



Part 2A of Form ADV: Firm Brochure

March 29, 2024

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This brochure provides information about the qualifications and business practices of CFI Partners, LLC. If you have any questions about the contents of this brochure, please contact us at (312) 416-4300. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

CFI Partners, LLC is registered as an investment adviser with the SEC. Registration as an investment adviser with the SEC does not imply a certain level of skill or training.

Additional information about CFI Partners, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Material Changes

The material changes to the contents of the Brochure since the last annual update filed on March 31, 2023, are as follows:

- Item 8 has been updated to reflect additional risk items associated with the Firm's business dealings.

Please note that the above summary addresses material changes since the last annual update, and therefore, does not reflect all the changes that have been made to this Brochure since the last annual update. CFIP routinely updates its Brochure to improve and clarify the descriptions of its business practices and compliance policies and procedures or in response to evolving industry best practices and Firm practices. As such, and with all Firm documents, we recommend reading this Brochure in its entirety.

This Brochure and the information set forth below is intended to provide a general summary of the advisory services provided by CFI Partners, LLC to its Clients. The information below may be both supplemented and superseded by the specific governing documents, agreements, indentures, confidential private placement memoranda, and/or related documents provided to each Client or investor thereunder. This Brochure is for discussion purposes only and does not constitute an offer to sell or a solicitation of an offer to purchase any securities or instruments described herein or an interest in any Client. Any such offer or solicitation will be made consistent with applicable law and solely to qualified investors only in those jurisdictions where permitted by law.

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Item 4: Advisory Business

CFI Partners, LLC (“CFIP” or the “Firm”) is a limited liability company that is registered with the SEC as an investment adviser under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). CFIP was formed pursuant to the laws of the State of Delaware on November 7, 2005. The terms “CFIP” and the “Firm” as used herein shall include CFIP’s subsidiaries, including any affiliated general partner entities, as applicable.

CFIP is directly owned by Amistad Investment Holdings, LLC, a Delaware limited liability company, and indirectly owned by Amistad Financial Group, LLC, a Delaware limited liability company (“AFG”), through a series of wholly owned subsidiaries. CFIP is operationally independent of AFG and is managed and controlled by its board of managers (the “Board of Managers”) which is comprised of longstanding principals of CFIP Levoyd Robinson, Eric Baer, and David Dieffenbacher, along with the board-designee of The Academy Group, a mission-focused organization.

CFIP conducts its advisory business from its principal office at One South Wacker Drive, Suite 3500, Chicago, Illinois 60606, United States. CFIP does not participate in wrap fee programs. As of December 31, 2023, CFIP managed approximately \$1.5 billion in discretionary regulatory assets under management and \$4.4 billion in non-discretionary regulatory assets under management.

Investment Advisory Services

CFIP currently offers discretionary and non-discretionary investment advisory services to Clients as provided in the applicable investment advisory agreement or commitment between CFIP and the respective Client. CFIP predominantly focuses on investment strategies in both alternative credit and traditional fixed income that include, but are not limited to, opportunistic credit, structured credit, private credit, distressed credit, corporate loans, relative value/arbitrage, convertibles arbitrage, and core and core-plus fixed income, as further described herein (*for additional information, see “Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss”*). CFIP also offers strategies involving equity and equity-like instruments for tailored separately managed accounts (“SMAs”) or in connection with vehicles that are primarily credit-focused. Clients may be invested in a singular strategy or multiple strategies as specified by the documents governing CFIP’s advisory relationship with each Client.

Discretionary Advisory Services

CFIP offers discretionary advisory services in the investment strategies to Clients in the form of (i) SMAs for which CFIP acts as investment manager, (ii) private commingled funds that may constitute private limited partnerships and other pooled investment vehicles (“Private Funds”) for which either CFIP or an affiliate acts as general partner and/or investment manager, and (iii) securitization vehicles that are governed by a related indenture trust agreement (collateralized loan obligation vehicles or “CLO Vehicles”) for which CFIP acts as collateral manager pursuant to a collateral management agreement (collectively referred to as “Clients”). The above structures may include the use of special purpose vehicles and alternative investment vehicles as may be appropriate for investor, tax, accounting, legal, financing, business, or other similar purposes.

Tailored Advisory Services

CFIP provides tailored, discretionary investment advisory services to its Clients in accordance with each Client’s investment objectives, strategies, restrictions, and guidelines, including, where applicable, restrictions under the Advisers Act and the U.S. Internal Revenue Code of 1986, as amended (the “IRS”).

Code”). SMA clients establish advisory relationships with CFIP by depositing funds, securities, or assets into accounts maintained by qualified independent custodians and granting CFIP discretionary authority to invest such accounts in accordance with each SMA client’s investment objectives, strategies, restrictions, and guidelines as set forth in Client’s investment management agreement (“IMA”) or other governing documentation as mutually agreed between the Client and CFIP. SMA client accounts are owned and maintained by the SMA client which may be institutional investors or high net worth individuals.

Interests in Private Funds and CLO Vehicles are generally privately offered and eligible only to qualified investors, such as institutional investors or high net worth individuals, pursuant to available exemptions under the Securities Act of 1933, as amended (the “Securities Act”), and the regulations promulgated thereunder and, if applicable, pursuant to exemptions from registration under the Investment Company Act of 1940 (the “Investment Company Act”). Interests in these vehicles are privately offered to qualified investors such as institutional investors and high net worth individuals. Investment objectives and restrictions for Private Funds and CLO Vehicles are detailed in the relevant governing documents, including any prospectus, private placement memorandum, limited partnership agreement, indenture trust agreement, or offering circular, as may be applicable. CFIP does not typically tailor its advisory services to the individual investment needs of investors in Private Funds or CLO Vehicles. However, with respect to Private Funds, CFIP reserves the right to enter into side letters and other agreements and arrangements with certain investors that provide terms and conditions that are more advantageous than those set forth in the applicable governing documents. Such terms and conditions may include, but are not limited to, special rights with respect to future investments and other material terms relating to transparency, reporting, withdrawal or redemption rights, and fees.

Non-Discretionary Advisory Services

CFIP also provides non-discretionary investment advisory services to Clients with non-discretionary agreements or commitments, and to certain investment intermediaries such as investment advisers and insurance companies (each an “Intermediary”) related to the management of the Intermediary’s underlying client portfolios (collectively referred to as “Non-Discretionary Clients”). CFIP has no authority or responsibility to manage the trading or custodial accounts of Non-Discretionary Clients, including with respect to purchasing, selling, holding, valuing and/or exercising rights with respect to particular investments. CFIP merely provides non-binding advisory recommendations, and the Non-Discretionary Client retains ultimate discretionary authority in managing the assets of and in executing investment transactions or pursuing investment strategies on behalf of their accounts. Non-Discretionary Clients are not required to accept or act on CFIP’s advisory services or recommendations.

Item 5: Fees and Compensation

Summary of Fees

The description below of CFIP’s fees and compensation is intended to provide a brief summary of the more typical fee structures shared by certain types of accounts and is not intended to depict every scenario where such structures may differ. The governing documents for each Client will contain the specific details regarding the applicable fees and expenses.

SMA: For SMAs, CFIP generally is paid a monthly or quarterly management fee, which is usually based on assets under management or the net asset value (as defined in each IMA) of assets held in a SMA

client's account. The management fee is typically equal to a mutually agreed annual fee that is *pro-rated* and multiplied by assets under management or net asset value as of each calendar month or quarter. The management fee is typically payable on an accrual basis and paid in advance or arrears. If fees have been paid in advance, in the event of withdrawal, the SMA client would receive a *pro rata* rebate of the allocable portion of the fee not earned by CFIP for the related period. All management fees are subject to different payment and calculation terms as further set forth in a SMA client's governing documents. Fees are individually negotiated with each SMA client in CFIP's sole discretion based upon the type of service provided, size of the account, and relationship between the SMA client and CFIP. Performance-based compensation, if any, will also be set forth in each SMA client's governing documents.

SMA clients are generally billed directly for management fees and performance-based compensation, if any. As permitted by the SMA client, CFIP will also invoice an administrator or custodian for payment of such fees whereby the administrator or custodian will be authorized to pay the applicable fees to CFIP.

Private Funds: For its closed-end and open-end Private Funds, CFIP earns management fees and generally has the potential to earn performance-based compensation in the form of performance fees or profit/incentive allocation. The amount of such management fees and performance-based compensation and the calculation and timing of payment of such compensation are set forth in the terms of the governing documents of each such Private Fund.

For CFIP's closed-end Private Funds, management fees are typically calculated as a fixed percentage, based on (i) total committed capital (through the final close, these fees are earned on a retroactive basis to the start of such fund's investment period) and/or (ii) total invested capital, which include drawn or invested capital (or borrowings incurred in lieu of drawing capital). Generally, for closed-end Private Funds, CFIP is entitled to receive realized profits of a fund's aggregate investments after such fund first distributes all contributed capital from the inception of the Private Fund plus an annual preferred return to its investors. As a result, CFIP generally receives a profit or incentive allocation from a closed-end Private Fund, if any, in the latter part of such a fund's life, although earlier in such fund's term CFIP is permitted to receive tax distributions to cover CFIP's allocable share of income taxes.

For CFIP's open-end Private Funds, management fees are based on a fixed percentage of the gross asset value (*i.e.*, net asset value grossed up for any uncrystallized incentive fees or profits allocations to CFIP) of the relevant fund. Generally, for open-end Private Funds, CFIP receives annual performance-based compensation as a percentage of the year's profits, subject to either a high-water mark or hurdle rate. A highwater mark refers to the highest historical net asset value attributable to an investor's account. For funds that have a high-water mark, this means that CFIP does not earn annual performance fees with respect to an investor in such fund if such investor's year-end net asset value is lower than any prior year's net asset value (taking into account contributions and redemptions).

For Private Funds, management fees are typically deducted from the assets of the Private Fund and performance-based compensation is typically allocated and then deducted from the assets of the Private Fund. The billing and deduction of fees are governed by the specific governing documentation for each Private Fund.

Depending on the Private Fund, management fees are charged either quarterly or monthly and paid in advance or arrears as set forth in the applicable governing documents. To the extent that a Private Fund is in existence for less than a full payment period, the management fee will be *pro-rated*. Investors in an open-end Private Fund typically have the ability to voluntarily withdraw from the fund pursuant to the terms and conditions set forth in the applicable governing documents. However, investors are generally not permitted to withdraw prior to the period covered by such fees. For closed-end Private Funds,

investors do not have the ability to withdraw, except under certain limited circumstances as set forth in the applicable governing documents.

CLO Vehicles: For CLO Vehicles, CFIP is typically entitled to receive management fees in the form of a senior fee and a subordinate fee, both of which are based on a fixed percentage of the assets (measured in accordance with the applicable governing documents but typically the sum of (i) the aggregate par value of credit instruments and securities and (ii) any cash on hand) of a respective CLO Vehicle. Separate from these fixed fees, CFIP is entitled to receive an incentive fee or profit allocations based on the performance of a CLO Vehicle. The terms of these fees are more fully described in each CLO Vehicle's collateral management agreement, indenture trust and other underlying and governing documents.

Fixed fees paid to CFIP by the CLO Vehicle are generally calculated quarterly in advance and deducted from the balance of cash distributable by the relevant third-party trustee, administrator, or custodian, as part of the waterfall at the end of the payment period (subject to available proceeds and the subordination of fees in the waterfall of respective CLO Vehicle).

Incentive fees or profits allocations, as applicable, are similarly deducted from the waterfall at the end of the payment period, however, these fees are generally subject to a hurdle rate and cannot be calculated until cash available for distribution has been determined at the end of the collection period relating to such payment period.

Non-Discretionary Advisory Services. CFIP individually negotiates the advisory fees payable with respect to non-discretionary advisory services provided to Non-Discretionary Clients. In return for such services, CFIP typically receives a fixed annual fee based on a percentage of the applicable non-discretionary assets under advisement or amount of committed assets. Non-Discretionary Client fee structures may be significantly different from fee structures of Clients receiving discretionary services.

Various Fee Matters: From time to time, CFIP will, in its sole discretion, afford certain investors in a Private Fund or sponsors of SMAs more favorable economic terms than other investors in the same Private Fund or other sponsors of SMAs within the same or similar investment strategy, including with respect to both management and performance-based fees and allocations, generally based on the timing and aggregate size of commitments of such investor or sponsor, as applicable. Generally, CFIP reduces or entirely waives its fees for affiliated or related company, SMAs or investments in Private Funds and CLO Vehicles.

Additionally, any eligible CFIP employee, former employee, officer, or director (or their respective family members, trusts, or other estate planning vehicles which they control) who invests his or her own capital in any Private Fund or CLO Vehicle (including through a separate pooled investment vehicle for employees) or receives ownership in a particular investment, Private Fund or CLO Vehicle as compensation is not subject to paying any management fees, performance-based fees, or profit allocations to CFIP.

Summary of Expenses

Costs and Expenses: Costs and expenses charged to and allocated to SMAs (in addition to investment advisory fees) generally include all costs and expenses related to the SMA's portfolio investments, and all other costs and expenses agreed to in the IMA between the Client and CFIP, such as indemnification expenses. Costs and expenses typically allocated to an SMA relating to its portfolio investments include, but are not limited to, brokerage commissions and other trading execution and settlement related costs

and fees, custody fees, research fees, legal fees, and interest incurred on borrowings, if any. SMA costs and expenses are described in more detail in the governing documents of each SMA.

Costs and expenses that are allocated to Private Funds (in addition to investment advisory fees) which are incidental or related to the maintenance of an account or the buying, selling and holding of investments typically include, but are not necessarily limited to: (i) operating expenses, (ii) organizational expenses, (iii) certain third-party expenses, (iv) research and industry specialist expenses, (v) originator and placement agent expenses, (vi) custodial charges, (vii) administrator charges, (viii) brokerage fees, commissions and other related transaction costs and expenses, (ix) governmental charges, taxes and duties, (x) transfer fees, registration fees, interest expenses, and other expenses associated with buying, selling or holding investments, (xi) withholding taxes payable and required to be withheld by issuers or their agents, and (xii) acquired fund fees and expenses associated with investments in affiliated and unaffiliated pooled investment vehicles. Private Fund costs and expenses are described in more detail in the governing documents of each Private Fund and the above list does not necessarily cover all expenses and costs that Client will incur. With respect to certain Clients, such expenses, up to the amount of any applicable cap, are borne solely by the investors of such Clients with the excess being borne by CFIP or offset by future management fees.

CLO Vehicles are typically responsible for certain other costs and expenses. These include, but are not strictly limited to, operating expenses, organizational expenses, research expenses, the payment of taxes, governmental fees and registered office fees, and various other administrative and allowable expenses as more fully described in each CLO Vehicle's indenture agreement. While CLO Vehicle costs and expenses are the responsibility of the applicable CLO Vehicle, CFIP generally pays certain CLO vehicle costs and expenses directly and submits a record of these costs to the relevant trustee and receives reimbursement.

Brokerage fees or transactions costs tied to an investment made by CFIP on behalf of a Client are expected to be minimal and, when incurred, allocated directly to such Client.

CFIP renders its services to Clients at its own expense and will be responsible for its overhead expenses including, office rent, utilities, furniture and fixtures, stationery, secretary/internal administrative services, salaries and bonuses, entertainment expenses, employee insurance, and payroll taxes.

