

SVOF/MM, LLC

Item 1 Cover Page

SVOF/MM, LLC

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This Brochure provides information about the qualifications and business practices of SVOF/MM, LLC ("SVOF/MM"). If you have any questions about the contents of this Brochure, please contact SVOF/MM at the telephone number provided above. This Brochure has not been approved by the U.S. Securities and Exchange Commission ("SEC") or any state securities authority. SVOF/MM is registered as an investment adviser with the SEC. Registration as an investment adviser does not imply any level of skill or training. References to SVOF/MM herein include reference to certain series thereof.

Additional information about SVOF/MM is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 Material Changes

The last annual updating amendment to Form ADV Part 2A (the “Brochure”) was filed with the SEC in March 2018. Material changes to this Brochure since the March 2018 filing includes an amendment to Item 4: (“Advisory Business”) to provide information about Tennenbaum Capital Partners, LLC’s, SVOF/MM’s controlling entity, merger with and into a wholly-owned indirect subsidiary of BlackRock, Inc., (the “Merger”). As an indirect subsidiary of BlackRock, Inc., SVOF/MM has updated and revised certain disclosures, particularly in the following areas:

Item 4: Advisory Business -

- Tailoring to Individual Needs and Investment Restrictions
- Services of Affiliates

Item 5: Fees and Compensation - Disclosure was added regarding:

- Other Fees and Expenses
- Fees Paid to Adviser by Third-Parties
- Co-Investment Vehicles

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

- Consideration of credit ratings when analyzing bonds, notes and other debt-related investments
- Consideration when analyzing a new issue security
- Technology and Cybersecurity Risk
- Operating Events
- Risk Factors
- Credit/Default Risk
- New Issue Securities Risk

Item 10: Other Financial Industry Activities and Affiliations.

- Affiliated Broker-Dealers
- Affiliated Commodity Pool Operator / Commodity Trading Advisor
- Affiliated Registered Investment Advisers
- Affiliated Banking Association and Municipal Advisor
- Relationships or Arrangements with Affiliated and/or Related Persons

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

Global Personal Trading Policy & Other Ethical Restrictions

- Policies and procedures relating to personal securities transactions, insider trading, outside activities, political contributions and other ethical considerations.

Potential Conflicts Relating to Advisory Activities

- Financial or Other Interests in Underlying Funds
- Inconsistent Investment Positions and Timing of Competing Transactions
- Conflicts Relating to Portfolio Management of Various Accounts
- In-Sourcing or Outsourcing Certain Services to Third-Parties
- Side-By-Side Management
- Principal Transactions

Potential Restrictions and Conflicts Related to Information Possessed or Provided by BlackRock

- Availability of Proprietary Information
- Material Non-Public Information/Insider Trading

Item 15: Custody

- Updated to provide additional information regarding custody of client’s assets.

Glossary – Added to Brochure

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Item 4 Advisory Business

OVERVIEW

SVOF/MM, LLC (“SVOF/MM”) is a Delaware series limited liability company that was organized on June 10, 2004. SVOF/MM is registered as an investment adviser under the Investment Advisers Act of 1940, as amended, (the “Advisers Act”). SVOF/MM’s registration as an investment adviser with the SEC was effective in August 2004. References to SVOF/MM herein include reference to each series thereof. SVOF/MM is controlled by Tennenbaum Capital Partners, LLC (“TCP”). On August 1, 2018, TCP merged with and into a wholly-owned indirect subsidiary of BlackRock, Inc., (the “Merger”). TCP’s sole member is BlackRock Capital Investment Advisors, LLC (“BCIA”). BCIA is a wholly-owned, indirect subsidiary of BlackRock, Inc., a publicly traded company (NYSE:BLK). References to BlackRock in this Brochure include BlackRock Inc., together with its subsidiaries (“BlackRock”), including investment advisory subsidiaries, trust company subsidiaries and SVOF/MM (“BlackRock Investment Advisers”). References to BlackRock Clients include all investment management clients of BlackRock (“BlackRock Clients”). SVOF/MM generally utilizes the common policies and procedures described in this Brochure.

As of December 31, 2017, SVOF/MM had approximately \$3.74 billion in regulatory assets under management, all of which is managed on a discretionary basis. SVOF/MM is an alternative investment management firm focused primarily on credit opportunities. SVOF/MM has significant industry experience, including experience investing in middle-market companies through multiple business and credit cycles, across all segments of the capital structure through our direct lending/performing credit and special situations strategies.

SVOF/MM’s clients include, but are not limited to, investment companies as defined in the Investment Company Act of 1940, as amended (the “Investment Company Act”) that would be required to be registered under the Investment Company Act but for the exemptions provided under sections 3(c)(1) and 3(c)(7) thereof (collectively, “Private Funds”) following two strategies, briefly described below.

Direct Lending/Performing Credit

SVOF/MM serves as investment adviser or sub-adviser for clients that provide debt financing to meet the distinct and underserved needs of middle-market companies in support of leveraged buyout activity, growth, corporate acquisitions and refinancings/recapitalizations, as well as expansion stage venture lending. Most of our transaction deal flow is either directly originated or sourced through intermediaries in the primary market. SVOF/MM’s clients also may acquire performing debt in the secondary market. SVOF/MM’s clients finance both private equity sponsored companies as well as non-sponsored companies by providing 1st lien, 2nd lien and other debt instruments, with a preference for floating rate versus fixed rate debt.

Special Situations

SVOF/MM’s clients invest in companies undergoing operational, financial or industry change through private lending activities (often referred to as rescue financing), through structured equity or through secondary market purchases (referred to as deep-value investing and distressed-for-control investing). SVOF/MM’s clients provide rescue financing to companies that do not have easy access to conventional capital sources and generally need capital to avoid a restructuring or insolvency. In our deep-value and distressed-for-control investing, our clients purchase debt in the secondary market at a discount to what we believe is its intrinsic value. These investments include 1st lien and 2nd lien loans, bonds and other debt-like instruments that may ultimately provide equity in the form of warrants, preferred or common shares or other equity rights.

TAILORING TO INDIVIDUAL NEEDS AND INVESTMENT RESTRICTIONS

SVOF/MM manages client portfolios in accordance with investment guidelines and restrictions set forth in an investment management agreement (“IMA”) and/or other governing documents negotiated with the SVOF/MM client, as well as requirements imposed by applicable law or regulation. An investment in a fund managed by SVOF/MM does not, in and of itself, create an advisory relationship between the investor and SVOF/MM. SVOF/MM uses both automated and/or manual processes to manage portfolios in accordance with their stated portfolio investment guidelines and restrictions. When engaging in activities for clients subject to Employee Retirement Income Security

Act of 1974, as amended ("ERISA"), SVOF/MM will comply with ERISA and the applicable regulations adopted by the DOL.

SERVICES OF AFFILIATES

BlackRock, Inc. operates its investment management business through SVOF/MM, as well as through multiple affiliates, some which are also investment advisers registered through the SEC, one of which is a limited purpose national banking association chartered by the U.S. Department of Treasury's Office of the Comptroller of the Currency, and some of which are registered only with non-U.S. regulatory authorities and some of which are registered with multiple regulatory authorities. For additional information, please refer to Item 10 ("Other Financial Industry Activities and Affiliations") of this Brochure. SVOF/MM may use the services of one or more BlackRock, Inc. subsidiaries or appropriate personnel of one or more BlackRock, Inc. subsidiaries for investment advice, portfolio execution and trading, operational support, and client servicing in their local or regional markets or their areas of special expertise without specific consent by the client, except to the extent explicitly restricted by the client in or pursuant to its IMA, or inconsistent with applicable law. Arrangements among affiliates take a variety of forms, including but not limited to dual employee, delegation, participating affiliate, sub-advisory, sub-agency, or other servicing agreements. This practice is designed to make BlackRock's global capabilities available to SVOF/MM's clients in as seamless a manner as practical within a varying global regulatory framework. In these circumstances, SVOF/MM remains fully responsible for the account from a legal and contractual perspective. No additional fees are charged for the affiliates' services except as set forth in the client's IMA, governing document and/or offering memorandum ("OM").

Item 5 Fees and Compensation

ADVISORY FEES

For investment management services, fees typically are expressed as a percentage of assets under management. Fee arrangements vary by client, and are based on a number of different factors, including investment mandate, services performed, and account/relationship size. SVOF/MM generally deducts fees directly from client accounts. Fees charged are not refundable. To the extent permitted under the Advisers Act, SVOF/MM negotiates and charges performance-based compensation or special allocations, as well as asset-based fees. SVOF/MM does not charge management fees to its clients where the investment management duties are delegated to TCP. SVOF/MM generally deducts fees directly from client accounts where it has not delegated investment management duties to TCP. For an additional discussion of performance-based compensation and allocations, please refer to Item 6 ("Performance-Based Compensation and Side-by-Side Management") of this Brochure. The following sets forth a basic description of certain advisory fee arrangements.

Private Funds

With respect to Private Funds managed by SVOF/MM, the applicable fees and expenses are set forth in the Private Fund's IMA, and/or other governing documents, or the Private Fund's OM, if the Private Fund has issued an OM.

OTHER FEES AND EXPENSES

In addition to the fees described above, clients bear certain other costs associated with investments or accounts including but not limited to: (i) custodial charges, brokerage fees, commissions and related costs; (ii) interest expenses; (iii) taxes, duties and other governmental charges; (iv) transfer and registration fees or similar expenses; (v) costs associated with foreign exchange transactions; (vi) other portfolio expenses, including but not limited to licensing fees and (vii) costs, expenses and fees (including investment advisory and other fees charged by the investment advisers of funds in which the client's account invest) associated with products or services that are necessary or incidental to such investments or accounts. With respect to certain of the services described in clause (vii), which include, but are not limited to, custodial, securities lending through third party custodian, brokerage, futures, banking, consulting or third-party advisory or legal services, each client is required to establish business relationships with relevant service providers or other counterparties based on the client's own credit standing. BlackRock will not have any obligation to allow its credit to be used in connection with the establishment of such relationships, nor is it expected that such service providers or counterparties will consider or rely on BlackRock's credit in evaluating the client's creditworthiness.

SVOF/MM may also enter into arrangements on behalf of a client with third-party service providers, including affiliates of SVOF/MM, to provide book-keeping, compliance and other administrative support services to the client. No additional fees are charged for the affiliates' services except as set forth in the client's IMA, governing documents and/or OM. Certain clients have entered into an administration agreement with SVOF/MM to provide certain administrative services to the client, for which the client reimburses SVOF/MM for its allocable portion of overhead and other expenses.

Private Funds generally bear their own organizational, operating and other expenses. Further details on expenses that are charged are in the relevant OM and/or other governing documents.

To the extent there are expenses that are not readily identifiable as incurred by a specific client, the investment adviser intends to allocate to each client based on committed capital.

In the event an advisory agreement with SVOF/MM terminates during a period covered by fees paid in advance, SVOF/MM would pro rate such fee and refund the portion of such fee covering the remainder of the period (i.e., from the date of termination to the end of the period).

FEES PAID TO ADVISER BY THIRD-PARTIES

With respect to certain clients, SVOF/MM or one of its employees or affiliates, at times, may receive commitment fees, break-up fees, directors' fees, consulting fees, transaction fees, advisory fees, closing fees and other similar

fees from a portfolio investment of or counterparty to such client as well as placement or other similar fees payable to a broker-dealer ("Third-Party Fees"). The management fee received by SVOF/MM from the client may be reduced by the amount of any Third-Party Fees received.

For an additional discussion of brokerage and other transaction costs, please refer to Item 12 ("Brokerage Practices") of this Brochure.

CO-INVESTMENT VEHICLES

SVOF/MM may from time to time offer certain persons the opportunity to co-invest in particular investments alongside of a client, subject to certain restrictions. In each case where co-investors participate in an investment, SVOF/MM will allocate expenses associated with such investment, including broken-deal expenses, among such co-investors and other participants in the investment in accordance with BlackRock's expense allocation policies and procedures.

Item 6 Performance-Based Compensation and Side-By-Side Management

SVOF/MM and affiliated entities controlled by TCP may receive performance compensation from its clients. Each of its clients that is charged performance compensation is a qualified client. Performance-based compensation varies among SVOF/MM's clients. Performance-based compensation may be subject to hurdles and/or other conditions, depending, among other things, on the strategy and structure of the client. Specific details regarding performance compensation, if any, are set out in the OMs, disclosure documents, IMAs and/or governing documents of the relevant client. Because the amount and/or existence of performance compensation may vary among our clients, conflicts may arise regarding the allocation of investments or opportunities among SVOF/MM's clients. SVOF/MM intends to allocate investment opportunities in a manner that it believes in its judgment and based upon its fiduciary duties to be appropriate considering a variety of factors such as the investment objectives, size of transaction, investable assets, alternative investments potentially available, prior allocations, liquidity, maturity, expected holding period, diversification, lender covenants and other client-specific limitations. Investments that are suitable for one client may not be suitable for another client. In certain cases, investment opportunities may be made other than on a pro rata basis. For example, one client may desire to retain an asset at the same time that another client desires to sell it or one client may not have additional capital to invest at a time when another client does have available capital. To the extent that investment opportunities are suitable for more than one client, SVOF/MM allocates investment opportunities pro rata among its clients based on committed capital and taking into account factors such as those listed above. Investment opportunities in certain privately placed securities will be subject to allocation pursuant to the terms of a co-investment exemptive order issued by the SEC under the Investment Company Act, applicable to funds and accounts managed by BCIA and its subsidiaries, including SVOF/MM.

There may be situations in which one or more of our clients might invest in different securities issued by the same company. It is possible that if the company's financial performance and condition deteriorates such that one or both investments are or could be impaired, SVOF/MM might face a conflict of interest given the difference in seniority of the respective investments. In such situations, SVOF/MM SVOF/MM would review the conflict on a case-by-case basis and implement procedures consistent with our fiduciary duty to enable it to act fairly to each of its clients in the circumstances. Any procedures implemented by SVOF/MM will take into consideration the interests of each of the affected clients, the circumstances giving rise to the conflict, the procedural efficacy of various methods of addressing the conflict and applicable legal requirements.

Clients should be aware that when SVOF/MM, or an affiliate, receives performance-based compensation, or BlackRock personnel have any other financial incentive to achieve gains in excess of the disincentive to suffer losses, BlackRock and/or such personnel have an incentive to choose investments that are riskier or more speculative than might otherwise be chosen.

In addition, SVOF/MM manages different types of accounts having different fee arrangements. Side-by-side management of client accounts raises potential conflicts of interest. SVOF/MM has incentive to favor certain accounts over others that are less lucrative where: (i) the actions taken on behalf of one account potentially impact other similar or different accounts (e.g., because such accounts have the same or similar investment styles or otherwise compete for investment opportunities or have potentially conflicting investments or investment styles; and (ii) SVOF/MM and its personnel have differential interests in such accounts (i.e., expose SVOF/MM or its related persons to differing potential for gain or loss through differential ownership interests or compensation structures, including circumstances where some accounts pay only asset-based fees while others are subject to performance or incentive fees or allocations). To help mitigate such potential conflicts of interest, BlackRock's policies and procedures state that investment decisions are to be made in accordance with the fiduciary duties owed to each such client and without consideration of BlackRock's (or its personnel's) pecuniary, investment or other financial interests. As a result of certain regulations governing the ability of accounts investing side-by-side, it is possible that different account types are not permitted to participate in an investment opportunity at the same time, except as noted elsewhere herein. The decision as to which accounts participate will take into account the suitability and the strategy of the applicable accounts.

