

Durational Capital Management LP

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PART 2A OF FORM ADV: FIRM BROCHURE

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This brochure provides information about the qualifications and business practices of Durational Capital Management LP. If you have any questions about the contents of this brochure, please contact Deron J. Haley at (212) 390-9161 or dhaley@durational.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about Durational Capital Management LP is available on the SEC’s website at www.adviserinfo.sec.gov.

Any reference to Durational Capital Management LP as a “registered investment advisor”, “registered” or an “RIA” simply means the adviser is registered with the SEC and implies no qualification as to its skill and training in the business of investment management.

Item 2: Material Changes

This is Durational Capital Management LP's Annual Updating Amendment to Form ADV for the fiscal year ending on December 31, 2023. Since the most recent amendment filed on March 21, 2023, there are no material updates to disclose.

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Item 4: Advisory Business

Item 4.A.

Durational Capital Management LP (“**Durational**” or the “**Firm**”) is a Delaware limited partnership. The Firm’s principal place of business is located in New York, NY. As indicated on the Firm’s Form ADV Part 1A, the Firm’s principal owners are Eric Sobotka, Deron J. Haley, Patrick J. Khayat, and Galaxy Group Funding (ECI)(U) LLC (the “**Partners**”).

Item 4.B.

Durational is an investment management firm that provides advisory services on a discretionary basis to privately offered pooled investment vehicles, which are intended for investment by certain investors that are accredited investors under Rule 501 of Regulation D of the Securities Act of 1933, as amended, and qualified purchasers under Section 2(a)(51) of the Investment Company Act of 1940, as amended (the “**Company Act**”) so as to comply with the exemptions under Section 3(c)(7) of the Company Act.

Durational provides discretionary investment advisory services to Durational Walker LP (“**Walker**”) and Durational Consumer SPV IV, LP (“**Consumer SPV**”, and together with Walker, the “**Funds**” or “**Advisory Clients**”), each a Delaware limited partnership. The General Partner of Walker is Durational Walker GP LP (the “**Walker GP**”), and the General Partner of Consumer SPV is Durational Consumer SPV IV GP LP (“**Consumer SPV GP**”, and together with Walker GP, the “**General Partners**”).

The Firm focuses on investing in companies in the consumer sector and seeks to make both tactical and strategic investments. The Firm invests in high-quality consumer businesses with perceived sustainable competitive moats, prioritizing companies the Firm believes are under-optimized and/or under-resourced.

Item 4.C.

The Firm’s advisory services provided to its clients are pursuant to the relevant offering documents and based on the specific investment objectives and strategies as disclosed therein. Investors cannot obtain services tailored to their individual specific needs.

Item 4.D.

Not applicable. Durational does not participate in a wrap fee program.

Item 4.E.

As of December 31, 2023, Durational managed approximately \$647,856,186 in regulatory assets under management on a discretionary basis. Durational does not intend to manage any assets on a non-discretionary basis.

Item 5: Fees and Compensation

Item 5.A.

From Walker, Durational will typically be entitled to receive a management fee quarterly in advance the amount of one-fourth of 1.5% of the net asset value of each investor's capital account attributable to Class B interests (the "**Management Fee**"). Consumer SPV does not pay a Management Fee to the Firm.

The Management Fee is generally not negotiable; however, the General Partners, in their sole discretion, may waive or modify the Management Fee for certain clients.

Item 5.B.

The Funds' administrator (the "**Administrator**"), will deduct the fees discussed in Item 5.A.

Item 5.C.

The Funds will be responsible, or will reimburse Durational, for expenses (including transportation, meal and lodging expenses of the personnel of the General Partner and the Firm) relating to the origination, evaluation, due diligence, structuring, acquisition, financing, asset management, holding, capitalization and sale or disposition of any and all investments (whether or not consummated) and costs of related information management and trading systems, fees, costs and expenses related to the organization, operation or maintenance of any intermediate entities used to acquire, hold or dispose of any investment or otherwise facilitate the Fund's investment activities, including without limitation any travel and accommodation expenses related to such entity or other related overhead expenses.

The Funds will pay for any and all reasonable and customary out-of-pocket costs and expenses paid to third parties in connection with the performance of its duties.

The Firm has received a transaction fee ("**Transaction Fee**") equal to 1.0% of Walker's target company's ("**Target Company**") closing Total Enterprise Value (TEV) paid one-third at closing, one-third at the first anniversary of closing, and one-third at the second anniversary of closing.

The Firm will collect an annual monitoring fee ("**Monitoring Fee**") equal to 1.25% of Consumer SPV's target company's TEV.

Item 5.D.

Walker will pay a quarterly management fee to the Firm payable in advance at the beginning of each calendar quarter.

Item 5.E.

Not Applicable. Neither Durational, nor its supervised person, are compensated for the sale of securities or other investment products or mutual funds.

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

The Funds allocate a portion of their investment profits to the General Partners as carried interest, subject to the terms and conditions set forth in the Funds' organizational documents, as detailed below.

Consumer SPV Fund investors may elect a carried interest distribution in the form of: (1)(i) return of capital and expenses; (ii) 8% per annum preferred return; (iii) 100% catch-up to the General Partner; (iv) 85%-15% investor-GP split. Walker Fund investors may elect the above or (i) return of capital and expenses; (ii) 8% per annum preferred return; (iii) 100% catch-up to the General Partner; (iv) a 90%-10% investor-GP split if the internal rate of return is less than 12.5%, or 85%-15% investor-GP split if the internal rate of return is greater or equal to 12.5% and less than 20%, or 80%-20% investor-GP split if the internal rate of return is greater than or equal to 20%.

Item 7: Types of Clients

Durational provides investment advisory services to privately offered pooled investment vehicles, which are intended for investment by certain investors that are qualified purchasers as defined by the Company Act. The minimum investment amount is negotiable and at the discretion of the Funds' General Partners.

In most circumstances, investors in the Funds must meet certain suitability and net worth qualifications prior to making an investment in the Funds. Generally, investors must be (i) "accredited investors," as defined under Regulation D of the Securities Act of 1933, as amended (the "**Securities Act**"), and (ii) either "qualified purchasers" or "knowledgeable employees," as defined under the Company Act. Durational may waive such qualification requirements in certain circumstances.

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

Item 8.A.

