



MJX ASSET MANAGEMENT LLC

Firm Brochure

Form ADV– Part 2A

Uniform Application for Investment Advisor Registration

Dated: March 28, 2024

MJX Asset Management LLC
12 East 49th Street, 38th Floor
New York, New York 10017
Telephone: 21-705-5300
Fax: 212-705-5390
Web: www.mjxam.com

This brochure provides information about the qualifications and business practices of MJX Asset Management LLC. If you have any questions about the contents of this brochure, please contact us at 212-705-5300 or www.mjxam.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or any state securities authority

Additional information about MJX Asset Management LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

MJX Asset Management LLC is registered as an investment adviser under the Investment Advisers Act of 1940. Such registration does not imply that an investment adviser has a certain level of skill or training.

Item 2. Material Changes

Russian Invasion of Ukraine

As of the date of this Brochure, the Russian invasion of the Ukraine which began in February 2022 continues into its third year. Sanctions imposed upon Russia by the United States, the European Union and other countries around the world in response to the invasion remain in effect, How and when this conflict will be resolved and its outcome continue to be speculative at this time as are the short and long term consequences of Russia's actions on world political and economic spheres.

COVID-19 Pandemic

As of the date of this Brochure, the COVID-19 global pandemic proclaimed in March 2020, has subsided but new variants of the virus continue to arise and spread in the United States and elsewhere globally.

The COVID-19 pandemic and the resulting response caused substantial disruption, volatility and a reduction in liquidity in the capital markets and the credit markets, including the leveraged loan market specifically, which may continue for an extended period. While the pandemic in the United States has subsided, these conditions may continue or worsen and may adversely affect the value of Collateral (as defined herein) owned by MJX managed Funds, the value and liquidity of the notes issued by the Funds, the ability of obligors to make timely payments on the Collateral held by the Funds and the performance of the Funds generally.

In response to the COVID-19 pandemic MJX and its staff began operating remotely from the Firm's New York City offices in early March 2020. Since early February 2022, the Firm has operated in a hybrid mode, in-office three days and remotely two days each week. Throughout the pandemic's duration the Firm has continued to carry out its portfolio management responsibilities effectively and without interruption whether operating remotely or in hybrid mode. The Firm has not set a date for return of full-time operations in its New York City offices.

The national emergency and public health emergency from COVID ended on May 11 2023.. Since then COVID has been treated as an endemic public health threat managed through normal federal agencies' processes.

Item 3. Table of Contents

<u>Item</u>	<u>Page</u>
Item 1. Cover Page	Cover Page
Item 2. Material Changes	2
Item 3. Table of Contents	3
Item 4. Advisory Business	3
Item 5. Fees and Compensation	5
Item 6. Performance Based Fees and Side-By-Side Management	6
Item 7. Types of Clients	6
Item 8. Methods of Analysis, Investment Strategies and Risk of Loss	7
Item 9. Disciplinary Information	20
Item 10. Other Financial Industry Activities and Affiliations	20
Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	20
Item 12. Brokerage Practices	25
Item 13. Review of Accounts	26
Item 14. Client Referrals and Other Compensation	27
Item 15. Custody	28
Item 16. Investment Discretion	28
Item 17. Voting Client Securities	28
Item 18. Financial Information	29
Item 19. Requirements for State-Registered Advisers	29

Item 4. Advisory Business

MJX Asset Management LLC (unless otherwise indicated, the term “MJX” or the “Firm” used herein includes MJX’s relying advisers MJX Venture Management LLC (“Venture Management”), MJX Venture Management II LLC (“Venture Management II”), MJX Venture Management III LLC (“Venture Management III”) and MJX Venture Holdings II, LP (“Venture Holdings”)) is principally engaged in the business of rendering investment advisory services to, and acting as portfolio manager of, collateralized loan obligation (“CLO”) funds which are structured investment vehicles that invest in broadly syndicated non-investment grade debt securities, principally leveraged bank loans issued by corporate borrowers. MJX and its relying advisers currently act as portfolio managers for thirty-four cash flow CLO funds (collectively, the “Funds”).

MJX Asset Management LLC, a Delaware limited liability company, was formed in August 2003 by Hans Christensen and Martin Davey, formerly portfolio managers at Barclays Bank and Citibank. MJX has been in business since November 2003 when MJX purchased from Barclays Bank its CLO management business which Messrs. Christensen and Davey managed for Barclays Bank at the time of acquisition.

Messrs. Christensen and Davey are the sole owners of MJX Asset Management LLC.

MJX Asset Management LLC is a registered investment adviser under the Investment Advisers Act of 1940 (“Advisers Act”). Venture Management, Venture Management II, Venture Management III and Venture Holdings II are registered as “relying advisers” in an umbrella registration under MJX Asset Management LLC’s Form ADV- Part 1A.

MJX’s investment advice to the Funds it manages relates solely to credit products, principally loans. MJX does not provide advice on equity securities.

MJX’s flexibility in investing a Fund’s assets is constrained by the portfolio quality criteria, collateral quality tests, concentration limits, and asset and income coverage tests spelled out in the indenture pursuant to which the Fund’s securities are issued. In its purchase and sale of assets for a Fund’s portfolio, MJX is required to comply with the restrictions and parameters set forth in the Fund’s indenture.

Each currently managed Fund is an exempt company with limited liability formed under the laws of the Cayman Islands or Jersey, Channel Islands. The Funds are not required to be registered under the Investment Company Act of 1940 (the “Investment Company Act”) by virtue of the exemption from registration provided by Section 3(c) (1) and/or 3(c) (7) of that Act. Both the senior rated notes and the subordinated notes (or other equity interests) of the Funds are offered on a private placement basis under the Securities Act of 1933 (the “Securities Act”) and pursuant to Section 3(c)(1) and/or 3(c)(7) of the Investment Company Act to persons (other than MJX employees) who are either “qualified institutional buyers” or “accredited investors” as defined in the rules under the Securities Act and “qualified purchasers” as defined under the Investment Company Act and subject to certain other conditions as set forth in the offering documents of each Fund.

As of October 1, 2021, the Cayman Islands were added to the European Union (“EU”) List of countries that pose high risk for anti-money laundering. As a result, certain EU investors were prohibited from investing in Cayman CLOs such as those managed by the Firm, even if the CLOs are structured to be EU risk retention compliant. MJX managed Funds formed in 2022 and 2023 were formed in Jersey, Channel Islands. In October 2023, the Cayman Islands were removed from the US Financial Action Task Force list of jurisdictions under increased monitoring, and on December 7, 2023 the UK and on February 7, 2024, the EU, removed the Caymans from the list of countries with significant deficiencies in their anti-money laundering regulation. MJX may cause future Funds again to be formed in the Cayman Islands.

As of the date of this Brochure, MJX is managing on a discretionary basis approximately \$16.5 billion of assets in the Funds. MJX does not manage any client assets on a non-discretionary basis.

MJX anticipates that in the future it will manage and advise additional CLO funds, and may also manage and advise additional open ended funds, closed end funds,

separately managed accounts and other investment funds which will invest primarily in loans, bonds and other credit products.

Item 5. Fees and Compensation

At the time of the launch of each CLO Fund, MJX negotiates the fees it will be paid for its portfolio management services with the non-affiliated commercial or investment bank that acts as placement agent, underwriter and/or initial purchaser of the Fund's securities. MJX's management fees are calculated as a percentage (expressed as a number of basis points (bps)¹) of the aggregate principal amount of the assets of the Fund under management (or market value with respect to certain discounted or defaulted assets). Accordingly, management fees payable to MJX may differ from Fund to Fund.