Item 7 Types of Clients

SVOF/MM serves as investment adviser or sub-adviser to Private Funds. Account opening requirements and minimum account size are subject to SVOF/MM's discretion. Investment in SVOF/MM advised Private Funds is generally only available to institutional investors and certain high net worth investors that are "accredited investors" as defined under the Securities Act and "qualified purchasers" as defined under the Investment Company Act or non-"U.S. persons" within the meaning of the Securities Act of 1933, as amended ("Securities Act"). A \$100 million minimum investment is generally required to open a new client account. Minimum account size is described in the offering materials, disclosure documents, investment management agreements and/or governing documents of the relevant client.

OVERVIEW OF CLIENTS

As discussed in Item 4 ("Advisory Business") of this Brochure, SVOF/MM's investment management services are offered to a variety of clients, including, but not limited to Private Funds. SVOF/MM can advise both U.S. and non-U.S. Persons, as defined under Regulation S of the Securities Act of 1933 ("U.S. Persons"), subject to applicable law.

SVOF/MM may seek to obtain, verify, and record information that identifies each client and, as applicable, the owners and controllers of investors who invests in a Private Fund, in order to help the U.S. Government fight the funding of terrorism and money laundering activities and comply with economic sanctions. SVOF/MM will also screen clients and, as applicable, the owners and controllers of investors who invests in a Private Fund, against appropriate sanctions lists administered by the United States Office of Foreign Assets Control, European Union ("EU") and United Nations, including any other applicable regimes to where SVOF/MM operates.

Private Funds

Private Funds are organized as domestic or offshore (non-U.S.) companies, limited partnerships, limited liability companies, corporate trusts or other legal entities, in order to meet the legal, regulatory and tax demands of investors and as determined appropriate by SVOF/MM. Therefore, investors must consider whether the Private Fund meets their investment objectives and risk tolerance prior to investing in a Private Fund. Information about each Private Fund, including its investment risk, can be found in its OM and/or other governing documents, which will be available to current and prospective Investors only. In some cases, a Private Fund may be established for the benefit of a single investor, in which case the Private Fund is tailored to the individualized needs of the investor. BlackRock, or an affiliate, generally acts as general partner, managing member or investment adviser or otherwise exercises investment discretion with respect to these products in which investors invest. Certain BlackRock non-U.S. affiliates may act as placement agents with respect to the distribution of Private Funds to investors outside the U.S. While this Brochure includes information relevant to investors, this Brochure is designed solely to provide information about SVOF/MM and should not be considered to be an offer of interests in any Private Fund.

Private Funds that are offered to U.S. Persons are typically excepted from the definition of an "investment company" pursuant to Section 3(c)(1) (such Private Funds, the "3(c)(1) Funds") or Section 3(c)(7) (such Private Funds, the "3(c)(7) Funds") of the Investment Company Act. Interests in the Private Funds are offered on a private placement basis or under Regulation S of the Securities Act. Interests in the 3(c)(1) Funds are offered to persons who are "accredited investors" and "qualified clients" as defined in Rule 205-3 under the Advisers Act (to the extent a performance-based compensation is charged). Interests in the 3(c)(7) Funds are offered to persons who are both "accredited investors" and "qualified purchasers". In some cases, the Private Funds are commodity pools for which their adviser is a commodity pool operator that: (i) is exempt from certain reporting, recordkeeping and disclosure requirements pursuant to Rule 4.7 under the Commodity Exchange Act ("CEA"); (ii) is a registered commodity pool operator; or (iii) is exempt from registration and related requirements pursuant to CEA Rule 4.13(a)(3), or other provisions under the CEA and the rules of the U.S. Commodities Futures Trading Commission ("CFTC") thereunder, and in connection with these exemptions, investors are required to meet additional requirements. Additionally, investors in Private Funds are subject to certain other eligibility requirements which are set forth in the OM or other governing documents for each of the Private Funds. BlackRock personnel (including, but not limited to, SVOF/MM's investment strategy personnel responsible for the management of such Private Funds or other client accounts) who are qualified purchasers, "knowledgeable employees" (as defined in Rule 3c-5 under the Investment Company Act) or who meet the Private Fund's eligibility criteria and other applicable regulatory requirements, and certain other eligible personnel of BlackRock are permitted to invest in the Private Funds.

Private Funds that are organized under the laws of jurisdictions outside of the U.S. may be offered outside of the U.S. to persons who are not U.S. Persons. Additionally, pursuant to Section 7(d) of the Investment Company Act and the relevant SEC guidance thereunder, such Private Funds can also be offered on a private placement basis to U.S. Persons (typically tax-exempt institutions) that are both "accredited investors" and for 3(c)(7) Funds "qualified purchasers".

Certain of the Private Funds operate using “master-feeder” structures, pursuant to which trading operations reside in a “master fund” while investors access the master fund directly or invest through one or more “feeder funds” that, in turn, invest (directly or indirectly) in the master fund. Private Funds can also use special purpose investment vehicles to aggregate investments by Private Funds into certain underlying investments or for structuring purposes.

BlackRock, and its related persons often invest in and/or serve as general partner or managing member of a Private Fund. BlackRock, and its related persons generally act as investment adviser or otherwise exercises investment discretion with respect to certain Private Funds and often provide services other than advice (including, but not limited to, administration, organizing and managing the business affairs, executing and reconciling trades, preparing financial statements and providing audit support, preparing tax related schedules or documents, and sales and investor relations support, diligence and valuation services) to such funds. A Private Fund often pays or reimburses BlackRock or its related persons for certain organizational and initial offering expenses and operating expenses related to the Private Fund.

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

SVOF/MM utilizes various investment strategies and methods of analysis implemented by SVOF/MM's investment committee. This Item 8 describes various methods of analysis and investment strategies, as well as the primary risks associated with these investment strategies. However, it is not possible to identify all of the risks associated with investing and the particular risks applicable to a client account will depend on the nature of the account, its investment strategy or strategies and the types of securities held.

While SVOF/MM seeks to manage accounts so that risks are appropriate to the strategy, it is often not possible or desirable to fully mitigate risks. Any investment includes the risk of loss and there can be no guarantee that a particular level of return will be achieved. Clients and investors should understand that they could lose some or all of their investment and should be prepared to bear the risk of such potential losses. Clients and investors should read carefully all applicable informational materials and offering/governing documents, including OM's for further information on the various risks prior to retaining SVOF/MM to manage an account or investing in any SVOF/MM managed fund.

SVOF/MM may consider credit ratings when analyzing bonds, notes and other debt-related investments for SVOF/MM client accounts. A credit rating generally reflects an assessment by the rating's provider of the relative credit risk of an investment compared to other investments rated by the provider (please see "Risk Factors - Credit/Default Risk" below). Credit rating agencies, including nationally recognized statistical rating organizations (each, a "Rating Agency"), may rate specific investments (e.g., bonds), issuers (e.g., corporations, governments and financial institutions) and/or programs (e.g., commercial paper programs). Certain types of investments generally are not rated by Rating Agencies, such as non-US government/sovereign obligations, U.S. agency securities, commercial paper, time deposits at financial institutions, and derivative instruments such as credit default swaps. For those types of investments, as well as U.S. Treasury securities (some of which are not rated), where a Rating Agency has not rated the specific investment but has rated the investment's issuer, program, financial institution or underlying reference asset, SVOF/MM typically considers the investment to have the same Rating Agency rating as its issuer, program, financial institution or underlying reference asset, as appropriate. In the case of municipal securities, where one Rating Agency provides multiple ratings for the same security (e.g., "underlying," "insured" and/or "enhanced" ratings), SVOF/MM may consider the security to have the highest of the multiple ratings.

New issue securities (regardless of type) rarely are rated by a Rating Agency at the time of their initial offering. Preliminary prospectuses or term sheets for new issue securities often include an expected rating for the security (as determined by the underwriter and/or issuer) or a Rating Agency rating for the issuer of the security. When deciding whether to purchase a new issue security that has not yet been rated by a Rating Agency, SVOF/MM may attribute an expected rating to the security based on: (i) the expected rating of the security set forth in the preliminary prospectus or term sheet for the security; (ii) the Rating Agency's rating for the issuer of the security set forth in the preliminary prospectus or term sheet for the security; (iii) with respect to asset-backed securities, the rating of a prior issuance; or (iv) other factors. Please see "Risk Factors – New Issue Securities Risk" below for some of the risks associated with new issue securities.

Credit ratings are subject to change and do not reflect all of the risks associated with an investment.

Clients and other investors should be aware that while SVOF/MM does not limit its advice to particular types of investments, mandates for a particular client are not always diversified. The accounts and funds managed by SVOF/MM are generally not intended to provide a complete investment program for a client or investor. Clients and investors are responsible for appropriately diversifying their assets to guard against the risk of loss.

INVESTMENT SELECTION

SVOF/MM currently provides investment advice to clients following two strategies. Each of these strategies is briefly described in Item 4 above. Additional details regarding each investment strategy are available in the IMA, governing documents and/or OM for each client.

SVOF/MM SVOF/MM employs an investment process that integrates intensive "bottom-up" company-level research and analysis with a proactive "top-down" view of macroeconomic and industry risks and opportunities. The heart of the process is a thorough analysis of the underlying issuer's business, end markets, competitors, suppliers, revenues, costs, financial statements, and the terms of the issuer's existing obligations, including contingent liabilities, if any. SVOF/MM's professionals supplement in-house expertise with industry experts, including SVOF/MM's board of advisors and senior executive advisors, as well as other chief executive office /chief financial officer-level executives, with direct management experience in the industries under consideration. These company level analyses are undertaken in the context of and supplemented by SVOF/MM's views on and understanding of industry trends and broader economic conditions. These views are formulated and refined through SVOF/MM's systematic quarterly macroeconomic reviews and quarterly industry reviews, where long-term and immediate macroeconomic trends and their impact on industry risk/reward characteristics are determined. These views flow through to SVOF/MM's proactive deployment of research and capital resources in the investment process. Quarterly portfolio reviews also help to inform SVOF/MM's macroeconomic and industry views as well as to inform reporting of deal teams' frequent monitoring of portfolio company progress, risk assessment, and refinement of exit plans.

Investing in securities involves risk of loss which clients should be prepared to bear. Material risks associated with investment in each of SVOF/MM's clients are summarized below and, to the extent applicable, set forth in the OM for each client. The following summary is not an enumeration of all risks involved in connection with the investment strategies followed by SVOF/MM.

Each of our investment strategies entails a high degree of risk. There can be no assurance that our clients will be able to achieve their investment objectives or that investors in our clients will recoup any or all of their investment in the client or receive a positive return on their capital. Furthermore, any returns generated by our clients may not adequately compensate investors for the business and financial risks assumed upon making an investment in our clients. An investment in the equity interests of our clients may not be appropriate for all prospective investors. A prospective investor should carefully review the risk factors described in each client's OM and/or governing documents and consider his or her ability to assume these risks before making an investment in any SVOF/MM client.

RISKS FACTORS

High Yield Securities - High yield securities are expected to be rated below investment-grade by one or more nationally recognized statistical rating organizations or will be unrated but of comparable credit quality to obligations rated below investment-grade, and have greater credit and liquidity risk than more highly rated obligations. High yield securities are often unsecured and may be subordinate to other obligations of the obligor. The lower rating of high yield securities reflects a greater possibility that adverse changes in the financial condition of the issuer or in general economic conditions (including, for example, a substantial period of rising interest rates or declining earnings) or both may impair the ability of the issuer to make payment of principal and interest. Many issuers of high yield securities are highly leveraged, and their relatively high debt-to-equity ratios create increased risks that their operations might not generate sufficient cash flow to service their obligations. Overall declines in the below investment-grade bond and other markets may adversely affect such issuers by inhibiting their ability to refinance their obligations at maturity.

High yield securities are often issued in connection with leveraged acquisitions or recapitalizations in which the issuers incur a substantially higher amount of indebtedness than the level at which they had previously operated. High yield securities that are debt instruments have historically experienced greater default rates than has been the case for investment-grade securities. Moreover, such obligations may not be protected by financial covenants or limitations upon additional indebtedness.

Bank Loans - Loans and loan participations originated by banks and other financial institutions are typically referred to as "bank loans." Such investments may include loans of a type generally incurred by borrowers in connection with highly leveraged transactions, often to finance internal growth, acquisitions, mergers or stock purchases, or for other reasons. As a result of the additional debt incurred by the borrower in the course of the transaction, the borrower's creditworthiness is often judged by the rating agencies to be below investment-grade.

Bank loans are typically at the most senior level of the capital structure, and are often secured by specific collateral, including, but not limited to, trademarks, patents, accounts receivable, inventory, equipment, buildings, real estate, franchises and common and preferred stock of the obligor or its affiliates. Bank loans often contain restrictive

covenants designed to limit the activities of the borrower in an effort to protect the right of lenders to receive timely payments of principal and interest. Bank loans usually have shorter terms than subordinated obligations and may require mandatory prepayments from excess cash flow, asset dispositions and offerings of debt and/or equity securities. Investments in bank loans and other debt obligations are likely to be below investment-grade and are treated as high yield securities.

Credit/Default Risk - Debt issuers and other counterparties of fixed income securities or instruments in some instances default on their obligation to pay interest, repay principal or make a margin payment, or default on any other obligation. Additionally, the credit quality of securities or instruments could deteriorate (e.g., downgraded by Rating Agency), which would impair a security's or instruments liquidity and decrease its value.

Distressed Debt - Investments in the securities and other obligations of distressed and bankrupt issuers, including debt obligations that are in covenant or payment default, generally trade significantly below par and are considered speculative. The repayment of defaulted obligations is subject to significant uncertainties. Defaulted obligations might be repaid only after lengthy workout or bankruptcy proceedings, during which the issuer might not make any interest or other payments. Typically such workout or bankruptcy proceedings result in only partial recovery of cash payments or an exchange of the defaulted obligation for other debt or equity securities of the issuer or its affiliates, which may in turn be illiquid or speculative.

There are a number of significant risks inherent in the bankruptcy process. First, many events in a bankruptcy are the product of contested matters and adversary proceedings and are beyond the control of the creditors. While creditors are generally given an opportunity to object to significant actions, there can be no assurance that a bankruptcy court in the exercise of its broad powers would not approve actions that would be contrary to the interests of a client. Second, the effect of a bankruptcy filing on an issuer may adversely and permanently affect the issuer. The issuer may lose its market position and key employees and otherwise become incapable of restoring itself as a viable entity. If for this or any other reason the proceeding is converted to a liquidation, the value of the issuer may not equal the liquidation value that was believed to exist at the time of the investment. Third, the duration of a bankruptcy proceeding is difficult to predict. A creditor's return on investment can be adversely affected by delays while the plan of reorganization is being negotiated, approved by the creditors and confirmed by the bankruptcy court and until it ultimately becomes effective. Fourth, the administrative costs in connection with a bankruptcy proceeding are frequently high and would be paid out of the debtor's estate prior to any return to creditors. Fifth, bankruptcy law permits the classification of "substantially similar" claims in determining the classification of claims in a reorganization. Because the standard for classification is vague, there exists the risk that a client's influence with respect to the class of securities or other obligations it owns can be lost by increases in the number and amount of claims in that class or by different classification and treatment. Sixth, in the early stages of the bankruptcy process it is often difficult to estimate the extent of, or even to identify, any contingent claims that might be made. Seventh, especially in the case of investments made prior to the commencement of bankruptcy proceedings, creditors can lose their ranking and priority if they exercise "domination and control" over a debtor and other creditors can demonstrate that they have been harmed by such actions. Eighth, certain claims that have priority by law (for example, claims for taxes) may be substantial and reduce the amount available to other creditors. Ninth, the bankruptcy process may increasingly be subject to political risk, especially in industries deemed to be of national importance. Tenth, bankruptcy court is a court of equity and the proceedings are therefore subject to substantial judicial discretion. Finally, inasmuch as each insolvency proceeding is unique, unknown and unforeseen events may affect the bankruptcy process and adversely affect the returns to creditors.