Expense Allocation Methodology: Costs and expenses are shared among its Clients (*e.g.*, across applicable SMAs, Private Funds, and CLO Vehicles) to, among other things, enhance efficiency and reduce the overall cost for each Client. Costs and expenses allocated to more than one Client are allocated in accordance with CFIP's methodologies for expense allocation. CFIP's expense methodologies seek to allocate expenses in a manner that generally reflects each Client's relative consumption of resources, relative allocation of benefits, and/or other equitable considerations that are appropriate under the circumstances; however, the allocation of expenses involves subjective determinations, which involve conflicts of interest. Conflicts of interest arise where CFIP has the incentive to allocate expenses to Clients in a manner that favors certain Clients or CFIP (*e.g.*, if CFIP employees were to have principal investments). In order to mitigate these types of potential conflicts of interest, CFIP has implemented certain expense allocation methodologies as described further below.

CFIP uses expense allocation methodologies that it believes, at the time such determinations are made, are fair and reasonable in making the allocations in its discretion. These methodologies vary depending on the type of expense and allocations are based on factors that include, but are not limited to, assets under management, net asset value, holdings percentages, number of positions within a strategy, relative trading volume and time spent. Despite CFIP's good faith judgment to arrive at a fair and reasonable

expense allocation methodology, the use of any particular methodology could lead a Client or Clients to bear relatively more expense in certain instances and relatively less in other instances compared to what such Client or Clients would have been allocated if a different methodology had been used. CFIP has the discretion to revise or change expense allocation methodologies without notifying Clients or their respective investors.

It is very important that investors refer to the respective documents governing their investment with CFIP for a complete understanding of how CFIP is compensated for its management and advisory services, how fees are deducted from their assets, and their withdrawal/redemption rights. The information contained herein is a summary only and is qualified in its entirety by the relevant governing documents.

Item 6: Performance-Based Fees and Side-By-Side Management

Not all management and performance fee structures are the same. CFIP typically receives management fees and performance-based compensation or profit allocations for services provided to Private Funds and CLO Vehicles, as reflected in their respective governing documents. SMA fee structures include management fees but typically do not include performance-based compensation. Performance-based compensation arrangements reward CFIP for positive performance.

At any given time, CFIP manages multiple Client accounts, including SMAs, Private Funds, and CLO Vehicles according to the same, similar, or overlapping investment strategies whereby such accounts have purchased and sold, and will in the future seek to purchase or sell, investments in the same issuers, securities, instruments, sectors, or strategies. This side-by-side management of multiple Client accounts creates conflicts, particularly in circumstances where the availability or liquidity of investment opportunities is limited, when engaging in cross trades, or when executing conflicting or competing investments. CFIP is incentivized to allocate the most profitable investment opportunities to Client accounts that pay the highest total fees.

In order to mitigate these conflicts, CFIP has implemented policies and procedures that govern the allocation of investment opportunities among Clients in a fair and equitable manner over time. CFIP's trade allocation policies and procedures require that investment decisions for each Client account, with similar or overlapping investment strategies, are made independently from other Client accounts and in accordance with the individual needs and objectives of each such Client account. In addition, investment decisions are required to be made without consideration of any pecuniary or investment interest of CFIP, its employees, or its affiliates. Further, under CFIP's policies and procedures investment opportunities will be allocated in a manner that CFIP believes is consistent with its fiduciary obligations as an investment adviser.

The various investment teams within CFIP are subject to these and/or other similar policies and procedures that are consistent with CFIP's obligations as an investment adviser and that address circumstances that are unique to CFIP's management and advisory services.

CFIP's policies and procedures relating to allocation of investment opportunities are described further in the *"Trade Aggregation and Trade Allocation"* section below and in *Item 12 – Brokerage Practices*. For information on other conflicts of interest, see *"Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading – General Process Regarding Potential Conflicts"*.

Trade Aggregation and Allocation

CFIP maintains multiple trading platforms, each of which have separate trade aggregation and allocation processes. In addition, CFIP advises Clients with similar and overlapping investment strategies. As such, CFIP has developed and continues to develop procedures that seek to aggregate trade orders in a manner that is consistent with its duty to: (1) seek best execution of Client orders; (2) treat all Clients fairly and equitably over time; and (3) not systematically advantage or disadvantage any single Client or group of Clients.

Trade Aggregation: In order to minimize execution costs for Clients, CFIP can elect, but is not obligated, to aggregate (e.g., block or bunch) trades in the same issuer or security when transacted contemporaneously on behalf of more than one Client, subject to the aggregation being consistent with CFIP's obligation to seek best execution and to comply with the terms of the respective Client investment management agreements or other governing documents. Investments, securities and assets of discretionary SMAs are frequently traded independently from other SMAs, Private Funds, or CLO Vehicles.

Trade Allocation: CFIP has implemented policies and procedures that govern the allocation of investment opportunities among Clients in a fair and equitable manner over time. CFIP generally seeks to allocate investments on an objective basis and in a manner designed to assure that no participating Client is intentionally favored over any other participating Client. If an investment is suitable for more than one account, CFIP will generally reflect a *pro rata* participation in the investment opportunity among the Client accounts that are identified as eligible to participate and have indicated interest. Allocations vary among Clients, from time to time, because CFIP has taken into consideration one or more approved factors (as discussed further below) when determining Client allocations.

In certain circumstances, an investment opportunity that is appropriate for more than one Client, is allocated in varying amounts among those Clients, or allocated in an amount less than it would ideally be allocated if it did not have to allocate to multiple Clients. Allocation of investment opportunities are not, at times, granted to certain Clients with similar strategies where CFIP in good faith determines that such opportunity is not prudent or required for such Clients. CFIP often determines that an investment opportunity is appropriate for a particular Client account, but not for another. As such, CFIP may allocate certain investment opportunities to some Clients and not others. There can be no assurance that a particular investment opportunity will be allocated in any particular manner.

Additionally, in situations where CFIP is required to obtain prior written consent from each Client to place the investment in the Client's account, if CFIP is unable to obtain prior written consent from one or more Clients, CFIP generally will allocate the investment opportunity only to the Clients from whom CFIP is able to obtain prior written Client consent in a timely manner.

Trade Allocation Factors: CFIP will consider certain enumerated factors when determining the fair allocation of investments among Client accounts. A list of factors taken into consideration when allocating investment opportunities among Client accounts includes, but is not limited to, the following:

- risk tolerance
- rating constraints
- maturity constraints
- issue size
- yield
- purchase price
- existing exposure of the investment vehicle

- minimum trade allocation
- minimum position holding size
- sector allocation limits
- duration
- convexity
- strategy
- lot size
- market conditions
- investment guideline considerations

In addition to the above factors, CFIP also considers the investment strategies, liquidity requirements, portfolio construction processes, investment phase of the account (*i.e.*, ramping-up, follow-on investments, or realizing tax gains/losses), minimum thresholds, and cash available in each account when making an allocation decision. The application of the relevant factors listed in this section above can result in *non-pro rata* allocations, and some Client accounts will receive an allocation when other Client accounts do not, including Client accounts which pay higher overall fees or in which CFIP, or its affiliates, or related persons, or their respective senior members, officers, directors, or employees of CFIP have an interest.

In situations where the amount of assets to be purchased is too limited for all eligible Clients to share (even on an allocated basis), such transactions will be allocated in accordance with CFIP's determination, made in good faith, to make a fair and equitable allocation which can include the use of a rotation process.

Rotational Trading: In certain circumstances, CFIP has the ability to trade investments, securities and other financial instruments on a rotational basis. CFIP will employ trade rotation procedures to achieve fair and equitable treatment of Clients over a period of time. Under such rotation procedures, CFIP's Clients are generally divided into separate groups. The groups are assigned an order as part of a daily rotation, in which the transactions will be executed, and execution for one group will be completed before execution for the next group will begin. Once the rotation has been completed and the entire order has been allocated, the first Client is moved to the bottom of the list for the next rotation. Due to the sequential execution of orders for different groups of Clients under this trade rotation procedure, it is possible that Clients in one group will receive a different price for a transaction in the same investment than will Clients of other groups. Trade rotation will be used in certain situations and not in others, as determined in the sole discretion of CFIP.

Valuation of Client Accounts

To the extent CFIP's management and performance fees are based on the net asset value of a Client account, CFIP benefits from an increased value of assets in the Client account. In order to mitigate this conflict of interest, CFIP has implemented a valuation policy ("Valuation Policy") that is overseen by a valuation committee ("Valuation Committee") and was designed to ensure that CFIP's valuation determinations are made accordance with its fiduciary duties. Additionally, some Client accounts have fee structures that are calculated on the basis of committed capital of the Client or the underlying investor, and not on the periodic net asset value of the Client account.

The Valuation Policy allows Clients to direct account valuations to be determined by third-party valuation service providers (*e.g.*, an administrator, custodian or trustee) and such requirement will be set forth in the Client's governing documents. In such cases, CFIP can challenge certain valuations, but the relevant third party is responsible for the final account valuations.

When valuing a Client's account, CFIP attempts, in good faith and in accordance with applicable laws and its Valuation Policy, to determine the fair value of such investments, securities and other financial instruments. CFIP generally relies on market-accepted valuation methodologies and sources of valuation data that include, but are not limited to, third-party pricing services, broker-dealer quotations, and levels of last executed trade. However, when these sources are not readily available or are believed by CFIP to be unreliable, the security or other assets will be valued by CFIP in accordance with the Valuation Policy.

Departures from the generally applicable valuation procedures arise due to specific or varying circumstances. In some cases, it is possible that CFIP is required to value identical securities and assets differently across Client accounts because the Client accounts are subject to different valuation guidelines or valued by different third-party vendors. In other cases where CFIP evaluates the performance of certain Client accounts against index benchmarks, valuation differences can result when other Client accounts hold the same investments as the index-based account. CFIP will value those investments differently than the index provider due to different pricing methodologies. In this situation, performance relative to the index benchmark could be impacted by the variance.

Item 7: Types of Clients

CFIP provides investment management and advisory services to SMAs, Private Funds and CLO Vehicles. SMAs include independently negotiated investment management agreements with institutional investors, including insurance companies, other financial institutions, pension and profit-sharing plans, U.S. and non-U.S. governmental entities, colleges, hospitals, charitable organizations, and endowment funds and foundations, as well as certain high net worth individuals and their affiliated trusts. Private Funds include commingled closed-end and open-end funds that are limited to similar institutional investors and certain high net worth individuals. CLO Vehicles are generally securitized vehicles governed by a related indenture trust agreements for which CFIP acts as collateral manager pursuant to a collateral management agreement.

For SMAs, CFIP frequently seeks a minimum account size for its investment strategies, as is determined on a case-by-case basis in CFIP's sole discretion. For Private Funds and CLO Vehicles, underlying investors are subject to separate suitability requirements and minimum investment amounts. Each Client is subject to its own investment guidelines, restrictions and parameters, as set forth in the respective governing documents.

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

Methods of Analysis

In formulating investment advice and in managing assets on behalf of Clients, CFIP primarily employs a fundamental research-driven approach. Depending on the strategy, the core of CFIP's fundamental research process relies on in-depth "bottom-up" analysis of fundamental qualitative and quantitative data and information to develop a comprehensive fundamental view of issuers and industries. Through this approach, CFIP seeks to identify those companies and issuers that CFIP believes will outperform or underperform relative to the industry in which they operate, as well as those financial instruments which CFIP believes are overpriced or underpriced relative to an internally generated determination of fair value.

CFIP's fundamental "bottom-up" approach is supplemented by a "top-down" view of markets, United States and global fiscal and monetary policies, macroeconomic data, political and geopolitical conditions, general trends, and risk across asset classes, as well as by CFIP's portfolio and risk management techniques, to identify investment opportunities which CFIP believes to be attractive in accordance with a Client's specific investment program and objective.

Quantitative analytics are also utilized for some of CFIP's investment activities in order to assist in the selection of investments or the management of investment risk. Certain of CFIP's investment strategies (or sub-strategies) or specific investments may rely more heavily on mathematical, theoretical, statistical, or model driven analytical methods, in most cases complemented and informed by CFIP's fundamental research-driven analytical approach. CFIP anticipates that it will continue to refine its current analytical methods and will from time to time develop and implement new methods. Traditional fixed income strategies are frequently measured against a benchmark index and will incorporate CFIP's fundamental research to supplement other analysis used for the strategy.

For each potential Client investment, a specific investment thesis is developed and refined, as necessary. CFIP typically seeks to underwrite most Client investments to a long-term investment horizon, although the actual holding period could be longer or shorter than initially contemplated depending on, among other factors, the specific investment strategy, ongoing validity of the underlying investment thesis, intervening events (whether anticipated or unexpected), Client capital structure and activity, availability of financing, prevailing market conditions, and the attractiveness of the investment relative to other uses of Client capital.

CFIP has formed an investment committee that is comprised of the Chief Investment Officer and four (4) senior investment executives and is responsible for general oversight of Client portfolios and investment decisions (the "Investment Committee"). The Investment Committee, among other things, is tasked generally with the role of evaluating, approving, and monitoring investment activities and establishing investing parameters. The CFIP portfolio managers are authorized, subject to constraints established by the Investment Committee, to initiate, execute, and modify investments.

Investment Strategies

CFIP implements a variety of investment strategies (and sub-strategies) in managing the investment portfolios of its Clients. The strategies employed on behalf of a particular Client are intended to be consistent with the Client's investment program and to further the Client's investment objective, although as with all investment programs, CFIP may not be successful in achieving a Client's investment objective.

For some Clients, CFIP employs a broad-based multi-strategy approach, utilizing a wide range of strategies (and sub-strategies) across a range of asset types and/or geographies, while other Clients only focus on a single (or just a few) strategies, asset types and/or geographies. CFIP Clients will have the same, similar, or overlapping investment strategies, or have entirely different investment strategies.

The investment program for SMAs is specified in the respective investment management agreement, commitment and investment guidelines. For Private Funds and CLO Vehicles, the investment program, including its investment objectives, strategies, and restrictions is described in their respective governing documents.

For those Clients for which CFIP pursues multiple investment strategies, the investment activities are intended to be flexible and CFIP does not establish a fixed allocation of capital to any particular investment strategy (or sub-strategy). Accordingly, investments in a particular strategy will comprise, from time to time, a varying proportion of a multi-strategy Client's portfolio and at any point in time CFIP will emphasize or de-emphasize any particular strategy depending on CFIP's view of the market opportunity set. Moreover, over time, CFIP expects its investment strategies to expand, contract, evolve, and change, perhaps materially. For single-strategy Clients, investments consistent with that strategy will typically comprise substantially the entirety of the Client's portfolio.

The investment strategies which CFIP currently employs on behalf of Clients are summarized below, although CFIP will not typically employ all of them for any particular Client. Accordingly, the summary below is not intended to describe all investment strategies (or sub-strategies) that CFIP will utilize on behalf of Clients. Moreover, there are no clear dividing lines among certain of these categories and there are overlapping aspects of CFIP's strategies that will independently generate potential investment opportunities in other strategies.

Opportunistic Credit: The opportunistic credit strategy is a broad and inclusive SMA or Private Fund strategy that typically employs multiple different and varying strategies, sub-strategies, techniques, and methodologies. This broad strategy could include as a portion of its investment scope, traditional fixed income, syndicated loans and structured credit, private credit, distressed credit, relative value/arbitrage, convertibles arbitrage, and any connected equity strategies. The general objective of the opportunistic credit strategy is to provide broad and diverse exposure across multiple credit investment strategies for potentially both long-term and short-term horizons.