The Firm will advise its Advisory Clients in accordance with its core investment strategy, which is investing in high-quality consumer businesses with perceived sustainable competitive moats, while focusing on companies that are under-optimized and/or under-resourced. The Firm seeks to target control stakes with an equity investment opportunity of \$250 million - \$1 billion while prioritizing investments with significant co-investment opportunity. Durational anticipates a concentrated portfolio strategy and focus on proprietary investments. The Firm focuses on select subsegments of the consumer sector, such as, but not limited to, consumer products, health and personal care, food and beverage, agriculture, restaurants, leisure and hospitality, consumer technology, and supply chain and distribution.

Durational believes in generating equity value creation by investing for long-term growth. The Firm concentrates on acquiring majority control in its investments in order to effectuate its long-term strategy. Durational's long-term and operationally-driven strategy often utilizes multiple levers for potential value creation: a) investing for growth; 2) building technology and data platforms to improve key decisions, such as pricing, distribution, capital spend, resource allocation, cost structure, and others; 3) aligning culture and compensation around long-term performance versus tenure; 4) finding effective operators to create value at multiple levels, not just "C-suite" strategy; and 5) strategically approaching mergers and acquisitions and evaluating all subsidiaries and assets on an opportunity cost basis through long-term lens. For private companies, Durational looks to acquire majority economic and voting control, with only exceptions for specific or attractive opportunities. For public companies, Durational has the ability to employ a "Public-to-Private Hybrid Capability" that leverages the Firm's significant public security expertise by acquiring a public toehold stake in the company before approaching for a full take-private transaction. This hybrid approach for take-private transactions allows the Firm to lower its entry cost basis, increase the chance of transacting by demonstrating the Firm's conviction and achieve a return on intellectual capital in the event a third party is willing to pay a price outside the risk-reward parameters.

Investing in securities involves risk of loss that clients should be prepared to bear.

Items 8.B. and 8.C.

An investment in the Firm's Advisory Clients involves a variety of risks that each prospective investor should carefully consider before deciding to acquire interests, including risks customarily associated with investing in equity securities. The following is a brief description of some factors that prospective investors in the Fund should consider. Other factors may also be material to such investors, and a prospective investor should evaluate the amount of assets that it wishes to allocate to each Advisory Client.

Durational Walker LP **General Risks**

No Operating History. The Fund is a newly formed entity with no operating history. The Fund's investment program should be evaluated on the basis that there can be no assurance that any of the Firm's strategies will be executed in whole or in part, or that the Fund will achieve its investment objective.

Single Investment. The Fund will participate solely in the toehold investment and the private investment and, as a consequence, the aggregate return of the Fund will be entirely dependent on the performance of the Investments.

Joint Ventures. The Fund may co-invest with third parties through partnerships, joint ventures or other entities. Such investments will involve risks in connection with such third-party involvement, including the possibility that a co-venturer may have financial difficulties that negatively impact the private investment. Further, a co-venturer may have economic or business interests or goals that are inconsistent with those of the Fund, or may be in a position to take (or block) action in a manner contrary to the Fund's investment objectives. In addition, the Fund may in certain circumstances be liable for the actions of its third-party partners or coventurers. In those circumstances where such third parties involve a management group, such third parties may receive compensation arrangements relating to the Private Investment, including reimbursement of expenses, incentive compensation arrangements and fees payable to such third-party partners or co-venturers.

Past Performance Not an Indicator. Although Durational and its principals have had prior experience in portfolio management, the past performance of any investments or investment funds managed by the principals or any of their respective affiliates cannot be construed as any indication of the future results of an investment in the Fund. The performance of the Fund will depend on the success of the investment strategy and involves uncertainty. A reduction in the volatility and pricing inefficiency of the markets in which the Fund will seek to invest, as well as other market factors, will reduce the effectiveness of the Fund's investment strategy resulting in an adverse effect on performance results.

No Assurance of Investment Return. The Firm cannot provide assurance that it will be able to choose, make and realize investments in any particular company or portfolio of companies. There can be no assurance that any investor will receive any distributions from the Fund. Partial or complete sales, transfers or other dispositions of investments which may result in a return of capital or the realization of gains, if any, are generally not expected to occur for a number of years after an investment is made. Accordingly, an investment in the Fund should only be considered by persons who can afford a complete loss of their investment. There can be no assurance that projected or targeted returns for the Fund will be achieved.

Business Risk. Investment in the Target Company may involve a high degree of business and financial risk. The Target Company may be engaged in a rapidly changing business environment, may require significant additional capital to support its operation, or may otherwise have a weak or unstable financial condition.

Illiquid and Long-Term Investments. Although the Investments may generate current income, the return of capital and the realization of gains, if any, from an Investment generally will occur only upon the partial or complete disposition of such Investment. While an Investment may be sold at any time, it is generally expected that the disposition of the Private Investment will not occur for a number of years after such investment is made. The Private Investment is expected to require a substantial length of time to liquidate. The Fund generally will not be able to sell the

Private Investment publicly unless such sale is registered under applicable securities laws, or unless an exemption from such registration requirements is available.

Overall Investment Risk. All securities investments risk the loss of capital. The nature of the Investments and the investment techniques and strategies to be employed in an effort to increase profits may increase this risk. While the Durational will devote its best efforts to the management of the Fund's portfolio, there can be no assurance that the Fund will not incur losses. Many unforeseeable events, including actions by various government agencies, such as the U.S. Federal Reserve Board, and domestic and international political events, may cause sharp market fluctuations.

Projections. The Fund may make investments relying upon projections developed by the Firm concerning the Target Company's future performance and cash flow. Projections are inherently uncertain and subject to factors beyond the control of the Firm and the target company. The inaccuracy of certain assumptions, the failure to satisfy certain financial requirements and the occurrence of unforeseen events could impair the ability of the Target Company to realize projected values and/or cash flow.

Reliance on the Investment Manager. The Fund's investments will be managed by the Firm. The investors will not make decisions with respect to the selection, management, disposition or other realization of any investment, or any other decisions regarding the Fund's business and affairs. Consequently, the success of the Fund will depend, in large part, upon the skill and expertise of the Firm's investment professionals. There is no assurance that such investment professionals will continue to be involved in the management of the Fund. Loss of services of certain of such investment professionals could have a material and adverse effect on the Fund. In addition, although the Firm's investment professionals will be actively involved in the business and affairs of the Fund, such investment professionals will also spend time managing the existing investments of other funds and providing support to affiliates that may manage other investment vehicles.