Mezzanine Investments - Mezzanine investments are primarily privately negotiated subordinated debt and equity securities issued in connection with leveraged transactions, such as management buyouts, acquisitions, refinancings, recapitalizations and later stage growth capital financings, and are generally rated below investment-grade. Mezzanine investments may also include investments with equity participation features such as warrants, convertible securities, senior equity investments and common stock. Mezzanine investments are subject to the same risks described above in the case of high yield securities, and also may be subject to risks associated with illiquid investments, since there will usually be relatively few holders of any particular mezzanine investment.

Borrower Fraud - Of paramount concern when investing in loans is the possibility of material misrepresentation or omission on the part of the borrower. Such inaccuracy or incompleteness may adversely affect, among other things, the valuation of the collateral underlying the loans. The accuracy and completeness of representations made by

borrowers cannot be guaranteed. Representational borrower fraud or inaccuracy may be difficult to detect and may adversely affect our clients.

Payment-in-kind Interest Risk - Loans may contain a payment-in-kind, or PIK, interest provision. PIK investments carry additional risk as holders of these types of securities receive no cash until the cash payment date unless a portion of such securities is sold. If the issuer defaults a client may obtain no return on its investment. The PIK interest, computed at the contractual rate specified in each loan agreement, is added to the principal balance of the loan and recorded as interest income.

Prepayment Risk - Certain loans are prepayable at any time, some of them at no premium to par. The timing of loan pre-payments is difficult to predict. Whether a loan is prepaid will depend both on the continued positive performance of the portfolio company and the existence of favorable financing market conditions that permit such company to replace existing financing with less expensive capital. As market conditions change frequently, it is unknown when, and if, prepayment may be possible for each portfolio company. In the case of some of these loans, having the loan prepaid early may reduce the achievable yield for a client in the future below the current yield disclosed for a client's portfolio if the capital returned cannot be invested in transactions with equal or greater expected yields.

General Credit Risks of Debt Obligations - Debt portfolios are subject to credit and interest rate risks. "Credit risk" refers to the likelihood that an issuer will default in the payment of principal and/or interest on an instrument. Financial strength and solvency of an issuer are the primary factors influencing credit risk. In addition, lack or inadequacy of collateral or credit enhancement for a debt instrument may affect its credit risk. Credit risk may change over the life of an instrument, and debt obligations which are rated by rating agencies are often reviewed by such agencies and may be subject to downgrade. "Interest rate risk" refers to the risks associated with market changes in interest rates. Interest rate changes may affect the value of a debt instrument indirectly (especially in the case of fixed rate securities) and 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 and falling interest rates will have a positive effect on price. Adjustable rate instruments also react to interest rate changes in a similar manner although generally to a lesser degree (depending, however, on the characteristics of the 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 payment or prepayment schedules.

Risk of Increased Volatility and Decreased Liquidity- In October 2014, the Federal Reserve announced that it was concluding its bond-buying program, or quantitative easing, which was designed to stimulate the economy and expand the Federal Reserve's holdings of long-term securities, suggesting that key economic indicators, such as the unemployment rate, had showed signs of improvement since the inception of the program. In December 2016, the Federal Reserve raised the target range for the federal funds rate, which was only the second such interest rate hike in nearly a decade. To the extent the Federal Reserve continues to raise rates, and without quantitative easing by the Federal Reserve, there is a risk that the debt markets may experience increased volatility and that the liquidity of certain of our investments may be reduced. These developments, along with the corresponding potential rise in interest rates and borrowing costs, the United States government's credit and deficit concerns and the European sovereign debt crisis, may negatively impact our ability to access the debt markets on favorable terms.

Interest Rate and Investment Risk Management - The use of various investment strategies to hedge interest rate risks are generally accepted as portfolio management techniques and are regularly used by many investment funds and other institutional investors. Techniques and instruments may change over time as new instruments and strategies are developed or regulatory changes occur. Interest rate hedging transactions may or may not be employed at any particular time and no particular strategy will dictate the use of one hedging technique rather than another. The choice of any particular interest rate hedging transactions will be a function of numerous variables, including market conditions. However, our clients historically emphasized acquiring floating-rate assets based on the same index as its floating-rate liabilities.

Although clients may engage in interest rate hedging transactions only for hedging and risk management purposes and not for speculation, use of interest rate hedging transactions involves certain risks. These risks include (i) the possibility that the market will move in a manner or direction that would have resulted in gain for a client had interest rate hedging transactions not been utilized, in which case it would have been better had such client not engaged in the interest rate hedging transactions, (ii) the risk of imperfect correlation between the risk sought to be hedged and

the interest rate hedging transactions utilized and (iii) potential illiquidity for the hedging instrument utilized, which may make it difficult for a client to close out or unwind one or more interest rate hedging transactions.

Lender Liability Considerations and Equitable Subordination - In recent years, a number of judicial decisions in the United States have upheld the right of borrowers to sue lending institutions on the basis of various evolving legal theories (collectively termed "lender liability"). Generally, lender liability is founded upon the premise that an institutional lender has violated a duty (whether implied or contractual) of good faith and fair dealing owed to the borrower or has assumed a degree of control over the borrower resulting in the creation of a fiduciary duty owed to the borrower or its other creditors or shareholders. Because of the nature of certain of investments made by our clients, clients could be subject to allegations of lender liability.

In addition, under common law principles that in some cases form the basis for lender liability claims, if a lending institution (i) intentionally takes an action that results in the under capitalization of a borrower to the detriment of other creditors of such borrower, (ii) engages in other inequitable conduct to the detriment of such other creditors, (iii) engages in fraud with respect to, or makes misrepresentations to, such other creditors or (iv) uses its influence to dominate or control a borrower to the detriment of the other creditors of such borrower, a court may elect to subordinate the claim of the offending lending institution to the claims of the disadvantaged creditor or creditors, a remedy called "equitable subordination." Because of the nature of certain client investments and investments in an obligor by affiliates of a client, clients could be subject to claims from creditors of an obligor that such client investments issued by such obligor that are held by such client should be equitably subordinated. A significant number of client investments are expected to involve investments in which clients would not be the lead creditor. It is, accordingly, possible that lender liability or equitable subordination claims affecting client investments could arise without the direct involvement of such client.

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 effected 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, some of these equity securities may be illiquid. Because of perceived or actual illiquidity or investor concerns regarding leveraged capitalization, these securities often trade at significant discounts to otherwise comparable investments or are not readily tradable. These securities generally do not produce current income for a client and may also be speculative. Clients may experience a substantial or complete loss on individual equity securities.

Derivatives Risk - Investments in derivatives, such as futures, options, swaps or tender-option bonds, which can be used to hedge a portfolio's investments or to seek to enhance returns, entail specific risks relating to liquidity, leverage and credit that may reduce returns and/or increase volatility. Leverage may involve the use of various financial instruments or borrowed capital in an attempt to increase the return of an investment. The use of leverage involves risk, including the potential for higher volatility and greater declines of a portfolio's value, and fluctuations of dividend and other distribution payments.

Valuation Risk - Debt and equity investments for which market quotations are not readily available, which is the case for many of our clients' investments, or for which market quotations are deemed not to represent fair value, are valued at fair value as determined in good faith using a consistently applied valuation process in accordance with our documented valuation policy. For certain clients that have a board of directors, our policies are reviewed and approved by the client's board of directors which also approves in good faith the valuation of investments as the end of each quarter. Due to the inherent uncertainty and subjectivity of determining the fair value of investments that do not have a readily available market value, the fair value of our clients' investments may differ significantly from the values that would have been used had a readily available market value existed for such investments and may differ materially from the values that our clients may ultimately realize. In addition, changes in the market environment and other events may have differing impacts on the market quotations used to value some of our clients' investments than on the fair values of our clients' investments for which market quotations are not readily available. Market quotations may be deemed not to represent fair value in certain circumstances where SVOF believes that facts and circumstances applicable to an issuer, a seller or purchaser, or the market for a particular security cause current market quotations to not reflect the fair value of the security. Examples of these events could include cases where a security trades infrequently causing a quoted purchase or sale price to become stale, where there is a "forced" sale

by a distressed seller, where market quotations vary substantially among market makers, or where there is a wide bid-ask spread or significant increase in the bid-ask spread.

Liquidity Risk - Investments generally are made and will continue to be made in private companies. Substantially all of these securities will be subject to legal and other restrictions on resale or will be otherwise less liquid than publicly traded securities. The illiquidity of such investments may make it difficult to sell such investments if the need arises. In addition, if all or a portion of a client's portfolio is required to be liquidated quickly, such client may realize significantly less than the value at which it had previously recorded its investments. Further, other restrictions on a client's ability to liquidate an investment in a portfolio company may be present to the extent that such client or an affiliated manager has material non-public information regarding such portfolio company.

Foreign Currency Risk - Although it is anticipated that most client investments will be denominated in U.S. dollars, investments that are denominated in a foreign currency will be subject to the risk that the value of a particular currency may change in relation to the U.S. dollar. Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments. Hedging techniques may be employed to minimize these risks, but it can offer no assurance that it will, in fact, hedge currency risk or, that it does, that such strategies will be effective. As a result, a change in currency exchange rates may adversely affect profitability.

Although our clients may engage in currency hedging transactions only for hedging and risk management purposes and not for speculation, use of currency hedging transactions involves certain risks. These risks include (i) the possibility that the market will move in a manner or direction that would have resulted in gain for a client had currency hedging transactions not been utilized, in which case it would have been better had such client not engaged in the currency hedging transactions, (ii) the risk of imperfect correlation between the risk sought to be hedged and the currency hedging transactions utilized and (iii) potential illiquidity for the hedging instrument utilized, which may make it difficult for a client to close out or unwind one or more currency hedging transactions.

Risk of Negative Impacts from the United Kingdom Referendum Regarding Departure from the EU - As a consequence of the United Kingdom's vote to withdraw from the EU, the government of the United Kingdom may give notice of its withdrawal from the EU. There is still considerable uncertainty relating to the potential consequences and precise timeframe for the exit, how the negotiations for the terms of withdrawal and new trade agreements will be conducted, and whether the United Kingdom's exit will increase the likelihood of other countries also departing the EU. During this period of uncertainty, the negative impact on not only the United Kingdom and European economies, but the broader global economy, could be significant, potentially resulting in increased volatility and illiquidity and lower economic growth for companies that rely significantly on Europe for their business activities and revenues. Any further exits from the EU, or the possibility of such exits, would likely cause additional market disruption globally and introduce new legal and regulatory uncertainties.

Natural Disasters, Terrorist Acts, Geopolitical Risks and Similar Dislocations - Upon the occurrence of a natural disaster such as flood, hurricane, or earthquake, or upon an incident of war, riot or civil unrest, the impacted country may not efficiently and quickly recover from such event, which can have a materially adverse effect on portfolio companies and other developing economic enterprises in such country. Wars in and U.S. occupation of Iraq and Afghanistan, recent internal, popular challenges to governments of certain countries in the Middle East, the Crimean conflict, Syrian civil war, terrorism and related geopolitical risks have led, and may in the future lead to, increased short-term market volatility and may have adverse long-term effects on U.S. and world economies and markets generally. The effects of future terrorist acts (or threats thereof), military action or similar events on the economies and securities markets of countries cannot be predicted. Such disruptions of the world financial markets could affect interest rates, ratings, credit risk, inflation and other factors relating to investments.

Specific Additional Risks for Energy Sector and Commodities Investments

Investments in the Energy Sector Generally - The operations of energy companies are subject to many risks inherent in the transporting, processing, storing, distributing, mining or marketing of natural gas, natural gas liquids, crude oil, coal, refined petroleum products or other hydrocarbons, or in the exploring, managing or producing of such commodities, including, without limitation: damage to pipelines, storage tanks or related equipment and surrounding

properties caused by hurricanes, tornadoes, floods, fires and other natural disasters or by acts of terrorism, inadvertent damage from construction and farm equipment, leaks of natural gas, natural gas liquids, crude oil, refined petroleum products or other hydrocarbons, and fires and explosions. These risks could result in substantial losses due to personal injury or loss of life, severe damage to and destruction of property and equipment and pollution or other environmental damage, and may result in the curtailment or suspension of their related operations, any and all of which could result in lower than expected returns. In addition, the energy sector has experienced significant volatility at times, which may occur in the future, and which could negatively affect the returns on any investment made in this sector.

Operating Risk - Investments in operating facilities involve certain operational risks, which include, without limitation: the possibility of performing below expected levels of output, availability or efficiency; interruptions in fuel or other necessary supplies; increases in the cost of fuel or other necessary supplies; pipeline disruptions; disruptions in the offtake of steam or electrical energy; power shutdowns; breakdown or failure of equipment or processes; accidental discharges of hazardous materials; labor disputes; changes in law; failure to obtain or maintain necessary governmental permits; or catastrophic events such as fires, earthquakes, lightning, explosions, hurricanes, tornados, floods or similar occurrences affecting facilities or their power purchasers, steam purchasers, fuel suppliers or fuel transporters.

Development Risk - Investments in projects and facilities at an early stage of development may involve risks of failure to obtain or substantial delays in obtaining: (i) regulatory, environmental or other approvals or permits; (ii) financing; and/or (iii) suitable equipment supply, operating and offtake contracts. These projects involve additional uncertainties, including the possibility that the projects may not be completed, operating licenses may not be obtained, and permanent financing may be unavailable. Further, there is no assurance that these projects will be profitable or generate cash flow sufficient to service their debt or provide a return on or recovery of amounts invested therein.

Construction Risk - Investments in the energy sector may involve significant construction risk, including the risk of substantial delay or increase in cost due to a number of unforeseen factors, including, without limitation: political opposition; regulatory and permitting delays; delays in procuring real property rights; equipment; transmission grid interconnection delays; labor disputes; lawsuits and other disputes; environmental issues; force majeure; or failure by one or more of the infrastructure investment participants to perform in a timely manner (or at all) its or their contractual, financial or other commitments. New facilities have no operating history and may employ recently developed or technologically complex equipment that may take time to operate at peak levels of output and efficiency. A material delay or increase in cost not absorbed by other participants in the transaction could significantly impair the financial viability of an infrastructure investment project and result in a material adverse effect on the investment therein.

Changes in the Utilities Industry - A number of countries, including, without limitation, the United States, are considering or implementing methods to introduce and promote competition with respect to both supply and demand. To the extent competitive pressures increase and the pricing and sale of electricity assume more characteristics of a commodity business, the economics of independent power generation projects (and other energy projects) may come under increasing pressure. If restructuring of the energy industry and the electricity sector is reversed, discontinued, delayed or modified, this could have an adverse effect on such projects.

There can be no assurance that (i) existing regulations applicable to electric utility portfolio companies will not be revised or reinterpreted; (ii) new laws and regulations will not be adopted or become applicable to electric utility companies; (iii) the technology and equipment selected by such companies to comply with current and future regulatory requirements will meet such requirements; (iv) such companies' business and financial conditions will not be materially and adversely affected by such future changes in, or reinterpretation of, laws and regulations (including the possible loss of exemptions from laws and regulations) or any failure to comply with such current and future laws and regulations; or (v) regulatory agencies or other third parties will not bring enforcement actions in which they disagree with regulatory decisions made by other regulatory agencies.

Renewable Energy - The market for renewable energy is emerging and rapidly evolving, and its future success is uncertain. If renewable energy technology proves unsuitable for widespread commercial deployment or if the demand for renewable energy products fails to develop sufficiently (including, without limitation, as a result of changes in market conditions, such as a decrease in the price of fossil fuels), investments in renewable energy projects may be adversely affected. While renewable energy projects currently enjoy wide support from United States federal, state

and local governments and regulatory agencies, there is no assurance that such support will continue in the future and any reduction or elimination of governmental support may have an adverse effect on investments in renewable energy projects. For example, it may not be economically feasible for some renewable energy projects to be developed without government incentives. These incentives include, without limitation, the Production Tax Credit and the Investment Tax Credit for qualifying renewable energy projects that begin construction on or before January 1, 2014, the United States business energy investment tax credit, which is currently limited to qualifying projects placed in service before January 1, 2017, and the United States Treasury grant program, which has expired for projects that did not begin construction before January 1, 2012. In addition to incentives that support the development and construction of facilities, renewable energy projects rely on incentives that support the sale of energy generated from renewable sources, such as state-adopted Renewable Portfolio Standard programs, which vary among states but generally require power suppliers to provide a minimum percentage or base amount of electricity from specified renewable energy sources for a given period of time.