Traditional Fixed Income: The traditional fixed income strategies for SMAs and Private Funds seek investments in a broad variety of securities, debt instruments, and asset classes, generally including government, sovereign, and corporate fixed-income securities, securitized products, mortgage-related securities, real estate-related assets and inflation-protected securities. Investing techniques generally involve making "long only" trades which typically includes, but are not limited to, long-term purchases, short-term purchases, trading, spread strategies, and arbitrage strategies. In addition, derivatives are typically part of the overall strategy, including, but not limited to, options, futures, forwards, or swap transactions. Quantitative analytics are also utilized to assist in the selection of investments or the management of investment risk. In addition, cyclical analysis is used to select appropriate investments based on the economic, industry, business, and credit cycles. SMAs and Private Funds will frequently have an investment policy that outlines the type of acceptable securities, credit criteria, duration and maturity profile at the security and portfolio level. The investment policy could also include portfolio limits on individual companies and/or sectors.

Syndicated Loans and Structured Credit: The syndicated loans and structured credit strategies focus primarily on generating returns through investments in CLOs backed primarily by U.S. and/or European senior secured loans. In addition to senior secured loans, CLO portfolios also typically include high-yield bonds and unsecured loans when permissible. A key investment structure includes the formation and operation of CLO Vehicles that are managed by CFIP as collateral manager. In CLO Vehicles, the collateral manager aggregates a pool of primarily senior secured loans whereby the pools are then securitized through the capital markets to institutional investors. For the CLO Vehicles, the collateral manager typically secures a warehouse financing facility, and the securitization vehicle is governed *via* an indenture trustee operating under an indenture trust agreement. For CLO Vehicles, the method of analysis for each investment relies significantly on an in-depth, fundamental qualitative and quantitative analysis of the underlying loan issuers and the related industry sector. A syndicated and structured credit strategy can also utilize a regulated-entity structure such as an interval fund or a BDC, provided that the investments are eligible assets.

Private Credit: The private credit strategy focuses primarily in highly structured and privately negotiated capital solutions for corporate borrowers, and other borrowers generally, through secured loans, senior subordinated debt, mezzanine debt, convertible notes, securitized debt, and other debt-like instruments, as well as preferred and common equity in such issuers. The private credit strategy also includes investing in special situations and market dislocations as these opportunities arise. A private credit strategy can utilize a private fund structure or a regulated-entity structure such as an interval fund or a BDC, provided that the investments are eligible assets.

Distressed Credit: Distressed credit strategies seek to identify investment opportunities in the debt instruments or securities of a stressed or distressed issuer, generally an issuer experiencing significant financial or business difficulties and/or involved in (or likely to be involved in) a bankruptcy, insolvency, work-out, liquidation or restructuring. The distressed credit strategy focuses primarily on investments in liquid and illiquid securities and obligations, including secured debt, senior and subordinated unsecured debt, convertible debt obligations, trade claims, common stock, and preferred stock of financially distressed companies. Under certain circumstances, the strategy will seek to restructure pre-reorganization debt claims into controlling positions in the equity of reorganized companies.

Relative Value/Arbitrage: Relative value/arbitrage strategies seek to capture and take advantage of the relative mispricing of similar or related assets or sets of assets. For example, capital structure trades focus on the relative valuations of two or more securities (or other financial instruments) in an issuer's capital structure and attempt to predict the movement of prices of those instruments relative to each other, while paired trades rely on similar relationships and predictions across issuers, generally in the same or similar sectors. Relative value strategies typically involve taking offsetting (long and short) positions in highly correlated investment instruments (or metrics related to those instruments, such as volatility) that are believed to be overvalued/undervalued in relation to one another.

Convertibles Arbitrage: A convertibles arbitrage strategy is a relative value/arbitrage strategy that seeks to take advantage of mispriced optionality in the market for convertible securities. A convertibles arbitrage investment generally takes the form of a long position in a debt or preferred security convertible into an issuer's equity and a corresponding short position in the underlying equity, although this relationship can be reversed or have a short credit component to the investment.

Equities Relating to Debt Investments: CFIP, from time to time, becomes involved in equity and equity-like securities and assets due to its involvement along the capital structure of companies and issuers. For example, investing in debt that converts into equity can be an integral component of CFIP's distressed

credit strategy. A plan of reorganization (POR) may provide an investment opportunity for existing creditors to purchase common or preferred shares in the reorganized company. CFIP also finds opportunities to invest in equity of companies that have emerged from bankruptcy (*i.e.*, post-emergence equities). To provide optionality on a pre-bankruptcy company, CFIP will deem it prudent to invest in equities of a distressed company if CFIP believes the company will ultimately avoid bankruptcy. Finally, CFIP seeks to invest in rescue finance loans that provide warrants to purchase common shares. The above examples do not comprise an exhaustive list of strategies and other equity or equity-like securities and assets are considered for Clients.

Equity Securities: CFIP seeks to engage in certain equity-focused strategies in the form of SMAs or other similar vehicles of Clients with the investment objective to provide returns that include, *inter alia*, current income, current gains, and capital appreciation. This strategy seeks to achieve its investment objectives by investing in various types of equity instruments, including common and preferred stock, and employing a strategy of writing put/call options. The equity strategy will invest under normal and distressed market conditions and will invest directly in such securities or synthetically through the use of derivatives.

In most cases, there are no material limitations on the securities, instruments, asset types, markets, or jurisdictions in which CFIP will seek to invest when implementing CFIP's investment strategies. For certain Clients, CFIP will be able to take long and short positions in a broad range of domestic and foreign, public, and private, listed and unlisted securities, and instruments, including derivatives. For other Clients, CFIP will take primarily long (or long-leaning) or short (or short-leaning) positions. In addition to the various other asset classes mentioned herein, CFIP advises Clients on a broad range of investment instruments which will also include, but are not limited to, secured and unsecured debt securities (corporate or sovereign); secured and unsecured bank loans, whether syndicated or privately sourced; trade claims and other legal and/or contractual claims; distressed securities and instruments (whether debt or equity); convertible securities; debt and equity indices and other indexed assets; derivative instruments, including listed and over-the-counter fixed income and equity-related derivative instruments, credit default swaps and other swaps, options (purchased or written), futures contracts, forward contracts, repurchase and reverse repurchase agreements and swaptions; securities issued as part of structured vehicles, including collateralized debt obligations and collateralized loan obligations; currencies; commodities; common and preferred equities and stock warrants and other rights.

For Private Funds, CFIP generally has complete flexibility, subject to the terms of the relevant governing documents, to create or organize or otherwise utilize special purpose investment vehicles (which could also be managed by CFIP), alternative investment vehicles, swaps or other derivatives or structured products to access or finance investments, particularly in instances where there is a potential legal, tax, regulatory, financial, confidentiality or other advantage in doing so. SMAs are generally governed by the terms of their investment management agreement, commitment and investment guidelines. CLO Vehicles invest primarily in pools of senior loans of non-investment grade issuers and are governed by their related collateral management agreement, indenture trust agreement, and disclosure documents.

CFIP has the ability to use leverage in its investing activities on behalf of any of its Clients, unless restricted by the Client, but use of such leverage is not a requirement.

Risk of Loss and Other Material Risks

CFIP's investment strategies are highly speculative, are not intended as a complete investment program, and are designed only for sophisticated and qualified investors. Investing in loans, issuers, debt, securities and other financial instruments involves risk of loss, which could be substantial and which Clients and underlying investors in Clients should be prepared to bear. Clients and underlying investors in Clients must be prepared to lose all or substantially all of their investment. Moreover, CFIP's past performance in any investment activity generally or the past investment performance of any Client should not be construed as an indication of any future results.

CFIP has broad discretion in making investments for discretionary Clients. CFIP may not correctly evaluate the nature and magnitude of the various factors that could affect the value of and return on those investments. Prices of investments may be volatile, and a variety of factors that are inherently difficult to predict, may significantly affect Client performance and the value of Client investments or render CFIP's underlying investment thesis inaccurate. CFIP's market judgment and discretion will be integral to the implementation and success of a Client's investment objective and strategy. There can be no assurance that CFIP will achieve the investment objective of any Client or that any of the investment strategies that CFIP employs will be successful.

There are other material risks involved in CFIP's investment strategies and analytical methods, as well as in CFIP's activities as an investment adviser generally, which are summarized below. For Private Funds, these and other applicable risks, including risks unique to investing in pooled investment vehicles and in "master-feeder" fund structures generally, are described in detail in each Private Fund's private placement memorandum. For an SMA, CFIP generally discusses with the Client the risks applicable to its investment strategy prior to the onset of the management relationship, and those and other applicable risks also may be described in detail in the investment management agreement. For CLO Vehicles, the risks are discussed and disclosed through the governing documents for each CLO Vehicle. The material risks summarized below are not a comprehensive list and may not be equally relevant to each Client, nor will the exposure of any particular Client to any risk be present at all times or be constant over time.

I. Analytical Risks

Fundamental Analysis: Fundamental research is based on the gathering, processing and analysis of data and information and the making of a variety of assumptions based on that data and information in order to predict a future course of events. Accordingly, it is inherently an uncertain exercise and is subject to the risk of inaccurate, unknown, or incomplete information, as well as the misinterpretation of information. CFIP may fail to gather relevant information, improperly analyze, or incorrectly interpret information gathered, or make incorrect, incomplete, or misguided assumptions. Investments relying on fundamental research also are subject to the risk that broader macro-economic trends, market psychology or sentiment, momentum, technical factors or other external factors or events may overwhelm fundamentally driven determinations and expectations.

Use of Models: Certain investment strategies or investments are more reliant on the output of quantitative models than others. These models are based on limited information and a variety of assumptions and inputs, which could prove inaccurate. The predictive nature of any model is inherently limited, and the outputs or forecasts generated by a model may differ significantly from actual results. External events or factors which could have a substantial impact on asset value may not be accounted for in the models used by CFIP.

Use of Computer-Generated Data. CFIP utilizes artificial intelligence (“AI”) in conducting analytics for some of its’ business functions. AI is not used to make investment decisions. The use of electronic data processing technology in collating information does not assure the accuracy of the output, since the processing serves primarily only to compile and organize the data supplied to it, which may be inaccurate or incomplete. The reliability of the information generated by the AI program is materially dependent on the accuracy of information supplied to and the reliability in processing that information. Errors in the input of data or in the programming of the software may occur and can materially distort the resulting output. Detection of such data and programming errors may be difficult and such errors may remain unidentified for extended periods.

Projections: Investments may be made relying upon projections developed by CFIP or an issuer concerning such issuer’s future performance and cash flow. Projections are inherently uncertain and subject to factors beyond the control of CFIP and the issuer in question. The inaccuracy of certain assumptions, the failure to satisfy certain financial requirements and the occurrence of unforeseen events could impair the ability of an issuer to realize projected values and/or cash flows.

Valuation of Investments: As applicable, CFIP values Client investments in accordance with its Valuation Policy. In valuing Client investments, CFIP relies on information from third-party pricing sources, broker-dealers, other counterparties, or internal pricing models, among other sources, which information may be inaccurate, incomplete, not current or otherwise unreliable, particularly for investments that are illiquid, thinly traded, privately issued, over-the-counter investments which can be extremely difficult to value accurately. Accordingly, CFIP valuations may not be accurate or representative of fair value, which may particularly be the case in times of market dislocation and volatility. In certain engagements, a Client’s governing documents require valuation of investments to be carried out by third-party custodians, administrators or trustees. If, in the reasonable judgment of CFIP, the valuation of any investment held by a Client determined in accordance with the procedures contained in Client’s applicable governing documents does not accurately reflect the value of such investment, CFIP may challenge that valuation which could result in a valuation which is greater or less than the price determined in accordance with the procedures contained therein for such investment. The value at which a Client investment can be liquidated may differ, sometimes significantly, from the valuation established by CFIP or the relevant third party. Some Client accounts rely on investment valuations to calculate management fees, performance fees, or incentive allocations, and to determine the value of interests held by underlying investors. There is a risk that Clients might, in effect, be charged higher management fees, performance fees, or incentive allocations where, or underlying investors in certain Client accounts may overpay for their investment and interests, if the actual value of the illiquid or thinly traded investment is lower than the value determined by CFIP or the relevant third party.

II. Investment Strategy Risks

Traditional Fixed Income: Traditional fixed income strategies are generally designed to meet Client-specific risk/reward objectives which usually include performance relative to a benchmark and duration targets by investing primarily in fixed income securities, including but not limited to a variety of asset-backed securities including collateralized loan obligations, residential mortgage-backed and/or commercial mortgage-backed securities, investment grade corporate bonds, high-yield investments, bank loans, municipal bonds, treasuries, preferred stock, agencies, cash and cash equivalents, sovereigns and derivatives across a broad range of sectors. Derivatives may be used to hedge various risk components and/or to express a directional view. In general, fixed income securities are subject to interest rate, market, credit, spread and liquidity risks. Interest rate risk relates to changes in an investment’s value as a result of changes in interest rates generally. Spread risk relates to changes in the risks or perceived risks

of an issuer, country, or region. Credit risk relates to the ability of an issuer to make payments of principal and interest. Market risk is event or systemic risk to capital markets. Liquidity risk relates to the ability to sell investments or securities at or near the market price in different environments. In addition, investments in corporate bonds are subject to risks related to an issuer's financial condition, ability to meet its obligations, and willingness or ability to make principal payments or declare distributions. The value of corporate bonds may be subject to steep declines or increased volatility due to increases in interest rates and inflation. Investments in asset-backed securities bear the risks of exhaustion of credit support or enhancement and a shift in the market perception of credit worthiness. During periods of declining interest rates, prepayments can be expected to accelerate, and such prepayments will shorten the weighted-average-life of such investments and may change their projected return. Conversely, in a rising interest rate environment, a declining prepayment rate will extend the weighted average life of these investments which generally would cause their values to fluctuate more widely in response to changes in interest rates. Treasuries and agencies are subject to the risks of changes in their value resulting from changes in U.S. interest rates as well as market and credit risk associated with the U.S. government. Supranationals and sovereigns are subject to the risks posed by changes in the interest rates and credit and market risk associated with currency and government of their domicile as well as inherent political/government risk. Derivatives may pose risks in addition to and greater than those associated with investing directly in securities or other investments, including risks relating to imperfect correlations with underlying investments or the strategy's other portfolio holdings, high price volatility, lack of availability, counterparty credit, liquidity, valuation, legal restrictions, and mark to market requirements. The use of derivatives is a highly specialized activity that involves investment techniques and risks different from those associated with ordinary portfolio securities transactions. Finally, some of CFIP's strategies may incorporate the use of leverage, through borrowings or instruments such as derivatives. The use of leverage may cause the strategy to be more volatile and riskier than if it had not been leveraged.

Syndicated Loans and Structured Credit: In connection with investment in CLO securities, the underlying collateral of CLOs is primarily comprised of senior secured loans and a lesser percentage of high yield notes, which may be rated in the lower rating categories by the various credit rating agencies (or in comparable non-rated securities). Loans in the lower rating categories are subject to greater risk of loss of principal and interest than higher-rated securities and are generally considered to be predominantly speculative with respect to the issuer's capacity to pay interest and repay principal. Such loans are also generally considered to be subject to greater risk than loans with higher ratings in the case of deterioration of general economic conditions. Because investors generally perceive that there are greater risks associated with the lower-rated loans, the yields and prices of such loans may tend to fluctuate more than those for higher-rated loans. The market for lower-rated loans may be thinner and less active than that for higher-rated loans, which can adversely affect the prices at which these loans can be sold. In addition, adverse publicity and investor perceptions about lower-rated loans, whether or not based on fundamental analysis, may be a contributing factor in a decrease in the value and liquidity of such lower-rated loans.

