



**DISCLOSURE DOCUMENT:
FORM ADV PART 2A BROCHURE**

DW Partners, LP

September 8, 2017

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This Brochure provides information about the qualifications and business practices of DW Partners, LP. If you have any questions about the contents of this Brochure, please contact us at 212-751-6100. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

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

DW Partners, LP ("DW") is an investment adviser that is registered with the SEC. Registration with SEC does not imply a certain level of skill or training.

Item 2. Summary of Material Changes

On September 8, 2017, DW updated this Brochure to reflect the following changes that occurred since the prior update on April 27, 2017:

- Form ADV, Parts 1 and 2A were updated to reflect management changes, update Client counterparties, and update assets under management.
- Form ADV, Part 2A was updated to reflect the dissolution of DW Catalyst Fund Limited.
- Form ADV, Part 2A was updated to reflect changes to DW's CFTC/NFA Principals and Associated Persons.
- Form ADV, Part 2A was updated to clarify DW's policies and procedures with respect to investment allocations and their potential impact on performance allocations (Item 6), minimum fund investments (Item 7), employee personal trading (Item 11), brokerage practices (Item 12), client referrals (Item 14), and proxy voting (Item 17).

DW's Brochure has been updated with the following changes that have occurred since the last update of the Brochure on March 30, 2017:

- Form ADV, Part 1 was updated to reflect the applicable Private Funds' receipt of an unqualified opinion from the auditor and clarification of certain identifying information.
- Form ADV, Part 2A was updated with clarifying language to Item 5 and Item 8.

On March 30, 2017, DW's Brochure had been updated with the following changes that had occurred since the previous update of the Brochure on February 7, 2017:

- Form ADV, Part 1 was updated to reflect management changes.
- Form ADV, Part 1 was updated to reflect a new office location.
- Form ADV, Part 1 and Part 2A was updated to reflect final financial statements of the Clients as of December 31, 2016.

On February 7, 2017, DW's Brochure was updated with the following changes that had occurred since the August 10, 2016 update:

- Form ADV, Part 1 was updated to reflect management changes.
- Form ADV, Part 1 was updated to reflect new clients and a new relying adviser.
- Form ADV, Part 2A, Items 4 and 5 were updated to reflect new clients and a new relying adviser.

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Item 4. Advisory Business

(A) Operational and Organizational Information.

DW Partners, LP (“DW” or the “Firm”) is a Delaware limited partnership, and an investment adviser registered with the U.S. Securities and Exchange Commission (“SEC”). DW is also registered with the Commodity Futures Trading Commission (“CFTC”) as a commodity pool operator and is a member of the National Futures Association (the “NFA”). The Firm was founded as DW Investment Management, LP in March 2009. As of January 1, 2015, DW Investment Management, LP legally changed its name to DW Partners, LP.

Currently, DW provides discretionary advisory services to pooled investment vehicles, including DW Catalyst Master Fund, Ltd. and its related feeder funds (DW Catalyst Onshore Fund, LP and DW Catalyst Offshore Fund, Ltd.) (collectively, “DWC”); DW Value Master Fund, Ltd. and its related feeder funds (DW Value Onshore Fund, LP and DW Value Offshore Fund, Ltd.) (collectively, “DWV”); and DW CMBS Master Fund I, LP and its related feeder funds (DW CMBS Onshore Fund I, LP and DW CMBS Offshore Fund I, Ltd.) (collectively, “DW CMBS” and together with DWC and DWV, the “DW Funds”). The feeder funds typically invest through a master-feeder structure, but may invest directly and/or indirectly through other investment vehicles rather than through the master funds. DW General Partner, LLC (“DW GP”), an affiliate of DW, serves as the general partner of the DWC and DWV feeder funds that are limited partnerships. DW CMBS Fund I GP, LLC (“DW CMBS GP”), an affiliate of DW, serves as the general partner of DW CMBS Master Fund I, LP and DW CMBS Onshore Fund I, LP. DW GP and DW CMBS GP are primarily owned and controlled by David Warren.

In addition to managing the DW Funds, DW serves as one of the investment managers of the Brevan Howard Master Fund Limited (“BHMF”), Brevan Howard Multi-Strategy Master Fund Limited (“BHMS”), Corbin Opportunity Fund, L.P. (“Corbin Opportunity”), Corbin ERISA Opportunity Fund, L.P. (“Corbin ERISA”), and CCPLIC, Inc. (“CCPLIC”) (collectively with the DW Funds, BHMF, BHMS, Corbin Opportunity, Corbin ERISA, and CCPLIC are the “Clients”).

DW, DW Partners II, LP (“DW II”), a relying adviser, DW GP, a relying adviser, and DW CMBS GP, a relying adviser, have together filed a single Form ADV in reliance on the no-action letter issued to the American Bar Association, Business Law Section by the SEC on January 18, 2012 (the “ABA No-Action Letter”). Accordingly, DW II, DW GP and DW CMBS GP are not separately registered as investment advisers with the SEC, but each is considered to be a registered investment adviser by virtue of DW’s registration with the SEC. All references to DW in this Brochure are referring to DW and/or one or more of its affiliates, including the relying advisors, DW II, DW GP, and DW CMBS GP.

(B) Types of Advisory Services Offered.

DW provides discretionary investment management services for pooled investment vehicles. DW generally has broad and flexible discretionary investment authority with respect to its Clients. In order to effectuate DW’s Clients’ investment objectives, DW invests Client assets across a wide range of strategies and asset classes, in both financial assets and real assets, including, but not limited to: distressed; long/short credit and equity; event driven and special situations; securitized and structured product strategies involving a wide range of collateral including, without limitation, residential mortgages, commercial mortgages, student loans, corporate loans and derivatives, consumer loans, equipment leases and other collateral types. Similarly, DW employs multiple strategies on its Clients’ behalf including, capital structure arbitrage, credit, and structured credit strategies.

DW may advise other clients in the future, including pooled investment vehicles and separate accounts, and may provide both discretionary and non-discretionary advisory services to clients.

(C) Client Investment Guidelines and Parameters.

DW tailors its advisory services to the investment objectives and mandates of its Clients.

Investors and prospective investors in each DW Fund should refer to the confidential private placement memorandum and governing documents for each DW Fund (the “Governing Documents”) for more complete information on the investment objectives and investment restrictions with respect to a particular DW Fund.

(D) Co-Investments.

To the extent that a particular investment opportunity exceeds the desired aggregate allocation to Clients, in view of allocation considerations discussed in Item 8, DW may offer opportunities for co-investment. Co-investment opportunities may be offered to persons or firms who, due to industry expertise, or otherwise, DW believes will be of benefit to Clients and/or may provide a strategic sourcing or similar benefit to any of DW, the Clients, portfolio companies of Clients or their respective affiliates. DW may charge management fees and other fees to, or receive carried interest from, such co-investors or co-investment vehicles.

(E) Special Situations.

European Platform: DW created portfolio companies for the DW Funds in Ireland, Luxembourg, Belgium and Netherlands.

Land Banking: DW, via its affiliate, Domain Real Estate Partners, LLC, enters into land banking transactions in the US.