Political, Economic and Other Conditions. The Fund's investments may be adversely affected by changes in economic conditions or political events that are beyond its control. For example, a stock market break, continued threats of terrorism, the outbreak of hostilities involving the United States, or the death of a major political figure may have significant adverse effects on general economic conditions, market conditions, market liquidity and the Fund's investment results. Additionally, a serious pandemic, such as avian influenza, or a natural disaster, such as a hurricane, could severely disrupt the global, national and/or regional economies and/or markets. Other factors, such as changes in U.S. federal or state tax laws, U.S. federal or state securities laws, bank regulatory policies or accounting standards, may make corporate acquisitions less desirable. Similarly, legislative acts, rulemaking, adjudicatory or other activities of the SEC, the U.S. Federal Reserve Board, the New York Stock Exchange, the Financial Industry Regulatory Authority ("FINRA") or other governmental or quasi-governmental bodies, agencies and regulatory organizations may make the business of the Fund less attractive. A negative impact on economic fundamentals and consumer confidence may negatively impact market value, increase market volatility and cause credit spreads to widen, each of which could have an adverse effect on the investment performance of the Fund.

General Economic Conditions. General economic conditions may affect the Fund's activities. Interest rates, general levels of economic activity, the price of securities and participation by other investors in the financial markets may affect the value of the Investments. The Investments can be expected to be sensitive to the performance of the overall economy. A negative impact on economic fundamentals and consumer confidence would likely increase market volatility and reduce liquidity, both of which could have a material adverse effect on the performance of the Investments. No assurances can be given as to the effect of these events on the Fund's investment objectives.

Geopolitical Risks. An unstable geopolitical climate and continued threats of terrorism and war could have a material effect on general economic conditions, market conditions and market liquidity. Additionally, a serious pandemic or a natural disaster could severely disrupt the global, national and/or regional economies. 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, all of which could have an adverse effect on the Fund's returns. No assurance can be given as to the effect of these events on the value of or markets for the Investments.

Cybersecurity Risk. As part of its business, the Firm's processes, stores and transmits large amounts of electronic information, including information relating to the transactions of the Fund and personally identifiable information of the investors. Similarly, the Firm's service providers may process, store and transmit such information. Durational has procedures and systems in place to protect such information and prevent data loss and security breaches. However, such measures cannot provide absolute security. The techniques used to obtain unauthorized access to data, disable or degrade service, or sabotage systems change frequently and may be difficult to detect for long periods of time. Hardware or software acquired from third parties may contain defects in design or manufacture or other problems that could unexpectedly compromise information security. Network connected services provided by third parties to the Firm may be susceptible to compromise, leading to a breach of the Firm's network. The Firm's systems or facilities may be susceptible to employee error or malfeasance, government surveillance or other security threats. Online services the Firm provides to investors may also be susceptible to compromise. Breach of the Firm's information systems may cause information relating to transactions and personally identifiable information of the investors to be lost or improperly accessed, used or disclosed. The Firm's service providers are subject to the same electronic information security threats. If a service provider fails to adopt or adhere to adequate data security policies, or in the event of a breach of its networks, information relating to transactions and personally identifiable information of the investors may be lost or improperly accessed, used or disclosed. The loss of or improper access, use or disclosure of the Firm's proprietary information may cause the Firm to suffer, among other things, financial loss, the disruption of its business, liability to third parties, regulatory intervention or reputational damage. Any of the foregoing events could have a material adverse effect on the Fund and its investments.

Investment Risks

Target Company Risks. A more detailed summary of risks relating specifically to the Target Company and its business can be found in the Target Company's most recent Form 10-K, which is available by searching for the Target Company using the SEC's Electronic Data Gathering, Analysis, and Retrieval system (EDGAR) (available at <https://www.sec.gov/edgar/searchedgar/companysearch.html>).

Equity Securities. The Fund will often invest in common and preferred stock and other equity securities. Equity securities generally involve a high degree of risk and will be subordinate to the debt securities and other indebtedness of the issuers of such equity securities. Prices of equity securities generally fluctuate more than prices of debt securities and are more likely to be affected by poor economic or market conditions. In some cases, the issuers of such equity securities may be highly leveraged or subject to other risks such as limited product lines, markets or financial resources. In addition, actual and perceived accounting irregularities may cause dramatic price declines in the equity securities of companies reporting such irregularities or that are rumored to be subject to accounting regularities. The Fund may experience a substantial or complete loss on individual equity securities.

Significant Positions. The Fund may acquire more than 5% of a class of securities of a single issuer which would require the filing of a Schedule 13D or 13G with the SEC or may place a director on the board of directors of such issuer, which would impose certain limitations on the Fund's ability to trade in such securities, including the restrictions of Section 16 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"). Under Section 16 of the Exchange Act, the Fund may be subject to certain additional reporting requirements and may be required to disgorge certain short-swing profits arising from purchases and sales of such securities. In addition, in such circumstances the Fund will be prohibited from entering into a short position in such issuer's securities, and therefore limited in its ability to hedge such investments. Such regulations and limitations arising from significant positions of the Fund may cause increased transaction costs. Moreover, the Fund's ability to realize value from its Investments may depend upon the ability of the Firm to influence the management of the Target Company to take certain actions, including, for example, a recapitalization, restructuring, spin-off, sale of the business or enhancement to operating performance. If the Firm is incorrect in its assessment of the impact such action will have on the value of the Target Company, or if it is unsuccessful in encouraging the Target Company's management to take the desired action, the Fund may sustain a loss on its investment in the Target Company, resulting in a reduction of the value of the Fund's investment. The size of the Fund's investment position may also make it more difficult for the Fund to dispose of its holdings without impacting the price of its securities or otherwise limit the manner in which the Fund may seek to effect such disposition.