Private Credit: The private credit strategy focuses primarily in highly structured and privately negotiated capital solutions for corporate borrowers, and other borrowers generally, through secured loans, senior subordinated debt, mezzanine debt, convertible notes, and other debt-like instruments, as well as preferred and common equity in such borrowers. Investment risks associated with the strategy arise from the complexity of capital structure, specialized lending techniques, counterparty negotiations, regulatory proceedings, and equity participation. Risks are also heightened as private credit strategies may include special situation and market dislocation investing where investment considerations are complex and unique. Private Credit strategies are often structured as registered interval funds or BDCs, which increases regulatory supervision, reporting, and investment eligibility requirements.

Distressed Credit: Distressed investments are highly uncertain and subject to significant process and timing risk. There are considerable risks in stressed/distressed situations that information on an issuer's true condition will be difficult to obtain, any restructuring or work-out will fail, a bankruptcy will be of considerable length and cost, a liquidation or reorganization will not generate material value, or that the issuer's distress will be too great for it to survive as a going concern. Distressed investments also are subject to heightened legal risk, including potential exposure to additional liabilities or the possible recharacterization or subordination of claims or the claw-back of payments received. In addition, CFIP's involvement in a distressed investment could subject CFIP or CFIP's Clients to bankruptcy court or public scrutiny, litigation or require CFIP to restrict trading in the issuer's securities across CFIP's Clients.

Relative Value/Arbitrage: Relative value/arbitrage strategies depend on identifying inefficiencies and pricing discrepancies between or among related assets and/or anticipating a convergence toward theoretical relationships and values. These strategies are subject to the risk that a perceived inefficiency or mispricing fails to materialize as expected, does not converge within an expected timeframe or diverges further from expectations. Moreover, market disruptions (including in the availability of credit), disruptions in historical price relationships or other unexpected events or price movements may intervene to thwart or delay the realization on a relative value/arbitrage investment. Relative value or arbitrage opportunities may be rapidly reduced or eliminated by the investment activities of other market participants.

Convertibles Arbitrage: A convertibles arbitrage strategy bears risks similar to other relative value/arbitrage strategies in that the relationship between the convertible security, the underlying equity and credit may differ from expectations. The value of a convertible security is highly sensitive to a number of factors, including the value of the embedded conversion option, which are difficult to accurately predict. The market for convertible securities is highly specialized. As a result, idiosyncratic convertibles market dynamics can have a significant impact on the value of convertible securities independent of the prevailing dynamics of the broader equity and credit markets.

Equity Securities: The value of equity securities fluctuates in response to issuer, political, market, and economic developments. Fluctuations can be dramatic over the short as well as long term, and different parts of the market and different types of equity securities can react differently to these developments. For example, large cap stocks can react differently from small cap stocks, and "growth" stocks can react differently from "value" stocks. Issuer, political, or economic developments can affect a single issuer, issuers within an industry or economic sector or geographic region, or the market as a whole. Changes in the financial condition of a single issuer can impact the market as a whole. Terrorism and related geopolitical risks have led, and may in the future lead, to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally.

Non-Discretionary Advisory Services: Non-Discretionary Clients are solely and exclusively responsible for acting, or not acting, on advice and recommendations presented by CFIP. CFIP makes recommendations based on its good faith belief as to the suitability of the investment for the Non-Discretionary Client based on information provided by that Client. If CFIP is not properly informed, it is not able to consider the overall diversification or concentration of the Non-Discretionary Client's total portfolio. The Non-Discretionary Client will be responsible for monitoring its assets for potentially contradictory or offsetting investments or concentration in one or more individual assets or in an asset class and independently taking any action to remediate such issues. As Non-Discretionary Clients implement CFIP's investment recommendations at their election, in the event of a sudden change in an issuer's financial condition, a market correction, or any other event during which the Non-Discretionary

Client is unavailable, CFIP will be unable to effect any account transactions (as it would for its discretionary Clients).

III. Global Risks

Geopolitical Risks and Force Majeure: An unstable geopolitical climate and continued threats of terrorism could have a material adverse effect on general economic conditions, market conditions and market liquidity. For example, the United States and governments globally have seen a rise in populist and nationalist tendencies, with political parties espousing such themes gaining strength in local and national elections. In addition, geopolitical tensions, including the conflict between Russia and Ukraine, the attack on Israel by Hamas, the effects of which have destabilized the region, and rising tensions between the United States and China, and the impact of long term financial and economic sanctions, could lead to uncertainty, disruption, and volatility in global markets and industries that could negatively impact the Firm. Moreover, certain current events and resulting movements (including protests) have caused social unrest in the United States and in other parts of the world. At times, such movements have been accompanied by violence and looting which has seen certain businesses suffer physical damage and economic loss. In addition, such movements have seen certain businesses become subject to adverse publicity and heightened scrutiny as a result of historical action or inaction. To the extent that CFIP invests in companies that are impacted by such social unrest, physical damage and economic loss or the threat thereof (e.g., in the retail sector), there could be a material adverse impact on CFIP and its investments.

Geopolitical tensions, such as Russia's incursion into Ukraine, has led to disruption, instability and volatility in global markets and industries that could negatively impact CFIP. The U.S. and other governments have imposed meaningful sanctions and export controls against Russia and Russian interests and threatened additional sanctions and controls. CFIP will be required to comply with such measures and the full impact of such measures (including supply chain disruptions), as well as potential responses to them by Russia, is currently unknown and may become significant.

CFIP could also be materially affected by Hamas' attack on Israel and Israel's counterattack into Gaza. The conflict has created tensions throughout the region which could expand creating a global crisis which has already increased U.S. military involvement. There have been over one hundred attacks on U.S. bases in the region, which has resulted in the death of three U.S. service members. Subsequently, there have been over one hundred air strikes by the U.S. against various terrorist organizations. Since the conflict began, various terrorist organizations have started attacking international shipping in the Red Sea, especially at the Bab el-Mandeb Strait which connects the Red Sea to the Gulf of Aden. Twelve percent of the oil and eight percent of the liquefied natural gas seaborne trade passes through the strait. The attacks on shipping are already causing some major oil and natural gas carriers to forgo the strait and take the longer trip around Africa which adds expense and delays. Such geopolitical tensions could create disruptions in the global supply chain and the global and U.S. economies which could negatively impact the Firm.

Additionally, the Firm and its investments may be affected by force majeure events such as events beyond the control of the party claiming that the event has occurred including, without limitation, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concern, war, terrorism and labor strikes. Some force majeure events may adversely affect the ability of a party, including the Firm, its investments or a counterparty to the Firm, to perform its obligations until it is able to remedy the force majeure event. In certain circumstances, the Firm may be a party to a contract which does not provide a remedy in favor of the Firm if a force majeure event occurs. In this event, CFIP may be required to continue to comply with its obligations (including, but not limited to, payment or performance of its obligations) under the contract even though it may not receive some or

all of the benefits to which it is entitled under such contract. Such a circumstance may cause the Firm to suffer economic loss, and such loss may be exaggerated if a force majeure event subsists for an extended period of time.

In addition, the cost to the Firm of repairing or replacing damaged assets resulting from such force majeure event could be considerable. Certain force majeure events such as war or an outbreak of an infectious disease could have broader negative impact on the world economy and international business activity generally or in any of the countries in which the Firm will invest. A resulting negative impact on economic fundamentals and consumer confidence may increase the risk of default of particular investments, negatively impact market value, increase market volatility and cause credit spreads to widen and reduce liquidity, each of which could have a material adverse effect on the performance of the Firm's investments, returns and the ability of the Firm to make and/or dispose of investments. No assurance can be given as to the effect of these events on the value of, or markets for, investments, or the Firm's ability to recover therefrom.

Uncertain Economic, Social and Political Environment: Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, pandemics, localized or global financial crises or other sources of political, social or economic unrest. Such erosion of confidence may lead to or extend a localized or global economic downturn. A climate of uncertainty may reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. In addition, limited availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, in an uncertain environment or economic downturn may have an adverse effect on the economy generally and on the ability of CFIP to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of businesses. This may slow the rate of future investments by the Firm and result in longer holding periods for investments. Furthermore, such uncertainty or general economic downturn may have an adverse effect on CFIP.

It has become common for politicians in the U.S. Congress to use the statutory debt limit of the United States ("Debt Ceiling") for political gain. If the Debt Limit is breached, the U.S. Department of the Treasury may take extraordinary measures to prevent the U.S. from defaulting on its obligations. If Congress does not raise the Debt Ceiling, the U.S. could default on its obligations, including Treasury securities that play an integral role in financial markets. A default by the U.S. could result in unprecedented market volatility and illiquidity, heightened operational risks relating to the clearance and settlement of transactions, margin and other disputes with clients and counterparties, an adverse impact to investors, downgrades in the U.S. credit rating, further increases in interest rates and borrowing costs and a recession in the U.S. or other economies. Even if the U.S. does not default, continued uncertainty relating to the Debt Ceiling could result in downgrades of the U.S. credit rating, which could adversely affect market conditions.

Increased Cybersecurity Threats: Cybersecurity incidents and cyber-attacks have been occurring globally at a more frequent and severe level and will likely continue to increase in frequency in the future. There has been an increase in the frequency and sophistication of the cyber and security threats that CFIP faces, with attacks ranging from those common to businesses generally to those that are more advanced and persistent, which may target CFIP because processes, stores and transmits large amounts of electronic information, including information relating to the transactions of the Clients and personally identifiable information regarding investors, employees, and portfolio companies. Similarly, service providers of CFIP or a Client, including administrators, custodians, and CRM web portals, may process, store and, transmit such information. As a result, CFIP may face a heightened risk of a security breach, online extortion

attempt, or disruption with respect to this information resulting from an attack by computer hackers, foreign governments, cyber extortionists or cyber terrorists. Attacks on the CFIP network or other systems could have a material adverse effect on CFIP's business and results of operations (and impact Clients and investors), due to, among other things, (1) the loss of investor, personal, counterparty, or proprietary data, (2) interruptions or delays in CFIP's business, and (3) damage to CFIP's reputation. In order to mitigate these cybersecurity risks, CFIP has implemented cybersecurity policies and procedures and engages, from time to time, third-party data security consultants to assist with maintaining protections against cybersecurity threats, including investigation of potential data breaches and the initial and ongoing due diligence review of CFIP's vendors relating to cybersecurity risks. Measures designed to manage cybersecurity risks, however, are limited in ensuring system and data security and the risk of loss due to an attack may be material to CFIP, Clients, and underlying investors.

Inflation Risk: In 2022 and 2023, in light of increasing inflation, the U.S. Federal Reserve (the "Fed") increased interest rates multiple times. Although inflation rates came down slightly in the latter half of 2023, inflation is still a concern, and the Fed could continue to raise interest rates because of the current robust economy. Increased interest rates create downward pressure on the value of certain investments. CFIP may face difficulty in realizing value from investments due to sustained declines in equity market values as a result of concerns regarding interest rates. Inflation and rapid fluctuations in inflation rates have in the past had, and may in the future have, negative effects on economies and financial markets. In an attempt to stabilize inflation, governments have imposed wage and price controls and will likely continue to intervene in the economy. Such governmental intervention often has negative effects on the level of economic activity. If inflation were to decrease at rates slower than those anticipated in underwriting investments, the effective rate of return on such investments may be reduced and as a result, could have a material and adverse impact on CFIP and its investments.

Governmental Interventions. Extreme volatility and illiquidity in markets has in the past led to, and may in the future lead to, extensive governmental interventions in equity, credit and currency markets. Generally, such interventions are intended to reduce volatility and precipitous drops in value. In certain cases, governments have intervened on an "emergency" basis, suddenly and substantially eliminating market participants' ability to continue to implement certain strategies or manage the risk of their outstanding positions. In addition, these interventions have typically been unclear in scope and application, resulting in uncertainty. It is impossible to predict when these restrictions will be imposed, what the interim or permanent restrictions will be and/or the effect of such restrictions on CFIP's investment strategies.

Institutional Risk and Custodial Risks. Clients may be subject to the risk of bank failure and the inability of, or refusal by, a bank to perform. The institutions, including brokerage firms and banks, with which Clients (directly or indirectly) do business, or to which securities or other assets have been entrusted for custodial and prime brokerage purposes, may encounter financial difficulties that impair the operational capabilities or the capital position of the respective Client. Banking institutions are subject to liquidity, solvency, and similar required capital requirements that if not met pose a risk to financial markets. Where such institutions experience systematic failure, such as rapid deposit reductions (a "Run on the Bank") institutions such as the Federal Deposit Insurance Corp ("FDIC") may not be able to insure assets held in excess of the FDIC insured limits (\$250,000), if at all. Any such default would deprive the affected Client of profit potential, hedging opportunity, or force the Client to cover their commitments for resale, if any, at the current market price, and could result in a loss which may potentially be substantial.

Financial Institutions Risk: CFIP relies upon third-party banks or other custodians to hold and safeguard Client assets. Where applicable, CFIP carefully selects and monitors its custodians, but there

is no guarantee that such custodians will not experience financial difficulties or otherwise fail, which could prevent the Firm from accessing Client assets, securities, or credit facilities. These events could negatively impact Firm performance or result in substantial delays in the return of capital to Clients and underlying investors.

Events involving limited liquidity, defaults, non-performance or other adverse developments that affect financial institutions or the financial services industry generally, or concerns or rumors about any events of these kinds, have in the past and may in the future lead to market-wide liquidity problems. For example, on March 10, 2023, Silicon Valley Bank ("SVB") was closed by the California Department of Financial Protection and Innovation, which appointed the FDIC as receiver. Despite subsequent actions taken by the U.S. Department of the Treasury, the U.S. Federal Reserve and the FDIC to ensure that all depositors of SVB had access to all of their cash deposits following the closure of SVB, uncertainty and liquidity concerns in the broader financial services industry remain.

CFIP regularly maintains cash balances at banks or other custodians in excess of the FDIC insurance limit. Each of these parties' access to cash in amounts adequate to pay expenses, purchase new investments and otherwise operate its business could be significantly impaired by the financial institutions with which it maintains cash balances to the extent such financial institutions face liquidity constraints or failures. In addition, investor concerns regarding the U.S. or international financial systems may increase the risk of default of particular investments, negatively impact market value, increase market volatility and cause credit spreads to widen and reduce liquidity, all of which could have a material adverse effect on the performance of the Firm's investments, returns and the ability of the Firm to make and/or dispose of investments. No assurance can be given as to the effect of these events on the value of, or markets for, investments, or the Firm's ability to recover therefrom. In addition, while it is not always possible to predict the extent of the impact that the failure of any financial institution or the high market volatility and instability of the banking sector could have on economic activity and CFIP in particular, the failure of other banks and financial institutions and the measures taken by governments, businesses and other organizations in response to these events could adversely impact the Firm and its investments.

IV. Portfolio-Level Risks

Use of Leverage: CFIP uses leverage in managing Client portfolios. Leverage may be achieved in numerous ways, including through margin borrowings, structured financings and the use of synthetic instruments and derivatives. While the use of leverage can enhance returns under certain circumstances, it also exposes Clients to greater losses from investments than would otherwise have been the case had leverage not been used. The use of leverage also subjects Clients to the risk of default and the potential material adverse consequences to the Client of a default. A Client also may be exposed to margin calls or collateral requirements which may force premature liquidations of investments at undesirable prices. In the event of a sudden, precipitous drop in value of Client assets, for example, CFIP may not be able to liquidate Client assets quickly enough to repay Client borrowings or post additional margin, further magnifying losses. The credit available to a Client could be materially reduced for a significant period of time, including in situations that are outside of CFIP's or the Client's control. A Client's inability to access credit on reasonable terms could significantly impact its performance.