Commercial Lending: DW, via its affiliate, DW Commercial Finance, LLC, provides commercial lending in the US. This entity may also hold commercial and residential mortgages in trust, and issue interests in these mortgages to investors via real estate mortgage investment conduit (“REMIC”) structures.

(F) Brevan Howard.

Although Brevan Howard Capital Management LP (“BHCM”), the former manager of the DW Funds and the current manager of BHMF and BHMS, is no longer involved in the day-to-day management, it continues to have relationships with DW, DW II, DW GP, DW CMBS GP, and their respective affiliates. Notably, Brevan Howard indirectly receives a portion of DW Funds’ performance allocation via an economic rights arrangement.

(G) Wrap Fee Programs.

The Firm does not participate in wrap fee programs.

The information provided in Sections (A)-(G) above about the investment advisory services provided by DW is qualified in its entirety by reference to the relevant Client’s applicable offering and governing documents.

(H) Assets under Management.

The Firm currently manages all Client assets on a discretionary basis. The amount of Client regulatory assets under management as of June 30, 2017 is \$4,962,664,000. DW does not manage any Client assets on a non-discretionary basis.

Item 5. Fees and Compensation

(A) Generally.

DW receives compensation for managing assets for its Clients based on the total net value of the assets under management and/or the performance achieved for each Client’s account. With respect to the DW Funds, DW generally receives a management fee (the “Management Fee”) that is payable monthly in arrears, equal to an annual rate of between 0.25% (DW CMBS), 1% (DWV), 1.5% (DWV and DWC) and 2.0% (DWC) of net assets.

Generally, at the end of each fiscal year, DW receives an annual performance allocation equal to between 15% (DWV) and 20% (DWC and DW CMBS) of the amount by which the net value of each account as of the end of each calendar year exceeds the net value of the account as of the beginning of the year, if any, subject to a “high water mark” (the “Incentive Allocation”). DW has the ability to reduce the fees charged to an investor based on certain variables, including size of investment into the DW Funds.

DW has the ability to waive, reduce or rebate the Management Fee or Incentive Allocation attributable to any investments held by or on behalf of any other party, including, without limitation, any employee, agent or affiliate of DW.

It should be noted that partners, employees and certain affiliates of DW currently invested in the Funds are not charged such fees and/or performance allocations.

The information on fees described above is meant to be a summary only and is qualified in its entirety by the relevant Fund’s Governing Documents.

(B) Compensation Deduction.

All compensation described above is deducted automatically from DW Clients’ accounts pursuant to their Governing Documents.

(C) Allocation of Fees and Expenses.

From time to time DW will incur fees, costs and expenses on behalf of multiple Clients. DW endeavors to allocate such fees, costs and expenses on a fair and reasonable basis. To the extent such fees, costs and expenses are incurred for the account or benefit of more than one Client, each Client will typically bear an allocable portion of any such fees, costs, and expenses in proportion to the size of its investment in the activity or entity to which the expense relates (subject to the terms of each Client’s applicable governing documents) or in such other manner as DW considers fair and reasonable.

Portfolio securities are normally purchased through brokers on securities exchanges, directly from the issuer or from an underwriter or market maker for the securities. Fees or expenses incurred in connection with such transactions include, but are not limited to, transaction costs, commissions, brokerage commissions, clearing and settlement charges, borrowing charges on securities sold short, interest on borrowings, including borrowings from brokers and custodians, tax preparation expenses, audit and tax preparation expenses, communication expenses with respect to investor services, administrative expenses, legal expenses, compliance and regulatory expenses, litigation and indemnification expenses, servicer expenses, any issue or transfer taxes or fees in connection with securities transactions, any foreign withholding taxes, legal and/or rating agency fees incurred for specific transactions, exchange fees and charges, bank account charges, and custodial services and will be paid out of the assets of the Fund. At times, however, one Client will bear all expenses for a particular investment because DW expects it to be the only client investing in the opportunity, but DW later will determine that other clients should participate. When practicable, DW will reallocate some expenses to the newly participating Clients.

For certain investment opportunities, DW will engage with joint venture partners (“JVPs”) that provide opportunistic benefits to the DW Funds via knowledge, capital or location. In certain of those instances, the JVPs will either directly offer services in the maintenance of investment opportunity or offer such maintenance through an affiliated third party. Such services include property management, field oversight or other services particular to an investment. In these instances, JVPs will receive compensation as owners or financiers of the investment opportunity. Separately, these JVPs or their affiliates will receive direct compensation from the DW Funds for services provided in maintaining the investment opportunity. DW, as investment manager, carefully selects each JVP and service provider and maintains oversight of these relationships to ensure that DW Funds are treated fairly.

For additional information on brokerage transactions and costs, please see Section 9: Brokerage Practices.

DW bears its own operating, general, administrative and overhead costs and expenses, other than the expenses borne by the DW Funds or other Clients.

(D) Fees Paid in Advance.

DW does not permit Clients to pay any fees in advance.

(E) Supervised Person Accepts Compensation For the Sale of Securities or Other Investment Products.

Neither the Firm nor any of DW's principals or employees receives any transaction-based compensation for the sale of securities or other investment products.

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

As set forth in Item 5, DW is entitled to receive an Incentive Allocation or Incentive Fee (together, "Incentive Compensation") for its investment management services based upon a percentage of the Clients' net profits. The Incentive Compensation creates certain conflicts of interest with respect to DW's management of assets. DW has differing compensation arrangements among its Clients. DW faces conflicts of interest with respect to its Clients because of these varying fee schedules. As a fiduciary, DW focuses on acting in the best interests of *each* of its Clients. DW's policies and procedures are designed to identify and mitigate any conflicts of interest. Specifically, DW addresses any potential conflicts of interest relating to its varying fee schedule by adhering to its trade allocation policy which sets forth objective factors for determining how to allocate investment opportunities among Clients. Any deviation from the specific procedures set forth in the trade allocation policy is memorialized in writing and overseen by DW's Chief Compliance Officer ("CCO").

Some DW personnel directly invest in one or both of the DWV and DWC feeder funds. In addition, DW invests a portion of some of the employees' deferred compensation in those feeder funds, and DW determines how much of an officer's or employee's deferred compensation is invested in a particular feeder fund. DW personnel are not charged Incentive Compensation on their assets or deferred compensation invested in a Client.

Item 7. Types of Clients

DW provides investment advice to investment funds which are pooled investment vehicles.

The minimum initial investment amount for the DWC and DWV funds is \$5,000,000. The minimum initial investment amount for DW CMBS is \$50,000,000. Each fund may, in its discretion, accept lesser amounts.

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

(A) Generally.

DW employs a combination of relative value and long/short trading strategies, particularly focusing on the corporate credit, mortgage-backed and asset-backed securities markets, though DW does trade in a variety of instruments, including real property, which is not a security. Depending on Client goals and objectives, DW seeks outright price appreciation of securities and relative price appreciation of a security when compared to another, and/or a high expected yield/ return. DW concentrates its Clients' investments in developed markets. While DW trades heavily in U.S. markets, DW may also trade credit-related securities in global markets.