Generally, MJX's CLO Fund management fees have three components: a senior management fee (generally 15bps or 20bps per annum), a subordinated management fee (generally between 15bps and 20 bps per annum) and an incentive fee. The senior and subordinated fees are paid quarterly in arrears in accordance with the priority of payments waterfall (i.e., priority of payments sequence) set forth in the indenture pursuant to which each Fund's securities are issued. The senior management fee is paid earlier in the waterfall than the subordinated management fee. The subordinated fee is subject to deferral if sufficient funds are not available to pay Fund obligations at a higher level in the waterfall. The subordinated management fee also may be deferred if the Fund is not in compliance with certain financial coverage tests set forth in the Fund's indenture on the date each quarter when the tests are determined. The incentive fee is not payable unless and until the Fund's performance exceeds the Fund's designated hurdle rate and the CLO equity investors have achieved a certain internal rate of return ("IRR") (generally 11% - 12%) on their investment. Thereafter, the incentive fee is payable quarterly as a percentage (generally 20%) of the amount (principal and interest) available for distribution to the Fund's equity investors.

Any incentive or other performance-based fees payable to MJX by any Fund will be charged in accordance with Section 205 of the I Advisers Act and Rule 205-3 thereunder.

In addition to the fees above, each Fund is also responsible for portfolio related expenses which may include fees and expenses related to legal, accounting, consulting, pricing and other services, portfolio due diligence and surveillance, legal and regulatory compliance, litigation, third party services including indenture trustee, collateral administrator and rating agencies services, brokerage commissions, custodial fees, bank service fees, withholding and asset transfer, clearing and settlement fees (including expenses related to services providers (including Firm affiliates) for middle office and back office services and other reasonable fees and expenses associated with the Fund's investment activities and operations. The Firm allocates such fees and expenses among

¹ A basis point equals 1/100 of 1%.

the Funds and any other of its clients, as appropriate and in a manner MJX determines to be equitable. Any amounts advanced by the Firm on behalf of the Funds in payment of fees and expenses for which the Funds are responsible are reimbursed to the Firm to the extent funds are available therefor in accordance with and subject to the priority of payments and the other limitations of each Fund's indenture.

MJX does not have custody of any Fund assets. Accordingly, MJX does not deduct its fees from Fund assets; nor does MJX bill a Fund for fees. MJX's portfolio management agreement with each Fund provides for MJX to be paid the agreed upon fees on a quarterly basis. The fees are calculated and paid to MJX by the Fund's indenture trustee in accordance with the priority of payments waterfall set forth in the indenture. See Item 15 and **Risk Factors relating to Regulation** for information on an SEC's proposed rule that would designate a portfolio manager such as MJX as a Custodian merely because the manager has the discretion to purchase and sell Fund assets.

Any brokerage and other transaction costs incurred in connection with the purchase or sale of assets for a Fund are paid by the Fund. See Item 12 for additional information on Brokerage Practices.

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

The incentive fee discussed in Item 5 above is the only performance based fee payable to MJX for its portfolio management services to the Funds. The only advisory fees MJX receives from the Funds are the asset based fees described in Item 5 above. MJX does not charge any hourly or flat fees for its advisory services.

Item 7. Types of Clients

The clients for whom MJX currently provides investment advisory and portfolio management services are the CLO Funds which are legal entities formed for the purpose of investment and are exempt from registration under the Investment Company Act. Current investors in the Funds include only institutions such as investment advisers, CLOs, private and other investment funds, banks, insurance companies and other financial institutions. MJX does not currently provide investment advisory services directly to any individual natural person although MJX may do so in the future.

Investors in the Funds (other than MJX employees) are generally required to make a minimum initial investment of at least \$100,000 in most Funds and \$250,000 in other Funds. As stated above, Fund investors (other than MJX employees) are required to be either "qualified institutional buyers" or "accredited investors" who are also "qualified purchasers" as defined under the Investment Company Act, depending on the applicable exemption from Investment Company Act registration relied upon by the Fund.

Investors in the CLO Funds managed by MJX do not have any right of redemption whatsoever until the expiration of the non-call period (generally two years from the Fund's closing date). Thereafter, generally at quarterly intervals, the holders of

a majority (or in some Funds a greater percentage) of a Fund's equity securities may request that (i) all or certain classes of a Fund's rated notes be redeemed from refinancing proceeds or (ii) all of the Fund's notes and other securities be redeemed (A) in whole from refinancing proceeds and/or sale of Fund assets or (B) in part from refinancing proceeds.

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

Investment Philosophy

MJX is a credit-oriented investment management firm whose management philosophy is to minimize risks while aiming to achieve maximum returns on the Fund assets it manages. MJX believes that combining portfolio management discipline with continued monitoring of issuer viability is the best method of achieving this goal and preserving capital through multiple business cycles. MJX's investment strategy combines rigorous credit, market, and relative value analysis within the leveraged loan and high yield markets. MJX operates a disciplined investment style that focuses on consistent, superior risk-adjusted returns principally in the broadly syndicated non-investment grade secured bank loan market. MJX believes that strong credit analysis and continual attention to the credits in its portfolios contribute significantly to its value-added performance.

Investment Process

The MJX investment process may be viewed as involving four steps: portfolio construction, investment evaluation, relative value analysis, and disciplined monitoring.

Portfolio Construction. Portfolio construction begins with the establishment of portfolio guidelines that are intended to provide a mechanism to monitor the optimal composition of a Fund's portfolio. MJX industry sector specialists and credit analysts evaluate portfolio characteristics including but not limited to issuer and industry concentrations, credit quality and leverage, to determine the recommended investment strategy. Portfolio reviews evaluate credit trends and highlight new risks and opportunities. MJX managed Funds deal in both the primary and secondary credit markets, acquiring loans directly from underwriters or arrangers of syndicated bank loans in the primary market and buying and selling loans in the secondary loan trading market.

Investment Evaluation. Investment evaluation with respect to both primary and secondary market opportunities is the work of the sector specialists and credit analysts. A sector specialist and an analyst are assigned to each new investment opportunity and it is their responsibility to consider the relevant issues, using research and data from available internal and external sources.

Typically for primary market purchases, the investment process involves the assigned sector specialist and analyst reviewing a new issue offering memorandum prior to any arranger bank/issuer meeting; perhaps, querying the issuer's management team or underwriter with respect to any identified credit concerns; undertaking fundamental credit analysis and, if satisfied with this information, preparing an investment memo.

The investment memo presents a deal summary, pricing and a recommendation; and may include potential credit and other risks and mitigants, opinions on management, industry standing and competitive landscape, and key performance indicators (i.e., items to be monitored on an ongoing basis to assess credit deterioration). The memo is distributed to MJX's investment team which consists of all MJX investment professionals. Approval to invest is subject to consensus of the investment team.

Key performance indicators for an investment are tracked on an ongoing basis by the responsible sector specialist and analyst while the investment is held in a Fund portfolio. Key performance indicators are reviewed during quarterly industry sector reviews to identify improvement/deterioration or to update their relevance.

Relative Value Analysis. Relative value analysis seeks to ensure that a portfolio is positioned for improved risk-adjusted returns for a given risk level. Qualitative inputs are complemented with quantitative calculations that help identify undervalued industries or debt issues, calculate implied credit spreads (after adjustment for prepayment and credit changes) and assess a loan's value versus that of an issuer's other debt instruments and the debt of comparable companies. Relative value is first assessed at the time of initial investment and updated thereafter and as part of the Firm's quarterly industry sector review process. The quarterly industry sector review process reviews relative risk/return performance by each industry sector and the individual investments in the sector to identify improving or deteriorating performance and contributions to the overall portfolio.

Disciplined Monitoring. In an effort to generate early warning indications of deteriorating credit quality, the management team actively monitors the portfolio on a daily basis. Actual issuer performance is gauged against the key performance indicators established in the initial investment analysis process; generally updated as new information becomes available; and reviewed again by the team during the quarterly industry sector reviews. Actual financial performance and issue price performance are considered along with quantitative calculations to identify portfolio deterioration and possible "sale" positions. Although positions may be sold earlier to realize gains or to comply with the qualitative and quantitative requirements of the applicable Fund indenture, unless material new information is identified, investments are typically reduced or eliminated following performance deterioration or as a result of relative value analysis.