Competition for Investments: CFIP competes for attractive investment opportunities with other investment vehicles, the public markets, and institutional and other investors, many of which may have greater financial resources. This competitive environment reduces the number and availability of investment opportunities and may cause potential opportunities to be short-lived. Moreover, increased competition for, or reduced supply of, attractive investments could result in less favorable terms or results for Client investments.

Limited Diversification: The diversification of a Client's portfolio at any time generally will depend on the opportunity set in the markets and CFIP's view of the attractiveness of, and CFIP's ability to execute on, those opportunities. A Client's portfolio could become significantly concentrated in any one or across a small number of issuers, industries, sectors, countries, geographic regions, or types of securities or financial instruments. This lack of diversification may expose a Client to greater or more rapid adverse changes in value than those experienced by a diversified portfolio.

Interest Rate Risk: The value of a Client's portfolio may fluctuate as the general level of interest rates fluctuates. Generally, the value of debt instruments changes inversely with changes in interest rates, with the impact typically greater for long-term debt instruments than for short-term debt instruments. To the extent CFIP seeks to minimize a Client's exposure to interest rate changes, CFIP may not be successful in hedging or mitigating the impact of those changes.

Liquidity: Certain Client investments may by their nature be illiquid, may not be readily marketable or may trade in less active markets. Moreover, overall liquidity in the market or in certain asset types also can be negatively impacted by market-wide events, developments, or sentiment. An investment's liquidity may change, at times rapidly and substantially. The purchase or sale of such investments at desired times, at desired prices or in desired quantities may be difficult or impossible. Moreover, the sale of illiquid investments may be possible only at a substantial discount which may not represent fair value and often requires more time and results in higher costs than the sale of more liquid investments. A significant concentration of illiquid investments in a Client's portfolio or stress on Client capital in times of depressed market liquidity could expose a Client to material risk.

Portfolio Turnover: The implementation of a Client's investment strategy, prevailing market opportunities or conditions, and/or Client capital needs may result in CFIP's trading the Client's portfolio more actively than anticipated or at undesirable or inopportune times. As a result, Client brokerage commissions and costs may significantly exceed those of other investment entities of comparable size.

Short Selling: Short selling involves the borrowing and subsequent sale of securities or other financial instruments. Instruments borrowed ultimately must be returned to the lender, typically on demand. There is a risk that CFIP may be forced to prematurely close out short positions or that short investments are not available for purchase at all or at favorable prices when they are required to be returned. Losses on investments sold short can increase rapidly and are theoretically unlimited. Short selling activities are frequently subject to legislative and regulatory scrutiny and various initiatives to regulate, require reporting of or, in some cases, temporarily or permanently prohibit short selling have been adopted or proposed in recent years. Limitations or additional requirements on short selling could materially impact CFIP's investing activities on behalf of Clients or the value of Client portfolios.

Hedging: CFIP may attempt to hedge certain exposures in a Client's portfolio, including through the use of derivatives and other hedging techniques such as short sales. However, CFIP may not measure the relevant exposure properly or CFIP may employ an ineffective hedging strategy. Moreover, CFIP's hedging activities may not serve to reduce risk and may generate significant losses, which could substantially offset or be in excess of any gains and result in poorer overall performance.

Transactions and Liquidity Risk: A Client could experience a loss when selling investments to meet redemption requests by investors, and its liquidity may be negatively impacted. The risk of loss increases if the redemption requests are large or frequent, occur in times of overall market turmoil or declining prices for the investments being sold, or when the investments a Client wishes to, or is required to, sell are illiquid. To the extent a large proportion of shares of a Client are held by a small number of investors (or a single investor), a Client is subject to the risk that these investors will purchase or redeem Client shares in large amounts. In addition to the other risks described in this section, these transactions could adversely affect CFIP's ability to conduct a Client's investment program. A Client may be unable to sell illiquid investments at its desired time or price or the price at which the investments have been valued for purposes of the Client's net asset value. Illiquidity can be caused by a drop in overall market trading volume, an inability to find a ready buyer, or legal restrictions on the resale of the investment. Other market participants may be attempting to sell similar investments at the same time as a Client, causing downward pricing pressure and contributing to illiquidity. The capacity for bond dealers to engage in trading or "make a market" in debt securities has not kept pace with the growth of bond markets. This could potentially lead to decreased liquidity and increased volatility in the debt markets. Liquidity and valuation risk may be magnified in a rising interest rate environment, when credit quality is deteriorating or in other circumstances that may arise. Certain investments that were liquid when purchased may later become illiquid, particularly in times of overall economic distress. Large redemptions also could accelerate the realization of capital gains, increase a Client's transaction costs, and impact a Client's performance.

Industry and Sector Focus Risk: At times, a Client may increase the relative emphasis of its investments in a particular industry or sector. The prices of investments in a particular industry or sector may be more susceptible to fluctuations due to changes in economic or business conditions, government regulations, availability of basic resources or supplies, or other events that affect that industry or sector more than investments in other industries and sectors. To the extent that the Client increases the relative emphasis of its investments in a particular industry or sector, its investment values may fluctuate in response to events affecting that industry or sector.

V. Investment Risks

Complex Investment Risk: The general risks posed by Client investments, which can be extremely complex, includes, but are not limited to credit risk, market risk, legal risk, operations risk, documentation risk, liquidity risk, systemic risk, concentration risk, and counterparty/settlement risk.

Debt Instruments: Debt investments, including investments in government securities, corporate bonds, sovereign bonds, and corporate bank loans, are subject to the risk of the issuer's inability to meet principal and interest payments. Certain of Client's debt investments may be rated by one or more credit ratings agencies, and therefore may be sensitive to future actions taken (or not taken) by these agencies.

Government Securities: U.S. government securities include securities issued or guaranteed by the U.S. government or its agencies and instrumentalities (such as securities issued by the Government National Mortgage Association (Ginnie Mae), the Federal National Mortgage Association (Fannie Mae), the Federal Home Loan Mortgage Corporation (Freddie Mac) or other Government Sponsored Enterprises (GSEs)).

U.S. government securities are subject to market risk, interest rate risk and credit risk. Securities, such as those issued or guaranteed by Ginnie Mae or the U.S. Treasury, that are backed by the full faith and credit of the United States are guaranteed only as to the timely payment of interest and principal when held to maturity and the market prices for such securities will fluctuate. Notwithstanding that these securities are backed by the full faith and credit of the United States, circumstances could arise that would prevent the payment of interest or principal. This would result in losses to a fund. Securities issued or guaranteed by U.S. government related organizations, such as Fannie Mae and Freddie Mac, are not backed by the full faith and credit of the U.S. government and no assurance can be given that the U.S. government will provide financial support. Therefore, U.S. government related organizations may not have the funds to meet their payment obligations in the future. U.S. government securities include zero coupon securities, which tend to be subject to greater market risk than interest-paying securities of similar maturities.

Sovereign Debt: Client may make investments in securities issued or guaranteed by foreign governmental entities (known as sovereign debt securities). These investments are subject to the risk of payment delays or defaults, due, for example, to cash flow problems, insufficient foreign currency reserves, political considerations, large debt positions relative to the country's economy or failure to implement economic reforms. There is no legal or bankruptcy process for collecting sovereign debt.

Non-United States Investments: Investments in securities and instruments issued by (or referencing) non-United States governments and issuers, which may be executed on foreign exchanges or with foreign counterparties, carry additional risks not typically associated with investments in the United States government and United States issuers. These considerations include changes in relevant exchange rates and exchange control regulations, political and social instability, expropriation, imposition of foreign taxes, less liquid markets and less available information than is generally the case in the United States, higher transaction costs, foreign government restrictions, less government supervision of exchanges, brokers and issuers, greater risks associated with counterparties and settlement, difficulty in enforcing legal rights, lack of uniform accounting, financial reporting and auditing standards, greater price volatility, and lack of basic protections available under certain United States laws and regulations.

Foreign Currencies: Client investments that are denominated in a foreign currency are subject to the risk that the value of that currency will change in relation to the benchmark currency for the Client. Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments. Although CFIP may seek to hedge a Client's currency exposure, a Client may be exposed to currency risk in ways that cannot be hedged or the currency hedges may be insufficient to fully mitigate the underlying currency risk.

Zero Coupon and PIK Bonds: Because investors in zero coupon or PIK bonds receive no cash prior to the maturity or cash payment date applicable thereto, an investment in such securities generally has a greater potential for complete loss of principal and/or return than an investment in debt securities that make periodic interest payments. Such investments are more vulnerable to the creditworthiness of the issuer and any other parties upon which performance relies.

High Yield Debt Instruments: Client may make investments in debt securities or other instruments that may be classified as "higher yielding" (and, therefore, higher risk) instruments. In most cases, such debt will be rated below "investment grade" or will be unrated and will face both ongoing uncertainties and exposure to adverse business, financial or economic conditions and the issuer's failure to make timely interest and principal payments. The market for high yield instruments has experienced periods of volatility and reduced liquidity. High yield instruments may or may not be subordinated to certain other outstanding instruments and obligations of the issuer, which may be secured by all or substantially all of

the issuer's assets. High yield instruments may also not be protected by financial covenants or limitations on additional indebtedness. The market values of certain of these instruments may reflect individual corporate developments. General economic recession or a major decline in the demand for products and services in the industry in which the borrower operates would likely have a materially adverse impact on the value of such instruments or could adversely affect the ability of the issuers of such instruments to repay principal and pay interest thereon and increase the incidence of default of such instruments. In addition, adverse publicity and investor perceptions, whether or not based on fundamental analysis, may also decrease the value and liquidity of these instruments.

Loans, Assignments, and Participations: Client may make investments in loans directly or indirectly through assignments or participations. Investments in loans, including loan syndicates and other direct lending opportunities, involve special types of risks, including credit risk, interest rate risk, counterparty risk, prepayment risk and extension risk. Loans may offer a fixed or floating interest rate. Loans are often below investment grade and may be unrated. The Client's investments in loans can also be difficult to value accurately and may be more susceptible to liquidity risk than fixed-income instruments of similar credit quality and/or maturity. The Client is also subject to the risk that the value of any collateral for the loan may be insufficient or unavailable to cover the borrower's obligations should the borrower fail to make payments, become insolvent, or otherwise default. Transactions in loans are often subject to long settlement periods and often require consent from borrowers and/or an agent acting for the lenders, thus potentially limiting the ability of the Client to invest sale proceeds in other investments and to use proceeds to meet its current redemption obligations. Participations in loans may subject the Client to the credit risk of both the borrower and the seller of the participation and may make enforcement of loan covenants, if any, more difficult for the Client as legal action may have to go through the seller of the participation (or an agent acting on its behalf). Covenants contained in loan documentation are intended to protect lenders and investors by imposing certain restrictions and other limitations on a borrower's operations or assets and by providing certain information and consent rights to lenders. In addition to operational covenants, loans and other debt obligations often contain financial covenants which require a borrower to satisfy certain financial tests at periodic intervals or to maintain compliance with certain financial metrics. The Client is invested in or is exposed to loans and other similar debt obligations that are sometimes referred to as "covenant-lite" loans or obligations, which are generally subject to more risk than investments that contain traditional financial maintenance covenants and financial reporting requirements.

Levered Loans: Levered loans and high-yield notes, which may be rated in the lower rating categories by the various credit rating agencies (or in comparable non-rated loans). Loans in the lower rating categories are subject to greater risk of loss of principal and interest than higher-rated loans and are generally considered to be predominantly speculative with respect to the issuer's capacity to pay interest and repay principal. Such loans are also generally considered to be subject to greater risk than loans with higher ratings in the case of deterioration of general economic conditions. Because investors generally perceive that there are greater risks associated with the lower-rated loans, the yields and prices of such loans may tend to fluctuate more than those for higher-rated loans. The market for lower-rated loans may be thinner and less active than that for higher rated loans, which can adversely affect the prices at which these loans can be sold. In addition, adverse publicity and investor perceptions about lower-rated loans, whether or not based on fundamental analysis, may be a contributing factor in a decrease in the value and liquidity of such lower-rated loans. Levered loans are the predominant investment made by CLO Vehicles.

Covenant Lite Loan: Client may make investments in, or obtain exposure to, floating rate Loans that may be “covenant lite,” which lack, or contain fewer or contingent, financial maintenance covenants or other provisions intended to provide certain financial protections in favor of lenders as compared to other types of loans. Accordingly, covenant lite loans carry greater risks because the borrower will generally have more flexibility with respect to its activities, and the Client may receive less frequent or less detailed financial reporting from the borrower and may experience greater delays and difficulties in enforcing its rights if the borrower’s financial performance declines, which may result in losses to the Client.

Mezzanine Investments: Client may invest in mezzanine level financial instruments, which investments are expected to be unsecured and made in companies whose capital structures have significant indebtedness ranking ahead of the investments, all or a significant portion of which may be secured. While the investments may benefit from the same or similar financial and other covenants as those enjoyed by the indebtedness ranking ahead of the investments and may benefit from cross-default provisions and security over the issuer’s assets, some or all of such terms may not be part of particular investments. Moreover, the ability of a Client to influence such an issuer’s affairs, especially during periods of financial distress or following an insolvency, is likely to be substantially less than that of senior creditors. Mezzanine investments generally are subject to various risks, including, without limitation: (i) the possible invalidation of an investment transaction as a “fraudulent conveyance,” (ii) the recovery of liens perfected or payments made on account of a debt in the period before an insolvency filing as a “preference,” (iii) equitable subordination claims by other creditors, (iv) so called “lender liability” claims by an issuer of the obligations and (v) environmental liabilities that may arise with respect to collateral securing the obligations.

Structured Finance Securities: Structured finance securities, such as equipment trust certificates, collateralized debt obligations, collateralized mortgage obligations, collateralized bond obligations, collateralized loan obligations or similar instruments, present risks unique to each structure and the nature of the underlying assets being securitized, which may include: prepayment risk, structural and legal risk, the risk of counterparty default, and the risk of default on the underlying assets. The performance of a structured finance security is affected by a variety of factors, including its priority, the availability of any credit enhancement, the level and timing of payments and recoveries on and the characteristics of the underlying other assets being securitized, the remoteness of those assets from the originator or transferor, the adequacy of and ability to realize upon any related collateral, and the capability of the servicer.

Asset-Backed and Mortgage-Backed Securities: Certain Clients may have exposure to asset-backed securities, including residential mortgage-backed securities structured finance investments. Clients investing in these securities generally receive payments that are part interest and part return of principal. These payments may vary based on the rate at which the underlying borrowers pay off their loans. Some asset-backed securities, including mortgage-backed securities, may have structures that make their reaction to interest rates and other factors difficult to predict, causing their prices to be volatile. These instruments are particularly subject to interest rate, credit and liquidity and valuation risk.

Residential Mortgage-Backed Securities: Residential mortgage-backed securities may be particularly sensitive to changes in interest rates given that rising interest rates tend to extend the duration of fixed rate mortgage-backed securities. As a result, a rising interest rate environment can cause the prices of mortgage-backed securities to be increasingly volatile, which may adversely affect the Client’s holdings of mortgage-backed securities. In light of the current interest rate environment, the Client’s investments in these securities may be subject to heightened interest rate risk. Investments in non-agency residential

mortgage-backed securities are subject to increased interest rate risk and other risks, such as credit and liquidity and valuation risks.

Commercial Mortgage-Backed Securities: Investments in commercial mortgage-backed securities (“CMBS”) are backed by commercial mortgage loans that may be secured by office properties, retail properties, hotels, mixed use properties or multi-family apartment buildings and are particularly subject to the credit risk of the borrower and the tenants of the properties securing the commercial mortgage loans. CMBS are subject to the risks of asset-backed securities generally and particularly subject to credit risk, interest rate risk, and liquidity and valuation risk.