Adequacy and Availability of Insurance; Catastrophic Events - Using insurance and other risk management products (to the extent available on commercially reasonable terms) when making infrastructure investments in order to mitigate the potential loss resulting from catastrophic events and other risks customarily covered by insurance may not always be practicable or feasible. Moreover, it will not be possible to insure against all such risks, and such insurance proceeds as may be derived may be inadequate to completely or even partially cover a loss of revenues, an increase in operating and maintenance expenses and/or a replacement or rehabilitation of assets. In addition, certain losses of a catastrophic nature, such as those caused by wars, earthquakes, hurricanes, tornados, floods, terrorist attacks or other similar events, may be either uninsurable or insurable at such high rates as to adversely impact profitability. In general, losses related to terrorism are becoming harder and more expensive to insure against, and most insurers are excluding terrorism coverage from their all-risk policies. As a result, it is unlikely that any investments will be insured against damages attributable to acts of terrorism (or certain other losses of a catastrophic nature). If a major uninsured loss were to occur with respect to an investment, both capital invested in and anticipated profits related to such investment could be lost.

Commodity Risk; Price Volatility - Investments may be subject to commodity price risk, including, without limitation, the price of electricity and the price of fuel. Historically, the markets for oil, gas, coal and power have been volatile, and such markets are likely to continue to be volatile in the future. The operation and cash flows investments will depend, in substantial part, upon prevailing market prices for energy commodities. These market prices may fluctuate materially depending upon a wide variety of factors, including, without limitation, seasonality and weather conditions, market supply and demand, technological changes, force majeure (including earthquakes, hurricanes, tornados and floods), changes in law, the refining capacity of crude oil purchasers, domestic and foreign governmental regulations, the price and availability of alternative fuels and energy sources, the availability of fuel transportation and electric transmission facilities, political conditions in the United States and Middle East and other oil and natural gas producing regions, terrorist acts or threats thereof, actions of the Organization of Petroleum Exporting Countries (and other oil and natural gas producing nations), changes in the amount of exports of United States natural gas supplies to foreign countries as authorized by law, the foreign supply of (and demand for) oil and natural gas, the price of foreign imports, coal supplies and rail capacity, and overall economic and market conditions.

Regulatory Approvals; Permits - Portfolio companies and investment projects are expected to be required to comply with numerous United States federal, state and local statutory and regulatory standards, including, without limitation, those related to air emissions, water discharge, waste disposal, the environment and safety and health, and the maintenance of numerous permits and approvals required for their operation. Compliance with these various regulations may cause portfolio companies and projects to incur significant costs and may impact almost every aspect of the business of the portfolio companies. In addition, consent or approval of applicable regulatory authorities may be required in order to acquire or hold investments in particular portfolio companies or projects. For example, certain investments may be subject to Federal Energy Regulatory Commission approval under the United States Federal Power Act or the United States Natural Gas Act. In addition, certain investments may be subject to the approval of state-level utility commissions in those instances where such bodies have jurisdiction. If it is not possible to obtain required consent or approval, SVOF may be unable to enter into transactions or to structure transactions in ways that are optimal.

It is expected that investments in portfolio companies will only be made in companies that have obtained all material energy-related United States federal, state, local or non-United States approvals and permits required, as of the date

of any such investment, to acquire and operate their respective facilities. However, such approvals and permits may be subject to conditions and there is no assurance that portfolio companies and projects will be successful in meeting such conditions. A failure to satisfy such conditions could prevent the operation of certain facilities or result in additional costs to the portfolio companies or projects, which may adversely affect investment results. There can be no assurance that a portfolio company will be able: (i) to obtain all required regulatory approvals and permits; (ii) to obtain any necessary modifications to existing regulatory approvals and permits; or (iii) to renew and otherwise maintain required regulatory approvals and permits. Delays in obtaining or any failure to obtain and maintain in full force and effect any regulatory approvals and permits (or amendments thereto), or any delay or failure to satisfy any regulatory conditions or other applicable requirements (which may change over time), could prevent operation of a facility or sales of such facility to third parties, or could result in additional costs to a portfolio company and adversely affect investment results.

Regulatory Changes - A portfolio company or project could be materially and adversely affected as a result of statutory or regulatory changes or changes in judicial or administrative interpretations of existing laws and regulations that impose more comprehensive or stringent requirements on such company or project, the markets in which such company or project operates or such company's or project's industry generally. For example, environmental laws regulating infrastructure projects could become more restrictive, as governments aim to limit the impact of infrastructure on local wildlife and natural resources and reduce the emissions of greenhouse gases. Such changes could adversely affect the performance of one or more investments. Moreover, additional regulatory approvals, including without limitation, renewals, extensions, transfers, assignments, reissuances or similar actions, may become applicable in the future due to a change in laws and regulations, a change in the companies' customer(s), or for other reasons. Changes in laws and regulations could result in increased compliance costs, additional capital expenditures or additional potential liabilities. A portfolio company or project also could be materially and adversely affected by regulations that have been vacated by court decisions. Several United States federal environmental programs, including the Clean Water Act rules regarding cooling water intake structures, the Clean Air Mercury rule, and the Clean Air Interstate rule, have been fully or partially vacated by the courts. Several United States federal environmental programs, including the Clean Water Act rules regarding cooling water intake structures, the Clean Air Mercury Rule, and the Clean Air Interstate Rule, have been fully or partially vacated by the courts. The United States Environmental Protection Agency issued its Cross-State Air Pollution Rule replacing the Clean Air Interstate Rule on July 7, 2011. There is considerable uncertainty as to how these and other federal environmental programs will be modified and/or ultimately implemented. Any such modifications could alter the competitive landscape and/or the nature of the markets in which the portfolio company operates in a material and adverse manner to such portfolio company.

Environmental Impact Risks - Large-scale infrastructure projects may have a significant impact on their local environments, or be particularly susceptible to events or changes in those environments or to requirements of political or administrative authorities in respect of their environmental impact. In addition, an owner of an infrastructure asset may be liable for past and future damages caused by environmental emissions or releases located on or emitted from or otherwise attributable to the asset, as well as for the costs of remediation and, in some circumstances, fines, penalties or other sanctions. Such liabilities could exceed the value of the infrastructure asset at issue and could result in claims against the owner that would result in the loss of other assets of the owner. Environmental liabilities may arise as a result of factors, including, without limitation, changes in laws or regulations and the existence of conditions that were unknown at the time of acquisition or operation.

Regulation of Greenhouse Gases - There is a growing consensus in the United States and globally that emissions of greenhouse gases ("GHGs") are linked to global climate change and this consensus may lead to more stringent regulation of GHGs in the future. Increased public concern and mounting political pressure may result in more international, United States federal or United States regional requirements to reduce or mitigate the effects of GHGs. For example, certain states in the Northeast United States participate in the Regional Greenhouse Gas Initiative ("RGGI"), which is intended to stabilize and reduce emissions of GHGs. RGGI allows each participating state flexibility in the distribution of its carbon dioxide allocations. There also are several legislative proposals in the United States Congress to regulate GHGs. In addition, the United States Supreme Court in *Massachusetts v. Environmental Protection Agency* ruled that the United States Clean Air Act authorizes regulation of GHGs. Changes in the regulation of GHGs could impact a portfolio investment or make certain future investments undesirable.

Governmental Contract Risk - To the extent that investments in infrastructure assets that are governed by concession agreements with national, provincial or local authorities, there is a risk that these authorities may not be able to honor their obligations under the agreement, especially over the long term. The leases or concessions may also contain clauses more favorable to the governmental counterparty than a typical commercial contract and may restrict the ability to operate the investment in a way that maximizes cash flows and profitability. Governments typically have considerable discretion in implementing regulations that could impact these businesses, may be influenced by political (rather than just economic) considerations and may make decisions that adversely affect investments.

Use of Derivatives and Other Specialized Techniques - Companies in the energy and power industry engage in derivative transactions and other hedging techniques to insulate against a number of risks, including, without limitation, commodity price risk, exchange rate risk and interest rate risk. Derivative or similar transactions may involve the purchase and sale of commodities or commodity futures, the use of forward contracts, swap agreements, put and call options, floors, collars or other arrangements. Such instruments may be difficult to value, may be illiquid and may be subject to wide swings in valuation caused by changes in the price of commodities or other underlying assets or market conditions. Derivative instruments may trade principally on markets organized outside the United States and markets for derivative instruments may be illiquid, highly volatile and subject to interruption. Suitable hedging instruments may not continue to be available at reasonable cost. The investment techniques related to derivative instruments are highly specialized and may be considered speculative. Such techniques often involve forecasts and complex judgments regarding relative price movements and other economic developments. The success or failure of these investment techniques may turn on small changes in exogenous factors. For all the foregoing reasons, the use of derivatives and related techniques involve significant risk of loss.

Drilling, Exploration and Development Risks - Investments in businesses that engage in oil and gas exploration and development involve a high degree of risk and the use of new technologies. Oil and gas drilling and fracturing may involve unprofitable efforts, not only from dry holes, but from wells that are productive but do not produce sufficient net revenues to return a profit after drilling, operating and other costs. Acquiring, developing and exploring for oil and natural gas involves many risks. These risks include encountering unexpected formations or pressures, premature declines of reservoirs, blow-outs, equipment failures and other accidents in completing wells and otherwise, cratering, sour gas releases, uncontrollable flows of oil, natural gas or well fluids, adverse weather conditions, pollution, fires, spills and other environmental risks. In addition, in making such investments, estimates of oil and gas reserves must be relied on. The process of estimating oil and gas reserves is complex, requiring significant decisions and assumptions in the evaluation of available geological, geophysical, engineering and economic data for each reservoir. As a result, such estimates are inherently imprecise.

Independent Contractors - Independent contractors are typically used in operations in the energy industry to perform various operational tasks, including carrying out drilling activities and delivering raw commodities to processing or beneficiation plants. In periods of high commodity prices, demand for such contractors may exceed supply resulting in increased costs or lack of availability of key contractors. Disruptions of operations or increased costs also can occur as a result of disputes with contractors or a shortage of contractors with particular capabilities. Additionally, since a business in which investments are made may not have the same control over independent contractors as they may have over their own employees, there is a risk that such contractors will not operate in accordance with its own safety standards or other policies. Any of the foregoing circumstances could have a material adverse effect on the business in which investments are made and ultimately operating results and cash flows.

Environmental Matters - Environmental laws, regulations and regulatory initiatives play a significant role in the energy and power industry and can have a substantial impact on investments in this industry. For example, global initiatives to minimize pollution have played a major role in the increase in demand for natural gas and alternative energy sources, creating numerous new investment opportunities. Conversely, required expenditures for environmental compliance have adversely impacted investment returns in a number of segments of the industry. The energy and power industry will continue to face considerable oversight from environmental regulatory authorities. Investments in portfolio companies are subject to changing and increasingly stringent environmental and health and safety laws, regulations and permit requirements.

There can be no guarantee that all costs and risks regarding compliance with environmental laws and regulations can be identified. New and more stringent environmental and health and safety laws, regulations and permit requirements or stricter interpretations of current laws or regulations could impose substantial additional costs on portfolio companies or potential investments. Compliance with such current or future environmental requirements

does not ensure that the operations of the portfolio companies will not cause injury to the environment or to people under all circumstances or that the portfolio companies will not be required to incur additional unforeseen environmental expenditures. Moreover, failure to comply with any such requirements could have a material adverse effect on a portfolio company, and there can be no assurance that portfolio companies will at all times comply with all applicable environmental laws, regulations and permit requirements. Past practices or future operations of portfolio companies could also result in material personal injury or property damage claims.

Federal Power Act; Natural Gas Act; State Regulations - Companies owning or operating electric generation and transmission assets may separately be subject to regulatory requirements under the Federal Power Act, as amended (the "FPA"), state laws and, perhaps, local public utility laws. The FPA grants the Federal Energy Regulatory Commission ("FERC") jurisdiction over the transmission of electricity in interstate commerce, the sale of electricity at wholesale in interstate commerce, and all facilities for such transmission or sale; provided that jurisdiction over retail sales is left to the states. The FPA prohibits "public utilities" (entities that own or operate facilities subject to FERC jurisdiction) from selling, leasing, merging or consolidating jurisdictional facilities, and from buying or acquiring securities of other public utilities, without first obtaining FERC approval. The Energy Policy Act of 2005 also provided the FERC with expanded jurisdiction over the acquisition of generating assets by public utilities and required prior approval by the FERC of certain mergers, consolidations or the acquisition of securities with a value of \$10 million or more by any holding company in a holding company system that includes a transmitting utility or an electric utility company. Rates, charges and other terms for transmission services and for wholesale sales by public utilities are subject to the FERC's supervision. Certain wholesale generating companies may obtain market-based rate authority, enabling companies to price based upon market conditions. In determining whether a wholesale generating company will be granted market-based rate authority, the FERC has established market power tests that review the holdings of the generating company and its affiliates; the need to maintain market-based rate authority may, from time to time, constrain investment opportunities available. The FERC also is responsible for licensing and inspecting private, municipal and state-owned hydroelectric projects. Since portfolio companies may own electric facilities, they may be deemed to be public utilities, subject to these regulations, unless otherwise exempted.

Companies owning or operating natural gas transportation or storage facilities may be subject to regulatory requirements under the Natural Gas Act, as amended (the "NGA"). The NGA grants the FERC jurisdiction over the transportation of natural gas in interstate commerce, among other things. While the FERC has jurisdiction over the rates charged for interstate transportation and storage services, in most cases, owners of certain natural gas storage facilities may obtain market-based rate authority, enabling companies to price based upon market conditions. As with wholesale generation, the FERC has adopted market power tests that review the holdings of storage providers prior to granting market-based rates. The FERC also has authority over facility construction, and no such construction can occur without FERC authorization under the NGA. The FERC does not have jurisdiction to review mergers of natural gas companies, but operating and construction certificates may not be transferred without prior FERC approval.

On the state level, most state laws require approval from the state commission before an electric utility operating in the state may divest or transfer electric generation or distribution facilities. These laws also grant authority to the state commissions to regulate the financial activities of electric utilities selling electricity to consumers in their states. Certain states also regulate the transfer of other electric facilities and financing activities by the owners of such facilities.

Political, Legal and Commercial Instability - Investments in businesses that have operations in regions with varying degrees of political, legal and commercial stability including but not limited to, the Commonwealth of Independent States, the Middle East, Africa, Asia and Latin America involve political, civil and social pressures that may result in administrative change, policy reform and/or changes in law or government regulations, which in turn can result in expropriation or nationalization of investments and/or adversely affect the value or liquidity of such investments or an underlying business's or the ability to obtain leverage. Renegotiation or nullification of pre-existing agreements, concessions, leases and permits held by underlying investment entity or businesses, changes in fiscal policies (including increased tax or royalty rates) or currency restrictions are all possibilities. Commercial instability caused by bribery and corruption and more generally underdeveloped corporate governance policies in their various guises can lead to similar consequences, any of which could have a material adverse effect on a portfolio company's profitability, ability to finance itself, or, in extreme cases, its viability which could, in turn, have a material adverse effect on the financial condition of investments.