The investment analysis is substantially similar for primary market new issue and secondary market investment opportunities.

Risk Factors

An investor in the Funds assumes a number of risks including, but not limited to, the following:

Risk Factors Relating to Fund Securities

Investment Risk. Investors are exposed to the risk of loss up to the full amount of their investment.

Limited Liquidity and Restrictions on Transfers of Fund Securities. There is no active market for any Fund securities. In addition, Fund securities are subject to certain transfer restrictions and can only be transferred to transferees who meet certain qualifications, further limiting liquidity. Investment in the Funds should be viewed as a long term investment and not for trading.

Limited Recourse. Fund securities are limited recourse debt obligations of the Fund. Payments on Fund securities are payable solely from the Fund's assets in accordance with the priority of payments waterfall set forth in the Fund's indenture. Investors have no recourse to MJX (or any of its affiliates) or directly to any assets of the Fund in the case of investment losses resulting from the performance of the Fund.

Suitability of an Investment in Securities. Neither MJX nor any of its affiliates makes any representation to investors as to the accounting, capital, tax and other regulatory and legal consequences of ownership of Fund securities. Each Fund investor is solely responsible for a determination of the accounting, capital, tax and other regulatory and legal consequences to such investor of ownership of Fund securities and for deciding whether ownership of Fund securities is suitable in light of the investor's investment experience, investment objectives, risk tolerance and particular circumstances.

Subordination. Each class of Fund securities (other than the highest-ranking class) is subordinated in right of payment to one or more higher-ranking classes in the Fund's capital structure; and to the payment of certain fees and expenses pursuant to the priority of payments waterfall of the Fund's indenture.

Leveraged Nature of the Subordinated Classes. The subordinated classes of Fund securities represent highly leveraged investments. Therefore, the market values of subordinated classes are anticipated to be significantly affected by, among other things, changes in the market value of a Fund's investments and distributions, defaults, recoveries, capital gains, capital losses and prepayments of these investments. Accordingly, a significant portion (and in some circumstances all) of the investment of holders of the lower-ranking classes of a Fund's securities may not be repaid.

Control of Remedies. The most senior class of Fund securities will be entitled to direct certain actions and control certain decisions on behalf of the Fund (including with respect to certain remedies following an event of default under the Fund's indenture) and these decisions could be adverse to the interests of the holders of lower-ranking classes of Fund securities.

Diversion of Payments. Under certain circumstances, amounts that otherwise would have been used to pay interest or other distributions on lower-ranking classes of Fund securities will be diverted to purchase additional loans to secure the higher-ranking classes of Fund securities or to pay down the principal of such higher classes' notes which could result in there being insufficient funds available to pay all or a portion of interest or other distributions on the lower-ranking classes.

Early Termination of the Reinvestment Period. Under certain circumstances the period during which Fund assets may be reinvested may terminate earlier than scheduled in which case the return to the lower-ranking classes of Fund securities may be adversely affected and the holders of higher-ranking classes may receive principal payments earlier than anticipated and at a time when reinvestments that offer the same level of return may not be available.

Stated Maturity, Average Life and Prepayment Considerations. The weighted average life of each class of rated notes in each Fund is expected to be shorter than the number of years until the stated maturity of those notes which could cause the holders of the higher-ranking classes of notes to receive payments of principal earlier than expected.

LIBOR Replacement by Term SOFR

Prior to June 30, 2023, base interest rate payable on each class of floating rate notes issued by most of the Funds on their date of issue was based on the London Inter-Bank Offered Rate ("LIBOR). Most LIBOR tenors ceased to be published after December 31, 2021 and the remaining tenors such as the three and six months U.S. Dollars tenors ceased to be published after June 30, 2023, the date on which the base rates transitioned to Term SOFR, the CME Group's forward looking Secured Overnight Funding Rate term rates. Term SOFR is the LIBOR replacement base rate recommended by the Alternate Reference Rate Commission of the Federal Reserve Bank of New York. Term SOFR has replaced LIBOR for most business loans and securitizations including CLOs..

Term SOFR is a risk-free rate while LIBOR was a credit risky rate. SOFR is generally less than LIBOR, so its use requires a spread or margin adjustment to compensate for the difference. Indentures of MJX Funds launched since November 2021, and certain indentures for Funds issued prior thereto, contain hardwire fallback provisions that caused their base rates to fall back to Term SOFR when LIBOR ceased to be published. The indentures of MJX Funds not so hardwired have been amended to implement the transition from LIBOR to Term SOFR.

In April 2021, New York State enacted legislation providing that if a contract governed by New York law (1) references LIBOR as a base interest rate and (2) does not contain base rate fallback provisions, or contains base rate fallback provisions that would cause the base rate to fall back to a rate that would continue to be based on LIBOR, then on the date LIBOR permanently ceases to be published, or is announced to no longer be representative, LIBOR will be deemed by operation of law to be replaced by Term SOFR plus the applicable spread or margin adjustment. The legislation applies only to

agreements governed by the law of the State of New York which is the law governing the Funds' indentures and many of the loans in Fund portfolios.

In March 2022, the U.S. federal government enacted similar legislation, the Adjustable Interest Rate (LIBOR) Act ("LIBOR Act"). The LIBOR Act preempts the provision of state or local laws relating to the selection or use of a base rate replacement. In December 2022, the Federal Reserve Board adopted Regulation ZZ, a rule that implements the LIBOR Act. The Regulation identifies the replacement rates based on SOFR for various tenor US Dollar LIBOR {"tough"}) contracts after the LIBOR replacement date of June 30, 2023. There are three categories of tough contracts (i) those with no rate fallback provisions, (ii) those with fallback positions that do not identify a specific base rate replacement or do not identify a person to determine the base rate replacement and (iii) those that identify a determining person but that person fails to act in determining a base rate replacement.

On any given date, Term SOFR may materially differ from what LIBOR would have been on that date. Term SOFR may be more volatile than LIBOR was. There can be no assurance that Term SOFR will be adopted by the entire debt marketplace. This could increase the risk of a mismatch between the rates the Funds receive on their investment in Collateral and the rates they are required to pay on the floating rate notes they issue. The replacement of LIBOR by Term SOFR could adversely affect the market value and/or liquidity of the Funds' floating rate notes and/or the Collateral the Funds hold.

Risk Factors Related to the Collateral Securing Fund Notes

Nature of Collateral. The collateral securing the Funds' secured notes (the "Collateral") consists primarily of first lien security interests in non-investment grade corporate bank loans, which are subject to liquidity, market value, credit, interest rate, reinvestment, price volatility and other risks. The Collateral generally will be subject to greater risks than investment grade corporate obligations and these risks could be exacerbated to the extent that the portfolio is concentrated in one or more particular types of Collateral. A non-investment grade debt obligation is generally considered speculative in nature and may default for a variety of reasons.

Default Risk. The issuer of a Collateral obligation held by a Fund may default in the payment of interest and/or repayment of principal. To the extent a default occurs with respect to an item of Collateral and the Fund sells or otherwise disposes of the Collateral, it is likely that the proceeds it receives will be less than its unpaid principal and interest due.

Second Lien Loans, Senior Unsecured Loans and Bonds. A portion of the Collateral may include second lien loans, senior unsecured loans and bonds. See **Risk Factors Relating to Regulation** for information on a permissible "bond bucket". A second lien loan is generally more illiquid than senior secured loans and subordinate in right of payment to one or more classes of senior secured loans of the borrower and, therefore, is subject to the risk that the cash flows of the borrower and the underlying

collateral securing the loan may be insufficient to make the scheduled payments after giving effect to payments to senior secured securities.

Senior unsecured loans and bonds are not secured obligations of the borrower and do not have the benefit of a pledge of Collateral or other property which may make these loans more illiquid investments than both the senior secured and the second lien secured loans. As fixed interest rate instruments, bonds are also subject to interest rate fluctuations.

