which may have an adverse impact on the strategies' performance or cause the strategies to hold a security that might be ranked low from an environmental, social or governance perspective based on a methodology or perspective different from another provider.

Collateralized Loan Obligations Risk - CLO securities present risks similar to those of other types of credit investments, including default (credit), interest rate, liquidity, prepayment and reinvestment risks. The market value of a CLO will fluctuate with, among other things, the financial condition of the obligors on

or issuers of the CLO's holding, general economic conditions, the condition of the debt trading markets and certain other financial markets, political events, developments or trends in any particular industry and changes in prevailing interest rates. Such changes in market value will impact the value of CLO securities.

CLO investments are often illiquid. Consequently, an investor in CLO securities must be prepared to hold its investment in the securities until the stated maturity date. The securities are not, and will not be, registered under the U.S. Securities Act or any state securities law.

CLOs are governed by a complex series of legal documents and contracts, which increases the risk of dispute over the interpretation and enforceability of such documents relative to other types of investments. There is also a risk that the trustee of a CLO does not properly carry out its duties to the CLO, potentially resulting in loss to the CLO. CLOs are also inherently leveraged vehicles and are subject to leverage risk.

Cybersecurity Risk - Investment advisers, such as APC Development, and their service providers may be subject to operational and information security risks resulting from cyber-attacks. Cyber-attacks include, among other behaviors, stealing or corrupting data maintained online or digitally, denial of service attacks on websites, the unauthorized release of confidential information or various other forms of cybersecurity breaches. Cyber-attacks affecting investment adviser, a client's custodian, or intermediaries or other third-party service providers may adversely impact a client's experience and/or investment. For instance, cyber-attacks may interfere with the processing of client's transactions, cause the release of private information or confidential company information, impede trading, subject the adviser to regulatory fines or financial losses, and cause reputational damage. APC Development may also incur additional costs for cybersecurity risk management purposes. While APC Development and our service providers have established business continuity plans and risk management systems designed to prevent or reduce the impact of cybersecurity attacks, such plans and systems have inherent limitations due in part to the ever-changing nature of technology and cybersecurity tactics, and there is the possibility that certain risks have not been adequately identified or prepared for. Furthermore, APC Development cannot control any cybersecurity plans or systems implemented by our service providers. Similar types of cybersecurity risks are also present for issuers of securities in which CLOs invest, which could result in material adverse consequences for such issuers and may cause an investment in such portfolio companies to lose value.

Bankruptcy Cases - Client accounts/portfolios may, from time to time, have an investment in a company undergoing a bankruptcy proceeding. Many of the events within a bankruptcy case are adversarial and may be beyond the control of the creditors. While creditors generally are afforded an opportunity to object to significant actions, there can be no assurance that a bankruptcy court would not approve actions which may be contrary to the interests of a CLO. Generally, the duration of a bankruptcy case can only be roughly estimated. The reorganization of a company usually involves the development and negotiation of a plan of reorganization, plan approval by creditors and confirmation of such plan by the bankruptcy court. This process can involve substantial legal, professional and administrative costs to the company; it is subject to unpredictable and lengthy delays and during the process, the company's competitive position may erode, key management may depart and the company may not be able to invest adequately. In some cases, the company may not be able to reorganize and may be required to liquidate assets. The debt of companies in financial reorganization will, in most cases, not pay current interest, may not accrue interest during the reorganization and may be adversely affected by an erosion of the issuer's fundamental values. Such investments can result in a total loss of principal. Investments in the debt of financially distressed companies domiciled outside of the United States involves additional risks, as bankruptcy laws and procedures may differ substantially from those in the United States. These differences may result in greater

uncertainty as to the rights of creditors, the enforceability of such rights, reorganization timing and the classification, seniority and treatment of claims.

Private Funds. Each purchaser of an interest in a private fund may bear the economic risk of its investment for an indefinite period of time (subject to the limited right to withdraw capital from the fund) because the interests have not been registered under the Securities Act and therefore, cannot be sold unless they are subsequently registered under the Securities Act or an exemption from such registration is available. Investments in private funds are generally not transferable without the general partner's prior written consent, which may be given or withheld in the general partner's sole discretion. In addition, withdrawal rights may be subject to certain restrictions, as described in the applicable offering documents. The general partner of a private fund may also suspend or postpone the withdrawal rights of an investor. During any period where withdrawals are restricted, suspended or postponed, the assets in the private fund would remain subject to market risks. Investors should consider their short-term and long-term cash access needs prior to investing in a private fund.