In addition, fiscal constraints or political pressure may also lead governments to impose increased taxation or other charges on operations in the resources sector or to nationalize operations within a given jurisdiction. Such taxes,

royalties or expropriation of investments could be imposed by any jurisdiction in which a portfolio company operates. If operations are delayed or shut down as a result of political, legal or commercial instability, or if the operations of a portfolio company are subjected to increased taxation, royalties or expropriation, it could have a material adverse effect on the underlying results of operations or financial condition of that portfolio company, which could, in turn, have a material adverse effect on the financial condition of investments.

Further, government consents or notification may be required for investments or divestments which may make it challenging and costly to make new investments or realize existing investments on a timely basis or at all which could, in turn, have a material adverse effect on the financial condition of investments.

Supply and Demand Risk - Investments in the energy sector may be impacted by the levels of supply and demand for energy commodities. The volume of production of energy commodities and the volume of energy commodities available for transportation, storage, processing or distribution could be affected by a variety of factors, including depletion of resources, depressed commodity prices, catastrophic events, labor relations, increased environmental or other governmental regulation, equipment malfunctions and maintenance difficulties, import volumes, international politics, policies of Organization of Petroleum Exporting Countries, and increased competition from alternative energy sources, among others. Alternatively, a decline in demand for energy commodities could result from factors such as adverse economic conditions (especially in key energy-consuming countries); increased taxation; increased environmental or other governmental regulation; increased fuel economy; increased energy conservation or use of alternative energy sources, legislation intended to promote the use of alternative energy sources; and increased commodity prices, among others.

Depletion Risk - Investments in entities and other energy companies engaged in the exploration, development, management or production of energy commodities face the risk that commodity reserves are depleted over time. Such companies seek to increase their reserves through expansion of their current businesses, acquisitions, further development of their existing sources of energy commodities, exploration of new sources of energy commodities or by entering into long-term contracts for additional reserves; however, there are risks associated with each of these potential strategies. If such companies fail to acquire additional reserves in a cost-effective manner and at a rate at least equal to the rate at which their existing reserves decline, their financial performance may suffer. Additionally, failure to replenish reserves could reduce the amount and affect the tax characterization of the distributions paid by such companies.

Weather Risk - Weather may play a role in the seasonality of some portfolio companies' cash flows. Portfolio companies in the propane industry, for example, may rely on the winter season to generate almost all of their earnings. In an unusually warm winter season, propane entities experience decreased demand for their product. Although most entities can reasonably predict seasonal weather demand based on normal weather patterns, extreme weather conditions, such as the hurricanes that severely damaged cities along the U.S. Gulf Coast in recent years, demonstrate that no amount of preparation can protect an entity from the unpredictability of the weather or possible climate change. The damage done by extreme weather also may serve to increase many entities' insurance premiums and could adversely affect such companies' financial condition.

Cyclical Industry Risk - The energy industry is cyclical and from time to time may experience a shortage of drilling rigs, equipment, supplies, or qualified personnel, or due to significant demand, such services may not be available on commercially reasonable terms. A portfolio company's ability to successfully and timely complete capital improvements to existing or other capital projects is contingent upon many variables. Should any such efforts be unsuccessful, a portfolio company could be subject to additional costs and/or the write-off of its investment in the project or improvement. The marketability of oil and gas production depends in large part on the availability, proximity and capacity of pipeline systems owned by third parties. Oil and gas properties are subject to royalty interests, liens and other burdens, encumbrances, easements or restrictions, all of which could impact the production of a particular portfolio company. Oil and gas entities operate in a highly competitive and cyclical industry, with intense price competition. A significant portion of their revenues may depend on a relatively small number of customers, including governmental entities and utilities.

Pipelines - Pipeline companies are subject to the demand for natural gas, natural gas liquids, crude oil or refined products in the markets they serve, changes in the availability of products for gathering, transportation, processing or sale due to natural declines in reserves and production in the supply areas serviced by the companies' facilities, sharp decreases in crude oil or natural gas prices that cause producers to curtail production or reduce capital spending for

exploration activities, and environmental regulation. Demand for gasoline, which accounts for a substantial portion of refined product transportation, depends on price, prevailing economic conditions in the markets served, and demographic and seasonal factors. Companies that own interstate pipelines that transport natural gas, natural gas liquids, crude oil or refined petroleum products are subject to regulation by the FERC with respect to the tariff rates they may charge for transportation services. An adverse determination by FERC with respect to the tariff rates of such a company could have a material adverse effect on its business, financial condition, results of operations and cash flows of those companies and their ability to pay cash distributions or dividends. In addition, the FERC has a tax allowance policy, which permits such companies to include in their cost of service an income tax allowance to the extent that their owners have an actual or potential tax liability on the income generated by them. If the FERC's income tax allowance policy were to change in the future to disallow a material portion of the income tax allowance taken by such interstate pipeline companies, it would adversely impact the maximum tariff rates that such companies are permitted to charge for their transportation services, which would in turn adversely affect the results of operations and cash flows.

Gathering and Processing - Gathering and processing companies are subject to natural declines in the production of oil and natural gas fields, which utilize their gathering and processing facilities as a way to market their production, prolonged declines in the price of natural gas or crude oil, which curtails drilling activity and therefore production, and declines in the prices of natural gas liquids and refined petroleum products, which cause lower processing margins. In addition, some gathering and processing contracts subject the gathering or processing company to direct commodities price risk.

Oil and Gas Production - In addition to other risks described herein, companies involved in the transportation, gathering, processing, exploration, development or production of crude oil, natural gas and/or refined petroleum products are subject to supply and demand fluctuations in the markets they serve which will be impacted by a wide range of factors including fluctuating commodity prices, weather, increased conservation or use of alternative fuel sources, increased governmental or environmental regulation, depletion, rising interest rates, declines in domestic or foreign production, accidents or catastrophic events and economic conditions, among others. In addition, the oil and gas industries may be adversely affected by increased regulations, increased operating costs and reductions in the supply of and/or demand for crude oil, natural gas and refined petroleum products as a result of accidents or catastrophic events and the reactions thereto, among others.

Propane - Investments in propane companies are subject to earnings variability based upon weather conditions in the markets they serve, fluctuating commodity prices, increased use of alternative fuels, increased governmental or environmental regulation, and accidents or catastrophic events, among others.

Coal - Investments in energy companies with coal assets are subject to supply and demand fluctuations in the markets they serve which may be impacted by a wide range of factors including fluctuating commodity prices, the level of their customers' coal stockpiles, weather, increased conservation or use of alternative fuel sources, increased governmental or environmental regulation, depletion, rising interest rates, declines in domestic or foreign production, mining accidents or catastrophic events and health claims and economic conditions, among others. They are also subject to supply variability based on geological conditions that reduce the productivity of mining operations, the availability of regulatory permits for mining activities and the availability of coal that meets the standards of the Clean Air Act.

Marine Transportation - Marine transportation companies are exposed to the highly cyclical nature of the tanker industry and may be subject to volatile changes in charter rates and vessel values, which may adversely affect the earnings of tanker companies. Fluctuations in charter rates and vessel values result from changes in the supply and demand for tanker capacity and changes in the supply and demand for oil and oil products. Historically, the tanker markets have been volatile due to the many conditions and factors that may affect the supply and demand for tanker capacity. Changes in demand for transportation of oil over longer distances and the supply of tankers to carry that oil may materially affect the revenues, profitability and cash flows of tanker companies. The successful operation of vessels in the charter market depends upon, among other things, obtaining profitable spot charters and minimizing time spent waiting for charters and traveling unladen to pick up cargo. The value of tanker vessels may fluctuate and could adversely affect the value of tanker company securities. Declining tanker values could affect the ability of tanker companies to raise cash by limiting their ability to refinance their vessels, thereby adversely impacting tanker company liquidity. Tanker company vessels are at risk of damage or loss because of events such as mechanical failure, collision, human error, war, terrorism, piracy, cargo loss and bad weather. In addition, changing economic, regulatory

and political conditions in some countries, including political and military conflicts, have from time to time resulted in attacks on vessels, mining of waterways, piracy, terrorism, labor strikes, boycotts and government requisitioning of vessels. These sorts of events could interfere with shipping lanes and result in market disruptions and a significant loss of tanker company earnings.

New Issue Securities Risk - Investing in new issue securities involves risks that are in addition to those associated with investments which have been trading for an extended period of time because information typically used to evaluate investments often is not available for new issue securities. Subsequent to the purchase of a new issue security by SVOF/MM, information about the security or its issuer may become publicly available (e.g., the issuance of a credit rating by a Ratings Agency) which could cause SVOF/MM to alter its view on the appropriateness of the investment for a portfolio.

TECHNOLOGY AND CYBERSECURITY RISK

BlackRock is dependent on the effectiveness of the information and cybersecurity policies, procedures and capabilities it maintains to protect the confidentiality, integrity, and availability of its computer and telecommunications systems and the data that resides on or is transmitted through them. An externally caused information security incident, such as a cyber-attack including a phishing scam, malware, or denial-of-service attack, or an internally caused incident, such as failure to control access to sensitive systems, could materially interrupt business operations or cause disclosure or modification of sensitive or confidential client or competitive information. Moreover, BlackRock's use of mobile and cloud technologies could heighten these and other operational risks, as certain aspects of the security of such technologies may be complex, unpredictable or beyond BlackRock's control. BlackRock's usage of the public Internet, as well as any reliance on mobile or cloud technology or any failure by third party service providers to adequately safeguard their systems and prevent cyber-attacks, could disrupt BlackRock's operations and result in misappropriation, corruption or loss of personal, confidential or proprietary information. In addition, there is a risk that encryption and other protective measures may be circumvented, particularly to the extent that new computing technologies increase the speed and computing power available. Moreover, due to the complexity and interconnectedness of BlackRock's systems, the process of upgrading existing capabilities, developing new functionalities and expanding coverage into new markets and geographies, including to address client or regulatory requirements, may expose BlackRock to additional cyber- and information-security risks, as well as increased execution, operational and data management risks or system disruptions, impacting BlackRock, as well as clients who rely upon, or have exposure to, BlackRock's systems.

In addition, due to BlackRock's interconnectivity with third-party vendors, advisors, central agents, exchanges, clearing houses and other financial institutions, BlackRock may be adversely affected if any of them are subject to a successful cyber-attack or other information security event, including those arising due to the use of mobile technology or a third-party cloud environment. BlackRock also routinely transmits and receives personal, confidential or proprietary information by email and other electronic means. BlackRock collaborates with clients, vendors and other third parties to develop secure transmission capabilities and protect against cyber-attacks. However, BlackRock cannot ensure that it or such third parties have all appropriate controls in place to protect the confidentiality of such information.

Although BlackRock takes protective measures and endeavors to strengthen its computer systems, software, technology assets and networks to prevent, detect, react to and recover from potential cyber-attacks, there can be no assurance that any of these measures prove effective. Any information security incident or cyber-attack against BlackRock or third parties with whom it is connected, or issuers of securities or instruments in which the client invests, including any interception, mishandling or misuse of personal, confidential or proprietary information, have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, the inability to transact business, violations of applicable privacy and other laws, loss of competitive position, regulatory fines and/or sanctions, breach of client contracts, reputational harm or legal liability.

OPERATING EVENTS

Trade errors and other operational mistakes ("Operating Events") occasionally may occur in connection with SVOF/MM's management. BlackRock has policies and procedures that address identification and correction of Operating Events, consistent with applicable standards of care and client documentation. An Operating Event generally is compensable by SVOF/MM to a client when it is a mistake (whether an action or inaction) in which

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

SVOF/MM has, in SVOF/MM's reasonable view, deviated from the applicable investment guidelines or the applicable standard of care in managing a client, subject to the considerations set forth below.

Operating Events may include, but are not limited to: (i) the placement of orders (either purchases or sales) in excess of the amount of assets intended to trade for a client; (ii) the purchase (or sale) of a security when it should have been sold (or purchased); (iii) the purchase or sale of a security not intended for the client; (iv) the purchase or sale of a security contrary to applicable investment guidelines or restrictions; (v) incorrect allocations of trades; and (vi) transactions with a non-authorized counterparty. Operating Events can also occur in connection with other activities that are undertaken by SVOF/MM and its affiliates, such as net asset value calculation, management fee calculations, calculations of carried interest or incentive fees, trade recording and settlement and other matters that are non-advisory in nature.

SVOF/MM makes its determinations regarding Operating Events pursuant to its policies on a case-by-case basis, in its discretion, based on factors it considers reasonable, including regulatory requirements, contractual obligations, and business practices. Not all Operating Events will be considered compensable mistakes. Relevant factors SVOF/MM considers when evaluating whether an Operating Event is compensable include, among others, the nature of the service being provided at the time of the event, specific applicable contractual and legal requirements and standards of care, whether an applicable investment objective or guideline was contravened, the nature of the client's investment program, and the nature of the relevant circumstances.

Operating Events may result in gains or losses or could have no financial impact. Clients generally are entitled to retain any gain resulting from an Operating Event.

When SVOF/MM determines that reimbursement by SVOF/MM is appropriate, the client will be compensated as determined in good faith by SVOF/MM. SVOF/MM will determine the amount to be reimbursed, if any, based on what it considers reasonable guidelines regarding these matters in light of all of the facts and circumstances related to the Operating Event. In general, compensation is expected to be limited to direct and actual losses, which may be calculated relative to comparable conforming investments, market factors and benchmarks and with reference to related transactions and/or other factors SVOF/MM considers relevant. Compensation generally will not include any amounts or measures that SVOF/MM determines are indirect, consequently, speculative or uncertain.

Item 9 Disciplinary Information

There have not been any legal or disciplinary events that are material to SVOF/MM.

Item 10 Other Financial Industry Activities and Affiliations

BlackRock is a broad financial services organization. In some cases, SVOF/MM may have business arrangements with related persons/companies. These business arrangements can create a potential conflict of interest, or the appearance of a conflict of interest between SVOF/MM and a client. Conflicts of interest are discussed in Item 11 (“Code of Ethics, Participation or Interest in Client Transactions and Personal Trading”) of this Brochure. Potential conflicts of interest are also discussed in the client’s governing documents and/or the OM.

AFFILIATED BROKER-DEALERS

BlackRock Investments, LLC (“BRIL”) and BlackRock Execution Services (“BES”) are broker-dealers registered under the Securities Exchange Act of 1934, as amended (“Exchange Act”) and are members of the Financial Industry Regulatory Authority. BRIL and BES are indirect wholly-owned subsidiaries of BlackRock, Inc. SVOF/MM does not intend to engage in trading activities on behalf of its clients with BRIL or BES.

- BRIL is primarily engaged in the wholesale marketing of certain BlackRock proprietary open-end investment companies, including exchange traded funds, and closed-end investment companies, which are primarily registered under the Investment Company Act (the “BlackRock US Funds”) to other registered broker-dealers, investment advisers, banks and other entities, marketing Rule 529 municipal fund securities and the sale of certain other investment products to institutional investors. BRIL also acts as placement agent for certain Private Funds and acts as the distributor BlackRock’s exchange traded registered investment companies that are listed for trading on the secondary market (“US iShares ETFs”) and BlackRock Institutional Trust Company, N.A.
- BES provides account introduction and execution services to certain transition accounts of BlackRock Investment Advisers and affiliates that have been authorized or directed by the transition clients to use BES to the extent consistent with applicable laws.

AFFILIATED COMMODITY POOL OPERATOR / COMMODITY TRADING ADVISOR

SVOF/MM is an exempt commodity pool operator and exempt commodity trading advisor. Affiliates of SVOF/MM are registered or exempt from registration as commodity trading advisors or commodity pool operators.