Interest Rate Risk. There may be an interest rate or basis mismatch between notes issued by a Fund and the Collateral in which the Fund has invested particularly in the midst of the loan market's transition from a LIBOR based to Term SOFR based market rate. In addition, floating rate Collateral may adjust more or less frequently and on different dates and based on different indices than the interest rates on the Fund's notes. As a result of such mismatches, an increase in the level of the applicable floating rate index (such as Term SOFR) on which the rate of interest payable on the Fund's notes are based could adversely impact a Fund's ability to make payments on the notes it has issued.

Reinvestment Risk. There may be times during which a Fund is not able to invest fully its available cash in Collateral or during which the Collateral available for investment will not be of comparable quality. A Fund's available cash may not be fully invested in Collateral at all times. The longer the period that cash is not fully invested in Collateral, the greater the adverse impact may be on the aggregate interest income available for distribution by the Fund. The reinvestment risk on the Collateral will be borne by the holders of Fund notes in reverse order of priority, beginning with the lowest-ranking classes who will bear the greatest risk.

Illiquidity of Collateral Debt Securities. Certain of the Collateral purchased by a Fund will have no, or others only a limited, trading market and indenture restrictions may restrict a Fund's ability to dispose of Collateral in a timely fashion and for a fair price as well as the Fund's ability to take advantage of market opportunities.

Prepayment of Loans. Loans are generally prepayable in whole or in part at any time at the option of the borrower and as a result loans purchased at a price greater than par may experience a capital loss as a result of a prepayment; and principal proceeds received upon prepayment are subject to reinvestment risk.

Cov-Lite Loans. A significant portion (a majority in most of the Funds) of the Collateral owned by the Funds may consist of Cov-Lite Loans which are loans that contain no financial maintenance covenants (those requiring the Fund to adhere to certain financial ratios at all times) although they may contain incurrence covenants (those requiring the Fund to meet certain financial ratios only at the time it wishes to take certain actions such as borrowing additional funds). Maintenance covenants are often viewed by lenders as an early warning system enabling the lender to better monitor the credit and more quickly determine credit deterioration. Lack of financial maintenance

covenants may expose the lender to more risk and potentially greater losses. Cov-Lite loans may be less liquid than loans with stronger financial covenants.

General Market and Credit Risks of Debt Securities. The Funds invest exclusively in debt instruments. Debt portfolios like those of the Funds are subject to credit and interest rate risks. Financial strength and solvency of a borrower are the primary factors influencing credit risk. In addition, the lack of or inadequacy of security or credit enhancement for a debt instrument may affect its credit risk. Credit risk may change over the life of an instrument, and loans and other debt instruments that are rated by rating agencies are often reviewed and may be subject to downgrade. Interest rate changes may affect the value of a debt instrument indirectly (especially in the case of fixed rate securities) or directly (especially in the case of instruments whose rates are adjustable). In general, rising interest rates will negatively impact the price of a fixed rate debt instrument while falling interest rates will have a positive effect on the price of such instruments. Adjustable rate instruments may react to interest rate changes in a similar manner depending on the characteristics of the interest rate reset terms, including the index chosen, frequency of reset and reset caps or floors, among other factors. Interest rate sensitivity is generally more pronounced and less predictable in instruments with uncertain principal payment or prepayment schedules.

Dependence on MJX and its Key Personnel. Because the composition of the Collateral will vary over time, the performance of a Fund depends heavily on the skills of MJX in analyzing, selecting and managing the Collateral. A Fund is highly dependent on the financial and managerial experience of the investment professionals employed by MJX who select and manage the Fund's Collateral. There is no assurance that these persons will continue to be employed by MJX or involved in investment activities of a particular Fund. The loss of any these persons could have a material adverse effect on a Fund's performance.

MJX may resign or be removed as portfolio manager under certain circumstances. There can be no assurance that any successor manager will have the same level of skill as MJX in performing the obligations of the portfolio manager, in which event payments on a Fund's notes could be reduced or delayed.

Tax Considerations; No Gross-Up. The Funds are expected to conduct their affairs so that they will not be treated as engaged in a trade or business within the United States. As a consequence, the Funds expect that their net income will not become subject to United States federal and state income tax. There can be no assurance, however, that their net income will not become subject to United States federal and state income tax as the result of unanticipated activities, changes in law, contrary conclusions by the United States tax authorities or other causes. The imposition of unanticipated taxes could materially impair the Funds' ability to make payments and distributions on their notes.

There can be no assurance that payments received by the Funds on the Collateral will not become subject to United States or other withholding tax by virtue of changes in applicable law or other causes including withholding required under the Foreign Account Tax Compliance Act (FATCA). If any withholding tax is imposed on payments on

Collateral that was not subject to withholding tax at the time of purchase and such tax is not offset by “gross-up” payments, such tax would reduce the amounts available to make payments on a Fund’s notes. In that case, there can be no assurance that the remaining payments on the Collateral will be sufficient to make payments of interest and principal on a Fund’s notes.

Risk Factors Relating to Regulation

Dodd-Frank Act. Changes in the legislative and regulatory environment may affect the ability of the Funds to make payments on the securities they issue. These actions include, but are not limited to, the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank”), which was signed into law in July 2010, and which imposed a new regulatory framework over the United States financial services industry and the consumer credit markets in general. Certain regulations adopted by the United States Securities and Exchange Commission (“SEC”) have affected the issuance of asset-backed securities, including securities similar to those issued by the Funds and future regulations, if any, may do likewise.

Impact of the Volcker Rule on the Liquidity of the Notes.

Section 619 of Dodd-Frank added a provision commonly referred to (together with the final regulations adopted with respect thereto in December 2013) as the “Volcker Rule” to federal banking laws to generally prohibit various “banking entities” from engaging in proprietary trading or acquiring or retaining an ownership interest in a “covered fund” (defined in final regulations to include, generally, any entity, such as the Firm’s Funds, relying on Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act to be exempt from registration under the Investment Company Act), subject to certain exemptions. The Volcker Rule went into effect in July 2017. All MJX managed Funds that closed after the Volcker Rule adoption in 2013 either restrict or entirely prohibit the purchase of bonds with the intent of making them Volcker Rule compliant. If, notwithstanding such intent and action, a Fund is determined to be such a “covered fund”, this would have a negative effect on the ability or desire of certain investors subject to the Volcker Rule such as banks to invest in or to continue to hold securities issued by the Fund.

The SEC was among the regulatory agencies that published revisions to the Volcker Rule that became effective October 1, 2020. Among them, is a revision which allows a covered fund to qualify for the Rule’s “loan securitization” exemption if in addition to loans it contained a “bond bucket” permitting the fund to hold non-loan assets such as bonds equal to no more than 5% of the fund’s total assets. Certain MJX managed Funds have bond buckets and future MJX managed Funds and refinanced Funds may contain bond buckets.

United States Risk Retention Rules.

In October, 2014, joint Federal regulators (including the SEC) adopted final regulations implementing the credit risk retention requirements of Section 15G of the

Exchange Act, as added by Dodd-Frank (the “U.S Risk Retention Regulations”) which were effective with respect to CLOs launched on or after December 24, 2016 (the “Effective Date”). The U.S. Risk Retention Regulations generally require “securitizers” of asset-backed securities (including collateral managers of CLOs) issued after the Effective Date to retain not less than 5% of the credit risk of the assets collateralizing such asset-backed securities unless an exemption applies.

In February 2018, a three judge panel of the United States Court of Appeals for the District of Columbia Circuit rendered a decision in which the Court held that open market CLO managers such as MJX and its relying advisers are not “securitizers” subject to the requirements of the U.S. Risk Retention Regulations; that decision became final on April 5, 2018. Accordingly, MJX and its relying advisers, in their sole discretion, are no longer required to comply with the U.S. Retention Regulations in launching new CLO funds. Additionally, an MJX relying adviser, as a risk retention holder, may decide to dispose of the risk retention interests it holds or take other actions with respect to these interests (for example, finance or hedge against such interests) that are otherwise not permitted by the U.S. Risk Retention Regulations.