DW often attempts to achieve its Clients' investment goals by identifying catalysts that DW believes will yield price appreciation over a foreseeable time period. Some of the catalysts DW seeks to identify include

corporate earnings, corporate events, company defaults, mortgage cash flows, prepayments, losses or other events that DW believes will cause market prices to move in line with its expectations. In selecting investments for its Clients, DW conducts fundamental and broad technical analyses of the credit markets. Specifically, DW engages in a macro analysis of the credit markets as a whole, relative value analysis of one credit to another and micro analysis of individual companies and securities.

Despite DW's analyses, investing in any securities involves a risk of loss that the Clients or any of the investors in the Clients must be prepared to bear. DW purchases many bonds at substantial discounts to par value. These bonds trade at substantial discounts because there is great uncertainty both as to when or if principal will be repaid to its Clients. In many cases, DW does not expect bonds it purchases to return 100% of principal. DW has used credit default swap indices extensively, both as hedges and to express outright views on various markets. Credit default swaps, however, can be highly volatile, incorporate leverage, and expose investors to a high risk of loss, including, without limitation, market risk, liquidity risk, the risk of non-performance by the counterparty, including, without limitation, risks relating to the financial soundness and creditworthiness of the counterparty, legal risk and operations risk. DW may also purchase and sell equity securities, trade claims, convertible bonds, futures, and options. None of the prior investments is without risk. Generally, the value of equities and equity derivatives will vary with the performance of the issuer and movements in the equity markets. Trade claims, money owed by a company to a supplier of goods and services, among other risks may not have any maturity date, may be secured or unsecured and payment is subject to the risk of loss in case of default or insolvency of the borrower. Convertible securities are subject to increased interest rates. Futures contracts may be influenced by a broad variety of market, economic and issuer-specific events and risks, many of which may be difficult to predict or assess. Finally, options may result in loss of the premium paid for the option and may be highly volatile.

(B) Risks.

The investment process integrates risk management closely with portfolio construction and investment selection. Strategy allocations are determined based on criteria such as perceived risk and return potential of investments, diversification, correlation, and liquidity. Risk management tools are applied at the individual position and portfolio level based on principals such as position size, estimated potential loss, correlation to other portfolio positions and to broader markets, expected holding period, liquidity profile, issuer/sector/geographic exposures, etc. DW consistently pays careful attention to the risk of loss and attempts to moderate these risks. However, DW is unable to assure its Clients of the success of its investment and trading activities or that Clients will not suffer losses. In the following pages, DW details many of the various strategies it utilizes in advising its Clients, some of the important risks associated with these strategies, and a number of the products DW has used or may use to achieve its Clients' goals.

The following explanation of certain risks is not meant to be exhaustive, but rather highlights some of the more significant risks involved in its investment strategies:

Investment Judgment and Market Risk: The success of DW's investment programs depends, in large part, on correctly assessing the future price movements. DW's investment process integrates risk management closely with portfolio construction and investment selection. DW bases strategy allocations on criteria such as perceived risk and return potential of investments, diversification, correlation, and liquidity. DW employs risk management tools at the individual position and portfolio level based on principals such as position size, estimated potential loss, correlation to other portfolio positions and to broader markets, expected holding period, liquidity profile, issuer/sector/geographic exposures, etc. DW cannot, however, guarantee that it will be able to accurately predict these price movements or the success of its investment or risk management programs. Investments in securities and other financial instruments involve a degree of risk and the entire investment may be lost.

Trading Risk: The use of derivatives, leverage, short sales and option trading can, in certain circumstances, substantially exacerbate the impact of unfavorable price movements on DW's Clients' investments. Short sales

may have unlimited downside. Also, changes in the general level of interest rates may negatively affect the Clients' results.

Financial Markets and Regulatory Change: Global financial market instability has heightened the risks associated with hedge fund investment activities and operations, including increased risks resulting from a reduction in the availability of credit, a decrease in market liquidity and an increased risk of bankruptcy of third parties with which DW works. Over recent years, market disruptions and the increase in capital allocation to alternative investment vehicles have led to increased government scrutiny, intervention and regulation over the alternative investment asset management industry. Additionally, the laws and regulations affecting business continue to evolve unpredictably. Laws and regulations applicable to DW and its Clients, especially those involving taxation, investment and trading, can change quickly and unpredictably in a manner adverse to DW or its Clients' interests. It is possible that the global financial markets may undergo further fundamental disruptions in the future, which could result in renewed intervention and increased regulation of the financial markets.

Cybersecurity: A cyber incident is considered to be any adverse event that threatens the confidentiality, integrity or availability of DW's information systems. These incidents may be an intentional attack or an unintentional event and could involve gaining unauthorized access to information systems for purposes of misappropriating assets, stealing confidential information, corrupting data or causing operational disruption. As part of its business, DW stores and transmits large amounts of electronic information, including information relating to Client transactions and personally identifiable information of investors. Similarly, DW's service providers may process, store and transmit such information. DW has procedures and systems in place that it believes are reasonably designed to protect such information and prevent data loss and security breaches. However, such measures cannot provide absolute security. The techniques used to obtain unauthorized access to data, disable or degrade service, or sabotage systems change frequently and may be difficult to detect for long periods of time. Hardware or software acquired from third-parties may contain defects in design or manufacture or other problems that could unexpectedly compromise information security. Network connected services provided by third-parties may be susceptible to compromise, leading to a breach of DW's network. DW's systems or facilities may be susceptible to employee error or malfeasance, government surveillance, or other security threats. Online services provided to investors may also be susceptible to compromise. Breach of DW's information systems may cause information relating to Client transactions or personally identifiable information of investors to be lost or improperly accessed, used or disclosed. DW's service providers are subject to the same electronic information security threats as DW. If a service provider fails to adopt or adhere to adequate data security policies, or in the event of a breach of its networks, information relating to Client transactions and/or personally identifiable information of investors may be lost or improperly accessed, used or disclosed. The loss or improper access, use or disclosure of DW's proprietary information may cause, among other things, financial loss, the disruption of business, liability to third-parties, regulatory intervention or reputational damage. Any of the foregoing events could have a material adverse effect on DW and/or its Clients.

Allocation of Investments: DW strives to allocate investment opportunities among their Clients in a manner that is fair and equitable, and it has established detailed policies and procedures to guide the determination of such allocations. Those policies and procedures seek to mitigate the potential that DW will allocate investment opportunities to Clients in a self-interested manner. There can be no assurance, however, that the allocation policies will result in the allocation of a specific investment opportunity to all Clients or that a Client will participate in all investment opportunities falling within its investment objective.

Catalyst-Driven Investing: Catalyst-driven investing involves buying or selling securities of companies that are going through, or are expected to go through, substantial changes.

The fact that certain of the companies in whose securities DW invests are in transition, out of favor, financially leveraged or troubled, or potentially troubled, and may be or have recently been involved in major strategic actions (for example, a merger or a tender offer), restructurings, bankruptcy or reorganization, means that their securities are likely to be particularly risky investments. These companies' securities are speculative, and

the ability of these companies to pay their debts on schedule could be affected by adverse interest rate movements, changes in the general economic climate, economic factors affecting a particular industry, or specific developments within the companies.