Board Participation. It is possible that the Fund's investment program may from time to time enable the Fund to place its representatives on boards of certain companies in which the Fund has invested. While such representation may enable the Firm to enhance the sale value of its investments, it may also prevent the Fund from freely disposing of its investments and may subject the Fund to additional liability. Although portfolio companies often purchase insurance to protect directors and officers from such liability, certain portfolio companies may not obtain such insurance and there can be no assurance that such insurance will prove sufficient even if obtained. If the Fund is a significant shareholder with board representation, the Fund could be

subject to legal claims it would not otherwise be subject to as an investor, including claims of breach of the duty of loyalty, securities law claims and other board-related claims. The Fund will generally indemnify such representatives for claims arising from such board representation. The Fund will attempt to balance the advantages and disadvantages of such representation when deciding whether and how to exercise its rights with respect to such companies, but the exercise of such rights could produce adverse consequences in particular situations.

Financial Fraud at the Target Company. Instances of fraud and other deceptive practices committed by senior management of the Target Company may undermine the Firm's due diligence efforts with respect to the Target Company, and if such fraud is discovered, negatively affect the valuation of the Investments.

Active Management. Durational's investment philosophy is based on the active management of the reorganization process of its portfolio companies and influencing and directing the post-reorganization business strategy, management and operations of its portfolio companies. While such management and ongoing direction has significant profit potential, it is unusually time intensive and may also have the effect of impairing the ability of the Fund to sell its Investments due to regulatory and/or market factors. Active management could also subject the Fund to legal claims and adverse publicity, including claims of breach of duty of loyalty, securities claims and other management-related claims.

Follow-On Investments. Following its initial investment in the Target Company, the Fund may be asked to provide additional funds to, or have the opportunity to increase its investment in, such company. There is no assurance that the Fund will make follow-on investments or that the Fund will have sufficient resources to, or be permitted to, make all such investments. Any decision by the Fund not to make follow-on investments or its inability to make them may have a substantial negative impact on the Target Company, may result in missed opportunities for the Fund or may result in a dilution of the Fund's investment. There can be no assurance that a follow-on investment will be successful.

Uncertain Exit Strategies. The Firm is unable to predict with confidence what, if any, exit strategy will ultimately be available for the Investments. Exit strategies which appear to be viable when an Investment is initiated may be precluded by the time such Investment is ready to be realized due to economic, legal, political or other factors.

Reliance on Issuer Management. The Target Company's day-to-day operations will be the responsibility of the Target Company's management team. Although the General Partner and the Firm will be responsible for monitoring the performance of the Investments and the Firm generally intends to invest in companies operated by strong management and which the Firm believes to have appropriate business models with a sustainable competitive edge, there can be no assurance that the existing management team, or any successor, will be able to successfully operate the Target Company in accordance with the Fund's plans, and the Firm may have little or no influence over the management of the Target Company.

Leverage. To the extent the Fund utilizes borrowings to facilitate its investment strategies, the possibility for profit and the risk of loss are magnified. Consequently, the level of interest rates,

generally, and the rates at which the Fund can borrow in particular will affect the operating results of the Fund. The Fund may enter into formal commitments from one or more banks or other financial institutions regarding its future borrowings. The Fund may seek standby or permanent financing from one or more banks, and it may seek to borrow funds from institutions, foreign or domestic, by means of privately placed notes or debentures and may enter into any other type of financing arrangement the Firm considers appropriate. In general, the Fund's potential use of short-term margin borrowings will result in certain additional risks to the Fund. For example, should the securities pledged to brokers to secure the Fund's margin accounts decline in value, the Fund could be subject to "margin calls," pursuant to which the Fund must either deposit additional funds with such brokers, or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. In the event of a sudden precipitous drop in the value of the Fund's assets, the Fund might not be able to liquidate assets quickly enough to pay off its margin debt.

Durational Consumer SPV IV LP

General Risks

No Operating History; Reliance on the General Partner. The Partnership is a newly formed vehicle, has no operating history and will be entirely dependent on the General Partner and the Investment Manager. The Partnership is subject to all of the business risks and uncertainties associated with any new fund, including the risk that it may not achieve its investment objectives and that the value of an investment in the Partnership could decline substantially (or entirely). Furthermore, there can be no assurance that the Fund's investments will achieve results similar to those attained by previous investments of the General Partner, the Investment Manager or any of their Affiliates. In addition, the Fund's investments may differ from previous investments made by General Partner, the Investment Manager or any of their Affiliates in a number of respects, including target return levels, level of risk associated with a particular investment, amount invested in a particular company, types of companies within a particular industry sector, amount of leverage used, structure, and holding period. On any given investment, loss of principal is possible. The Fund's investment program should be evaluated on the basis that there can be no assurance that any of the General Partner's strategies will be executed in whole or in part, or that the Fund will achieve its investment objective.

Absence of Regulatory Oversight. While the Fund may, in some respects, be considered to be similar to an investment company, it is not registered, and does not intend to register, as such under the Investment Company Act or the laws of any other country or jurisdiction and, accordingly, the provisions of the Investment Company Act will not be applicable to the Fund. In addition, the interests are not required to be, and have not been, registered under the Securities Act or the Exchange Act. Because of such lack of registration, the protections provided by such statutes and certain regulations of the various regulatory agencies thereunder will not be available to investors.

Risks of Investment Concentration. The entirety of the Subscriber's interest in the Fund is expected to be concentrated solely in the Target Company and, thus, the Fund will not have a diversified investment portfolio (either by asset, country or geographic region or domain). In

addition, the Fund will not have a diversified group of counterparties. If the Target Company performs poorly, the Subscriber will suffer a partial or total loss of capital invested in the Fund.

Conflicts. Subscribers should be aware that there will be occasions where the General Partner, the Investment Manager and their respective Affiliates may encounter actual or potential conflicts of interest in connection with the Fund and its interests, assets or activities (including certain conflicts of interest as among the interests of different vehicles serviced, sponsored, managed, and/or advised by the Investment Manager or its Affiliates).

There may be situations in which the interests of the Fund may conflict with the interests of other accounts. The General Partner and its Affiliates will engage in a broad spectrum of activities, including investment advisory activities, and may have extensive investment activities that are independent from, and may conflict with, those of the Fund and the investors. The General Partner and its Affiliates will endeavor to devote such time as shall be reasonably necessary to conduct the business affairs of the Fund; however, conflicts may arise in the allocation of personnel and, other than as expressly set forth in the Fund Agreement, none of the General Partner, the Investment Manager or any of their respective Affiliates or personnel are required to devote any portion of their business time on matters specifically relating to the Fund.