Subordinated Securities: Subordinated or residual (“first loss securities” or “equity tranches”) securities of certain commercial mortgage-backed securities, collateralized debt obligations, and collateralized loan obligations offer significant return potential, and involve greater credit risk of default than the senior classes of the issue or series. Certain subordinated securities (“first loss securities”) absorb all losses from default before any other class of securities is at risk, particularly if such securities have been issued with little or no credit enhancement or equity. Such securities therefore possess some of the attributes typically associated with equity investments and can add greater volatility to Client returns.

Preferred Stock: Preferred stock generally has a preference as to dividends and upon the event of liquidation over an issuer’s common stock, but it ranks junior to debt securities in an issuer’s capital structure. Preferred stock generally pays dividends in cash (or additional shares of preferred stock) at a defined rate, but unlike interest payments on debt securities, preferred stock dividends are payable only if declared by the issuer’s board of directors. Dividends on preferred stock may be cumulative, meaning that, in the event the issuer fails to make one or more dividend payments on the preferred stock, no dividends may be paid on the issuer’s common stock until all unpaid preferred stock dividends have been paid. Preferred stock may also be subject to optional or mandatory redemption provisions.

Equity Instruments: Equity investments are sensitive to the issuer’s performance, the performance of competitors of the issuer and entities with material business relationships with the issuer, and movements in the broader equity markets. A variety of economic factors, as well as market sentiment, global events and political and geopolitical developments, influence the value of equity (or equity-linked) investments. Investments in the equity of smaller-capitalization, high-growth or private issuers may involve higher risks as they are often more volatile and more illiquid than the equity of publicly traded or larger-capitalization issuers.

Convertible Securities: Convertible securities are bonds, debentures, notes, preferred stocks, or other securities that may be converted into or exchanged for a specified amount of common stock of the same or a different issuer within a particular period of time at a specified price or formula. A convertible security generally entitles its holder to receive interest or a dividend until the convertible security matures or is redeemed or converted. Convertible securities generally: (i) have higher yields than the dividends on the underlying common stocks, but lower yields than non-convertible securities of a comparable duration; (ii) are less volatile in price than the underlying common stock due to their fixed-income characteristics; (iii) have a significant option component to their value which is directly impacted by the prevailing market volatility and interest rates; and (iv) provide the potential for capital appreciation if the market price of the underlying common stock increases. The value of a convertible security is a function of its “investment value” (determined by its yield in comparison with the yields of other securities of comparable maturity and quality that do not have a conversion feature) and its “conversion value” (the security’s worth, at market value, if converted into the underlying common stock). The investment value of a convertible security is influenced by changes in interest rates (with investment value declining as interest rates

increase) as well as market volatility (with the conversion value increasing as market volatility increases). The credit standing of the issuer and other factors may also have an effect on investment value. The conversion value of a convertible security is determined by the market price of the underlying common stock. If the conversion value is low relative to the investment value, the price of the convertible security is governed principally by its investment value. To the extent that the market price of the underlying common stock approaches or exceeds the conversion price, the price of the convertible security will be increasingly influenced by its conversion value. A convertible security generally will sell at a premium over its conversion value by the extent to which investors place value on the right to acquire the underlying common stock while holding a fixed-income security. Generally, the amount of the premium decreases (as with an option) as the convertible security approaches maturity. A convertible security may be subject to redemption at the option of the issuer. If a convertible security held by a Client is called for redemption, the Client will be required either to permit the issuer to redeem the security or convert it into the underlying common stock. Either of these actions could have an adverse effect on the value of the position.

Real Estate Related Securities: Investing in real estate related securities includes, among others, the following risks: possible declines in the value of real estate; risks related to general and local economic conditions, including increases in the rate of inflation; possible lack of availability of mortgage funds; overbuilding; extending vacancies of properties; increases in competition, property taxes and operating expenses; changes in zoning laws; costs resulting from clean-up of, and liability to third parties for damages resulting from environmental problems; casualty or condemnation losses; uninsured damages from floods, earth quakes or other natural disasters; limitations on and variations in rents; and changes in interest rates.

Small to Medium Capitalization and Private Companies: Investments in the debt or equity of public companies with a small-to-medium market capitalization or in private companies may involve higher risks than investments in larger companies. For example, prices for debt or equity instruments of or related to smaller or private companies are often more volatile and such investments tend to be more thinly traded (and thus more illiquid) relative to larger companies.

Highly Leveraged Companies: Client may make investments in issuers whose capital structures have significant leverage (including substantial leverage senior to the Client's investment), a considerable portion of which may be at floating interest rates. The leveraged capital structure of such issuers will increase their exposure to adverse economic factors such as rising interest rates, downturns in the economy or further deteriorations in the financial condition of the issuer or its industry. This leverage may result in more serious adverse consequences to such companies (including their overall profitability or solvency) in the event these factors or events occur than would be the case for less leveraged issuers. In using leverage, these issuers may be subject to terms and conditions that include restrictive financial and operating covenants, which may impair their ability to finance or otherwise pursue their future operations or otherwise satisfy additional capital needs. Moreover, rising interest rates may significantly increase the issuers or project's interest expense, or a significant industry downturn may affect a company's ability to generate positive cash flow, in either case causing an inability to service outstanding debt. A Client's investments may be among the most junior financing in an issuer's capital structure. In the event such issuer cannot generate adequate cash flow to meet debt obligations, the company may default on its loan agreements or be forced into bankruptcy resulting in a restructuring or liquidation of the company, and the particularly in light of a Client's subordinated and/or unsecured position of a Client's investments, may suffer a partial or total loss of capital invested in the company, which could adversely affect the return of the relevant Client.

Distressed Investments: A Client's investment program may include making distressed investments (e.g., investments in defaulted, out-of-favor or distressed bank loans and securities), including in companies that are experiencing financial or operational difficulties or are otherwise out-of-favor. Such investments are inherently speculative and are subject to a high degree of risk. Companies experiencing financial distress are often those operating at a loss or with substantial variations in operating results from period to period. Companies experiencing financial distress may be involved in insolvency proceedings and have the need for substantial additional capital to support continued operations or to improve their financial condition and may have very high amounts of leverage. Distressed companies typically are in default or have a significant risk of an inability to service their debt obligations, especially during an economic downturn or periods of rising interest rates. As a result, distressed companies may not have access to more traditional methods of financing and may be unable to repay debt by refinancing. Investments in distressed companies may be premised on a turnaround strategy. If turnarounds are not achieved, these companies could experience failures or substantial declines in value, and a Client may not be able to divest itself of such unprofitable investments in a timely fashion or at all. Additionally, turnarounds may not be achieved within the contemplated investment horizons. The value of distressed instruments tends to be more volatile and may have an increased price sensitivity to changing interest rates and adverse economic and business developments than other securities or instruments. Distressed investments are often more sensitive to company-specific developments and changes in economic conditions than other securities. Furthermore, distressed debt instruments are often unsecured and may be subordinated to senior debt. In certain circumstances the execution of a distressed investing strategy involves the ability to identify and exploit the relationships between movements in different securities and instruments within an issuer's or borrower's capital structure (e.g., senior bank debt, second liens, debt securities and other obligations, convertible and non-convertible senior and subordinated debt, preferred equity and common stock). In the event that the perceived pricing inefficiencies underlying an issuer's securities or instruments were to fail to materialize as expected, a Client could incur a loss.

Synthetic Instruments and Derivatives: Client portfolios may be exposed for investment or hedging purposes, sometimes substantially, to synthetic instruments and derivatives, including credit default swaps, options, futures, forwards, and swaptions. Synthetic instruments and derivatives typically involve highly leveraged exposure to underlying reference assets from which their value, at least in part, is derived. Accordingly, these investments bear the risks inherent in the use of leverage generally, including the risk of default and collateral posting requirements, and are also exposed to the risks of the referenced asset or assets. Transactions in synthetic instruments and derivatives may be effected on established exchanges or over-the-counter pursuant to privately negotiated and potentially highly-customized contracts. Exchange-traded instruments and derivatives involve a clearinghouse which reduces overall risk; by contrast, over-the-counter transactions bear the risk of default by the contractual counterparty. There also may be imperfect correlation between the synthetic instrument or derivative and the underlying asset or assets. Moreover, CFIP's ability to successfully use synthetic instruments and derivatives may be more dependent on CFIP's ability to predict pertinent market movements than other investments. Accordingly, the use of synthetic instruments and derivatives may result in losses greater than if they had not been used.

Credit Derivatives: Credit derivatives, including credit default swaps, are contracts that transfer the price, spread and/or default risks of debt and other reference instruments issued by one or more underlying issuers from one party to another in exchange for the payment of a premium. Sellers of credit derivatives carry the inherent price, spread and default risks of the debt instruments underlying the derivatives as well as the risk of non-performance by the buyer in the payment of the periodic premium; buyers of credit derivatives carry the risk of non-performance by the seller due to inability to pay. There are also risks with respect to credit derivatives in contractual interpretation, including determining

whether an event will trigger payment under the derivative and whether such payment will offset the loss or payment due under another instrument. The value of a credit derivative instrument depends largely upon price movements in the underlying reference asset. Therefore, many of the risks applicable to investing in the referenced asset are also applicable to a credit derivative referencing that asset.

Total Return Swaps: Client portfolios may invest in total return swap (“TRS”) facilities. Any TRS will be subject to various termination and trigger events that may result in an early termination or adjustment of any TRS. Any TRS will inherently reflect a leveraged investment and will incorporate borrowing costs which are borne by the applicable investment fund or vehicle. Borrowing for investment purposes is a speculative investment technique and involves substantial risks. There is no guarantee that the Client’s investment will deliver returns in excess of the inherent borrowing costs in any TRS.

Options: CFIP may invest in options for Client portfolios on either a covered or an uncovered basis, primarily by purchasing and selling put and call options on underlying equities or equity indices. Selling put options on an underlying security generally exposes a Client to losses if the value of the security decreases relative to the option’s strike price; similarly, selling call options on an underlying security generally exposes a Client to losses, which may be unlimited, if the value of the security increases when compared to the option’s strike price. Purchasing an option typically exposes a Client only to the potential loss of premium. The value of an option is highly sensitive to changes in price and volatility of the underlying security.

VI. Business, Legal and Operational Risks

Legal and Regulatory Risk: The legal and regulatory environment in which CFIP operates is continually evolving. Legislatures, regulators, and self-regulatory organizations around the world have been enacting (or contemplating or proposing) measures which impose additional requirements or costs on investment advisers. Changes in laws or regulations may materially adversely affect the value of Client investments or CFIP’s ability to pursue a Client’s investment strategy, may make CFIP’s investment strategies less profitable or unprofitable, may impose additional costs of compliance (which may be substantial), and/or may expose Clients to increased operational risk. The adoption and promulgation of such regulatory measures has at times in the past materially affected the prices, liquidity, and volatility of many securities, including convertible securities, and financial instruments and future actions may have a similar material impact, often with little warning. Moreover, many laws and regulations have yet to be fully implemented and the parameters and guidance around many recent measures may be uncertain. Legislative or regulatory actions in the future which relate to the securities or financial instruments in which CFIP invests or the financial markets in which CFIP operates, could significantly impact activities and investment opportunities or alter the liquidity or functionality of the markets in which CFIP operates. In those circumstances, CFIP may not be capable of, or be successful at, preserving the value of Client’s assets, generating attractive risk-adjusted investment returns or effectively managing risks. Various regulatory limits, such as position limits, may affect CFIP’s ability to make, hold or liquidate investments on behalf of one or more Clients or to forego or modify certain contemplated investments.

Systems and Operational Risk: In investing activities on behalf of Clients, CFIP relies extensively on CFIP’s technology infrastructure and operational and administrative capabilities. CFIP employs computer programs and systems to trade, match, clear and settle investment transactions, to evaluate certain investments based on real-time trading information, to monitor Client portfolios, and to generate portfolio accounting, risk management and other reports. In addition, CFIP’s business and operations functions and technology interface with and depend on systems operated by third parties, including Client custodians, banks, prime brokers and market counterparties, and other service providers. CFIP may not

be in a position to verify the risks or reliability of the systems, processes and controls of third parties. All of these systems are subject to human error and certain defects, failures or interruptions and any error, defect or failure, even if temporary, could have a material adverse effect on CFIP's investing activities. There is a risk that systems and operational failures may cause financial loss, the disruption of business, liability to Clients or third parties, regulatory intervention, or reputational damage.

Repurchase Agreement Risk: There is a risk that the counterparty to a repurchase agreement will default or otherwise become unable to honor a financial obligation and the value of your investment could decline as a result. A repurchase agreement is subject to the risk that the seller may fail to repurchase the financial instrument. In the event of default by the seller under a repurchase agreement construed to be a collateralized loan; the underlying investments would not be owned by a Client but would only constitute collateral for the seller's obligation to pay the repurchase price. Therefore, a Client may suffer time delays and incur costs in connection with the disposition of the collateral. For example, certain repurchase agreements a Client may enter into may or may not be subject to an automatic stay in bankruptcy proceedings. As a result of the automatic stay, to the extent applicable, a Client could be prohibited from selling the collateral in the event of a counterparty's bankruptcy unless the Client is able to obtain the approval of the bankruptcy court. In addition, to the extent that a repurchase agreement is secured by collateral other than cash and government securities ("Non-Traditional Collateral"), these risks may be magnified, and the value of Non-Traditional Collateral may be more volatile or less liquid thereby increasing the risk that a Client will be unable to recover fully in the event of a counterparty's default.

Cybersecurity Risk: Cyber incidents, which can be perpetrated by a variety of means, may result in actual or potential adverse consequences for critical information and communications technology, systems and networks that are vital to the Client or service providers' operations. A cyber incident could adversely impact a Client or service providers by, among other things, interfering with the processing of shareholder transactions or other operational functionality, impacting the ability to calculate the net asset value or other data, causing the release of private or confidential information, impeding trading, causing reputational damage, and subjecting a Client to fines, penalties or financial losses. These types of adverse consequences could also result from other operational disruptions or failures arising from, for example, processing errors, human errors, and other technological issues. In each case, the ability to calculate the net asset value correctly, in a timely manner or process trades or investor transactions may be adversely affected, including over a potentially extended period. Clients and service providers may directly bear these risks and related costs.

Custody Risk: There are risks involved in dealing with the custodians who settle Client trades. SMAs, Private Funds and CLO Vehicles each maintain custody accounts with a custodian. Although CFIP monitors the custodian and believes that it is an appropriate custodian, there is no guarantee that the custodian, or any other custodian that a Client uses will not become bankrupt or insolvent. While both the U.S. Bankruptcy Code, as amended, and the Securities Investor Protection Act of 1970, as amended, seek to protect customer property in the event of a bankruptcy, insolvency, failure, or liquidation of a custodian, there is no certainty that, in the event of a failure of a custodian that has custody of Client's assets, it would not incur losses due to its assets being unavailable for a period of time, the ultimate receipt of less than full recovery of its assets, or both. In addition, CFIP anticipates that a significant portion of Client assets may consist of interests in nonexchange traded debt and equity instruments which generally are not capable of being "custodied" in the traditional sense. Accordingly, at any given time, a Client's account with its custodian may only contain a relatively small portion of its portfolio assets.

Borrowing Risk: Certain Client accounts may borrow money for several purposes, including investment purposes (*i.e.*, to purchase additional investments). The Client's borrowings, which would be in the form of loans from banks, may be on a secured or unsecured basis and at fixed or variable rates of interest. A Client's ability to obtain leverage through borrowings is dependent upon its ability to establish and maintain an appropriate line of credit. Borrowing also will cost the Client interest expense and other fees. The cost of borrowing may reduce the Client's return.