Catalyst-driven investing requires making predictions about (1) the likelihood that an event will occur and (2) the impact such event will have on the value of a company's securities. If the event fails to occur or its effect was not foreseen, losses can result. For example, a company's adoption of new business strategies, completion of asset dispositions or debt reduction programs may not be valued as highly by the market as anticipated, resulting in losses. In addition, a company may announce a plan of restructuring which promises to enhance value and fail to implement it, resulting in losses to investors. In liquidations and other forms of corporate reorganizations, the risk exists that the reorganization may (1) be unsuccessful, (2) be delayed or (3) result in a distribution of cash or a new security, the value of which will be less than what DW paid for it. The inherently speculative nature of catalyst-driven investing, leads to fluctuating investment results from one period to the next. Accordingly, the results of a particular period will not necessarily be indicative of results that DW expects to obtain in future periods.

Corporate Bonds: A primary focus of DW's investment strategy consists of investing in corporate bonds and their derivatives. Corporate bonds generally provide periodic interest and the eventual return of the principal at the end of the term. The values of corporate bonds and their derivatives, like other credit-based securities, change in response to interest rate fluctuations and market perception of an issuer's ability to pay off its obligations. Corporate bonds are also subject to the risk that their issuer may be unable to make interest or principal payments on its obligations.

DW invests in corporate bonds with investment grade ratings and with below-investment grade ratings, as well as "distressed" corporate bonds and bonds of companies emerging from a restructuring, all discussed below.

Credit Default Swaps: Utilizing credit default swaps is a major component of DW's investment strategy. DW may enter into credit default swaps with respect to corporate debt, mortgage-backed securities, asset-backed securities or indices referencing portfolios of these securities. A credit default swap is a contract between two parties under which they both agree to isolate and separately trade the credit risk of at least one third-party entity. Essentially, the buyer of a credit default swap receives credit protection, and the seller of the swap guarantees the creditworthiness of the third-party entity. The market for credit default swaps is unregulated, and the contracts may be frequently traded so that the identities of the ultimate obligors are not clear. The possibility also exists that the counterparty may not have the financial strength to abide by the contract's provisions. The leverage involved in many credit default swap transactions, and the possibility that a widespread downturn in the market could cause massive defaults and challenge the ability of risk-buyers to pay their obligations, add to the uncertainty of an investment in these instruments.

High Yield, Low-Rated or Unrated Securities: Debt securities (including bonds) in which DW invests on behalf of the Clients may or may not be rated by credit rating agencies. If they are rated, their ratings may range from the very highest to the very lowest. Bonds with ratings below investment grade are sometimes colloquially called 'junk bonds'. Securities rated below investment grade normally provide a yield that is significantly higher than that of investment grade securities, but are quite speculative for reasons enumerated below. The lower-rated categories include debt securities that are in default and debt securities of insolvent issuers. The rating that a credit rating agency assigns to a security does not reflect an assessment of the volatility of the security's market value or the liquidity of an investment in the security. The values of lower-rated securities (including unrated securities of comparable quality) generally fluctuate more than those of higher-rated securities because investors generally believe that there are greater risks associated with them. In addition, the lower rating reflects a greater possibility that the financial condition of the issuer, adverse changes in general economic conditions, or an unanticipated rise in interest rates may impair the ability of the issuer to make payments of principal and interest. The inability (or perceived inability) of issuers to make timely payment of interest and principal would likely make the values of DW's Clients' securities more volatile and could limit its ability to sell the securities at prices approximating the values DW had placed on the securities. In general, the

market for lower-rated or unrated securities is smaller and less active than that for higher-rated securities, which can adversely affect DW's ability to sell these securities at favorable prices. In addition, the market prices of lower-rated securities are likely to be more volatile because: (1) an economic downturn or increased interest rates may have a more significant effect on the yield, price and potential for default; (2) past legislation has limited (and future legislation may further limit) investment by certain institutions in lower-rated securities or the tax deductibility of the interest by the issuer, which may adversely affect the value of the securities; and (3) it may be difficult to obtain information about financially or operationally troubled issuers. DW will not necessarily dispose of a security when its rating is reduced below its rating at the time of purchase.

Distressed Debt and Securities: Distressed debt refers to bonds and other forms of securities issued by a company that is undergoing bankruptcy or reorganization or is likely to do so in the near future. As discussed above, distressed bonds will often have low ratings. The debt securities of distressed corporations are sometimes overly discounted by the market, as risk adverse investors tend to sell securities due to an actual or potential bankruptcy filing. These situations can create attractive buying opportunities for investors specializing in valuing distressed securities. DW purchases these instruments on behalf of its Clients with the anticipation that the company will emerge from its financial difficulties and become profitable again. In the interim, the purchase of the debt may allow the shareholders or bondholders to participate actively in the process of reorganizing the company as it attempts to position itself for a return to profitability. The risk of investing in distressed debt and securities is that the subject company's projected performance never takes place. When this is the case, the securities that DW buys on behalf of its Clients may become worth less than the amount initially paid for them, resulting in a loss. In addition, when investing in distressed debt, the amount and timing of payments, if any, by the debtor can be uncertain. Receiving late or incomplete loan payments can adversely affect DW's Clients' return.

Significantly, on DW's Clients' behalf, it may participate more actively in the affairs of a distressed issuer than is typical of investors. A heightened level of involvement may make DW's Clients more vulnerable to litigation risks or prevent them from being able to sell their securities at certain times.

Post-Reorganization Securities: Investing in securities issued by companies that have just experienced a reorganization may entail a higher degree of risk than investing in securities of companies that have not undergone a reorganization or restructuring. Specifically, post-reorganization securities may be subject to heavy selling and/or downward pricing pressure after completing a reorganization or restructuring. If DW's expected outcome of a reorganization or restructuring proves incorrect, the Clients may experience a loss.

Collateralized Debt Obligations: Generally, collateralized debt obligations ("CDOs") are limited recourse obligations of the CDO issuer, linked to the performance of an underlying pool of debt instruments held by the CDO issuer ("Collateral"). CDO pools are split into different risk classes, or tranches, with "senior" tranches being the least risky and junior tranches being the most risky. Interest and principal payments are made in order of seniority, so that junior tranches cost less and get paid more to compensate for additional risk. DW may invest in CDOs backed by a pool of debt instruments and derivatives on debt instruments and may also trade in a wide range of other CDO products, including, without limitation, high yield CDOs, CDOs of CDOs and CDOs of asset-backed securities. CDO security holders only receive payment when the underlying borrowers make payments, otherwise the holders have no other recourse against the pool. Consequently, if distributions or proceeds from the Collateral are insufficient to make such payment, no other assets will be available for the payment of such deficiency. The concentration of Collateral in any one obligor will subject the Clients to a greater degree of risk with respect to the default of such obligor and the concentration of Collateral in any one industry or geographic region will subject DW's Clients to a greater degree of risk with respect to economic downturns relating to such industry or region.