On any issue involving conflicts of interest, the General Partner and the Investment Manager will be guided by their respective good faith judgment. If any matter arises that the General Partner determines in its good faith judgment constitutes an actual or potential conflict of interest, the General Partner may take such actions as may be necessary or appropriate to ameliorate such conflict. There can be no assurance that the General Partner will solve all conflicts of interest in a manner that is favorable to the Fund.

By acquiring an interest in the Fund and executing the Subscription Agreement relating thereto, each Subscriber will be deemed to have acknowledged the existence of any such actual or potential conflicts of interest and to have waived any claim with respect to any liability arising from the existence of any such conflict of interest. In addition, prospective Subscribers should note that, subject to applicable law, the Subscribers will also waive any conflicts of interest on the part of the Investment Manager or the General Partner or any of their respective affiliates arising from participation in the activities described herein and consent to such activities.

Diverse Limited Partner Group. The investors are expected to be a diverse group and comprise a variety of domestic, foreign and tax-exempt investors which may have conflicting investment, tax and other interests with respect to their investments in the Fund. Investors may also have varying economic, fee or other arrangements with the General Partner, the Investment Manager or their Affiliates. The conflicting interests of individual investors may relate to or arise from, among other things, the nature of the Target Company, structuring or the acquisition of investments and the timing of disposition of investments, each of which may be more beneficial for one investor than for another investor. As a consequence, conflicts of interest may arise in connection with the decisions made by the General Partner, including with respect to the nature or structuring of investments that may be more beneficial for one investor than for another investor, especially with respect to investors' individual tax situations.

No undertaking is given that amounts distributed or allocated to the investors will have any particular characteristics or that any specific tax treatment will be enjoyed. Further, no assurance is given that any particular investment structure in which the Fund has a direct or indirect interest will be suitable for all investors and, in certain circumstances, such structures may lead to additional costs or reporting obligations for some or all of the investors.

In selecting and structuring investments appropriate for the Fund, the General Partner will consider the investment and tax objectives of the Fund and its Partners as a whole, not the investment, tax or other objectives of any investor individually.

Reliance on the Target Company's Management Team. The operations of the Target Company will be the responsibility of the management team of such business. The Fund will significantly rely on the existing management team and boards of director of the Target Company, which may include representatives with whom the Fund is not affiliated and whose interests may conflict with the interests of the Fund. There can be no assurance that such existing management team, or any successor thereto, will be able to operate the business successfully. There can be no assurance that the management team of the Target Company on the date such investment is made will remain the same or continue to be affiliated with the business throughout the period securities in the Target Company are held. In addition, projected operating results will normally be based primarily on the judgment of the management team of the business. In all cases, projections are only estimates of future results that are based upon assumptions made at the time that the projections are developed. There can be no assurance that the projected results will be obtained, and actual results may vary significantly from the projections. General economic conditions and other factors, including COVID-19 (as defined below), which are not predictable, can have a material adverse impact on the reliability of projections.

Use of Leverage. The Target Company may have significant leverage. While investments in leveraged companies offers the opportunity for capital appreciation, such investments also involve a higher degree of risk. To the extent a company utilizes leverage, any recession, operating problem, deterioration in the condition of the company or its industry and any other general business and economic risk may have a more pronounced effect on the performance of the Target Company. Moreover, rising interest rates may significantly increase a company's interest expense, causing losses and/or the inability to service debt levels. If the Target Company cannot generate adequate cash flow to meet debt obligations, the Fund may suffer a partial or total loss of capital invested therein.

Need for Additional Capital. Following its initial investment in the Target Company, the Fund may decide to provide additional funds to the Target Company. There is no assurance that the Fund will make follow-on investments. Any decision by the Fund not to make follow-on investments or its inability to make such investments may have a substantial negative effect on the Target Company in need of such an investment or may result in a lost opportunity for the Fund to increase its participation in a successful investment. Additionally, such failure to make such investments may result in a lost opportunity for the Fund to increase its participation in the Target Company or the dilution of the Fund's ownership in Target Company if a third party invests in the Target Company. The amount of any additional capital needed will depend upon the maturity and objectives of the Target Company. Each such round of financing (whether from

the Fund or other investors) is typically intended to provide the Target Company with enough capital to reach the next major corporate milestone. If the capital provided by the Fund is not sufficient, or if the Fund is unable to provide additional capital, the Target Company may have to raise further capital at a price unfavorable to existing investors, including the Fund. To the extent the Target Company receives additional funding in subsequent financings and the Fund does not participate in such additional financing rounds, the interests of the Fund in the Target Company would be diluted.

Indemnification. The Fund may be required to indemnify certain persons set forth in the Fund Agreement including, without limitation, the General Partner, the Investment Manager, any of their respective Affiliates and each member, manager, shareholder, partner, director, officer, representative, owner, beneficial owner and employee of any of the foregoing for liabilities incurred in connection with the affairs of the Fund and otherwise as provided in the Fund Agreement. Such liabilities may be material and have an adverse effect on the returns to the investors. The indemnification obligation of the Fund would be payable from the assets of the Fund. The General Partner may cause the Fund to take reserves against anticipated liabilities rather than make distributions. If the assets of the Fund are insufficient to pay any such indemnification obligations, the General Partner may recall distributions previously made to the investors to pay such obligations. As a result, there may be periods where the Fund is advancing expenses to an individual or entity with whom the Fund is not aligned or is otherwise an adverse party in a dispute. Moreover, in its capacity as general partner of the Fund, the General Partner may, notwithstanding any actual or perceived conflict of interest, be the beneficiary of any decision by it to provide indemnification (including advancement of expenses) to certain persons or entities including itself.

Such liabilities of the Fund may not be resolved prior to the date that the Fund will be dissolved, either by expiration of the Fund's term or otherwise. Furthermore, as a result of the provisions contained in the Fund Agreement, the investors may have a more limited right of action in certain cases than they would in the absence of such limitations. It should be noted that the General Partner may, but shall not be required to, cause the Fund to purchase insurance for the Fund, the General Partner, the Investment Manager and their employees, agents and representatives at the expense of the Fund.