- BlackRock Financial Management, Inc., BlackRock Investment Management, LLC, BlackRock Fund Advisors, BlackRock Advisors, LLC, and BlackRock Institutional Trust Company, N.A. are registered as commodity pool operators and commodity trading advisors.
- BlackRock Capital Management, Inc., BlackRock Investment Management (UK) Limited, Global Energy & Power Infrastructure Advisors, L.L.C., Global Energy & Power Infrastructure II Advisors, L.L.C., BlackRock Capital Investment Advisors, L.L.C., and TCP are exempt commodity pool operators and exempt commodity trading advisors.
- BlackRock International Limited is a registered commodity trading advisor.
- iShares Delaware Trust Sponsor LLC is a registered commodity pool operator.
- BlackRock (Singapore) Limited is an exempt commodity pool operator.
- BlackRock Asset Management North Asia Limited is an exempt commodity trading advisor.

All of the foregoing non-exempt investment advisers are members of the National Futures Association. The National Futures Association and CFTC each administer a comparable regulatory system covering futures contracts, swaps and various other financial and derivative instruments in which certain BlackRock Clients invest.

AFFILIATED REGISTERED INVESTMENT ADVISERS

SVOF/MM has affiliates that are direct or indirect wholly-owned subsidiaries of BlackRock, Inc., registered as investment advisers with the SEC under the Advisers Act. The following BlackRock affiliates are registered investment advisers with the SEC:

- BlackRock Financial Management, Inc.
- BlackRock Advisors, LLC
- BlackRock International Limited

Item 10 Other Financial Industry Activities and Affiliations

- BlackRock Capital Management, Inc.
- BlackRock Capital Investment Advisors, LLC
- BlackRock Investment Management, LLC
- BlackRock Fund Advisors
- BlackRock Realty Advisors, Inc.
- BlackRock (Singapore) Limited
- BlackRock Asset Management North Asia Limited
- BlackRock Asset Management Schweiz, AG
- BlackRock Alternatives Management, LLC
- FutureAdvisor
- Global Energy & Power Infrastructure Advisors, L.L.C.
- Global Energy & Power Infrastructure II Advisors, L.L.C.
- Tennenbaum Capital Partners, LLC

NATIONAL BANKING ASSOCIATION

BlackRock Institutional Trust Company, N.A. is a national banking association organized under the laws of the U.S. and operating as a limited purpose trust company.

MUNICIPAL ADVISOR

BlackRock Institutional Trust Company, N.A. is registered as a Municipal Advisor with both the SEC and the Municipal Securities Rulemaking Board.

RELATIONSHIPS OR ARRANGEMENTS WITH AFFILIATES AND/OR RELATED PERSONS

BlackRock, Inc. is a publicly traded company incorporated in the State of Delaware. The PNC Financial Services Group, Inc. (together with its subsidiaries, “PNC”), one of the largest diversified financial services organizations in the U.S., has a significant economic interest in BlackRock; as a result, PNC and certain of its affiliates may be treated as “affiliates” of BlackRock, certain BlackRock subsidiaries and/or funds managed by them. As of December 31, 2017, PNC held 21.2% of BlackRock’s voting common stock and 21.7% of BlackRock’s capital stock, which includes outstanding common and non-voting preferred stock. As of December 31, 2017, BlackRock Advisors, LLC, an indirect subsidiary of BlackRock, Inc. owned approximately 36.5% economic interest, and 4.9% voting interest in 52nd Street Capital Advisors LLC.

From time to time, PNC Capital Markets, LLC, a PNC entity, participates in underwritings of initial common and/or preferred share offerings of funds in the BlackRock US Funds, consisting principally of publicly traded closed-end investment companies. From time to time, Midland, Loan Services, a division of PNC Bank, National Association, a PNC entity, may act as primary servicer, master servicer and/or special servicer in respect of assets held by funds managed by BlackRock. Subject to applicable legal and regulatory restrictions, clients of SVOF/MM may also engage in principal transactions and co-investments with certain PNC entities including PNC Bank, National Association. Additionally, PNC may act as, among other things, an investor, investment banker, commercial banker, research provider, investment adviser, custodian, administrator, trustee, financier, adviser, market maker, placement agent, proprietary trader, prime broker, commodity firm, pricing vendor, solicitor, broker, dealer, transfer agent, record keeper, alternative trading systems, electronic communication network (“ECN”) authorized participant for US iShares ETFs, derivative or swap counterparty, underwriter, municipal securities dealer, index provider, lender, futures commission merchant, or agent. Midland Loan Servicing, a subsidiary of PNC, acts as primary servicer, master servicer, and special servicer to BlackRock Clients.

For additional information regarding BlackRock’s affiliates, please see Item 10 (“Other Financial Industry Activities and Affiliations”) of BCIA’s Form ADV Part 2A available on the SEC’s website at:

<https://www.adviserinfo.sec.gov/Firm/290336>

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

BlackRock Investment Advisers make decisions for their clients in accordance with their fiduciary obligations to such clients. References to policies and procedures of BlackRock also apply to SVOF/MM, unless specified otherwise. BlackRock is a worldwide asset management, risk management, investment system outsourcing and financial services organization, and a major participant in global financial and capital markets.

As a global provider of investment management, risk management and advisory services to institutional and retail clients, BlackRock engages in a broad spectrum of activities, including sponsoring and managing a variety of public and private investment funds, funds that invest primarily in other affiliated or unaffiliated investment vehicles ("Funds of Funds") and separate accounts across fixed income, cash management, equity, multi-asset, alternative investment and real estate strategies, providing discretionary and non-discretionary financial advisory services, providing enterprise trading systems, risk analytics, investment accounting and trading support services under the BlackRock Solutions® brand, (a business unit within BlackRock, provides a broad range of risk management, investment accounting and trade processing tools to a variety of clients), and engaging in certain broker-dealer activities, transition management services, mortgage servicing and other activities. BlackRock acts as, among other things, an investment manager, investment adviser, broker dealer and under certain circumstances an index provider.

BlackRock, makes payments, out of its own profits or other sources, to affiliated or unaffiliated financial institutions, broker-dealers or other entities for distribution and sales support activities, including participation in marketing activities, educational programs, conferences, and technology development and reporting, or sub-accounting, administrative, shareholder processing or other services related to shares or shareholders of investment companies and other funds for which BlackRock provides investment advisory services, or for other services or activities that facilitate investments by BlackRock Clients in such funds. These payments would be in addition to any payments made or fees paid directly by the investment companies or other funds, and recipients of such payments in some instances are affiliates of PNC.

Each of BlackRock and PNC have direct and indirect interests in the global fixed income, currency, commodity, equity, and other markets in which BlackRock Clients invest. As a result, BlackRock and its directors, managers, members, officers, and employees (collectively, the "BlackRock Group"), as well as PNC and its respective other affiliates, directors, partners, trustees, managers, members, officers, and employees (collectively, "PNC Affiliates"), including those involved in the management, sales, investment activities, business operations, or distribution of BlackRock's services and products, are engaged in businesses and have interests other than that of managing the assets of BlackRock Clients. These activities and interests include potential multiple advisory, transactional, financial, and other interests in securities, instruments, and companies that are directly or indirectly purchased or sold by or on behalf of BlackRock Clients by BlackRock and other persons.

As a result of the various activities and interests of the BlackRock Group and of PNC Affiliates as described below, BlackRock Clients could have multiple business relationships with members of the BlackRock Group and the PNC Affiliates and BlackRock Investment Advisers will, on behalf of BlackRock Clients, invest in, engage in transactions with, make voting decisions with respect to, or obtain services from entities for which the BlackRock Group and PNC Affiliates perform, or seek to perform, risk management, investment system outsourcing, financing, investment banking, lending, loan servicing, or other services. BlackRock Clients could also likely undertake transactions in securities in which one or more PNC Affiliates make a market or otherwise have direct or indirect interests. Although the relationships and activities of the BlackRock Group and the PNC Affiliates tend to offer attractive opportunities and services to BlackRock Clients, such relationships and activities also give rise to potential conflicts of interest between or among the BlackRock Group and BlackRock Clients or have other negative effects on BlackRock Clients. Additionally, consistent with applicable law, BlackRock, PNC and their respective affiliates and personnel can receive greater compensation or greater profit in connection with an account for which BlackRock serves as an adviser than with an account advised by an unaffiliated investment adviser. Differentials in compensation result from, among other reasons, BlackRock paying a portion of its advisory fee to its affiliate or other compensation arrangements, including for portfolio management, brokerage transactions, or account servicing. Any differential in compensation creates a

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potential financial incentive on the part of BlackRock, PNC, their affiliates and personnel to recommend BlackRock over unaffiliated investment advisers, to effect transactions differently in one account over another, or to favor accounts in which they have more significant interests over those in which they have a lesser (or no) interest.

The BlackRock Investment Advisers, including SVOF/MM with respect to SVOF/MM clients, manage the assets of BlackRock Clients in accordance with the investment mandate selected by each BlackRock Client and applicable law, and will seek to give advice to, and make investment decisions for such BlackRock Client that the BlackRock Investment Adviser believes to be in the best interests of such BlackRock Client. However, from time to time, investment allocation decisions are made which adversely affect the size or price of the assets purchased or sold for a BlackRock Client and the results of the investment activities of a BlackRock Client may differ significantly from the results achieved by the BlackRock Investment Advisers for other current or future BlackRock Clients. Thus, the management of numerous accounts for BlackRock Clients and other services provided by the BlackRock Investment Advisers creates a number of potential conflicts of interest. Additionally, regulatory and legal restrictions (including those relating to the aggregation of positions and allocation of investments among different funds and accounts) and BlackRock's internal policies and procedures restrict certain investment activities of BlackRock Investment Advisers for BlackRock Clients.

These and other potential conflicts are discussed generally herein or in the relevant governing documents and/or OM of the various BlackRock Clients, which should be reviewed in conjunction with any investment. Given the interrelationships among the BlackRock Group and PNC Affiliates and the changing nature of such firms' businesses, affiliations and opportunities, as well as legislative and regulatory developments, there may be other or different potential conflicts that arise in the future or that are not covered by this discussion. As a fiduciary to the BlackRock Clients, however, BlackRock is committed to putting the interests of BlackRock Clients ahead of its own and those of its PNC Affiliates in the provision of investment management and advisory services.

GLOBAL PERSONAL TRADING POLICY & OTHER ETHICAL RESTRICTIONS

BlackRock's and SVOF/MM's directors, officers, and employees buy, sell, and hold for their own and their family members' accounts public securities, private securities, and other investments in which such BlackRock personnel have a pecuniary interest, whether because they are also bought, sold, or held for BlackRock Clients or through accounts (or investments in funds) managed by BlackRock Investment Advisers or otherwise. As a result of differing trading and investment strategies or constraints, positions taken by BlackRock directors, officers, and employees can be the same as or different from, or made contemporaneously or at different times than, positions taken for BlackRock Clients.

As these situations involve potential conflicts of interest, BlackRock has adopted policies and procedures relating to personal securities transactions, insider trading and other ethical considerations, including the Global Personal Trading Policy in accordance with Rule 17j-1 under the Investment Company Act and Rule 204A-1 under the Advisers Act (the "Rules"). These policies and procedures are intended to identify and prevent actual conflicts of interest with clients and to resolve such conflicts appropriately if they do occur.

In conformity with the Rules, the Global Personal Trading Policy contains provisions regarding employee personal trading and, reporting requirements that are designed to address potential conflicts of interest that might interfere or appear to interfere with making decisions in the best interest of BlackRock Clients, and together with BlackRock's Code of Business Conduct and Ethics (referred to collectively as the "Code"), requires employees to comply with the applicable federal securities laws, as well as fiduciary principles applicable to BlackRock's business, including that employees must avoid placing their own personal interests ahead of BlackRock Clients' interests.

The Global Personal Trading Policy requires that employees at BlackRock conduct all of their personal investment transactions in a manner that is consistent with applicable federal securities laws, the BlackRock Global Insider Trading Policy and other policies of BlackRock. These requirements include reporting of personal investment accounts, pre-clearance of personal trading transactions, as well as reporting investment transactions. The Global Personal Trading Policy also generally prohibits employees from acquiring securities in initial public offerings, and contains prohibitions against profiting from short-term trading, subject to very limited exceptions. The Global Personal Trading Policy also imposes "blackout" periods on certain employees, including particular portfolio management personnel, prohibiting transactions in certain securities during time periods surrounding transactions in the same securities by BlackRock Client accounts. Moreover, the Global Personal Trading Policy and other

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BlackRock policies contain provisions that are designed to prevent conflicts relating to the use of inside information and to participating in outside activities.

Any member of the BlackRock Group covered by the Code who fails to observe its requirements or those contained in related BlackRock policies and procedures is subject to potential remedial action. BlackRock will determine on a case by case basis what remedial action should be taken in response to any violation, including potential voiding or reversal of a trade, the cost of which will be borne by the employee or owner of the account or limiting an employee's personal trading for some period of time. The Global Personal Trading Policy will be made available to a BlackRock Client or prospective client upon request.

OUTSIDE ACTIVITIES

Members of the BlackRock Group have a duty to act solely in the interest of BlackRock's Clients; as such BlackRock's Global Outside Activity Policy requires that BlackRock employees obtain approval before engaging in any outside activities so that BlackRock has the opportunity to consider whether such activities create actual or potential conflicts of interest. The Global Outside Activity Policy is intended to identify activities that have the potential to conflict with an employee's role at BlackRock and/or BlackRock's activities.

POLITICAL CONTRIBUTIONS

BlackRock's political contributions policy establishes the requirements that apply when BlackRock and its employees make or solicit U.S. political contributions or engage in political activities in the U.S. The policy prohibits BlackRock and its employees from making or soliciting U.S. political contributions for the purpose of obtaining or retaining business. The policy requires employees to pre-clear U.S. political contributions before they, their spouse, domestic partner, or dependent children make any contributions to a political candidate, government official, political party, or political action committee ("PAC") in the U.S.

The BlackRock PAC, a non-partisan political action committee, is supported voluntarily by eligible U.S. employees to help elect U.S. federal candidates who the PAC's Board of Directors determines share BlackRock's values and goals.

POTENTIAL CONFLICTS RELATING TO ADVISORY ACTIVITIES

The results of the investment activities provided to a BlackRock Client can differ significantly from the results achieved by BlackRock Investment Advisers for other current or future BlackRock Clients. BlackRock Investment Advisers will manage the assets of a BlackRock Client in accordance with the investment mandate selected by such BlackRock Client. However, members of the BlackRock Group (including BlackRock Investment Advisers), as well as PNC Affiliates (to the extent they have independent relationships with BlackRock Clients), may give advice and take action with respect to their own account, any other BlackRock Client or, in the case of a PNC Affiliate, their own accounts or a client of a PNC Affiliate, that competes or conflicts with the advice a BlackRock Investment Adviser may give to, or an investment action a BlackRock Investment Adviser may take on behalf of, a BlackRock Client (or a group of BlackRock Clients), or advice that may involve different timing than that of a BlackRock Client. The potential conflicts include, in particular, members of the BlackRock Group, the PNC Affiliates and one or more BlackRock Clients buying or selling positions while another BlackRock Client is undertaking the same or a differing, including potentially opposite, strategy. Similarly, BlackRock Investment Advisers' management of BlackRock Client accounts may benefit members of the BlackRock Group and PNC Affiliates, including, to the extent permitted by applicable law, investing BlackRock Client accounts directly or indirectly in the securities of companies in which a member of the BlackRock Group, or other BlackRock Client, or a PNC Affiliate, for itself or its clients, has an equity, debt, or other interest. In addition, to the extent permitted by applicable law, BlackRock Clients may engage in investment transactions which may result in other BlackRock Clients, or proprietary or client accounts of a PNC Affiliate, being relieved of obligations or otherwise have to divest or cause BlackRock Clients to have to divest certain investments. In some instances, the purchase, holding, and sale, as well as voting of investments by BlackRock Clients may enhance the profitability or increase or decrease the value of a BlackRock Group member's or other BlackRock Clients' own investments in, or of the investments in a PNC Affiliate's proprietary or client account with respect to such companies. This gives rise to potential conflicts of interest.