CDOs often consist of concentrated portfolios of assets. The concentration of an underlying pool in any one borrower would subject the collateralized debt obligation to a great degree of risk should the borrower default. Similarly, the concentration of a pool in any one industry would subject the collateralized debt obligation to a great degree of risk should the industry experience an economic downturn.

The value of CDOs generally fluctuates with, among other things, the financial condition of the borrowers of the underlying assets, general economic conditions, the condition of certain financial markets, political events, developments or trends in any particular industry and changes in interest rates.

Finally, the underlying obligations that form CDOs are often given poor ratings by credit rating agencies. The lower ratings, as previously explained, reflect a greater possibility that adverse changes in an obligor's financial condition and/or in general economic conditions could affect the obligor's ability to make payments of principal or interest.

Bank and Participation Loans: DW may invest in bank loans and participation loans on behalf of its Clients. Participation loans are large loans made by multiple lenders to a single borrower. These positions may be illiquid and difficult to value. In addition, in the case of such trading, DW may come into possession of material non-public information relating to the borrower, preventing the Clients from trading in any securities of such issuer. When investing in loans, there is always a risk that the borrower may default.

Investing in these loans involves unique risks such as: (1) lender-liability claims, which are claims under which borrowers allege that their lenders are not treating them fairly; (2) environmental liabilities that may arise with respect to collateral securing the loans; (3) limitations on its Clients' abilities to enforce their rights with respect to participation loans; and (4) the possible invalidation of an investment transaction as a fraudulent conveyance to defer, hinder or defraud creditors under creditors' rights laws. DW's Clients will generally bear the costs of successful claims by third parties that arise from these and other risks. Because of the private syndication of loans and the unique and customized nature of loan agreements and the confidential information about the borrower that they contain, loans are not as easily purchased or sold as publicly traded securities. However, as the secondary market for loans continues to grow, new loans are increasingly adopting standardized documentation to facilitate loan trading. This may improve loan market liquidity. Nevertheless, there can be no assurance that future levels of supply and demand in loan trading will provide an adequate degree of liquidity or that the current level of liquidity will continue.

Convertible Bonds: Convertible bonds are bonds that can be converted into or exchanged for a specified amount of common stock of the same or a different issuer within a particular period of time at a specified price or formula. The holder of a convertible bond typically receives interest or a dividend until the security matures or is converted or exchanged. Convertible bonds are unique in that they generally: (1) have higher yields than common stocks, but lower yields than comparable non-convertible securities; (2) are less subject to fluctuation in value than the underlying security due to their fixed-income characteristics; and (3) provide potential for capital appreciation if the market price of the underlying security increases.

The value of a convertible security is a function of its "investment value" and its "conversion" value. A convertible security's investment value is determined by its yield in comparison to yields of other securities of comparable maturity and quality that do not have a conversion privilege. Changes in interest rates influence a convertible security's investment value. Investment values decline as interest rates increase and vice versa. The issuer's credit standing and other factors may also affect the convertible security's investment value. A convertible security's conversion value is determined by the market price of the underlying security. If the conversion value is low relative to the investment value, then the investment value principally governs the price of the convertible security. As the market price of the underlying security approaches or exceeds the conversion price, the conversion value will increasingly influence the price of the convertible security.

Convertible securities may be convertible only upon the occurrence of certain contingencies. If these contingencies fail to occur, this could also adversely affect DW's Client's ability to achieve its investment objective.

Convertible bonds may be subject to redemption at the issuer's option. If one of DW's Clients' accounts holds a convertible bond that its issuer redeems, this could adversely affect its Client's ability to achieve its investment objective.

Investing in Loans Generally: When investing in any type of loan, there is always the risk that a borrower made a material misrepresentation or omission in the process of obtaining the loan. This inaccuracy or incompleteness can adversely affect the valuation of the collateral underlying the loan and/or can adversely affect DW's ability to perfect or effectuate a lien on the collateral securing the loan.

Trade Receivables and Trade Claims: Trade receivables are obligations backed by the amounts due to a business from another company for the sale of goods or services. However, they are unsecured in that there is no underlying hard asset that can be repossessed in the event of non-payment. Two key features of trade receivables investments are that they are short term (typically a 60-day or less turn around) and non-interest bearing. Trade claims are unsecured rights of payment arising from obligations other than borrowed funds. Trade claims include vendor claims and other receivables that are adequately documented and available for purchase. The performance of trade receivables and trade claims depends in part on the obligor's current financial condition, competitive position in its industry and strategic direction. Investors in trade receivables and trade claims are also exposed to the risk of dilution, which occurs when the amounts invoiced by the obligor are reduced for reasons other than payment or default (for example, the return of goods, invoice errors, product disputes over quantity, quality or delivery). Finally, as with all debt investments, there is always a risk that the obligor may default on its payments.

Residential Mortgage-Backed Securities: Residential mortgage-backed securities are interests in packages of mortgage loans backed by residential property. Holders of residential mortgage-backed securities bear various risks, including credit, market, interest rate, structural and legal risks. Residential mortgage loans are the borrowers' obligation only and are not typically insured or guaranteed by any other person or entity. The rate of defaults and losses on residential mortgage loans is affected by a number of factors, namely general economic conditions and economic conditions in the area in which the property is located, the borrower's equity in the mortgaged property and the borrower's financial circumstances. If a residential mortgage loan defaults, foreclosure may be a lengthy, difficult and expensive process. Furthermore, the market for defaulted residential mortgage loans or foreclosed properties may be quite limited.

At any one time, a portfolio of residential mortgage-backed securities may be backed by loans with disproportionately large principal amounts secured by properties in only a few states or regions. As a result, these loans may be more susceptible to geographic risks, such as adverse economic conditions, adverse events affecting local industries and natural hazards, than would be the case for a package of mortgage loans having more diverse property locations.

Commercial Mortgage-Backed Securities: Commercial mortgage-backed securities are interests in packages of mortgage loans that are backed by commercial property, such as apartments and retail shops. Typically, mortgage loans on commercial properties are structured so that a substantial portion of the loan principal is payable at maturity (rather than during the course of the loan term). Thus, repayment of the loan principal often depends on the future availability of real estate financing and/or the future value and salability of the real estate. If real estate financing is unavailable at that time or borrowers are unwilling to refinance or dispose of encumbered property to pay off the loans, the loans may default.

Most commercial mortgage loans underlying mortgage-backed securities are non-recourse obligations, which means that there is no recourse against the borrower's assets other than confiscating and selling the property (foreclosure). Foreclosure can be costly and delayed by litigation or bankruptcy. Factors such as the property's location, the legal status of title to the property, the property's physical condition and financial performance, environmental risks, and governmental disclosure requirements with respect to the property's condition may reduce the likelihood that a third party will purchase the property at a foreclosure sale or pay a price sufficient to satisfy all of the borrower's obligations. In addition, the borrower may retain revenues from the underlying property or use the revenues to pay others. Generally, diverted revenue cannot be recovered without a court-appointed receiver to control cash flow related to the property.