Liability of the Fund and the Partners. The General Partner has unlimited liability for all debts and obligations of the Fund. Except as provided herein or in the Fund Agreement, the total liability of an investor is limited to the amount of its Capital Commitment, except as set forth in the Partnership Agreement. If the Fund is otherwise unable to meet its obligations, the investors may, under applicable law, be obligated to return to the Fund or to creditors whose interests have been injured distributions previously received by them pursuant to any rules regarding fraudulent conveyances. In addition, an investor may be liable under applicable bankruptcy law to return distributions made during the Fund's insolvency, and investors may be required to pay to the Fund amounts that are required to be withheld by the Fund for tax purposes.

General Economic and Market Conditions. The success of the Fund's activities will be affected by general economic and market conditions, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in laws (including laws relating to

taxation of the Fund's investments), trade barriers, currency exchange controls, and national and international political, environmental and socioeconomic circumstances (including wars, terrorist acts or security operations). The Target Company's financial condition may be adversely affected by a significant general economic downturn and it may be subject to legal, regulatory, reputational and other unforeseen risks that could have a material adverse effect on its business and operations and thereby could impact the Fund. Moreover, a renewed downturn in the U.S. or global economy (or any particular segment thereof) or weakening of credit markets could adversely affect the Fund's profitability, impede the ability of the Target Company to perform under or refinance their existing obligations, and impair the Fund's ability to effectively exit all or part of its investment in the Target Company on favorable terms. Any of the foregoing events could result in substantial or total losses to the Fund, which losses will likely be exacerbated by the presence of leverage in the Target Company's capital structure. Any market turmoil, coupled with the threat of an economic slow-down, as well as a perceived increase in counterparty default risk, may have an adverse impact on the availability of credit to businesses generally, which in turn may adversely affect or restrict the ability of the Fund to sell securities in the Target Company at favorable times or at favorable prices or which otherwise may have an adverse impact on the business and operations of the Fund, restrict the Fund's investment activities and/or impede the Fund's ability to effectively achieve its investment objective. In addition, there can be no assurance that substantial volatility in stock markets will not have an adverse effect on the Fund.

Public Health Emergencies; COVID-19. Pandemics and other widespread public health emergencies, including outbreaks of infectious diseases such as SARS, H1N1/09 flu, avian flu, Ebola and the current outbreak of COVID-19, have and are resulting in market volatility and disruption, and future such emergencies have the potential to materially and adversely impact economic production and activity in ways that are impossible to predict, all of which may result in significant losses to the Fund.

Currently, there is an ongoing outbreak of a novel and highly contagious form of coronavirus ("COVID-19"), which the World Health Organization formally declared in March 2020 to constitute a global "pandemic." This outbreak has caused a worldwide public health emergency, straining healthcare resources and resulting in extensive and growing numbers of infections, hospitalizations and deaths. COVID-19 has significantly diminished global economic production and activity of all kinds and has contributed to both volatility and a severe decline in all financial markets. Among other things, these unprecedented developments have resulted in material reductions in demand across many categories of consumers and businesses, dislocation (or in some cases a complete halt) in the credit and capital markets, labor force and operational disruptions, slowing or complete idling of certain supply chains and manufacturing activity and strain and uncertainty for businesses and households, with a particularly acute impact on industries dependent on travel and public accessibility, such as transportation, hospitality, tourism, retail, sports and entertainment.

The ultimate impact of COVID-19 on global economic conditions, and on the operations, financial condition and performance of any particular industry or business, is impossible to predict, although ongoing and potential additional materially adverse effects, including a further global or regional economic downturn (including a recession) of indeterminate duration and

severity, are possible. The extent of COVID-19's impact will depend on many factors, including the ultimate duration and scope of the public health emergency and the restrictive countermeasures being undertaken, as well as the effectiveness of other governmental, legislative and financial and monetary policy interventions (including the effectiveness of vaccines and the implementations of vaccination programs) designed to mitigate the crisis and address its negative externalities, all of which are evolving rapidly and may have unpredictable results.

The ongoing COVID-19 crisis and any other public health emergency could have a significant adverse impact on and result in significant losses to the Fund. The extent of the impact on the Fund's and the Target Company's operational and financial performance will depend on many factors, all of which are highly uncertain and cannot be predicted, and this impact may include significant reductions in revenue and growth, unexpected operational losses and liabilities, impairments to credit quality and reductions in the availability of capital. These same factors may impair the ability of the Target Company to perform its obligations under debt instruments and other commercial agreements (including its ability to pay obligations as they become due), potentially leading to defaults with uncertain consequences, including the potential for defaults by borrowers under debt instruments held by the Fund. In addition, the operations of the Fund, the Target Company, the General Partner and the Investment Manager may be significantly impacted, or even temporarily or permanently halted, as a result of government quarantine measures, restrictions on travel and movement, remote-working requirements and other factors related to a public health emergency, including its potential adverse impact on the health of any such entity's personnel. These measures may also hinder such entities' ability to conduct their affairs and activities as they normally would, including by impairing usual communication channels and methods, hampering the performance of administrative functions such as processing payments and invoices, and diminishing their ability to make accurate and timely projections of financial performance.

Impact of U.S. Elections. Joseph R. Biden Jr. assumed office as the President of the United States on January 20, 2021. The Biden administration has signaled that it intends to seek to enact changes to numerous areas of law and regulations currently in effect. Any such changes could significantly impact the Fund or the Target Company. Specific legislative and regulatory proposals discussed during election campaigns and more recently that might materially impact the Fund include changes to trade agreements, immigration policy, import and export regulations, tariffs and customs duties, energy regulations, income tax regulations and the federal tax code, public company reporting requirements, and antitrust enforcement. Changes in federal policy, including tax policies, and at regulatory agencies occur over time through policy and personnel changes following elections, which lead to changes involving the level of oversight and focus on the financial services industry or the tax rates paid by corporate entities. The nature, timing and economic effects of potential changes to the current legal and regulatory framework affecting financial institutions under the Biden administration remain highly uncertain. Future changes may adversely affect the Fund's operating environment and therefore the Fund's and the Target Company's business, financial condition and results of operations. There can be no assurance that any changes in laws, regulations or governmental policy will not have an adverse impact on the Fund and the Target Company, including the ability of the Fund and its ability to execute its investment objectives and to receive attractive returns.