Financial or Other Interests in Underlying Funds

Funds of Funds or other accounts managed by a BlackRock Investment Adviser often acquire a financial interest in certain underlying funds which generally, but not always include direct or indirect receipt of a portion of any management or performance-based compensation paid by the underlying funds to their respective general partner, managing member, or investment adviser. These interests can involve additional rights such as board representation or other means to influence the management or business decisions of such underlying fund. These relationships create the potential for conflicts of interest between Funds of Funds or accounts receiving such interests and other funds or accounts managed by a BlackRock Investment Adviser.

Cross Trades

In certain circumstances, BlackRock Investment Advisers effect purchases and sales between BlackRock Clients or clients of affiliates (“cross trades”) if BlackRock Investment Advisers believe such transactions are appropriate based on each party's investment objectives and guidelines, subject to each client's governing documents, applicable law and regulation (but are not required to effect such cross-trades). In this regard, BlackRock maintains a cross-trading program covering various strategies pursuant to which securities are bought and sold among BlackRock Clients. Cross trades for accounts subject to the Employee Retirement Income Security Act of 1974, as amended, are made in accordance with applicable U.S. Department of Labor (“DOL”) regulations and relevant exemptions. Cross trades for clients that are business development companies are made in accordance with the Investment Company Act. In certain circumstances, based on product and account type, an independent pricing source might be used. BlackRock Investment Advisers seek to assure that the price used in a cross trade is fair and appropriate, and in keeping with, or as required by the relevant regulations.

In addition, a BlackRock Client account may enter into “agency cross transactions”, in which a member of the BlackRock Group may act as broker for such BlackRock Client account and for the other party to the transaction, to the extent permitted under applicable law and subject to the terms of the governing documents of such BlackRock Client account. In such cases, the relevant BlackRock Investment Adviser and such affiliate may have a potentially conflicting division of loyalties and responsibilities regarding both parties to the transaction. The authority of the BlackRock Investment Advisers to conduct such agency cross-transactions is subject to the right of the BlackRock Client account investors to revoke such authority by the affirmative vote of a majority of those BlackRock Client account investors who are not directly or indirectly affiliated with the relevant BlackRock Investment Adviser, voting as a single class or, in the case of certain BlackRock Client accounts, the approval of the respective advisory boards of such BlackRock Client accounts. To the extent that any provision of Section 11(a) of the Exchange Act or any of the rules promulgated thereunder is applicable to any transactions effected by the relevant BlackRock Investment Adviser, such transactions will be effected in accordance with the requirements of such provisions and rules. SVOF/MM does not intend to engage in agency cross transactions on behalf of its clients with any member of the BlackRock Group.

Inconsistent Investment Positions and Timing of Competing Transactions

From time to time, BlackRock takes an investment position or action for one or more accounts that is different from, or inconsistent with, an action or position taken for one or more other accounts having similar or differing investment objectives, resulting in potential adverse impact, or in some instances benefit, to one or more affected accounts. For example, a BlackRock Client may buy a security and another BlackRock Client may establish a short position in that same security. The subsequent short sale could result in a decrease in the price of the security which the first BlackRock Client holds. Conversely, a BlackRock Investment Adviser may establish a short position in a security for a BlackRock Client and another BlackRock Investment Adviser may buy that same security for a different BlackRock Client. The subsequent purchase may result in an increase of the price of the underlying position in the short sale exposure to a BlackRock Client's detriment. Similarly, transactions in investments by one or more BlackRock Clients and members of the BlackRock Group may have the effect of diluting or otherwise disadvantaging the values, prices or investment strategies of another BlackRock Client, particularly, but not limited to, in small capitalization, emerging market, or less liquid strategies. This may occur when portfolio decisions regarding a BlackRock Client account are based on research or other information that is also used to support portfolio decisions for other client accounts. When one BlackRock Investment Adviser implements a portfolio decision or strategy ahead of, or contemporaneously with, similar portfolio decisions or strategies of another BlackRock Investment Adviser, (whether or not the portfolio decisions emanate from the same research analysis or other information), market impact, liquidity constraints, or other factors could result in one or more BlackRock Clients receiving less favorable trading results, the costs of

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implementing such portfolio decisions or strategies could be increased or such BlackRock Clients could otherwise be disadvantaged. On the other hand, potential conflicts also arise when portfolio decisions regarding a BlackRock Client benefit other BlackRock Clients, for example, where the sale of a long position or establishment of a short position for a BlackRock Client decreases the price of the same security sold short by (and therefore benefit) a BlackRock Group member or other BlackRock Clients, or the purchase of a security or covering of a short position in a security for a BlackRock Client results in an increase in the price of the same security held by (and therefore benefit) a BlackRock Group member or other BlackRock Clients.

Under certain circumstances, if a BlackRock Client (or a group of BlackRock Clients) invests in a transaction in which one or more other BlackRock Clients are expected to participate, or already have made or will seek to make, an investment, such BlackRock Clients (or groups of BlackRock Clients) may have conflicting interests and objectives in connection with such investments, including with respect to views on the operations or activities of the portfolio company involved, the targeted returns from the investment and the timeframe for, and method of, exiting the investment. For example, the BlackRock Investment Advisers' decision on behalf of other client accounts to sell, redeem from, or otherwise liquidate a security in which a BlackRock Client account is invested may adversely affect such BlackRock Client account, including by causing such investment to be less liquid or more concentrated, or by causing such BlackRock Client account to lose the benefit of certain negotiated terms. Conflicts will also arise in cases where different BlackRock Clients (or groups of BlackRock Clients) invest in different parts of an issuer's capital structure, including circumstances in which one or more BlackRock Clients own private securities or obligations of an issuer and other BlackRock Clients own public securities of the same issuer. For example, a BlackRock Client (or group of BlackRock Clients) acquiring a loan, loan participation, or loan assignment of a particular borrower in which one or more other BlackRock Clients have an equity investment. In addition, different BlackRock Clients investing in securities of an issuer that have different voting rights, dividend or repayment priorities or other features that could be in conflict with one another. In negotiating the terms and conditions of any such investments, or any subsequent amendments or waivers, the BlackRock Investment Advisers' interests, BlackRock Client (or group of BlackRock Clients) interests, and/or the interests of one or more other BlackRock Clients could conflict. If an issuer in which a BlackRock Client (or group of BlackRock Clients) and one or more other BlackRock Clients hold different classes of securities (or other assets, instruments or obligations issued by such issuer) encounters financial problems, decisions over the terms of any workout will raise conflicts of interest (including, for example, conflicts over proposed waivers and amendments to debt covenants). For example, a debt holder who could be paid in full likely will be better served by a liquidation of the issuer, whereas an equity holder would be better served by a reorganization that holds the potential to create value for the equity holders. Any of the foregoing conflicts of interest will be discussed and resolved on a case-by-case basis. Any such discussions will take into consideration the interests of the relevant BlackRock Clients, the circumstances giving rise to the conflict and applicable laws. When considering whether to pursue applicable claims on behalf of BlackRock Clients, BlackRock considers various factors, including the cost of pursuing the claim and the likelihood of the outcome, and may not pursue every potential claim. BlackRock Clients (and investors in Private Funds) should be aware that conflicts will not necessarily be resolved in favor of their interests. There can be no assurance that any actual or potential conflicts of interest will not result in a particular BlackRock Client or group of BlackRock Clients receiving less favorable investment terms in certain investments than if such conflicts of interest did not exist.

Similarly, BlackRock, through BlackRock's Financial Markets Advisory Group, Client Portfolio Solutions and other business units, may advise entities regarding estimated valuation, risk management, transition management, and potential restructuring or disposition activities in connection with their proprietary or client investment portfolios. Such activities create potential conflicts of interest, as BlackRock, on behalf of BlackRock Clients, may seek to purchase securities or other assets from the foregoing portfolios and may engage, without limitation, in related activities to bid down the price of assets in such portfolios, which may have an adverse effect on those portfolios.

Conflicts Relating to Portfolio Management of Various Accounts

BlackRock Investment Advisers make decisions for BlackRock Clients based on the investment mandates selected by such BlackRock Clients. In doing so, as a result of similarities or differences in such mandates or otherwise, BlackRock Investment Advisers have potential conflicts in connection with the investments of, and transactions effected for, BlackRock Clients, including in situations in which members of the BlackRock Group have a pecuniary or investment interest. Certain clients are limited by rules issued by regulators or self-regulatory organizations, such as short sale limits and trading halts. For additional information regarding conflicts relating to side-by-side management, please refer to Item 6 ("Performance-Based Compensation and Side-By-Side Management") and

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“Side-By-Side Management” in this Item 11 (“Code of Ethics, Participation or Interest in Client Transactions and Personal Trading”) of this Brochure.

In-Source or Outsource of Certain Services to Third-Parties

Subject to applicable law and contractual duties to clients, BlackRock, including BlackRock Investment Advisers, from time to time, and without notice to BlackRock Clients, will in-source from or outsource to third-parties, including parties which are affiliated or unaffiliated with BlackRock, certain processes or functions in connection with a variety of services that they provide to BlackRock Clients in their administrative or other capacities. Such in-sourcing or outsourcing can give rise to potential conflicts of interest, including where BlackRock or other BlackRock Clients receive favorable pricing or other benefits that arise from or are connected to another BlackRock Client's vendor relationships.

SIDE-BY-SIDE MANAGEMENT

BlackRock Investment Advisers make decisions for BlackRock Clients based on the investment mandates selected by such BlackRock Clients. In doing so, as a result of similarities or differences in such mandates or otherwise, BlackRock Investment Advisers have potential conflicts in connection with the investments of, and transactions effected for, BlackRock Clients, including in situations in which members of the BlackRock Group have a pecuniary or investment interest. Certain clients are limited by rules issued by regulators or self-regulatory organizations, such as short sale limits and trading halts. For additional information regarding conflicts relating to side-by-side management, please refer to Item 6 (“Performance-Based Compensation and Side-By-Side Management”) and “Side-By-Side Management” in this Item 11 (“Code of Ethics, Participation or Interest in Client Transactions and Personal Trading”) of this Brochure.

In certain situations a BlackRock Investment Adviser can influence the structure of an underlying portfolio investment for tax purposes. Such structuring may not benefit all BlackRock Clients. The BlackRock Investment Adviser will seek to structure the underlying portfolio in a way that is fair under the circumstances but there is no guarantee a particular BlackRock Client will not be harmed. Under certain circumstances a BlackRock Investment Adviser is required to sell or exit an investment on behalf of a BlackRock Client at the direction of the BlackRock Client or due to a need for liquidity of a BlackRock Client, so as to meet the ongoing obligations of the BlackRock Client. Such transactions potentially are not in the best interests of all BlackRock Clients and could result in a reduced sales price from current market values

CERTAIN PRINCIPAL TRANSACTIONS IN CONNECTION WITH THE ORGANIZATION OF A PRIVATE FUND AND BLACKROCK US FUND

Subject to the terms of the governing documents of the relevant BlackRock Client account, a member of the BlackRock Group may enter into “principal transactions” with a BlackRock Client account within the meaning of Section 206(3) of the Advisers Act in which such member of the BlackRock Group acts as principal for its own account with respect to the sale of a security or other asset to, or purchase of a security or other asset from, such BlackRock Client account. Principal transactions will be completed in compliance with applicable law and the terms of the governing documents of the relevant BlackRock Client account. In analyzing such principal transactions, the applicable BlackRock Investment Adviser will have a conflict between acting in the best interests of a BlackRock Client account and assisting itself or its affiliates by selling or purchasing a particular security.

On occasion and subject to applicable law and a fund's governing documents, BlackRock or a related person (including its affiliates or its officers, directors or employees) purchases investments on behalf of and in anticipation of opening a Private Fund for investment. Such investments are transferred to the Private Fund. Generally, to the extent permitted by law, the Private Fund pays a market rate of interest and purchases the investment at cost. Since prior to transfer, such investments would be owned by BlackRock or a related person, conflicts of interest arise regarding the decision of whether or not to transfer such investments and the timing of such transfers. In addition, from time to time, BlackRock or a related person, in order to provide initial investment capital, holds a temporary proprietary interest for a period of time after the inception of a Private Fund. BlackRock's or the related person's disposition of such seed investment can have an impact on the value or liquidity of such Private Fund. More information on these arrangements can be found in the OM of the particular Private Fund.

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From time to time, BlackRock or a related person, in order to provide initial investment capital, holds a temporary proprietary interest for a period of time after the inception of a BlackRock US Fund. When BlackRock or the related person disposes of their interest, the shares are not permitted to be sold, directly or indirectly to clients of BlackRock. In addition, BlackRock's or the related person's disposition of shares can have an impact on the price or liquidity of the shares being sold.

POTENTIAL RESTRICTIONS AND CONFLICTS RELATING TO INFORMATION POSSESSED OR PROVIDED BY BLACKROCK

Availability of Proprietary Information

In connection with the activities of BlackRock, Inc. and BlackRock Investment Advisers, certain persons within the BlackRock Group receive information regarding proposed investment activities for BlackRock and BlackRock Clients that is not generally available to the public. Also, BlackRock Investment Advisers have access to certain fundamental analyses, research and proprietary technical models developed internally or by other members of the BlackRock Group, PNC Affiliates, certain third-parties and their respective personnel. There will be no obligation on the part of such persons or any BlackRock Investment Adviser, to make available for use by a BlackRock Client, or to effect transactions on behalf of a BlackRock Client on the basis of, any such information, strategies, analyses or models known to them or developed in connection with their own proprietary or other activities. In many cases, such persons will be prohibited from disclosing or using such information for their own benefit or for the benefit of any other person, including BlackRock Clients. In other cases, fundamental analyses, research and proprietary models developed internally are used by various BlackRock Investment Advisers and personnel on behalf of different BlackRock Clients, which could result in purchase or sale transactions in the same security at different times (and could potentially result in certain transactions being made by one portfolio manager on behalf of certain BlackRock Clients before similar transactions are made by a different portfolio manager on behalf of other BlackRock Clients), or could also result in different purchase and sale transactions being made with respect to the same security. Further information regarding inconsistent investment positions and timing of competing transactions is set forth in "Potential Conflicts Relating to Advisory Activities" in Item 11 ("Code of Ethics, Participation or Interest in Client Transactions and Personal Trading") of this Brochure. Similarly, one or more BlackRock Clients could have, as a result of receiving client reports or otherwise, access to information regarding BlackRock Investment Advisers' transactions or views, including views on voting proxies, which are not available to other BlackRock Clients, and may act on such information through accounts managed by persons other than a BlackRock Investment Adviser. The foregoing transactions may negatively impact BlackRock Clients through market movements or by decreasing the pool of available securities or liquidity. BlackRock Clients could also be adversely affected when cash flows and market movements result from purchase and sale transactions, as well as increases of capital in, and withdrawals of capital from, accounts of other BlackRock Clients. These effects can be more pronounced in thinly traded securities and less liquid markets.

In addition, BlackRock Investment Advisers have no obligation to seek information from or share with any BlackRock Client any information, investment strategies, opportunities, or ideas known to members or affiliates of the BlackRock Group or developed or used in connection with other clients or activities. For example, it is possible that a client account invests in securities of companies with which an affiliate has or is trying to develop investment banking relationships, as well as securities of entities in which BlackRock, PNC or one of their affiliates has significant debt or equity investments, in which an affiliate makes a market or in which an affiliate provides or anticipates someday providing research coverage. Such investments could cause conflicts between the interests of a client account and the interests of other clients of BlackRock or another affiliate, or cause BlackRock to be exposed to material non-public information about an issuer. Moreover, conflicts of interest could arise where members and personnel of the BlackRock Group, including BlackRock Investment Advisers' personnel or other BlackRock personnel advising or otherwise providing services to BlackRock Clients, have possession of information not available to all BlackRock personnel, and such personnel act on the basis of such information, or are required to refrain from acting, in ways that have adverse effects on BlackRock Clients.