Asset-Backed Securities: Asset-backed securities are securities backed by assets other than mortgages or other mortgage-related assets. Credit card receivables, automobile and recreational vehicle loans, student

loans, equipment leases, commercial and industrial bank loans, home equity loans and lines of credit, manufactured housing loans, royalty streams and various types of accounts receivable commonly support asset-backed securities. Asset-backed securities present certain risks that are not presented by mortgage-backed securities. Primarily, asset-backed securities do not have the benefit of the same security interest in the related collateral. Credit card receivables, for example, are generally unsecured and credit card debtors are entitled to the protection of a number of state and federal consumer loan laws, many of which give debtors the right to set off certain amounts owed on the credit cards, reducing their balance due. The risk of investing in asset-backed securities is ultimately dependent upon payment of consumer loans by the debtor.

The collateral supporting asset-backed securities is usually of shorter maturity than mortgage loans and is less likely to experience substantial prepayments. The value of an asset-backed security is affected by changes in the market's perception of the assets backing the security and the creditworthiness of the servicing agent for the loan pool, the originator of the loans or the financial institution providing any credit enhancement, as well as by the expiration or removal of any credit enhancement.

Municipal Bonds: A municipal bond is a debt security issued by a state, municipality or county to finance its capital expenditures. Municipal bonds are generally exempt from federal taxes and from some state and local taxes.

The ability of municipal issuers to make timely payments of interest and principal may be diminished during general economic downturns and as governmental cost burdens are reallocated among federal, state and local governments. State constitutions or laws may limit the taxing powers of any governmental entity and an entity's credit will depend on many factors, including the entity's tax base, the extent to which the entity relies on federal or state aid, and other factors beyond the entity's control.

Municipalities are subject to a particular chapter of the U.S. Bankruptcy Code which generally provides for fewer creditors' rights than those typically afforded to creditors of businesses. In addition, revenue bonds issued by municipalities to finance the development of low-income, multi-family housing involve distinct risks in addition to those associated with municipal securities generally.

Leverage/Borrowing: DW may borrow against the assets of its Clients when DW believes that the proceeds from doing so will exceed the interest paid on the borrowing. Borrowing involves risk to DW's Clients because the interest on the borrowed amount may be greater than the income from or increase in the value of the securities purchased with the borrowed amount. Also, the value of the securities purchased with the borrowed amount can decline below the amount borrowed.

Ultimately, to the extent DW employs leverage, its Clients' assets will tend to increase or decrease at a greater rate than if DW did not utilize borrowed money.

Margin Transactions: To increase their buying power, sometimes DW engages in margin transactions on behalf of its Clients. Trading on margin is a form of leverage. Specifically, when DW trades on margin, its Clients are borrowing from a broker to purchase more securities than they otherwise would be able to with their initial cash investment. The securities purchased on margin serve as collateral for the broker's loan. Trading on margin is risky because it not only can increase gains, but also can amplify losses to the point where a Client may lose more than its initial investment.

DW may employ short-term margin borrowing, which can be especially risky. For example, should the collateralized securities decline in value, a Client could be subject to a "margin call," under which it must either deposit additional funds or securities with the broker or sell the pledged securities to compensate for the decline in value. If the value of a Client's assets suddenly drops, DW might not be able to liquidate the Client's assets quickly enough to satisfy its margin requirements.

Hedging Transactions: DW often engages in hedging transactions on behalf of the Clients. Hedging techniques aim to reduce a portfolio's vulnerability to various risks by making trades to offset those risks. For instance, if

DW buys stock in a company, DW may also short the stock of a competitor company. Hedging against a decline in the value of a portfolio position does not eliminate fluctuations in the values of portfolio positions or prevent losses if the values of such positions decline, but rather it establishes other positions designed to gain from those same developments, moderating the decline in the portfolio positions' value. On the other hand, hedging transactions also limit the opportunity for gain if the value of the portfolio position should increase.

The success of a Client's hedging strategy is subject to DW's ability to assess correctly the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the investments in the portfolio being hedged. DW may not anticipate all risks, it may choose not to hedge against certain risks, it may not choose the right variable to hedge against, and certain risks cannot be hedged.

DW may hedge with instruments including, but not limited to, options, futures contracts, forward contracts, swaps, and currencies. It may also engage in short selling.

Futures: A future, also known as a futures contract, is a contractual agreement to buy or sell a particular commodity or financial instrument at a pre-determined price in the future. At times, futures may be illiquid investments because certain commodity exchanges limit fluctuations in particular futures contract prices during a single day. Once the price of a futures contract has increased or decreased by an amount equal to the daily limit, that contract cannot be traded unless traders are willing to trade it within that limit. This could prevent us from promptly selling unfavorable contracts and thus would subject DW's Clients to substantial losses. There is also the risk that an exchange or the Commodity Futures Trading Commission may suspend trading, order immediate liquidation or settlement in a particular contract. This could also prevent us from promptly selling unfavorable contracts.

Specifically, DW may invest in Eurodollar futures. Eurodollars are U.S.-dollar denominated deposits at foreign banks or foreign branches of U.S. banks. Eurodollar futures contracts enable purchasers to obtain a fixed rate for the lending of funds and sellers to obtain a fixed rate for borrowing funds. The final settlement of Eurodollar futures is based on the LIBOR (London Interbank Offered Rate).

DW may also purchase and sell futures contracts based on major stock indices, such as the S&P 500. A stock index fluctuates with changes in the market values of the stocks included in the index. Accordingly, the success of futures on stock indices is subject to its ability to correctly predict movements in the direction of the stock market generally or of a particular industry or market segment.

Forwards: A forward, or a forward contract, is a contract between two parties to buy or sell an asset at a specified future date at a price agreed upon at the time the contract is made. It is very similar to a futures contract, except forward contracts are negotiated privately and are not traded on an exchange, and thus are not subject to limitations on daily price moves. The secondary market for forwards is limited, which means they may be difficult to sell should they become unfavorable for DW's Clients.

Options: There are certain risks associated with the sale and purchase of options. DW may, on behalf of its Clients, invest in call and/or put options. Call options are the right to buy a security at a certain price within a defined time period. Put options are the right to sell a security at a certain price within a defined time period. A buyer of either type of option assumes the risk of losing its entire investment in the option. A buyer of a call option risks losing its investment if the particular security does not reach the designated price plus the cost of the option within the set time period. A buyer of a put option risks losing its investment if the particular security does not decline enough to reach the designated price less the cost of the option within the set time period. A writer of a put option risks significant loss as the value of the particular security declines, and a writer of a call option risks unlimited loss as the value of the particular security increases.

DW may trade options over-the-counter, instead of on an exchange. The risk of nonperformance by opposing parties on over-the-counter options is typically greater than the risk of nonperformance on exchange-traded options. Also, options not traded on exchanges are not subject to the same level of government regulation as

are exchange-traded instruments, and many of the protections afforded to participants in a regulated environment may not be available in connection with over-the-counter transactions.

Not only will DW buy and sell traditional equity stock options on behalf of its Clients, but DW may buy and sell options on any of the instruments that it discusses in this section.