CLOs. Each class of CLO securities (other than the highest-ranking class) is subordinated to higher-ranking classes and all classes of securities are subordinated to the payment of certain fees and expenses to the extent provided under the priorities of payment. In addition, amounts otherwise available to make payments on lower-ranking classes are subject to diversion to pay interest on and/or principal of secured notes under the priorities of payment. Notwithstanding the priority of interest payments and the priority of principal payments, if the CLO notes are accelerated following certain events and such acceleration is not rescinded, no payments of interest on and principal of any lower-ranking classes will be made until each higher-ranking class has been paid in full. To the extent that any losses are suffered, such losses will be borne by the securities in reverse order of priority, commencing with the subordinated notes. Other risks associated with CLOs are described in the applicable offering memorandum.

Tax Considerations. Tax laws and regulations applicable to a client account are subject to change, and unanticipated tax liabilities could be incurred by investors as a result of such changes. Investors should consider their own tax-related consequences of investing in a separate account, registered fund or private fund.

Frequent Trading. Frequent trading or "portfolio turnover" is the frequent buying and selling of assets within a portfolio by the portfolio manager. Portfolio turnover may result in increased transaction costs which could have a negative impact on performance. In general, the higher the turnover rate, the higher the transaction costs.

Managing Frequent Trading Risks. The portfolio management team is responsible for portfolio construction, trading, and risk management as it pertains to investment risk. Activities include setting portfolio parameters, initial screening of primary and secondary investment opportunities, managing individual issuer and single industry investment limits, monitoring overall credit quality and liquidity risk, and providing key market information.

Portfolio managers take a holistic view regarding risk management and carefully monitor all portfolio investments in the portfolios on an on-going basis. APC Development takes a disciplined approach to managing investment risk by focusing on the following factors:

Capital preservation – Portfolio management works closely with the research team, actively monitoring credits.

Diversification – In addition to monitoring sector and security weights, duration, term structure, and credit quality are monitored on a portfolio level and on an individual security basis.

Liquidity – A significant portion of the positions in each strategy are considered liquid securities. The research focus is geared toward companies with an EBITDA of greater than \$100 million. These companies tend to issue more liquid debt.

Active Management – As an active investment manager, the Firm manages portfolios using quick, decisive decision making, with the intent of driving performance for clients and helping to mitigate risk in the portfolios.

ITEM 9: DISCIPLINARY INFORMATION.

APC Development does not have any legal or disciplinary events to report that would be material to a client, an investor's or prospective investor's evaluation of the Firm's advisory business or the integrity of APC Development's management.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

APC Development's Other Financial Industry Activities or Affiliations.

APC Development has business arrangements with the following registered investment advisers and financial entities, some of which may be considered material and some which are affiliates, as described below:

- Aristotle Pacific Capital, LLC ("Aristotle Pacific") – Registered investment adviser with a focus on corporate credit strategies, including senior secured debt obligations. Aristotle Pacific has entered into a services agreement with APC Development, whereby Aristotle Pacific members and employees act on behalf of the Firm. Through the services agreement, the Firm will be able to leverage Aristotle Pacific's capital markets and structured products expertise.
- APC Asset GP I, LLC – APC Asset GP I, LLC is the general partner of APC Development and a wholly owned subsidiary of Aristotle Pacific. Aristotle Pacific is the sole managing member of APC Asset GP I, LLC.
- APC Asset GP II, LLC (APC GP II) – APC GP II is the general partner of APC Asset Development II, LP ("APC Development II") and a wholly owned subsidiary of Aristotle Pacific. Aristotle Pacific is the sole managing member of APC Asset GP II, LLC.
- APC Development II – A registered investment adviser formed primarily to serve as the collateral manager for newly issued CLO transactions. APC Development II has entered into a service agreement with Aristotle Pacific, through which Aristotle Pacific members and employees act on behalf of the firm in connection with its provision of investment management services.
- PAM Bank Loan GP LLC – PAM Bank Loan GP LLC is the general partner of Pacific Asset Management Bank Loan Fund L.P., a private fund for which Aristotle Pacific provides investment management services. Aristotle Pacific is the managing member of PAM Bank Loan GP LLC.
- PAM CLO Opportunities GP LLC – PAM CLO Opportunities GP LLC is the general partner of Pacific Asset Management CLO Opportunities Fund L.P., a private fund for which Aristotle Pacific provides investment management services. Aristotle Pacific is the managing member of PAM CLO Opportunities GP LLC.