In addition, changes in U.S. social, political, regulatory and economic conditions or in laws and policies governing foreign trade, manufacturing, development and investment in the territories and countries where the Fund may invest, and any negative sentiments towards the United States as a result of such changes, could adversely affect the performance of the Target Company. Furthermore, negative sentiments toward the United States among non-U.S. customers and among non-U.S. employees or prospective employees could adversely affect sales or hiring and retention, respectively, of the Target Company.

Legal, Tax and Regulatory Risks. Legal, tax and regulatory changes could occur during the term of the Fund that may adversely affect the Fund, the Target Company or the investors. For example, from time to time the market for private equity transactions has been adversely affected by a decrease in the availability of senior and subordinated financing for transactions, in part in response to regulatory pressures on providers of financings to reduce or eliminate their exposure to such transactions. The Fund will operate in a highly regulated environment and it, the General Partner and the Investment Manager are subject to extensive legal and regulatory restrictions and limitations and to supervision, examination and enforcement by regulatory authorities. In particular, the Target Company is expected to be particularly exposed to changes that may occur in tax law and other laws and regulations, in part because its services are based on the applicability of such laws to its customers. New and existing regulations and burdens of regulatory compliance may directly impact the business and results of the operations of, or otherwise have a material adverse effect on, the Target Company. Failure to comply with any of these laws, rules and regulations, some of which are subject to interpretation and may be subject to change, could result in a variety of adverse consequences, including civil penalties and fines, which may have material adverse effects.

Monitoring and Transaction Fees. The Durational Persons will perform certain monitoring, management, advisory and other services on behalf of the Target Company and may be paid transaction fees in connection therewith, and, in particular, the Durational Persons will be paid Monitoring Fees by or on behalf of the Target Company. Such Monitoring Fees are not, and are not expected to be, the product of arms' length negotiations, and, consequently, the Durational Persons will be subject to a conflict of interest in connection with their receipt of any such Monitoring Fees, especially given that there is no management fee offset in connection with such amounts in respect of the Fund. The Monitoring Fees shall be retained by the Durational Persons and shall not be paid or otherwise distributable or distributed under any circumstances to the Fund or the investors, it being understood that such Monitoring Fees will reduce the Target Company's assets and, thus, reduce the Fund's returns and returns to investors. The foregoing also holds true in respect of any transaction or other fees received by the Durational Persons from the Target Company.

Limited Transferability of Interests. There will be no public market for the Interests, and none is expected to develop. There are substantial restrictions upon the transferability of Interests under the Fund Agreement and applicable securities laws. In general, withdrawals of Interests are not permitted. In addition, Interests are not redeemable.

Projections. Projected operating results of the Target Company will be based primarily on financial projections prepared by the Target Company's management, with adjustments to such projections made by the General Partner in its discretion. In all cases, projections are only estimates of future results that are based upon information received from the Target Company and third parties and assumptions made at the time are developed. There can be no assurance that the results set forth in the projections will be attained, and actual results may be significantly different from the projections. Also, general economic factors, which are not predictable, can have a material effect on the reliability of projections.

Intellectual Property. The success of consumer products companies and their ability to compete are often largely dependent upon branding, trademarks, copyrights, trade secrets and/or patents. In the event the Target Company is unable to establish and protect its proprietary rights in intellectual property, the Target Company may face increased competition from "knock-offs" and "copycats" who would sell comparable products for less money. Effective patent, trademark, and trade secret protection may be unavailable or limited in certain countries or other jurisdictions. Despite efforts to protect aspects of the products of the Target Company, unauthorized parties may attempt to copy aspects of its products, or to obtain and use information that the Target Company regards as proprietary. Litigation may be necessary in the future to enforce the Target Company's intellectual property rights, to protect its trade secrets, to determine the validity and scope of the proprietary rights of others, or to defend against claims of infringement or invalidity. Such litigation could result in substantial costs and diversion of resources and management attention and could have a material adverse effect on the business, financial condition and results of operations of the Target Company. There can be no assurance that any patents, trademarks or other intellectual property rights issued to the Target Company will not be invalidated or circumvented or otherwise be insufficient to protect its proprietary rights.

Competitive Industry. The consumer products industry is highly competitive and includes department and furniture stores, big-box retailers, specialty retailers and online, direct-to-consumer mattress and other consumer good retailers. There are numerous companies that will directly and indirectly compete with the Target Company. These competitors may have more customers and more capital resources than the Target Company. There can be no assurance that the Target Company will maintain a competitive sales position in the industry that will permit the Target Company to achieve sales or profits and cause the Target Company to appreciate in value.

Consumer Demand. The growth strategy and future success of consumer products companies is largely dependent upon the commercial acceptance of its products. The Target Company's abilities to remain competitive are largely based upon their ability to accurately anticipate consumer and market requirements, which is notoriously difficult to do.

Product Recalls. Consumer products companies occasionally need to conduct voluntary or involuntary product recalls arising primarily from defectively manufactured products or packaging. It is possible the Target Company may not maintain adequate insurance for a product recall and, in the event a product recall arises, the business operations and prospects of the Target Company would be materially adversely affected.

Item 9: Disciplinary Information

Neither Durational nor its supervised persons have any reportable disciplinary events to disclose.

Item 10: Other Financial Industry Activities and Affiliations

Item 10.A.

Not Applicable. Durational is currently not applying to register as a broker-dealer and does not intend to.

Item 10.B.

Not Applicable. Durational, nor any of its management persons, is applying to register with the National Futures Association.

Item 10.C.

Durational Walker GP LP serves as the General Partner to Durational Walker LP, and Durational Consumer SPV IV GP LP serves as the General Partner to Durational Consumer SPV IV LP.

Item 10.D.

Not Applicable. Durational does not recommend or select other investment advisers for its clients.

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

Item 11.A.

Durational has adopted a Code of Ethics (the “**Code**”) under Rule 204A-1 of the Investment Advisers Act of 1940, as amended (the “**Advisers Act**”) designed to provide that Durational’s employees comply with applicable federal securities laws. The Code addresses, among other things, Durational’s standard of business conduct, requirements and restrictions relating to personal securities trading, and policies regarding political contributions, gifts and entertainment, and confidentiality. Durational employees must acknowledge, both initially upon employment and annually thereafter, in writing having received and read a copy of the Code. The Code requires all employees to report personal securities holdings (initially and annually) and report quarterly personal trading activity. The Code restricts employees from transacting in the same investments as Durational’s Advisory Clients. The Code is monitored by Durational’s

Chief Compliance Officer and any exceptions to the Code require prior approval by Durational's Chief Compliance Officer.