Counterparty Risk: Clients are exposed to the credit risk of brokerage firms, prime brokers, banks, custodians, and other counterparties. Clients could suffer losses if a counterparty were to become bankrupt or insolvent or were to default on a contract with or its obligations to the Client, which losses could be material. In the event of a counterparty failure, CFIP may not be able to access and trade Client assets and losses may result from practical or timing problems associated with recovering or enforcing a Client's rights to its assets. Current United States law permits certain Client assets custodied by a prime broker to be pledged, transferred and rehypothecated, and CFIP expects prime brokers to utilize this ability to the fullest extent permitted. Moreover, to the extent of any leverage extended to a Client, all Client assets custodied by the lender may collateralize those borrowings. The insolvency of or default by one of several large institutions that are dependent on one another to meet their liquidity or operational needs, whether or not a Client counterparty, may cause a series of defaults by the other institutions, some of which may be Client counterparties, and also may adversely affect financial intermediaries, such as clearing agencies, clearinghouses, banks, securities firms and exchanges. Client losses also could result from actions by other third parties and service providers, including misconduct, misappropriation of assets, breach of contract or improper use or disclosure of Client confidential information. A Client's counterparty relationships may be concentrated in or across a small number of counterparties, and this lack of counterparty diversification could magnify the adverse impact of a default by any single counterparty. Counterparty risk may be heightened with foreign counterparties or in situations governed by laws outside the United States.

Contractual Default and Cross-Default: A default by a Client under a contract with any single counterparty (or the subsequent termination of such contract), in addition to triggering rights and remedies in favor of the counterparty, may result in or constitute a default by the Client under other contracts with that counterparty (or any of its affiliates) and/or with other counterparties. Any default by a Client under one of its contracts and any action taken by one or more counterparties following a Client default could have a material adverse effect on the Client and CFIP's investing activities generally on behalf of all Clients.

Dependence on CFIP, its Executives and Senior Professionals: SMAs, Private Funds, and CLO Vehicles will rely heavily on the skills, talents, abilities, and activities of CFIP, its executives, and its senior professionals. The loss of the services of key executives or senior professionals could have a significant impact on a Client's investment performance. Moreover, investors have no right or power to take part in the management of any investment, portfolio, fund, or account. Accordingly, each investor should critically assess the information herein concerning the executives and senior professionals of CFIP and should not invest unless willing to entrust all aspects of the investment management of the investments to CFIP.

Expedited Transactions: CFIP may from time to time need to undertake its investment analysis and decisions on an expedited basis to take advantage of investment opportunities. In those cases, the information available to CFIP at the time of making an investment decision may be limited, and CFIP may not have complete information regarding the investment conditions affecting an investment. Therefore, no assurance can be given that CFIP will have knowledge of all circumstances that may adversely affect

an investment. In addition, CFIP may rely upon specialized expert (e.g., appraiser or environmental consultant) input from third-party consultants and service providers in connection with their evaluation of proposed investments.

AIVs and SPVs: Economic and other substantive provisions governing an alternative investment vehicle may differ from those applicable to Clients by the specific terms, jurisdiction of, or establishment of, the alternative investment vehicle. In addition, structural attributes of certain alternative investment vehicles may result in divergent return characteristics for certain investors. Furthermore, the use of special purpose vehicles to hold Client investments may involve risks not present in direct investments, particularly when Clients participate in the special purpose vehicle in conjunction with others. In addition, a particular special purpose vehicle may hold multiple investments and issue separate classes of interests to reflect each participant's percentage interest in each investment (if any). The special purpose vehicle generally would allocate profits and losses attributable to each class to the participants separately based on their respective economic interests in the assets attributable to each class, although this may not always be possible. Situations could arise where liabilities related to one class exceed the value of the assets available to the class. Were that to happen, outside creditors could in some instances have recourse against all assets held by the special purpose vehicle under applicable law, and the excess liabilities could impair the unrelated assets of the special purpose vehicle.

Failure to Make Capital Contributions: If any of the underlying investors of a Client fail to fund their capital commitment obligations or to make required capital contributions when due, the Client's ability to complete its investment program or otherwise continue operations may be substantially impaired. A default by a substantial number of underlying investors would limit a Client's opportunities for investment diversification and likely reduce returns of the Client. Any underlying investor who defaults in making a required capital contribution may be subject to certain significant penalties pursuant to the provisions of the governing documents.

Confidential, MNPI, and Lack of Barriers: By reason of their responsibilities in connection with other activities of CFIP, certain investment professionals may acquire confidential or material, non-public information concerning an entity in which Clients have invested, or propose to invest, and the possession of such information may limit the ability of CFIP and other investment advisers and personnel at CFIP to buy or sell particular instruments of such entity on behalf of Clients, thereby limiting the investment opportunities or exit strategies available to Clients. In addition, holdings in the instruments of a specific company or issuer by CFIP or its affiliates may affect the ability of Clients to make certain acquisitions of or enter into certain transactions with such company or issuer. Certain practical information barriers (physical and restricted data system access) have been introduced to limit the flow of such material, nonpublic information; however, this risk of limitation on buying and selling of Client investments remains.

Increased Regulation of Derivatives: A variety of global legislative and regulatory actions and proposals in recent years impose additional regulatory requirements or prohibitions on trading in certain synthetic instruments and derivatives. For example, the Dodd-Frank Act includes provisions intended to overhaul and regulate the over-the-counter derivatives market, including the market for credit default swaps, by, among other things, requiring a substantial portion of derivatives transactions to be executed on regulated exchanges through regulated clearinghouses. The overall impact of many of these initiatives on the derivatives markets and the timing (and degree of success) of their implementation is uncertain. These requirements could make it more difficult and costly for CFIP to enter into derivatives transactions on behalf of the Fund and also could reduce the liquidity and value of the Fund's existing over-the-counter derivatives transactions.

Phantom Income: An individual investor's tax liability related to its investment in an SMA, Private Fund, or CLO Vehicle could exceed the amount distributed to an Investor in a particular year. There can be no assurance that an SMA, Private Fund, or CLO Vehicle will have sufficient cash flow to permit it to make annual distributions in the amount necessary to pay all tax liabilities resulting from an individual investor's investment.

CFIP Personnel: CFIP's ability to effectively manage Client portfolios depends on CFIP's ability to retain and motivate CFIP's existing personnel and to attract talented and qualified individuals, and to do so against the backdrop of a highly competitive financial services market. The loss or departure of a key person could adversely affect Clients to the extent of any resulting dislocation and its duration. Errors or misconduct by CFIP personnel could cause significant losses to Clients. In addition, CFIP personnel may violate legal, regulatory, or contractual obligations which could result in litigation or serious financial or reputational harm.

Misconduct of CFIP Personnel; Third-Party Service Providers: There have been a number of highly publicized cases involving fraud or other misconduct by employees in the financial services industry in recent years, and there is a risk that employee misconduct could occur with respect to CFIP. Misconduct by employees or by third-party service providers could cause significant losses to a Client. Employee misconduct could include, among other things, binding a Client to transactions that exceed authorized limits or present unacceptable risks and other unauthorized activities or concealing unsuccessful investments (which, in either case, may result in unknown and unmanaged risks or losses), or otherwise charging (or seeking to charge) inappropriate expenses to a Client or CFIP. In addition, employees and third-party service providers may improperly use or disclose confidential information, which could result in litigation or serious financial harm, including limiting the Client's business prospects or future activities. It is not always possible to deter misconduct by employees or service providers, and the precautions CFIP takes to detect and prevent this activity may not be effective in all cases.

Contingent Liabilities: In connection with the disposition of an investment in a company or issuer, the Client may be required to make representations about the business and financial affairs of such company or issuer that are typical of those made in connection with the sale of any business. The Client also may be required to indemnify the purchasers of such investment to the extent that any such representations are inaccurate. These arrangements or other circumstances may result in contingent liabilities. In that regard, investors may be required to return amounts distributed to them to fund such indemnity obligations.

Third-Party Involvement: Client may, at times, co-invest with third parties through joint ventures or other entities. Such investments involve risks not present in investments where a third-party is not involved, including the possibility that a co-venturer or partner of Client may at any time have economic or business interests or goals which are inconsistent with those of Client or may be in a position to take action contrary to the Client's investment objectives. In addition, Client may be liable for actions of its co-venturers or partners.

Lack of Operating History: When a Client is a newly formed entity that has not commenced operations, it has no operating history upon which potential investors may evaluate its historical investment performance. Although the investment professionals of CFIP have had significant experience in investments similar to those anticipated to be made by its Client, the past performance of these investments is not necessarily indicative of the future results of the Client's investments.

Investments Longer than Term: CFIP may make investments which may not be advantageously disposed of prior to the end of an investment management agreement with an SMA or the date a particular Private Fund or CLO Vehicle is dissolved, either by expiration of the related investment term or otherwise. Although CFIP expects that investments will be disposed of prior to such dissolution, CFIP may have to sell, distribute, or otherwise dispose of investments at times that are disadvantageous to investors. In addition, although upon the dissolution of any SMA, Private Fund or CLO Vehicle, CFIP (or the relevant liquidator) will seek to use its best efforts to sell, taking into consideration obtaining fair value for the investment and any tax or other legal considerations. Accordingly, there can be no assurances with respect to the time frame in which the winding up and the final distribution of proceeds to investors will occur.

Restrictions on Transferability and Withdrawal: None of the shares, units, or membership interests held by underlying investors in Clients will be registered under the Securities Act or any state securities laws and such interest may be not become transferrable unless the interests are properly registered under applicable United States federal and state securities laws. Exemptions from registration may be available whereby transfer of such interests are permissible without registration. In addition, as provided for in the applicable governing documents, investors may not be able to make full or partial withdrawals from their related investments, whether a Private Fund or CLO Vehicle.

Item 9: Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to an investor or potential investor's evaluation of the Firm or the integrity of its management.

To the best of its knowledge, CFIP has no such facts to disclose.

Item 10: Other Financial Industry Activities and Affiliations

As of the date of this Brochure, neither CFIP nor any of CFIP's management persons are registered, or have an application pending to register, as a broker-dealer or an associated person of a broker-dealer. CFIP does not have any affiliated broker dealers.

As of the date of this Brochure, neither CFIP nor any of CFIP's management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.

CFIP serves as the investment manager of Private Funds where CFIP (or an affiliate of CFIP) also serves as the general partner of that Private Fund. It should be noted that the general partner of a private fund generally has the authority to hire and fire the investment manager of that fund. Furthermore, CFIP affiliates, employees and/or their related persons have direct investments in CFIP's Private Funds, and their investments are not subject to management fees, performance-based fees or profit allocations.

CFIP has other financial industry affiliations through its ownership structure, however, CFIP is operationally independent of such affiliates, and CFIP has no reason to believe that the ownership relationship with its affiliates creates any conflicts of interest with its Clients.

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

Code of Ethics

CFIP has adopted a code of ethics ("Code of Ethics") and insider trading policy ("Insider Trading Policy") to comply with Rule 204A-1 under the Advisers Act. The Code of Ethics includes procedures and limitations that govern the business conduct and personal securities trading of persons employed by CFIP. The Code of Ethics is based upon the principle that CFIP owes a fiduciary duty to Clients and that CFIP's employees must meet high standards of business conduct, including their personal securities transactions and private investments, in a manner intended to avoid: (i) serving their own personal interests ahead of Clients; (ii) taking inappropriate advantage of their position with the Firm; and (iii) any actual or potential conflicts of interest or any abuse of their position of responsibility. Additionally, persons employed by CFIP are subject to policies and procedures regarding confidential and proprietary information, material non-public information, information barriers, private investments, outside business activities, gifts and entertainment and political contributions.

Insider Trading – Personal Trades

Subject to the provisions of the Code of Ethics and Insider Trading Policy, CFIP and its related employees from time to time have bought and sold, and could in the future buy or sell, for their own accounts, securities they buy or sell for, or recommend to, CFIP's Clients. Such trading is performed independently of the trading activities in Client accounts.

Subject to any approved exception as provided below, CFIP and persons employed with CFIP are not permitted to effect securities transactions on the basis of material non-public information relating to issuers with publicly traded securities ("MNPI"). If CFIP receives MNPI about any issuers, such issuers will be placed on CFIP's restricted list after an internal review process. The restricted list consists of issuers in which both CFIP and its employees (and, in some cases, CFIP's affiliates and their employees) are restricted with respect to trading, as applicable. For example, securities will be added to the restricted list (i) when CFIP comes into possession of MNPI about a public company, such as business plans, earnings projections, or merger and acquisition plans, or (ii) when the CCO determines that pre-clearance of trading in a security is required or desirable as an internal control to ensure continued compliance with applicable law and regulation.

When an issuer is placed on the restricted list, Client accounts generally are prohibited from transacting in the issuer's securities or derivatives thereof and will, therefore, be forced to deviate from their stated objectives. The restricted list typically prohibits CFIP from buying or selling the issuer's securities (and potentially the securities of an affiliated company). This prohibition on trading for issuers listed on the restricted list applies across all Client accounts, including SMAs, Private Funds, and CLO Vehicles. If an issuer's securities are in a Client account currently and subsequently that issuer's securities are placed on the restricted list, absent an exception, CFIP will not trade that issuer's securities in the Client's account until those securities are removed from the restricted list. A Client's account can become restricted due to receipt of MNPI by CFIP in the course of managing an unrelated account or investment strategy whereby an issuer or its securities become subject to CFIP's restricted list. Clients will bear the risk of loss

during the period any issuer or related securities are on CFIP's restricted list. Accordingly, the placement of issuers' securities on the restricted list has the potential to affect CFIP's exercise of discretion over and the performance of Client accounts.

Issuers on the restricted list are generally prohibited from being traded in Client accounts or employee personal accounts. However, there are certain limited exceptions that are permitted. An approved exception to the general trading prohibition occurs when investment professionals make investments in broadly syndicated loans after a review of "private" information that has made available to CFIP by agent banks or corporate loan issuers (that could contain MNPI) in connection with investment made by CFIP on behalf of CLO Vehicles. In these cases, the agent bank or corporate loan issuer has provided the private information to a bank syndication group specifically for the purpose of evaluating the loans for CLO investment. However, once private information of the issuer has been reviewed, the issuer is subject to being added to the restricted list and will, subsequently, become restricted to CFIP and its employees, if deemed appropriate.

General Process Regarding Potential Conflicts of Interest

CFIP seeks to ensure that potential or actual conflicts of interest are appropriately resolved, mitigated, or disclosed taking into consideration the best interest of all Clients involved in accordance with its Code of Ethics and various other policies and procedures implemented by CFIP (*please read this Item 11 in connection with Item 6, Item 10 and Item 12 as to potential conflicts of interest discussed therein*). To handle any such conflicts that are not specifically addressed by CFIP's policies and procedures, the Chief Compliance Officer ("CCO") and senior officers of CFIP will in good faith review and set forth the applicable course of action to alleviate a conflict as identified. As conflicts of interest are complex, factually based, and difficult to assess, CFIP may not be able to identify every conflict of interest that arises. When conflicts are identified, appropriate resolution will depend on the nature of the transaction and the conflict of interest, but could involve, without limitation, (a) using best practices and good faith assessment to resolve the conflict in accordance with the Code of Ethics, (b) general disclosure in this Brochure, any offering materials, or any governing fund documents for the relevant Clients, or specific notification to Clients, and (c) obtaining Clients' consent for the applicable transaction, as required by Section 206(3) of the Advisers Act for principal transactions, the Client's investment guidelines or other governing documentation, or as otherwise determined necessary or appropriate by CFIP.