- APC Short Duration HY GP, LLC (APC SDHY GP) – APC SDHY GP, a wholly-owned subsidiary of Aristotle Pacific, was recently formed to serve as the general partner of a proposed private investment fund. Aristotle Pacific is the sole managing member of APC SDHY GP.
- APC HY Bond GP, LLC (APC HY GP) – APC HY GP, a wholly-owned subsidiary of Aristotle Pacific, was recently formed to serve as the general partner of a proposed private investment fund. Aristotle Pacific is the sole managing member of APC HY GP.
- Aristotle Capital Management, LLC (Aristotle Capital) – Registered investment adviser with a focus on Value, International and Global Equity strategies.
- Aristotle Capital Boston, LLC (Aristotle Boston) – Registered investment adviser with a focus on domestic Small Cap and Small/Mid Cap Equity strategies.
- Aristotle Atlantic Partners, LLC (Aristotle Atlantic) – Registered investment adviser with a focus on Large Cap Growth, Core Equity and Sustainable Equity strategies.
- Aristotle Credit Partners, LLC (Aristotle Credit) – Registered investment adviser with a focus on credit strategies (High Yield Bonds, Investment Grade Corporate Bonds, Bank Loans).
- Aristotle Investment Services, LLC (Aristotle Investment) – Registered investment adviser that serves as investment adviser to Aristotle Funds Series Trust, a registered investment company.
- Aristotle Fund Series Trust (AFST) – A mutual fund series trust managed by Aristotle Investment.
Saul Fund GP, LLC (Saul GP) – Saul GP serves as the general partner of Saul Fund, LP (a private fund currently closed to new investors). Saul GP is controlled by Howard Gleicher, who is an indirect owner of Aristotle Capital.
- RCB Acquisition Company, LLC – A holding company for the ownership interests of Aristotle executive management.
- MetWest Ventures, LLC (MetWest Ventures) – A multi-strategy asset management platform that partners with management teams to help investors achieve their investment objectives; entity owned and controlled by Richard S. Hollander, Chairman of Aristotle Capital, Aristotle Credit, Aristotle Boston and Aristotle Atlantic.
- MetWest Realty Advisors, LLC (MetWest Realty), MetWest Terra Hospitality (MetWest Terra) – Provide investment management services primarily related to real estate related investments. The firms are owned by MetWest Ventures.
- MetWest Fund Manager, LLC (MetWest Fund) – A private fund manager associated with MetWest Realty and responsible for a number of real estate-related private funds. MetWest Fund is also controlled by Richard Hollander and is a General Partner of several pooled vehicles managed by MetWest Realty Advisors, LLC.

There are potential material conflicts of interest associated with the performance-based compensation arrangements and the side-by-side management of accounts with similar investment strategies and/or asset types. These potential conflicts are addressed through policies, procedures and monitoring. Please see the discussion under Item 6: Performance-Based Fees and Side-by-Side Management.

APC Development does not currently recommend or select other investment advisers for client accounts, nor do we receive direct or indirect compensation from recommending or selecting other investment advisers.

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

Code of Ethics Procedures. APC Development has adopted a written Code of Ethics (the “Code”) pursuant to Rule 204A-1 under the Investment Advisers Act of 1940. The Code is intended to ensure that all acts, practices and courses of business engaged in by our firm reflect high standards of integrity and comply with the requirements of applicable federal securities laws.

Individuals performing services for APC Development that have access to nonpublic trading or securities holding information of the client accounts are Access Persons subject to the requirements of the Code. Access Persons must avoid activities, interest and relationships that might interfere or appear to interfere with making decisions in the best interest of our advisory clients. Violations of the Code by an Access Person can result in personal sanctions including termination of employment. In accordance with the Code, Access Persons must pre-clear certain transactions as outlined in the Code and are restricted from trading in certain other securities. In order to monitor compliance with the Code, Access Persons are required to provide quarterly transactions reports and annual securities holdings reports to the Chief Compliance Officer. Additionally, all Access Persons must certify to the terms of the Code annually or whenever the Code is materially amended.