A copy of the Firm's Code of Ethics is available to Advisory Clients or investors and prospective Advisory Clients or investors upon their individual request.

Item 11.B., 11.C., and 11.D

Durational, as a fiduciary to its Advisory Clients and endeavoring to be honest and truthful to its Advisory Clients at all times, prohibits investments in the personal account of any Firm personnel or related person in a security that is currently held or intended to be held by the applicable Fund. In order to prevent any conflict of interest, Durational's employees are restricted from investing in client account investments and, therefore, are not able to recommend investments to Advisory Clients in which any Durational's employees are invested.

Item 12: Brokerage Practices

Item 12.A.1.

Durational's advisory business generally involves privately negotiated transactions with the prospective sellers and prospective buyers. Accordingly, Durational generally does not use, select or otherwise recommend broker-dealers or other counterparties in connection with the investment activities of its Advisory Clients. When publicly traded securities are the subject of a trade and there is a broker selection opportunity, Durational will endeavor to select a broker or other counterparty on the basis of best execution and in consideration of various factors deemed relevant or appropriate, including, without limitation: (i) the ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any); (ii) the operational efficiency with which transactions are effected, taking into account the size of order and difficulty of execution; (iii) the financial strength, integrity and stability of the broker; (iv) the broker's risk in positioning a block of securities; and (v) the competitiveness of commission rates in comparison with other brokers satisfying the four other selection criteria. Durational may cause an Advisory Client to pay higher commissions to brokers believed to offer superior service under the circumstances, including brokers that provide investment research and analysis to their clients. Accordingly, when Durational determines in good faith that the amount of commissions charged by a broker is reasonable in relation to the value of the overall services provided to its Advisory Clients, including internally-developed research and other services provided by such broker, Durational may cause the Advisory Clients to pay commissions to such broker in an amount greater than the amount another broker might charge.

Durational currently does not use soft dollars generated by client accounts to pay for research and/or related services provided by brokers.

Item 12.A.2.

Durational does not participate in selecting or recommending broker-dealers in exchange for client referrals.

Item 12.A.3.

Not Applicable. Durational does not engage in directed brokerage by its client.

Item 12.B.

The Firm's investment strategy does not typically involve executing trades for publicly issued securities on exchanges on a regular basis. However, the Firm on behalf of its Funds is permitted to purchase and hold publicly listed securities as part of its investment strategy. Given that each Fund invests in a single target company, and no two Funds will invest in the same target company, there is no opportunity nor ability to aggregate orders of securities for multiple Funds.

Item 13: Review of Accounts

Item 13.A. and 13.B.

The Firm's investment team evaluates the Fund's portfolio and the Firm's investment program in accordance with the Fund's governing documents on a regular basis.

Item 13.C.

Durational intends to provide written annual reporting to investors in its pooled investment vehicle, including K-1s, and periodic reporting based on material events in portfolio investments.

Item 14: Client Referrals and Other Compensation

Item 14.A.

Not Applicable. Durational does not receive any economic benefits from a third party for providing advisory services.

Item 14.B.

The Firm utilizes placement agents. As described in the Firm's written service agreements with the placement agents, the placement agents receive compensation ranging from 1.0% and 1.5% on all capital commitments raised and accepted by the Funds from referred or solicited investors. Due to the agreements the Firm has with the placement agents, the placement agents have an incentive to recommend the Firm, resulting in a material conflict of interest.

Durational and/or its affiliates may also pay fees to third parties for locating or sourcing potential investment opportunities and sharing information relating thereto with Durational.

Item 15: Custody

While it is Durational's practice not to accept or maintain physical possession of any client assets, Durational may be deemed to have custody of certain Fund assets under current applicable regulatory interpretations for purposes of Rule 206(4)-2 of the Advisers Act.

In order to comply with Rule 206(4)-2, Durational utilizes the services of a bank and other qualified custodians (as defined under Rule 206(4)-2) to hold all cash and securities of the Fund (except with respect to privately offered securities). In accordance with Rule 206(4)-2, Durational also: (1) has engaged an independent public auditor to conduct annual audits of the Fund; and (2) distributes audited financial statements of the Fund that are prepared in accordance with United States generally accepted accounting principles to all investors within at least 120 days after the end of the fiscal year.

Additionally, each Fund investor receives written quarterly statements from the Administrator with respect to the activities of the Fund.

Item 16: Investment Discretion

Durational accepts discretionary authority to manage securities accounts on behalf of clients and, therefore, determines which securities and the amounts of securities it buys and sells for its Advisory Clients.

Item 17: Voting Client Securities

Durational has adopted a Proxy Voting Policy to address how it will vote proxies, as applicable, for the Fund's portfolio investments. The Proxy Voting Policy seeks to ensure that Durational votes proxies (or similar instruments) in the best interest of the Fund, including where there may be material conflicts of interest in voting proxies. Durational generally believes its interests are aligned with those of the Fund's investors, for example, through the Principals' beneficial ownership interests in the Fund and, therefore, will not seek investor approval or direction when voting proxies. In the event that there is or may be a conflict of interest in voting proxies, the Proxy Voting Policy provides that Durational may address the conflict using several alternatives, including by seeking the approval or concurrence of a Fund's advisory board on the proposed proxy vote or through other alternatives set forth in the Proxy Voting Policy. In addition, the Proxy Voting Policy sets forth certain specific proxy voting guidelines followed by Durational when voting proxies on behalf of the Fund. If you would like a copy of Durational's complete Proxy Policy or information regarding how Durational voted proxies for particular portfolio companies, please contact Deron J. Haley, the Durational Chief Compliance Officer, at (212) 390-9161, and it will be provided to you at no charge.

Item 18: Financial Information

Item 18.A.

Not Applicable. Durational does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

Item 18.B.

Durational is not aware of any financial condition that is reasonably likely to impact its ability to meet its contractual commitments to clients.

Item 18.C.

Not Applicable. Durational has not been the subject of a bankruptcy petition at any time during the past ten years.