Interest Rate Swaps: An interest rate swap is a contract between two parties under which parties exchange interest rates on a principal amount. The principal amount is never exchanged but is used to calculate each party's interest payments. For example, A pays B a fixed rate of interest on the principal and B pays A a variable rate of interest on the principal. There is always the risk that interest rates will move in an unanticipated direction, which could result in losses to DW's Clients. The risk also exists that the other party will default and be unable to complete the contract, which would also result in losses.

Equity Securities: DW may buy equity securities, seeking to profit from both security selection and thematic sector or market timing decisions. The value of these investments will generally vary with the issuer's performance and movements in the equity markets. Consequently, DW's Clients may suffer losses if they purchase equity instruments of issuers whose performance diverges from expectations or if equity markets generally move in a downward direction and DW has not successfully hedged against such a move (see above for an explanation of hedging).

Short Selling: Short selling of securities occurs when DW borrows securities, promising to buy them at a later date. If the price drops, DW can buy the securities at the lower price and make a profit on the difference. If the price of the securities rises, DW must buy them back at the higher price, and the investment loses money. Buying the securities can itself cause the price of the securities to rise further, which would exacerbate the potential for loss.

Global Securities: DW buys and sells securities issued outside of the United States for its Clients' accounts. Investing in global securities involves certain risk factors not typically associated with investing in U.S. securities, such as fluctuation between exchange rates and currency conversion costs. DW's investment theses may be successful in the relevant local currency, yet its Clients may nevertheless suffer losses in terms of U.S. dollars if currencies move in ways that DW does not anticipate.

In addition, there may be less information available regarding global securities because companies and governments in other countries may have different standards of accounting, auditing and financial reporting compared to those in the U.S. There also might be a greater risk of political, social or economic instability and the possibility that withholding or other taxes may be imposed on DW's Clients' income. DW also may have less familiarity with legal systems in other countries.

Emerging Markets: Investment in the securities of issuers based in emerging markets involves a greater degree of risk than an investment in securities of issuers based in more developed countries. Among other things, emerging market securities investments may carry the risks of less publicly available information, more volatile markets, less strict securities market regulation, less favorable tax provisions, legal limits on foreign investment in local securities, the inexperience of financial intermediaries, a lack of modern technology and a greater likelihood of severe inflation, the possibility of temporary or permanent termination of trading, unstable or not freely convertible currency, war, corruption, expropriation of personal property and social, political and economic instability generally.

Currencies: DW may, on behalf of its Clients, enter into transactions to purchase or sell one or more currencies to hedge a currency exposure created by other investment activities. Because currency control is of great importance to the issuing governments and influences economic planning and policy, purchases and sales of currency and related instruments can be negatively affected by government exchange controls, blockages, and manipulations or exchange restrictions imposed by governments. These can result in losses to DW's Clients.

Illiquid Investments: DW may, from time to time, make investments that are illiquid at the time of purchase or subsequently become illiquid. Illiquid investments are investments that are not heavily traded and cannot easily be converted to cash, including real property. If any Client requires cash and needs to sell illiquid investments at an inopportune time, DW might not be able to sell such investments at prices that reflect DW's assessment of their value or the amount paid for them. The sale of restricted and illiquid securities often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than does the sale of securities eligible for trading on national securities exchanges or in over-the-counter markets.

Limited Number of Investments: DW's Clients may only participate in a limited number of investments. Consequently, the success of each of those Clients could be substantially adversely affected by the unfavorable performance of a single investment.

Short-Term Debt: Client assets not being utilized to effectuate the above strategies may be held in custody or placed in money market instruments, such as U.S. treasury bills and short-term certificates of deposit. Money market instruments typically do not carry much risk of loss; however, their potential for gain is negligible when compared to other strategies mentioned above.

Valuation: Valuation of illiquid investments may involve uncertainties and judgmental determinations. If such valuations should prove to be incorrect, Clients could be adversely affected. Independent pricing information may not at times be available or may be difficult to obtain with respect to certain of the Illiquid Investments. Accordingly, certain illiquid investments may be subject to varying interpretations of value and, in such cases, the value of an illiquid investment may be determined by, among other things, utilizing mark-to-market prices provided by dealers and pricing services and, if necessary, through relative value pricing. DW is entitled to rely, without independent investigation, upon pricing information and valuations furnished to it by third parties, including pricing services. Valuations of illiquid investments may not be indicative of what actual fair market value would be in an active, liquid or established market. There is no guarantee that the value attributable to an illiquid investment, as determined by DW, will represent the value that will be realized on the eventual disposition of such an investment.

Specific Investments: DW may allocate specific investments among the participating feeder funds and other participating investors in any manner which it, as applicable, considers to be fair and/or efficient under the circumstances and otherwise in accordance with its allocation policies as in effect from time to time. Without limitation of the generality of the foregoing, and subject to exceptions, DW will typically seek to allocate specific investments among the participating feeder funds on a *pro rata* basis, based on relative net asset values measured at the time of such specific investment. However, specific investments may be allocated on a non-*pro rata* basis for a variety of reasons, including without limitation, to the extent any feeder funds are excused from participating in specific investments as a result of tax, change in capital, risk, legal, regulatory or other issues. DW may, in its sole and absolute discretion, periodically rebalance the interests of the participating feeder funds in any specific investments in instances in which DW determines that it would be appropriate to do so. Note that any such rebalancing could result in adverse tax consequences for investors. It is important to note that as a result of any specific investments, as well as other factors including use of cash, different allocation proportions among the feeder funds, tax, regulatory and/or other reasons, the investment results of the master funds, the onshore feeder funds and the offshore feeder funds may differ.

(D) Assessment of Risks.

DW's investment strategy focuses on utilizing a number of diversified credit instruments. DW encourages its Clients to consider all of the risk factors it has explained, as any investment can be risky and its Clients must be prepared to assume any potential loss. Please refer to the relevant DW Fund's offering memorandum for a detailed discussion of the risks associated with an investment in a DW Fund.

Item 9. Disciplinary Information

There are no legal or disciplinary events which DW believes are material to its Clients' or prospective client's evaluation of its advisory business or the integrity of DW's management.

Item 10. Other Financial Industry Activities and Affiliations

(A) Broker-Dealer.

Neither DW, nor any of its directors, officers or principals, is registered as a broker-dealer or a representative of a broker-dealer or has an application pending to register as a broker-dealer or a registered representative of a broker-dealer.

(B) Commodity Pool Operator.

DW is a registered Commodity Pool Operator ("CPO") with the US Commodities Futures Trading Commission ("CFTC") and a member of the National Futures Association ("NFA") (and also a Swap Firm). DW is exempt from registration as a Commodity Trading Adviser ("CTA") under CFTC Regulation 4.14(a)(4).

(C) Individuals.

David Warren is registered as an Associated Person of the CPO and is an NFA Associate Member. He is also approved as a Principal of the CPO and is also a Swap Associated Person.

Robert Clark, Robert Manley, Houdin Honarvar, and Marc Valdes are each an approved Principal of the CPO.