Participation in Client Transactions

Related persons of CFIP have in the past, and are expected to in the future, invest in or finance an investment vehicle that is integral to an investment that CFIP seeks to make on behalf of a Client's account (including but not limited to Private Funds, CLOs, sponsors of CLOs or sponsor affiliates). When an identified conflict of interest arises between CFIP, the related persons, and Clients with respect to a proposed transaction, it is evaluated and managed by CFIP's CCO and senior officers as described under "Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading – General Process Regarding Potential Conflicts" above. Appropriate management of the conflict could involve, but is not limited to, disclosure to the Client or obtaining specific Client consent for the applicable transaction as required by Section 206(3) of the Advisers Act for principal transactions, the Client's investment guidelines or other governing documentation, or as otherwise determined necessary or appropriate by CFIP.

Additional conflicts arise where CFIP makes an investment on behalf of Client in parts of an issuer's capital structure where, at the same time, CFIP or related persons have investment in different parts of such issuer's (or its affiliate's) capital structure. Examples of this could include, but not limited to, investments in public versus private securities, investments in debt versus equity, or investments in senior versus subordinated debt. A similar situation can arise when Client and CFIP invest in the same or similar instrument of an issuer, but Client and CFIP or related persons have different rights or benefits attributed to them. The following conflicts often arise in such situations (i) CFIP has an incentive to consider the interests of its affiliates or related persons, including any potential adverse effects to its affiliates or related persons, when deciding whether or not to enforce rights on behalf of its Clients, (ii) CFIP has an incentive to invest CFIP's Client funds in the issuer or borrower to either facilitate or obtain preferable terms for a proposed investment by a CFIP affiliate or related person in such issuer or borrower, or (iii) CFIP has an incentive to preserve or protect the value or rights associated with an existing economic interest of a CFIP affiliate or related person in the issuer or borrower, which can have an adverse effect on the interests of CFIP's Clients. The financial interests of CFIP's affiliates or related persons in issuers or borrowers create a potential conflict between the economic interests of these affiliates or related persons and the interests of CFIP's Clients. As discussed above in *"General Process Regarding Potential Conflicts"*, CFIP has developed procedures to address potential conflicts of interest involving such transactions.

Cross Trades Between Clients

CFIP from time to time executes cross trades between Client accounts in which one Client will purchase securities or assets held by another Client, only so long as the transaction is (i) in the best interests of both Clients, (ii) effected for cash consideration at the fair value of the particular asset, and (iii) CFIP does not receive any compensation in addition to its management fee in connection with the transaction.

Cross trades present an inherent conflict of interest because CFIP represents the interests of both the selling account and the buying account in the same transaction, and CFIP would, in certain circumstances, have an incentive to treat one party to the cross trade more favorably than the other party. The conflict of interest is significantly heightened when CFIP or related persons have a personal economic or other interest in the transaction that could potentially be contrary to the best interest of a Client. Additionally, the price of an asset bought or sold through a cross trade is not certain to be as favorable as it might have been had the trade been executed in the open market, and any benefits of a cross trade will not necessarily be equally distributed among participating Clients. CFIP has policies and procedures to mitigate these potential conflicts of interest and help ensure that internal cross trades are in the best interests of, and appropriate for, all Clients involved, and the transactions are consistent with CFIP's obligation to seek best execution.

CFIP has developed policies and procedures addressing principal transactions, cross trades, including those with affiliates, and agency cross transactions. In particular, where necessary or appropriate, as provided by Client investment guidelines, IMAs or other governing documents (as applicable), or as required by applicable law and regulation – including under Section 206(3) of the Advisers Act – CFIP discloses to its Clients the nature of the transaction prior to the completion of such transaction and/or obtains the Client's consent (*for additional information, see "General Process Regarding Potential Conflicts" herein for more information regarding CFIP's general processes to mitigate such potential conflicts of interest*).

Cross Trade Pricing

Valuing assets for cross trading is generally determined in accordance with its Valuation Policy including (i) the last traded price, (ii) a price obtained from an independent third-party source, such as a pricing service, or (iii) the average price obtained from three independent dealers, when available and reliable. As applicable, CFIP's trading desk will typically attempt to identify potential dealers by consulting available databases and utilizing dealer communication tools (*e.g.*, Bloomberg message function), to obtain a price for the asset to be cross traded. The trading desk also has the option to contact other dealers with whom CFIP has traded in the past, or who are known to be active in the particular industry sector of the asset in question. There are circumstances when three independent offers and bids are not available or reliable, or the last traded price is believed not to reflect the market. The quantity and source of any independent quotes from unaffiliated dealers will vary depending on, among other things, market conditions, the dealer's familiarity with the asset class, the type of asset class, and various characteristics of the particular asset (*e.g.*, liquidity, rating, new issuances). Further, CFIP's trading desk evaluates quotes to consider whether any such bid and/or ask is reflective of the asset's value, and whether any such bid and/or ask should be deemed unreliable or an outlier and, therefore excluded as not reflective of an accurate price for the asset. In such circumstances, CFIP can use fewer independent bids and/or offers. However, there are still instances where no reliable quotes are available. The illiquid nature of the market for leveraged loans and securities that are not publicly traded and that trade infrequently (such as asset-backed securities, mortgage-backed securities, other structured finance securities and particular corporate bonds) often means that CFIP cannot readily locate dealers willing to provide a quote for such securities and loans, or such a quote is unreliable.

If no quotes are available or reliable, CFIP proactively solicits dealer bids, or effects a cross trade at a price determined using other methods outlined in its Valuation Policy and appropriate for the transaction or instrument in question, such as third-party pricing vendors or fair valuation model pricing reviewed by the Valuation Committee. On rare occasions, CFIP could be in possession of restricted information about an asset to be cross-traded that is not reflected in the market-based price for the asset. In accordance with its effort to effect cross trades at prices that are fair to both buyers and sellers, CFIP will take the restricted information into account when determining a cross trade price. As a result, the cross-trade price may be different from the market-based price. The method by which CFIP determines this price will vary and depend on the facts and circumstances of each case.

Item 12: Brokerage Practices

Selection of Broker Dealers

Unless specified otherwise in a Client's governing documents, CFIP is solely responsible for selecting the broker-dealer utilized to execute Client transactions and for negotiating the fees paid in connection with such transactions. In selecting appropriate broker-dealers to effect portfolio transactions for Clients, CFIP makes selections on the basis of "best execution" and in consideration of such factors as the financial stability and reputation of brokerage firms, and the research, brokerage or other services provided by such broker-dealers. CFIP has adopted guidelines for evaluating brokerage services and determining whether it has obtained best execution for Client transactions. These guidelines have been set to assist CFIP in evaluating the overall quality and costs of a broker-dealer's execution services, including factors other than prices, commissions, and other expenses paid in connection with account transactions, including but not limited to factors such as quality of execution, reputation, willingness to execute difficult transactions, and other factors that CFIP deems important.

Soft Dollar, Wrap Fee, and Direct Brokerage Arrangements

CFIP does not currently have any soft dollar accounts or participate in soft dollar programs. However, CFIP receives research, conference or educational resources for free or at a reduced cost from service providers or potential service providers of its Clients. The acceptance of such resources is monitored for any potential conflicts of interest.

CFIP does not participate in or sponsor any wrap fee programs.

CFIP generally does not permit, or otherwise recommend, request, or require, Clients to direct brokerage and currently does not have any directed brokerage arrangements with Clients. Direct brokerage arrangements can result in the lack of ability to obtain the most favorable execution of Client transactions and can be costlier for the Client.

Trade Aggregation

In order to minimize execution costs and obtain best execution for Clients, trades in the same instrument or security transacted contemporaneously on behalf of more than one Client are frequently aggregated. Trade aggregation practices are described in Item 6.

Client Referrals

CFIP does not typically direct trades to brokers on the basis of Client referrals or solicitations made by such brokers.

Item 13: Review of Accounts

Review of Client Accounts

CFIP provides continuous discretionary and non-discretionary advisory services to Clients. CFIP's Investment Committee is responsible for general oversight of discretionary Client portfolios and investment decisions and ensuring that investments executed for a Client's portfolio comply with the Client's investment program pursuant to the relevant governing documents. CFIP's Chief Investment Officer and four (4) senior investment executives are members of the Investment Committee, and such members are assigned varying roles within the Investment Committee as determined from time to time.

Client discretionary investment portfolios are monitored on a day-to-day and continuous basis by relevant portfolio management personnel, subject to the oversight of the Investment Committee. Portfolio managers are authorized to initiate and adjust discretionary Client investments within the constraints and parameters established by the Investment Committee and taking into account market developments and other circumstances which merit a change in a discretionary Client's portfolio. CFIP's operations personnel generally monitor and reconcile all discretionary Client investment and trading activity on a daily basis to ensure the proper posting and processing of transactions, although for certain of CFIP's discretionary Clients, the primary responsibility for this daily operational process is outsourced to a third-party administrator, custodian or other service provider.

The review of Non-Discretionary Client accounts is conducted at a frequency agreed upon with the respective Non-Discretionary Client.

Item 14: Client Referrals and Other Compensation

Except for CFIP's CLO Vehicles, as described below, CFIP does not currently have any third-party referral arrangements in place.

In the course of CFIP's advisory relationship with the CLO Vehicles, one or more third parties are engaged to provide structuring advice and assistance, as well as distribution and placement services, in respect of the applicable collateralized loan obligation vehicle. Typically, each such third-party is entitled to a fee at the closing of the applicable CLO Vehicle transaction based on a fixed percentage of the aggregate debt and equity capital commitments placed by such third-party, which fee is paid out of the assets of the respective CLO Vehicle. The private offering memorandum or circular in respect of the applicable CLO Vehicle discloses any such relationship. While CFIP does not receive any portion of the compensation to such third-party, CFIP benefits from the services of such third-party relating to the successful distribution of interests in, and closing of, each CLO Vehicle that CFIP manages.

Item 15: Custody

Custodian Reports to Clients, Report Comparison

CFIP typically is not deemed to have custody of the assets of SMA clients. SMA clients are generally responsible for selecting their preferred qualified custodians and for incurring all related costs and expenses associated with such qualified custodians. The custodial arrangements for SMAs will be reflected in the governing documents related to the advisory relationship. Each SMA client is expected to receive (or otherwise have access to) periodic reports from that Client's custodian, unless otherwise provided for in the governing documents for a specific Client.

CFIP or an affiliate is deemed to have custody of the Private Funds by virtue of their status as investment manager and/or general partner, respectively. CFIP maintains the assets of these Private Funds in accounts with "qualified custodians" pursuant to Rule 206(4)-2 under the Advisers Act, with the exception of any assets considered to be "privately offered securities" under Rule 206(4)-(2)b of the Advisers Act. Qualified custodians will be selected and undergo initial and periodic review by CFIP, in accordance with CFIP's policies and procedures. CFIP provides Private Fund investors with audited financial statements prepared by an independent accounting firm that is registered with, and subject to review by, the Public Company Account Oversight Board, in accordance with U.S. Generally Accepted Account Principles, within 120 days of the end of the Private Fund's fiscal year. Investors should carefully review such audited financial statements. Private Fund investors are typically provided (or otherwise have access to) other periodic unaudited capital account statements and, as applicable, other holdings reports.

Additionally, for certain Clients, CFIP issues periodic letters to underlying investors of Clients, which are intended to provide a brief summary of market conditions, as it relates to the specific Client. Further, certain underlying investors of Clients frequently request additional or supplementary information in connection with their investment that differs from the information regularly provided to other related or unrelated investors.

CFIP is typically not deemed to have custody of the assets of CLO Vehicles. CLO Vehicles utilize the services of a third-party trustee, custodian, and/or administrator, which reports directly to the CLO Vehicle. In CFIP's role as collateral manager for any such CLO Vehicle, CFIP does not, and is not authorized to, hold, obtain, possess, access, or transfer cash or assets nor is CFIP authorized to open or establish custodial (as opposed to brokerage) accounts in a CLO Vehicle's name. CLO Vehicle investors receive (or otherwise have access to) relevant data with respect to the investor's investment in such CLO Vehicle, generally as of the end of each month/payment period, as prepared by the Client's third-party trustee, administrator and/or custodian, which includes certain data points required to be disclosed in accordance with the CLO Vehicle's governing documents, as well as other standard deliverables prepared by the trustee.

Item 16: Investment Discretion

For Discretionary SMA clients, CFIP has discretionary authority and is authorized to make investment decisions on behalf of the SMA client in accordance with the particular SMA client's IMA or other related governing documents which generally include the Client's investment objective, specific account constraints, and any other applicable restrictions as mutually agreed upon.

CFIP has discretionary authority to manage Private Funds and is authorized to make investment decisions on behalf of the Private Fund in accordance with the particular Private Fund's investment management agreement, confidential private offering memoranda, or other governing documents. Investors in Private Funds do not have the ability to impose limitations on CFIP's discretionary authority. Prospective investors in the Private Funds are provided with a confidential private offering memorandum (and any applicable supplements) and other governing documents prior to their investment and are encouraged to carefully review such documents to be sure that the proposed investment is consistent with their investment goals and tolerance for risk. Prospective investors should also consult with their legal, tax, or other advisors prior to making any investment. Prospective investors must also execute a subscription agreement, which constitutes a legal, valid and binding obligation of the investor, enforceable in accordance with its terms.

For CLO Vehicles, CFIP, as collateral manager, has discretionary authority to manage the underlying investments subject to the guidelines and procedures in each CLO Vehicle's relevant collateral management agreement (which is executed between CFIP and the relevant CLO Vehicle) and CLO Vehicle's related indenture, which contain various mandates, covenants, and limitations. Additionally, CFIP's authority on behalf of the CLO Vehicles is generally subject to the oversight of the relevant CLO Vehicle's board of directors or trustee.

For Non-Discretionary Clients, CFIP is not granted investment discretion over the respective Non-Discretionary Client accounts and has no authority to make investment decisions on behalf of the particular Non-Discretionary Client.

Item 17: Voting Client Securities

As most investment strategies offered by CFIP relate to credit products, CFIP generally does not have the ability to vote proxies. However, where discretionary Client accounts hold securities with voting rights, CFIP has or will accept authority to vote related proxies. Accordingly, CFIP has adopted proxy voting policies and procedures that it believes are reasonably designed to comply with the requirements of the Advisers Act and reflect CFIP's commitment to vote such proxies in a manner consistent with the best interests of the relevant Clients. CFIP is generally not granted authority to vote proxies for Non-Discretionary Client accounts.

In connection with CFIP's duty to act in the best interests of Clients when voting proxies, CFIP seeks to identify and address material conflicts of interest, if any, between CFIP and the applicable Client with respect to the voting of any proxy on behalf of such Client. In the event of a potential material conflict of interest, CFIP will take steps to ensure that its voting decision is based on the best interests of the respective Client, which may include without limitation seeking the advice of the applicable Client advisory committee, if any, or engaging a third-party proxy advisor.

Any of CFIP's Clients, or any underlying investor in any of CFIP's Clients, can request a copy of CFIP's proxy voting policy and procedures, as well as relevant information concerning how CFIP voted Client securities, if and when applicable, by contacting CFIP at:

CFI Partners, LLC
Attention: Chief Compliance Officer
One South Wacker Drive, Suite 3500
Chicago, Illinois 60606

Item 18: Financial Information

CFIP has never been the subject of a bankruptcy petition and is not aware of any financial condition that could be reasonably expected to impair CFIP's ability to meet its contractual commitments to Clients.