All MJX managed CLO Funds newly issued or refinanced (unless exempted by a certain SEC no action letter) or reset after the Effective Date and prior to April 5, 2018 were intended to comply with the U.S. Risk Retention Regulations.

European Union Risk Retention Rules

Neither MJX nor its relying advisers are directly subject to the European Union risk retention requirements (“EU Rules”). However, European Union financial institutions such as banks and insurance companies (“EU Institutions”) which are potential purchasers of the notes issued by the Funds are subject to the EU Rules and may only purchase notes of Funds that are compliant with the EU Rules. Accordingly, MJX’s relying advisers, as managers of Funds, must comply with the EU Rules if EU financial institutions are to be able to purchase notes of Funds they manage. For each Fund launched prior to January 1, 2019 that MJX intended to be compliant with the EU Rules, the MJX relying adviser acting as manager was required to (i) purchase and retain at least 5% of the credit risk of the Fund similar to the U.S. Risk Retention Regulations and (ii) act as an “originator”, selling to the Fund on the closing date loans it originates or acquires from third parties in an aggregate par amount equal to at least 5% of the Fund’s initial portfolio aggregate par amount.

Effective January 1, 2019, the EU Rules were revised to restrict EU Institutions from investing in securitizations unless such investors have verified that, among other things: (i) the originator, sponsor or original lender will retain, on an ongoing basis, a net economic interest of not less than 5% of the initial portfolio aggregate amount and the risk retention is disclosed to these institutional investors; (ii) the originator, sponsor has, where applicable, made available the information required by Article 7 of the revised EU Rules and (iii) where the originator or original lender is established in a non-EU country, the originator or original lender grants all the credits giving rise to the underlying exposure of the securitization on the basis of sound and well-defined criteria and clearly established processes for approving, amending, renewing and financing those credits and

has effective systems in place to apply those criteria and processes to ensure that the extension of credit is based on thorough assessment of the obligor's creditworthiness. Failure to comply with the revised EU Rules Requirements may result in various penalties including, in the case of those investors subject to regulatory capital requirements, the imposition of a punitive capital charge on the notes acquired by the relevant investor. The revised EU Rules do not apply to securitizations entered into before January 1, 2019. These transactions are grandfathered; however, the revised EU Rules do apply to any refinancing or reset of these transactions. It is currently unclear what additional burdens, if any, the revised EU Rules will impose on portfolio managers such as MJX.

Certain Funds launched prior to January 1, 2019 managed by MJX's relying advisers are intended to comply with the EU Rules. Even though the U.S Risk Retention Regulations are no longer in effect MJX's relying advisers are required to retain their risk retention interests in these Funds to the extent required by the EU Rules. Since January 1, 2019, MJX has launched four new funds intended to comply with, and may decide to issue additional new Funds intended to comply with, the revised EU Rules.

On October 10, 2022, the European Commission delivered its report on the EU Securitization Regulation (the "Regulation"). The report will have a material effect on the amount of information non-EU issuers of debt are required to provide EU institutional investors on deals marketed in the EU. The Commission interpreted Article 5(1)(e) of the Regulation to require non-EU fund issuers to provide EU institutional investors with the same loan-by-loan information that EU fund issuers are required to provide under Article 7 of the Regulation using a specific very detailed disclosure template. The report does not mention any grandfathering for existing deals. The report requires EU institutional investors to invest in only non-EU securitizations which comply with Article 7.

United Kingdom Regulations

Since January 1, 2021, with respect to the United Kingdom, relevant UK-established or UK-regulated persons wishing to invest in a securitization are subject to the restrictions and obligations of the EU Rules as they form part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 and as amended by the Securitisation (Amendment) (EU Exit) Regulations 2019 (and as may be further amended, supplemented or replaced, from time to time). The Rules require UK-regulated persons (certain institutional investors) to undertake certain due diligence actions with respect to an investment in a securitization and require the manager of the securitization to retain a net economic interest in the securitization of not less than 5% of the total par amount of the initial portfolio and provide the same information required by Article 7 of the EU Rules.

Japanese Risk Retention Requirement

The Japanese Financial Services Agency's ("JFSA") issued its final risk retention and disclosure requirements as part of the regulatory capital regulation of banks and certain institutional investors seeking to invest in securitizations. The final rule became effective on March 31, 2019. The rule subjects these investors to punitive capital

requirements with respect to investments in securitizations where the originator (which might be deemed to include a portfolio manager) does not commit to hold a risk retention piece equal to at least 5% of the total assets in the transaction. A CLO may avoid any risk retention obligation if the Japanese institutional investor determines that the CLO's underlying loans are "not inadequately formed". The final rule requires Japanese institutional investors in a CLO to increase their due diligence on loans in the CLO's portfolio and on the portfolio manager in securitizations with no risk retention. Japanese institutions are believed to have historically purchased a majority of all newly issued AAA rated CLO securities. To date, the final rule has not imposed any significant burden on MJX; however, it is not clear whether this will continue to be so in the future.

The United Kingdom's Withdrawal for the European Union

On January 31, 2020 the UK formally withdrew from the EU following which the UK entered into a transition period which ended on December 31, 2020 (the "Transition Period"). During the Transition Period, negotiations took place between the UK and the EU regarding their future relationship. On December 24, 2020, the UK and the EU entered into an agreement on the terms of a trade and cooperation agreement between the two parties (the "UK-EU Free Trade Agreement"). The UK-EU Free Trade Agreement does not comprehensively cover all sectors, including financial services. The withdrawal from the EU by the UK could adversely affect economic and market conditions in the UK, in the EU and its member states and elsewhere, and could contribute to uncertainty and instability in global financial markets.

Recent US Significant Regulatory Rules and Proposals

On February 9, 2022, the SEC proposed several new rules and revised existing rules that would significantly affect investment advisers and funds, one proposal focuses on Private Funds (such as CLOs) and the other on Cybersecurity.

The Private Funds rule proposals, among other things, required advisers to provide fund investors quarterly statements with specific performance and fee and other expense disclosures; require audited financial statements be prepared for each fund annually and distributed to fund investors; require advisers of multiple funds to allocate costs pro rata among their funds, and prohibit fund indemnification of managers for simple negligence as opposed the current standard of indemnification for all but gross negligence.

In August 2023, the SEC adopted a final Private Funds rule which exempts advisers from compliance with the rule with respect to securitized asset funds such as MJX managed CLO and deleted the indemnification prohibition.

The Cybersecurity proposals under the Investment Advisers Act and the Investment Company Act require investment advisers and funds to adopt and implement written cybersecurity policies and procedures designed to address cybersecurity risks. The proposed rules require periodic cybersecurity risk assessments, adoption of policies and procedures designed to manage user security and access control, monitoring of

information systems, and threat and vulnerability management, as well as incident response and recovery. Policies and procedures are required to be reviewed annually on at least an annual basis.

In July 2023, the SEC adopted final Cybersecurity rules applicable to public companies registered with the SEC. As of the date of this Brochure, the SEC has not adopted final rules applicable to investment advisers.

In November 2023, the SEC issued new Rule 192 pursuant to Section 27B of the Securities Act (the "Securitization Conflicts of Interest Rule") for the purpose of implementing a prohibition against a securitization participant's directly or indirectly entering into a transaction that would involve or result in a material conflict of interest with any investor, subject to exceptions for risk-mitigating hedging activities, liquidity commitments and bona-fide market making activities. The Securitization Conflicts of Interest Rule became effective on February 5, 2024, and securitization participants are required to comply with the Securitization Conflicts of Interest Rule with respect to any asset-backed security, the first closing of the sale of which occurs on or after June 9, 2025. Under the Securitization Conflicts of Interest Rule, a "securitization participant" is an underwriter, placement agent, initial purchaser, sponsor (which includes a CLO collateral manager such as MJX) or certain affiliates or subsidiaries of any such party.