Material Non-Public Information/Insider Trading

BlackRock Group receives material non-public information in the ordinary course of its business. This information that is not available to other investors or other confidential information which, if disclosed, would likely affect an investor's decision to buy, sell or hold a security. This information is received voluntarily and involuntarily and under

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varying circumstances, including, but not limited to, upon execution of a non-disclosure agreement, as a result of serving on the board of directors of a company, serving on ad hoc or official creditors' committees and participation in risk, advisory or other committees for various trading platforms, clearinghouses and other market infrastructure related entities and organizations. Under applicable law, members of the BlackRock Group are generally prohibited from disclosing or using such information for their personal benefit or for the benefit of any other person, regardless of whether that person is a BlackRock Client.

Accordingly, should a member of the BlackRock Group obtain, either voluntarily or involuntarily, material non-public information with respect to an issuer, it may limit the ability of BlackRock Clients to buy, sell, or hold investments and may result in an underlying security or investment being priced inconsistently across BlackRock Clients. BlackRock has no obligation or responsibility to disclose the information to, or use such information for the benefit of, any person (including BlackRock Clients), even if requested by BlackRock or its affiliates and even if failure to do so would be detrimental to the interests of that person. BlackRock has adopted a Global Insider Trading Policy and a Global Material Non-public Information Barrier Policy, which establish procedures reasonably designed to prevent the misuse of material non-public information by BlackRock and its personnel. Under the Global Insider Trading Policy, BlackRock Investment Advisers generally are not permitted to use material non-public information obtained by any department or affiliate of BlackRock in the course of its business activities or otherwise, in effecting purchases and sales in securities transactions for BlackRock Clients or for their personal accounts.

BlackRock also has adopted policies establishing information barriers to minimize the likelihood that particular investment advisory units or teams will inadvertently come into possession of material non-public information known by some other unit or team at BlackRock and thereby also minimizing the likelihood that a particular unit or team will be inadvertently precluded from taking action on behalf of its clients. Nonetheless, the investment flexibility of one or more of the BlackRock Investment Advisers or business units on behalf of BlackRock Clients may be constrained as a consequence of BlackRock's policies regarding material non-public information and insider trading and related legal requirements.

From time to time, certain BlackRock employees use paid expert networks and other industry experts, (subject to the BlackRock policies regarding the handling and restricted use of material non-public information). BlackRock has adopted specific policies and procedures to prevent and address the receipt of any material non-public information from such expert networks. For additional information relating to potential conflicts that may arise with respect to services provided by or through various BlackRock entities or PNC Affiliates, please see Item 11 ("Code of Ethics, Participation or Interest in Client Transactions and Personal Trading") of BCIA's Form ADV Part 2A available on the SEC's website at: <https://www.adviserinfo.sec.gov/Firm/290336>

Item 12 Brokerage Practices

As a general rule, SVOF/MM receives discretionary investment authority from its clients at the outset of an advisory relationship. SVOF/MM's authority includes the ability to select brokers and dealers through which to execute transactions on behalf of its clients, and to negotiate the commission rates, if any, at which transactions are effected. SVOF/MM clients often acquire and/or dispose of investments in privately negotiated purchase and sale transactions that do not involve a broker dealer.

In executing transactions for clients and selecting brokers or dealers, SVOF/MM will seek to obtain best execution, including best price, and taking into account such factors as price of the security, SVOF/MM's knowledge of negotiated commission rates and spreads currently available, the reasonableness of the commission or its equivalent for the specific transaction, the size of the order, the desired timing of the transaction, the nature and character of the security or instrument being traded and the markets on which it is purchased or sold, the activity existing and expected in the market for the particular security or instrument, the full range of brokerage services provided, the difficulty of execution and the operational facilities of the broker or dealer, the quality of the research or other products or services provided, and the broker or dealer's skill in positioning a block of securities. Brokerage services include the ability to most effectively execute large orders without adversely impacting markets and positioning securities in order to enable SVOF/MM to effect orderly transactions for clients.

Because commissions are only one of the factors to be considered when selecting best execution, transactions will not always be executed at the lowest available commission, and SVOF/MM may effect transactions in which the commission is in excess of a commission which another broker might have charged.

Research and Soft Dollars

SVOF/MM does not use client commissions to acquire research or execution services

TRADE AGGREGATION

As a general matter, SVOF/MM believes that aggregation of orders for multiple clients is consistent with its duty to seek best execution. Aggregation of orders facilitates more efficient and less costly execution by enabling a broker to work a large order throughout the day, rather than dealing with multiple small orders and avoids competition in the marketplace among what otherwise would be smaller, separate orders of clients. In any case in which SVOF/MM believes that aggregation would result in higher total transaction costs to clients, it will not effect the transaction on an aggregated basis. In certain circumstances, an order clerk may determine to place orders for the same security with more than one broker-dealer in order to obtain best execution. For example, if any single market maker has insufficient access to satisfy an aggregated purchase order, it may be necessary to use multiple market makers to complete the order.

Before aggregating orders from particular clients, SVOF/MM will determine that the practice is consistent with the terms of the investment advisory agreement with, and other directions from, such clients.

For additional information regarding BlackRock's Selection of Brokers, Dealers and Other Trading Venues and Methods, please see Item 12 ("Brokerage Practices") of BCIA's Form ADV Part 2A available on the SEC website at: <https://www.adviserinfo.sec.gov/Firm/290336>

Item 13 Review of Accounts

For all clients, an investment committee of SVOF/MM meets regularly to review the accounts and discuss portfolio investments. The voting members of the committee vary by client but are senior members of SVOF/MM. All portfolios are reviewed at least quarterly with detailed written reports. More frequent reviews occur upon a material change in circumstances and/or pricing of an investment or market conditions.

Quarterly financial statements are prepared for all clients.

Item 14 Client Referrals and Other Compensation

None.

Item 15 Custody

SVOF/MM may be deemed to have custody of its clients' assets including, without limitation, because certain clients authorize SVOF/MM to receive its advisory fees out of the assets in such clients' accounts by sending invoices or payment instructions to the respective custodians of those accounts.

BlackRock also could be deemed to have custody of certain Private Funds advised by SVOF/MM for which it or an affiliate serves as managing member or general partner. In addition, BlackRock may be deemed to have custody of certain aggregating investment vehicles for which SVOF/MM or an affiliate serves as managing member or general partner and through which certain clients (including Private Funds and separate account clients) make one or more investments. Investors in such Private Funds or aggregating investment vehicles generally will receive the vehicle's annual audited financial statements. Such investors should review these statements carefully.

To the extent that a Private Fund or aggregating vehicle for which BlackRock is deemed to have custody does not provide investors with its annual financial statements as described above, such investors will instead receive quarterly account statements from the qualified custodian of such Private Fund or aggregating vehicle and should contact BlackRock immediately if they fail to receive such account statements.

Item 16 Investment Discretion

SVOF/MM has discretionary investment authority over client accounts, subject to the investment strategy, objectives and restrictions applicable to each client as described in each client's IMA, governing documents and/or OM.

In making decisions as to which securities or instruments are to be bought or sold and the amounts thereof, SVOF/MM is guided by the mandate selected by the client and any client-imposed guidelines or restrictions. In some cases, pursuant to the advisory relationship, SVOF/MM has the authority to enter into an over-the-counter derivative relationship and transaction related documentation, repurchase agreements, futures and cleared derivatives agreements, listed options agreements, securities lending agreements, securities forward agreements and other brokerage and/or trading agreements in connection with the trading of certain securities or instruments. SVOF/MM clients often acquire and/or dispose of investments in privately negotiated purchase and sale transactions that do not involve a broker dealer.

Item 17 Voting Client Securities

SVOF/MM has delegated authority to vote proxies on behalf of certain clients to TCP. TCP and SVOF/MM have adopted a Proxy Voting Policy that sets forth the position on various routine proxy proposals, as well as guidelines for voting on non-routine issues and dealing with conflicts of interest arising in the proxy-voting process. SVOF/MM's clients do not have the ability to direct proxy voting. A copy of the Proxy Voting Policy and information on how TCP has voted proxies will provide to a client upon request.

In addition, insofar as TCP or SVOF/MM refers discretionary votes to its portfolio managers, portfolio managers are required to disclose any personal or business relationship that they or their immediate family members may have with an issuer soliciting proxies from our clients. If a portfolio manager conflict is identified with respect to a given proxy vote, the Investment Committee will remove such vote from the conflicted portfolio manager and will instead consider and cast the vote, refer the vote to an independent third party or abstain from voting.

In the event a privately-placed security as to which SVOF/MM or its affiliated adviser entities negotiated more than price related terms is held by a fund regulated as a business development company, in each case under the Investment Company Act of 1940 ("BDC") and is the subject of a proxy solicitation or other voting or consent solicitation, and any unregistered fund or separate account managed by SVOF/MM or its affiliated adviser entities also owns securities of the same class as the security held by the BDC that is the subject of the proxy, vote or consent, then SVOF/MM will vote such security in the same manner and at the same time for each client, and in amounts proportionate to each client's investment in such security; provided that if SVOF/MM or its affiliated adviser entities believes that the foregoing policy is not in the best interests of a particular client in a particular situation, SVOF/MM or its affiliated adviser entities shall be permitted to deviate from the foregoing policy only if it has (i) submitted a proposal to the board of directors of the BDC explaining the basis for such deviation and (ii) received the approval of a majority of the directors of the BDC who (a) during the previous two years have had no material business or professional relationship with the BDC or any other entity or separate account managed by SVOF/MM or its affiliated adviser entities (other than as a director of the BDC) and (b) have no direct or indirect financial interest in the proxy solicitation, vote or consent other than through an investment in the BDC or any other entity or separate account managed by SVOF/MM or its affiliated adviser entities.

In the event that a potential material conflict of interest does arise and is not addressed by the foregoing procedures, the primary means by which SVOF/MM avoids a material conflict of interest in the voting of proxies for its clients is by casting such votes solely in the interests of its clients and in the interests of maximizing the value of their portfolio holdings.

Item 18 Financial Information

There are no financial conditions that are reasonably likely to impair SVOF/MM's ability to meet contractual commitments to its clients.

GLOSSARY

3(c)(1) Funds – Private Funds that are offered to U.S. Persons and are excepted from the definition of an investment company pursuant to Section 3(c)(1) of the Investment Company Act

3(c)(7) Funds – Private Funds that are offered to U.S. Persons and are excepted from the definition of an investment company pursuant to Section 3(c)(7) of the Investment Company Act

Advisers Act – Investment Advisers Act of 1940, as amended

BCIA – BlackRock Capital Investment Advisors, LLC

BDC – Business Development Company

BES – BlackRock Execution Services

BlackRock – BlackRock, Inc. together with its subsidiaries

BlackRock Clients – Investment management clients of BlackRock, Inc. and its subsidiaries

BlackRock Group – Collectively, BlackRock and its directors, managers, members, officers, and employees

BlackRock Investment Adviser – an investment advisory or trust company subsidiary of BlackRock, Inc.

BlackRock US Funds – BlackRock's proprietary open-end investment companies, including exchange traded funds, and closed-end investment companies, which are primarily registered under the Investment Company Act.

BRIL – BlackRock Investments, LLC

CEA – Commodity Exchange Act

CFTC – U.S. Commodities Futures Trading Commission

Code – Collectively, BlackRock Global Personal Trading Policy and BlackRock's Code of Business Conduct and Ethics

DOL – U.S. Department of Labor

ECN – Electronic communication network

ERISA - Employee Retirement Income Security Act of 1974, as amended

EU - European Union

Exchange Act – Securities Exchange Act of 1934, as amended

FERC - Federal Energy Regulatory Commission

FPA - Federal Power Act, as amended

Funds of Funds – Funds that invest primarily in other affiliated or unaffiliated investment vehicles

GHGs - greenhouse gases

IMA – Investment Management Agreement

Investment Company Act – Investment Company Act of 1940, as amended

Merger – The August 1, 2018 merger of Tennenbaum Capital Partners with and into a wholly-owned indirect subsidiary of BlackRock, Inc.

NGA - Natural Gas Act, as amended

OM – Offering Memorandum

Operating Events – Trade errors and other operational mistakes made in connection with a BlackRock Investment Adviser's management of funds and client accounts

PAC – Political action committee

PNC – The PNC Financial Services Group, Inc., together with its subsidiaries

PNC Affiliates – PNC and its other affiliates, directors, partners, trustees, managers, members, officers, and employees collectively

Private Fund – Investment companies as defined in the Investment Company Act, that would be required to be registered under the Investment Company Act but for the exemptions provided under sections 3(c)(1) and 3(c)(7).

Rating Agency – Credit rating agencies, including nationally recognized statistical rating organizations

RGGI - Regional Greenhouse Gas Initiative

Rules – BlackRock's adopted policies and procedures relating to personal securities transactions, insider trading and other ethical considerations, including the Global Personal Trading Policy in accordance with Rule 17j-1 under the Investment Company Act and Rule 204A-1 under the Advisers Act.)

SEC – U.S. Securities and Exchange Commission

Securities Act – Securities Act of 1933, as amended

SVOF/MM – SVOF/MM, LLC

TCP- Tennenbaum Capital Partners, LLC

Third-Party Fees – The commitment fees, break-up fees, directors' fees, consulting fees, transaction fees, advisory fees, closing fees and other similar fees from a portfolio investment of a Private Funds, respectively, as well as placement or other similar fees payable to a broker that SVOF/MM or one of its employees or affiliates receives at times

U.S. Persons – Persons as defined under Regulation S of the Securities Act

US iShares ETFs – BlackRock's exchange traded registered investment companies that are listed for trading on the secondary market.

BlackRock Privacy Principles

The following Privacy Principles govern how BlackRock handles, safeguards and protects non-public personal information as defined by applicable local laws and regulations (“personally identifiable information / PII”).

1. BlackRock is committed to maintaining the privacy of individuals whose PII is held at BlackRock including current and former individual clients (whether invested in funds or otherwise) and other intermediaries with whom we conduct business.
2. BlackRock obtains or verifies PII from different sources, including the following:
 - Directly from Individuals;
 - From financial intermediaries;
 - Information provided in applications, forms or other documents;
 - Information BlackRock receives from a consumer reporting agency;
 - Information collected when an individual visits BlackRock’s websites.

Specifically, BlackRock is committed to the following:

- Obtaining PII fairly and lawfully;
 - Handling PII fairly and lawfully in accordance with the Individual’s rights;
 - Keeping PII accurate and up to date; and
 - Protecting PII from unlawful disclosure;
 - Retaining PII only for as long as is necessary.
3. BlackRock does not sell PII or disclose PII about Individuals to unaffiliated third parties, except as may be required by law, or to service client accounts (as allowed by law in the relevant jurisdiction), or with the Individual’s express consent. If PII is provided to a third party, such third party is required to protect the confidentiality and security of this information and to use it only for its intended purpose.
 4. BlackRock may be required to disclose PII in response to lawful requests by public and regulatory authorities, including to meet national security or law enforcement requirements.
 5. BlackRock may share PII with its affiliates to service a client’s account. BlackRock may directly or through service providers use PII to provide clients with information about other products or services of BlackRock that may be of interest to them, except where local laws or client contracts prohibit such sharing.
 6. BlackRock restricts access to PII to those BlackRock employees with a legitimate business need for the information.
 7. BlackRock maintains physical, electronic and procedural safeguards that are designed to protect PII, including procedures relating to the proper storage and disposal of such information.

Individuals may contact BlackRock at any time to confirm, update or verify the PII held by BlackRock or to confirm, update or verify the purposes for which that PII may be used.