Applying the Code of Ethics to Conflicts of Interests. There is the possibility of conflicts of interests for various reasons including: (i) Access Persons may invest in the same securities as our advisory clients and as such may benefit from market activity resulting from transactions executed for our advisory clients and (ii) Access Persons may trade for their own accounts in close proximity to trades executed for our advisory clients. The Code is designed to assure that the personal securities transactions, activities and interests of the Access Persons of APC Development will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Requesting a Copy of the Code of Ethics. A copy of APC Development’s Code of Ethics may be obtained by written request. Please send requests to:

APC Asset Development I, LP
c/o Aristotle Pacific Capital, LLC
840 Newport Center Drive 7th Floor
Newport Beach, CA 92660
Attention: APC Compliance Dept.

Email requests may be sent to: APCcompliance@aristotlecap.com

ITEM 12: BROKERAGE PRACTICES

Soft Dollars. APC Development does not intend to enter into soft dollar arrangements with broker-dealers and it is APC Development's policy not to seek, receive, or benefit from soft dollar arrangements. However, APC Development may receive research or other services (both solicited and unsolicited) from brokers in the ordinary course of trading on behalf of our clients. These items are not received pursuant to arrangements or agreements to exchange brokerage activity for services or benefits and are not considered to be obtained using soft dollars. APC Development is not obliged to direct brokerage in order to receive such information, and while APC Development may benefit from the receipt of such services or information, it is not a factor considered in APC Development's best execution decisions.

Selecting Broker-Dealers. APC Development does not participate in directed brokerage and does not trade with any affiliated broker.

APC Development has policies and procedures in place for the selection and approval of broker-dealers. Processes are designed to create an environment conducive to achieving consistent results. Broker-dealers (also called Counterparties) are selected from the Approved Broker-Dealer List. Broker-dealers are evaluated based on several criteria and require approval by the Trading Oversight Committee, prior to addition to the Approved Broker-Dealer List.

The criteria considered by the Trading Oversight Committee includes, but is not limited to, a firm's creditworthiness, professional capabilities, value, and the quality of brokerage services offered. Approval is not based upon soft-dollars, revenue sharing, distribution ability, relationships, or any other supplemental benefits that APC Development may receive.

Broker-dealers on the Approved Broker-Dealer List are continuously evaluated by portfolio managers and traders for their execution capabilities. Gift and Entertainment reporting is required and reviewed regularly for potential conflicts or issues. Individuals acting on behalf of APC Development are required to disclose relationships with other firms that may cause a potential conflict.

Cross Trades. A cross trade involves the pre-arranged purchase and sale of securities made directly between two accounts managed by the Firm or the Firm's affiliates in order to benefit the accounts by eliminating or minimizing transaction and market impact costs. For example, if one portfolio needs to liquidate a position to raise cash while a second portfolio plans to invest, and the security is appropriate for the acquiring portfolio then a cross trade makes sense both operationally and from a cost savings standpoint. APC Development may utilize cross trades as a portfolio management tool if a portfolio manager determines that a cross trade opportunity exists and is in the best interest of the portfolios involved. Cross trades are conducted by APC Development in accordance with SEC rules and regulations and/or client restrictions, as applicable.

Best Execution. As an investment adviser, the Firm has a fiduciary duty and obligation to seek to achieve best execution of client transactions reasonably available under the circumstances of particular transactions. To ensure an environment where best execution is sought for our clients, the following has been established: internal policies, access to information and robust systems, and communication forums for traders and portfolio managers. Primary responsibility to seek best execution of trades rests with the traders and portfolio managers. Several qualitative factors are taken into consideration which affect the choice of broker or trading platform aimed at achieving the best net result for clients. A subjective review of less tangible factors by the portfolio managers includes certainty of execution, competitiveness of rates and spreads, ability to provide liquidity, and secondary market considerations to name but a few of the qualitative factors.

ITEM 13: REVIEW OF ACCOUNTS

Account Review. Accounts are consistently monitored and performance attribution analysis is utilized as a quantitative check on the results of the decision-making process. The portfolio managers are in charge of reviewing the accounts that they are assigned. Internal committees oversee the review process for all of the portfolios managed by the Firm. The various elements that make up the portfolio manager's daily review might include comparisons against benchmark figures, performance, structure, adherence to client guidelines, prices, market conditions, portfolio holdings, transactions, and cash flows. Compliance monitors client accounts daily for consistency with client objectives, portfolio guidelines and restrictions.