In February 2023, the SEC proposed a new rule applicable to registered investment advisers that would replace its longstanding "custody rule" with a new safeguarding rule. The proposal expands the definition of "custody" to include arrangements under which an adviser exercises the kind of discretionary trading authority that MJX exercises for all its managed Funds. The proposal imposes significant additional duties on an adviser including engagement of an independent public accounting firm to either conduct an annual financial statement audit or an annual surprise examination to verify the securities and other assets in a client's Funds and trade-by-trade accountant's verification. Advisers are also required to monitor the activities of the bank or other entity that is the actual custodian of Fund assets.

Congress passed the Corporate Transparency Act ("CTA") over President Trump's veto in January 2021. The CTA requires certain businesses ("Reporting Companies"), unless exempted, to file information on their beneficial owners (and certain other information) with the Financial Crimes Enforcement Network ("FINCEN"), a bureau of the US Treasury. The information is not publicly available but may be disclosed to federal and certain other law enforcement agencies.

A Reporting Company is defined as (i) a corporation, LLC, LLP or similar entity formed in the US or (ii) a foreign entity registered to do business with the Secretary of State for any US state.

FINCEN's final rule implementing the CTA went effective on January 1, 2024 for existing Reporting Companies which will have until January 1, 2025 to file their initial report. Domestic Reporting Companies formed, and foreign entities registered to do

business in a US state, after January 1, 2024 are required to file their initial report with FINCEN within 30 days of formation or registration. Information in filed reports is required to be kept current as changes occur.

By virtue of the available exemptions, neither MJX nor any of its affiliates nor the Funds will be required to file under the CTA.

In March 2024, the US District Court for the Northern District of Alabama, held the CTA to be unconstitutional; this decision will most likely be appealed to the 11th Circuit Court of Appeals.

In December 2023, New York State enacted a similar LLC Transparency Act which takes effect in December 2024. The Act is patterned after the CTA but applies only to limited liability companies formed or qualified to do business in New York State. MJX, its affiliates and the Funds qualify for exemption from the reporting requirements of the Act since they are exempt under the CTA; however, MJX will be required to file a statement with the New York Department of State indicating the provisions of the CTA it is relying upon for exemption from the Act.,

On February 13, 2024, FINCEN proposed a new rule which would include SEC registered investment advisers such as MJX in the definition of “financial institution under the Bank Secrecy Act (“BSA”). Among other things, the proposed rule will require advisers to adopt a risk based anti-money laundering program, report suspicious client activity to FINCEN, maintain oversight over third party service providers and meet certain record keeping requirements. The proposal delegates FINCEN’s examination authority for compliance with the rule to the SEC. If adopted as proposed, the rule will impose significant burdens on advisers.

Loans as Securities

In August 2023, in *Kirschner v. JP Morgan Chase Bank* the Second Circuit Court of Appeals affirmed the decision of the District Court for the Southern District of New York that syndicated term loans are not securities. Applying the “family resemblance” test four factors of its prior *Reves v. Ernst & Young* decision (subsequently adopted by the U.S Supreme Court), the Second Circuit determined these loans are not securities subject to the regulations and protections of federal and state securities law.

The foregoing is a only summary of the more detailed disclosure of Risk Factors to be found in the private placement offering circular of each MJX managed Fund which should be read in its entirety prior to making an investment in a Fund.

Item 9. Disciplinary Information

Neither MJX nor any of its employees has been involved in any legal or disciplinary event or proceeding that is material to a client's or prospective client's evaluation of MJX's advisory business or the integrity of its management.

Item 10. Other Financial Industry Activities and Affiliations.

Other Activities

In addition to its portfolio management activities, MJX has from time to time provided consulting services on a negotiated fee per engagement basis to banks and other financial institutions on matters involving structured debt securities such as Residential Mortgage Backed Securities, Commercial Mortgage Backed Securities, Asset Backed Securities and Collateralized Debt Obligation ("CDO") portfolios and other credit related products, and may continue to do so in the future.

MJX from time to time has acted as the liquidation agent for corporate trustees in connection with the liquidation of CDO loan and bond portfolios.

In the aggregate, these activities are not material and none of the foregoing activities poses any conflict of interest for MJX in connection with the portfolio management and advisory services MJX renders to the Funds.

MJX Relying Advisers

Venture Management, Venture Management II, Venture Management III and Venture Holdings II are relying advisers of MJX Asset Management LLC. MJX has agreed to provide certain services and shared employees to each. Hans Christensen and Martin Davey are also officers of each relying adviser, Chief Executive Officer and Senior Managing Director, respectively. The relying advisers are the portfolio managers of Venture XXII (which was launched prior to the Effective Date) and all MJX Funds issued, refinanced or reset after the Effective Date, that are intended to comply with the U.S. Risk Retention Regulations or EU Rules. In the future, MJX itself will, and its relying advisers may, act as portfolio managers for additional refinanced, reset and new CLO Funds some of which may be intended to comply with EU, UK or Japanese Rules or risk retention rules of other jurisdictions.

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

Code of Ethics.

MJX has adopted a Code of Ethics (the "Code") pursuant to Advisers Act Rule 204A-1 that (i) guides its employees in the performance of their fiduciary duty to MJX's clients, (ii) seeks to ensure that securities transactions engaged in by MJX employees are carried out in a manner consistent with this duty and in accordance with applicable

securities laws and (iii) makes MJX employees aware of, and lessens, potential conflicts of interest. The Code is applicable to MJX and its relying advisers.

The Code incorporates the following principles that all employees are expected to uphold: employees must at all times place the interests of the Funds first; all personal securities transactions must be conducted in a manner consistent with the Code and any actual or potential conflicts of interest or any abuse of an employee's position of trust and responsibility must be avoided; employees must not take any inappropriate advantage of their positions; information concerning investments held by and other information about the Funds including the identity of Fund investors, must be kept confidential; and the independence in MJX's investment decision-making process must be maintained at all times. The Code places restrictions on personal trades by employees, including a requirement that employees disclose their personal securities holdings and transactions to MJX on a periodic basis, and pre-clear all personal securities transactions with the Firm.

MJX will furnish each client or prospective client with a written copy of the Code at no cost upon request made to MJX at the address or telephone number listed on the cover page of this Form ADV – Part 2A.

Insider Trading

MJX maintains insider trading policies and procedures ("Insider Trading Policies") that are reasonably designed to prevent the misuse of material, non-public information ("Inside Information"). MJX's personnel are required to certify to their compliance with the Code, including the Insider Trading Policies. MJX's Insider Trading Policies prohibit MJX and its personnel from trading for the Funds or themselves, or recommend trading to others, in securities such as bonds and stocks of a company while they or MJX is in possession of Inside Information about the company and from disclosing such information to any person not entitled to receive it. By reason of its various activities, MJX may gain access to Inside Information and be restricted from undertaking transactions in certain investments that might otherwise have been effected. Among other things, such policies seek to control and monitor the flow of Inside Information to and within MJX, as well as prevent trading based on Inside Information. Accordingly, MJX may choose not to have access to Inside Information that other market participants or counterparties are eligible to receive.

Participation or Interest in Client Transactions

As a rule, MJX and its personnel do not, for their own account, purchase any security from or sell any security to any of the Funds. However, from time to time, subject to applicable Fund restrictions and investment guidelines, MJX may direct one Fund to trade securities with another Fund through an internal cross-trade transaction in which MJX does not receive any compensation. All internal cross-trade transactions will be effected based on the then current market prices sourced from independent third party pricing services or market makers. To the extent that any cross-trade or other transaction involving the Funds or MJX may be viewed as a principal transaction due to the direct participation of MJX itself or a significant ownership interest in either Fund by MJX or

its affiliates or otherwise, MJX will comply with the requirements of Section 206(3) of the Advisers Act. MJX will notify the Fund of the terms of the proposed trade and obtain consent to the trade from the Fund.

MJX may invest its own funds in securities or instruments in which MJX may invest the Funds' assets. Additionally, MJX's members, officers and employees may make personal investments in securities or instruments of issuers in which MJX may invest the Funds' assets. MJX and its personnel may buy, sell, or hold securities or instruments for their own accounts while making different investment decisions with respect to the same securities or instruments for one or more Funds. In addition, MJX and its personnel may invest in one or more of the Funds of its or their choosing but are not required to invest in all Funds. If such investments are made, the size and nature of these investments are expected to change over time. Neither MJX nor its relying advisers nor its personnel are required to keep any minimum investment in any Fund other than Funds which are intended to comply with the U.S. Risk Regulations, the EU, UK, Japanese or other applicable risk retention rules, if any.

Personal Trading

Every MJX employee is required to obtain approval from MJX's Chief Compliance Officer before buying for, or selling from, a personal account any covered security. The term "personal account" means any securities account in which an employee has any direct or indirect beneficial interest and includes accounts of an employee's immediate family members (including spouse, minor children and any other relative by blood or marriage either living in the employee's household or financially dependent on the employee). The term "covered securities" includes all securities defined as such under the Advisers Act, and includes securities such as debt and equity securities, options on securities, limited partnership and limited liability company interests, foreign unit trusts and foreign mutual funds and exchange traded funds that are organized as unit investment trusts. It does not include direct obligations of the U.S. government (e.g., treasury securities), bankers' acceptances, bank certificates of deposit, commercial paper, and high-quality short-term debt obligations, shares issued by money market funds and shares of open-end mutual fund that are not advised or sub-advised by MJX.

Aggregation and Allocation

In purchasing or selling a particular investment, MJX will generally be doing so simultaneously for more than one of the Funds it manages; and such purchases and sales will generally be aggregated and allocated. Allocated transactions may be modified if, among other things, strict adherence to an initial allocation may lead to impractical or undesirable results or indenture non-compliance or if alternative allocations benefit indenture compliance by one or more Funds. Due to the nature of the loan markets, as well as specific Fund guidelines and objectives, *pro rata* allocation of investment opportunities among Funds is generally not feasible. Accordingly, MJX does not prescribe one specific manner in which the loans or other financial instruments will be allocated among the Funds. MJX attempts to use reasonable efforts to allocate

investments among the Funds it manages in an equitable manner and in accordance with applicable law. Generally, a loan aggregation warehouse is set up for a new Fund to be launched and the warehouse and the new Fund may be allotted an outsized portion of a loan vis-à-vis other Funds during their ramp up periods. During the seasoning period following the ramp-up of a new Fund these positions are generally reduced by sales which may include cross-trades with other Funds as the new Fund's concentration risks are decreased and industry and issuer diversity are increased. Subject to the requirements of each Fund's indenture, MJX will generally allocate investment opportunities among the Funds it manages in a manner that it believes, in its reasonable judgment, to be appropriate given factors it believes to be relevant. Such factors may include Fund investment objectives, collateral quality, concentration limitations and interest and asset coverage tests, liquidity, diversification, lender covenants and other limitations set forth in a Fund's indenture and the amount of free cash a Fund has available for investment

Errors and Omissions.

Pursuant to the various exculpation and indemnification provisions in the portfolio management agreements between MJX and the Funds, MJX and its affiliates and personnel will generally not be liable to the Funds for any act or omission, absent bad faith, willful misconduct or gross negligence, and the Funds will generally be required to indemnify such persons against any losses they may incur by reason of any act or omission related to the Funds, absent such persons' bad faith, willful misconduct or gross negligence. As a result of these provisions, the Funds, and not MJX, will be responsible for losses resulting from trading errors and similar human errors by MJX personnel, absent MJX's bad faith, willful misconduct or gross negligence. Investors should assume that trading errors (and similar errors) may occur and that the Funds will bear any resulting losses, even if such losses result from the negligence (but not gross negligence) of MJX's personnel.

The final SEC Private Fund rule mentioned above as adopted does not prohibit a fund manager such as MJX from being indemnified by a fund for mere negligence. It is current industry practice for fund managers to be indemnified against all negligence other than gross negligence in the performance of the manager's duties.

Potential Conflicts of Interest.

From time to time, various potential and actual conflicts of interest may arise from the overall advisory, investment and other activities of MJX, its affiliates, and personnel. MJX has established policies and procedures to monitor and resolve conflicts and will endeavor to resolve conflicts with respect to investment opportunities in a manner it deems equitable to the extent possible under the prevailing facts and circumstances.

MJX and/or its affiliates may also have ongoing relationships with, render services to or engage in transactions with other funds or accounts that invest in assets of a similar nature to those of the Funds and with companies whose securities are in the Funds' portfolios, and may own equity or debt securities issued by such companies. As a

result, MJX may possess information relating to issuers of Collateral that is not known to the individuals at MJX responsible for monitoring that Collateral.

MJX and its relying advisers expect in the future to serve, as portfolio manager, advisor or sub-advisor for other investment vehicles, including CLOs, open end funds, closed end funds, separately managed accounts, and other investment funds, some of which may have investment objectives which overlap with or are substantially similar to the investments objectives of the Funds. At certain times, MJX and/or its affiliates may be seeking to purchase an investment for certain of its or their respective accounts, one or more of the Funds, or any other fund or client for which MJX or a relying adviser serves as manager or advisor while simultaneously seeking to dispose of the same investment for other clients.

MJX also may advise funds or accounts with programs, objectives or strategies which conflict with the Funds. These activities also may adversely affect the prices and availability of loans or other instruments held by or potentially considered for purchase by one or more Funds.

Subject to the requirements of the Funds' governing instruments, investment opportunities sourced by MJX will generally be allocated to the Funds in a manner that MJX believes to be appropriate given the factors that it believes to be relevant such as each Fund's investment objectives, concentration limits, interest and asset coverage tests, collateral quality, liquidity and diversification tests, lender covenants, maturity dates and other limitations of the Funds and the amount of free cash each of them has available for investment. MJX intends to use its reasonable efforts to allocate such investments among its client accounts in an equitable manner and in accordance with applicable law.

Neither MJX nor any of its affiliates is under any obligation to offer investment opportunities of which it becomes aware to the Funds before offering any investment to other funds or accounts that MJX may manage or advise. MJX may make investments on behalf of the Funds in securities, or other assets, that it has declined to invest in for its own account, the account of any of its affiliates or the accounts of its other clients. MJX may also purchase debt obligations for other clients that are senior to, or have interests adverse to, those it buys or sells for the Funds.

MJX affiliates may invest on their own behalf in securities and other instruments that would be appropriate for, held by, or may fall within the investment guidelines of the Funds. MJX affiliates may give advice or take action for their own accounts that may differ from, conflict with or be adverse to advice given or action taken for the Funds. These activities may adversely affect the prices and availability of other securities or instruments held by or potentially considered for purchase by one or more Funds.

Potential conflicts also may arise from the fact the MJX or its affiliates may have investments in some Funds but not in others or larger investments in some funds, or MJX as manager may make investments for one or more Funds that are not made for other Funds with similar investment programs, objectives, and strategies. Accordingly, Funds with similar strategies may not hold the same securities or instruments or achieve the

same performance. Generally, MJX or its affiliates will have a greater investment in Funds that are intended to be compliant with U.S. Risk Retention Regulations, the EU, UK, Japan or other applicable risk retention rules than in Funds which are not intended to be so compliant.

Generally, MJX (with the exception of certain risk retention compliant Funds) and its employees invest solely in the most subordinated class of securities issued by each Fund. As a result, MJX and such employees may face conflicts between the interests of the holders of the Fund's senior notes and the interests of the Fund's equity holders when making an investment in, or disposing of, Collateral. Because MJX will receive fees for managing the Funds' assets and will be an investor in the Funds, MJX may face conflicts between its interest as an equity holder and its interest as portfolio manager, particularly if the value of such fees exceeds the value of MJX's investment in the Funds. In addition, MJX and its employees may in the future invest in other businesses and investment vehicles that may compete with the Funds.