Account Reporting. We provide reports to clients and/or investors that generally communicate account activity, strategy and performance updates. The reports may contain key statistical data for the reporting period, including characteristics, benchmark comparisons, attribution, and written commentary. The frequency of reports are at the client's discretion. Members of APC Development are available for calls or face-to-face meetings as needed.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

APC Development does not receive any economic benefits from third-parties in connection with the provision of its investment advisory services.

APC Development may enter into contractual relationships with unaffiliated placement agents to solicit certain types of prospective investors for our CLOs. Such placement agents may receive a cash referral fee, directly or indirectly, from us or the CLOs as described in the offering documents. To address potential conflicts of interest, APC Development generally requires such placement agent to provide details, or we provide details, of any referral fees relating to a potential investor of the CLO at the time of any solicitation activities. Any compensation payable to a referral source is not a factor in determining the fee APC Development will charge for its investment advisory services.

ITEM 15: CUSTODY

APC Development does not have physical custody of any client funds or securities. Instead, client assets are held with banks, registered broker-dealers or other qualified custodians. Clients should receive statements directly from the banks, registered broker-dealers, or qualified custodians at least quarterly indicating the amounts of any funds or securities in their account as of the end of the statement period and any transactions in the account during the statement period.

APC Development may be deemed by the applicable regulatory rules (the Custody Rule) to have constructive custody of certain assets as a result of its affiliates position as general partner, its affiliate's equivalent control or as a result of its legal structure.

APC Development adheres to the applicable requirements with respect to private funds. Securities are held with a qualified custodian, with such custodian identified in the applicable offering memorandum. In addition, APC Development arranges for the delivery to investors of a copy of the audited financial statements, which are prepared in accordance with U.S. generally accepted accounting principles, on an annual basis, and within the required time frames set forth in the Custody Rule. Finally, investors also receive unaudited monthly account statements from the applicable administrator and a statement of their capital account as of the fiscal year end.

ITEM 16: INVESTMENT DISCRETION

APC Development manages client accounts on a discretionary basis. We receive discretionary authority from the client to determine the securities to be bought or sold, amount of securities to be bought or sold and the broker or dealer to be used. In all cases, however, such discretion is exercised subject to the investment objectives and guidelines that are established by written agreement between APC Development and the client at the time the account is opened.

ITEM 17: VOTING CLIENT SECURITIES

APC Development votes proxies on behalf of its clients when so authorized by the investment management agreement or other governing documents. When voting on proxy proposals, APC Development's foremost concern is that all decisions be made solely in the interests of the client consistent with the Advisers Act.

APC Development may utilize a third-party to help receive, vote and maintain appropriate proxy voting records. Further, APC Development intends to act in a manner which is intended to preserve or enhance the economic value of assets held in its client's portfolios.

In the event that a proxy proposal raises a material conflict of interest between APC Development and a client, APC Development will: (i) vote in accordance with the firm's established voting guidelines, if such a scenario is addressed in the guidelines and involves little or no discretion; (ii) implement information barriers around the individuals involved to insulate the decision from the conflict; (iii) notify the affected client(s) of the conflict of interest and seek a waiver of the conflict for the proxy to be voted; or, (iv) if agreed to with the client, allow the client or its designee to vote the proxy.

Contact Information Regarding Proxy Voting. Requests for additional information regarding the Firm's Proxy Voting Policies and Procedures, including how proxies have been voted, please send a written request to:

APC Asset Development I, LP
c/o Aristotle Pacific Capital, LLC
840 Newport Center Drive 7th Floor
Newport Beach, CA 92660
Attention: APC Compliance

Email requests may be sent to: APCcompliance@aristotlecap.com

Litigation and Class Actions

As an investment manager, the Firm may be asked to decide whether to participate in litigation, including filing proofs of claim in class actions, for assets held in a client's account. It is generally the client's responsibility, unless contractually specified otherwise, to monitor and analyze its portfolio and consult with its own advisers and custodian about whether it may have claims that it should consider pursuing.

ITEM 18: FINANCIAL INFORMATION

APC Development does not require or solicit prepayment of advisory fees. There is no current financial condition that is reasonably likely to impair APC Development's ability to meet its contractual commitments to its clients.