MJX and its personnel may have conflicts in allocating their time and services among the Funds. MJX will devote as much time to each Fund as MJX deems appropriate to perform its duties in accordance with its management agreement with the Fund.

Potential conflicts may also arise from differences in fee structures and management fees payable to MJX under management or advisory contracts with different Funds and other funds and advisory clients.

MJX affiliates may also have ongoing relationships with companies whose securities are in or are being considered for inclusion in a Fund's portfolio. MJX may acquire securities or other financial instruments of an issuer for one Fund which are senior or junior to securities or financial instruments of the same issuer that are held by, or acquired for, another Fund (e.g., one Fund may acquire senior debt while another Fund may acquire subordinated debt).

MJX recognizes that conflicts may arise under the circumstances described above and otherwise and will endeavor to treat all Funds fairly and equitably under the prevailing facts and circumstances and applicable law. **See Risk Factors Relating to Regulations** above for information on the SEC's proposed rule relating to Conflicts of Interest in Securitizations.

Item 12. Brokerage Practices

Almost all MJX's secondary loan market trades are made directly with market makers, principally banks, which make a market in the loans MJX buys and sells for the Funds. MJX makes limited use of brokers; using brokers principally in connection with the sourcing and trading of thinly traded loans and the sale of equity and other securities received by the Funds in exchange for debt in corporate reorganizations. MJX has adopted guidelines for evaluating brokerage services when determining whether it has obtained best execution for Fund account transactions. The guidelines are designed to

enable MJX to evaluate fairly 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.

MJX will place trades for execution only with brokers or dealers approved by MJX senior management. Among the factors considered in selecting and approving brokers-dealers that may be used to execute trades for Fund accounts are:

- Quality of execution - accurate and timely execution, clearance and error/dispute resolution
- Reputation, financial strength and stability
- Willingness to execute difficult transactions
- Access to the secondary loan market
- Ability to source and trade thinly traded loans and securities
- Ongoing reliability
- Overall costs of a trade (*i.e.*, net price paid or received) including commissions, mark-ups, mark-downs or spreads currently available and other current transaction costs
- Nature of the security and the number of available market makers
- Desired timing and size of the trade
- Confidentiality of trading activity
- Market intelligence regarding trading activity

Broker spreads, mark-ups and mark-downs will be evaluated at the time of trade in the context of the overall price of the particular transaction and other factors. MJX does not currently have any formal soft dollar arrangements with any broker-dealer.

Item 13. Review of Accounts

Funds managed by MJX are under daily review and management. Each Fund is managed with the aim of keeping it in compliance with the investment objectives, collateral quality tests, concentration limitations, asset and interest coverage tests and other portfolio criteria of its indenture. Prior to operating remotely because of the COVID-19 pandemic, MJX's senior management, sector specialists, portfolio managers and credit analysts met weekday mornings to discuss prospective investments, review current portfolio assets, and discuss credit, industry and economic news and trends. Sector specialists tend to specialize in certain industries and concentrate their reviews and buy/hold/sell recommendations to issuers in these industries.

MJX's Operations' staff prepares daily reports updating each Fund's portfolio's investment positions, cash position, market values, and compliance with indenture collateral quality, concentration limits and coverage tests.

Prior to the pandemic, MJX's management, sector specialists, portfolio managers and analysts operated in an in-office trading desk environment which fosters continuing dialogue on portfolio investments, credit issues and market information. Each portfolio holding is reviewed during MJX's quarterly reviews of all industry sectors in which its Funds have investments. MJX makes strategic decisions on portfolio compositions for the coming quarter based in part on the industry sector reviews. Prior to the pandemic, investors were invited to attend or call in to listen to the quarterly review sessions. Investor participation in these sessions was discontinued while MJX is operating remotely and has not yet resumed.

MJX provides investors with a monthly letter with a general discussion of the levered loan market's prior month's performance and certain portfolio highlights. Investors are invited to address questions to the Firm's investment professionals at any time. Historical information on each Fund performance (including the complete detailed monthly indenture trustee report) is also available to all investors on both the trustee's and MJX's websites.

While operating remotely from its New York City offices as a result of the COVID 19 pandemic, MJX continued to carry out its portfolio management duties effectively and without interruption. Currently, MJX employee are required to be in the office on three designated days each week. As a rule, on the non-designated days of the week, MJX management conducts twice daily conference calls with sector specialists, portfolio managers, traders and credit analysts to discuss Fund issues including loan market performance, general and specific Fund portfolio issues and potential primary and secondary market purchases and sales. The calls are intended to serve the same purpose as the investment team daily meetings held when all Firm personnel are working full-time in an office environment.

Each Fund constitutes a "passive foreign investment company" ("PFIC") for U.S. income tax purposes and the preferred shares or income or subordinated notes of the Funds, as the case may be, will be treated as equity in a PFIC. Upon request, a Fund will furnish its U.S. holders annually with the information and documentation the holder making a "qualified electing fund" ("QEF") election is required to obtain for United States income tax purposes including a PFIC Annual Information Statement.

Item 14. Client Referrals and Other Compensation

Not Applicable

Item 15. Custody

MJX does not have custody of any Fund assets. The assets of each Fund are held by the bank acting as trustee under the indenture pursuant to which each Fund's securities are issued; each trustee is a "Qualified Custodian" as defined in Rule 206(4)-2 under the Advisers Act.

As noted above, in February 2023, the SEC proposed a new Advisers Act rule that will replace the current custody rule with a new "safeguarding rule" and amend the Adviser's Act record keeping rule and Form ADV. For the first time, the proposed rule will deem CLO managers such as MJX to have custody merely because they have discretion in buying/selling assets for a fund. The rule, if adopted as proposed, will place substantial additional burdens on managers who, among other things, will be required to arrange for annual surprise audits of the banks and other custodians which actually have possession of fund assets.

Item 16. Investment Discretion

MJX has full discretionary authority to manage the Funds, including authority to make decisions with respect to which loans and securities are bought and sold, the amount and price of the loans and securities, the brokers or dealers, if any, to be used for a particular transaction, and commissions or markups and markdowns paid. MJX's authority is limited by its own internal policies and procedures and each Fund's investment guidelines and the restrictions imposed by the Fund's indenture.

Item 17. Voting Client Securities

MJX consents or withholds consent on behalf of the Funds to amendments to loan and credit agreements governing the debt instruments in Fund portfolios. MJX's general policy is to do so in a manner that serves the best interests of the Funds, as determined by MJX in its discretion, taking into account factors such as: (i) the impact on the value of the Funds' investments; (ii) the anticipated associated costs and benefits; (iii) the continued or increased availability of portfolio information; and (iv) industry and business practices. Similar considerations come into play when MJX votes proxies of any equity securities received by the Funds in exchange for debt in corporate reorganizations.

MJX has adopted a proxy voting policy that sets out how MJX will vote proxies on specific issues. If a conflict of interest between MJX and a Fund arises in connection with a proposal to be voted upon, MJX will vote in accordance with the policy. If the policy does not address a specific proposal, MJX will vote the proxy as it determines to be in the best interest of the Fund. If MJX believes that its vote might be perceived as MJX acting for its own benefit, MJX will either delegate the voting decision to the Fund's board of directors or obtain approval of its decision from MJX's Chief Compliance Officer. Since the Funds are not permitted to purchase equity securities, MJX casts proxy votes infrequently and only in solicitations by the issuers of equity securities received by the Funds in exchange for debt in corporate reorganizations.

A Fund investor may obtain a copy of MJX proxy voting policy and the proxy voting record relating to the investor's Fund by contacting MJX.

Item 18. Financial Information

Not Applicable

Item 19. Requirements for State Registered Advisers

Not Applicable.