Laura Rose, John Mackin, and Ashley Arndt are registered as Associated Persons of the CPO and NFA Associate Members.

(D) Directorships.

Neither DW nor any of its directors, officers or principals has any affiliations in which DW or any of its directors, officers or principals would be under common control or ownership with any of the following related persons: (1) broker-dealer, municipal securities dealer or government securities dealer or broker; (2) an investment company; (3) another investment adviser or financial planner; (4) a futures commissions merchant, commodity pool operator or commodity trading adviser; (5) a banking or thrift institution; (6) an accountant or accounting firm; (7) a lawyer or law firm; (8) an insurance company or agency; (9) a pension consultant; (10) a real estate broker or dealer; or (11) a sponsor or syndicator of limited partnerships.

As noted in Item 4.A. above, DW GP, an affiliate of DW, serves as general partner to the DWC and DWV feeder funds that are limited partnerships. DW GP is primarily owned and controlled by David Warren.

Employees of DW and its affiliates sometimes serve as officers, advisors, directors or in comparable management functions for portfolio companies in which Clients of DW invest. Employees of DW also from time to time serve on the board of directors or a creditors committee relating to companies in which Clients of DW invest. As a result, DW and the Clients of DW may, under certain circumstances, be prohibited for a period of time from engaging in transactions with respect to the debt or securities of such a portfolio company, which prohibition may have an adverse effect on clients of DW.

DW has filed a single Form ADV with DW II, DW GP and DW CMBS GP, each a relying adviser, in reliance on the no-action letter issued to the American Bar Association, Business Law Section by the SEC dated January 18, 2012. DW and its related persons may spend substantially all of their business time on one or more of the DW Funds.

(E) **Selecting Other Investment Advisers.**

DW does not recommend or select other investment advisers for its Clients.

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

(A) **Code of Ethics.**

DW has adopted a Code of Ethics ("Code") pursuant to Rule 204A-1 of the Investment Advisers Act of 1940. DW's Code is designed to promote compliance with legal and regulatory requirements and ensure that DW and its employees conduct themselves a manner consistent with DW's fiduciary duty to its Clients.

A copy of the Code, and any amendments thereto, is provided to all employees. Employees are required to acknowledge in writing that they have received and read the Code (as amended), and that they understand it and agree to abide by it.

The Code governs key areas in which conflicts of interest may arise between DW and/or its employees, on the one hand, and DW Clients on the other. Such areas include personal trading, insider trading, gifts and entertainment, outside business activities, and political and charitable contributions. The Code also describes DW's duty to supervise the actions of its employees, and it requires any person who is concerned about possible violations of federal securities laws, DW's Code, or DW's Compliance Manual to report such concerns to DW's General Counsel/CCO or the relevant governmental, regulatory, or self-regulatory organization. Retaliation against any employee or other supervised person who reports such a concern is strictly prohibited.

DW employees must obtain written pre-approval from the CCO or his designee before trading in any securities for their personal accounts, subject to exceptions for certain instruments, such as government bonds and money market funds, or when an external adviser has complete discretionary authority over an employee's account. DW's CCO may refuse to approve any proposed transaction for any reason, particularly if the transaction may pose a conflict of interest with DW's fiduciary duty to its Clients. Generally, DW employees may not effect transactions in securities for their own accounts, or for accounts in which they have an interest or control, if such securities are simultaneously contemplated for purchase or sale for Client accounts or are already held in Client accounts. If DW's CCO decides to approve an employee's personal trades of securities that DW's Clients hold or securities related to those that its Clients hold, then DW's CCO may require that the employee (1) hold the securities for as long as DW's Clients hold the securities or (2) sell the securities if DW subsequently make investments for its Clients and DW determine that the two positions have divergent interests. The CCO may also require that an employee unwind his or her personal trades. Finally, if an employee receives approval to trade in the same securities in which DW is investing for its Clients, he or she must trade the securities in the same direction as DW is investing for its Clients and may do so only after its Clients have established their desired positions. Employees may not time their personal trades to precede orders of the same or similar securities that DW is placing for its Clients, nor should their trading activity be so frequent as to conflict with their ability to fulfill their responsibilities. Consequently, DW requires that all employees hold all securities they trade for periods of at least 30 days. The CCO, in his sole discretion and depending on the facts and circumstances of a given situation, may waive the trading requirements described above.

Employees must also submit to DW's CCO periodic holdings and transaction reports for all securities over which they have direct or indirect influence or control so that DW can confirm their compliance with the Code. DW's CCO or his designee monitors employee securities reports to detect abusive behavior. Any personal trading that appears abusive may result in further inquiry by DW's CCO and/or sanctions.

The personal account reporting and trading policies described above apply to employees and their personal accounts as well as certain of their family members and their accounts.

DW does not routinely allow Clients to purchase securities from each other (commonly called a “cross trade”). However, in certain circumstances, DW determines that it is in the best interests of its Clients to effect a cross trade. In these circumstances, and only following extensive compliance review, DW engages unaffiliated brokers or custodians to effect the trades. DW instructs brokers and custodians to execute DW’s Clients’ generally cross trades at the midpoint between the current best bid price and current best offer price. Both participating Clients share equally in any transaction costs resulting from cross trades. DW will attempt to ensure that any conflict of interest that it is aware of is resolved fairly. Prior to execution of a cross transaction, a person familiar with the trade will be responsible for preparing a brief memorandum setting forth the reasons why the transaction is suitable for each client involved (including differences in invested positions, investment objectives, risk tolerances, and tax situations). The officer or employee who prepared the memorandum must sign it and seek approval from DW’s CCO.

Copies of DW’s Code of Ethics are available to any Client or prospective Client upon request via:

DW PARTNERS, LP
Attn: Chief Compliance Officer
590 Madison Ave, Floor 13
New York, New York 10022
Email: DW.Compliance@DWPartners.com

Item 12. Brokerage Practices

(A) Best Execution.

As part of DW’s fiduciary duty to its Clients, DW has an obligation to seek “best execution” for all trades, to trade securities in a manner that is fair to each of DW’s Clients and to exercise diligence and care throughout the trading process. Best execution should result in the best qualitative execution, not necessarily the lowest possible commission cost. In selecting broker-dealers and determining the reasonableness of their commissions for DW’s Clients’ transactions, DW strives to achieve “best execution” by taking into account any combination of the following factors:

- net price to Client;
- market impact;
- expertise in particular markets;
- research provided;
- ideas provided;
- confidentiality of trading activity;
- willingness and terms to finance;
- counterparty exposure;
- financial condition;
- in which venues a broker-dealer can trade; and
- execution speed (if relevant).

If DW determines, in good faith, that any commissions a broker charges or the prices a dealer charges are reasonable in relation to the value of services that DW and its Clients receive, DW’s Clients may pay commissions or prices that are greater than those another broker or dealer might charge.

(B) Research and “Soft Dollars”.

“Soft dollars” refers to an arrangement in which an investment firm may pay higher prices to buy securities from, or accept lower prices for the sale of securities to, brokerage firms that provide it with investment and research information.

The research services that broker-dealers might provide under soft dollar arrangements include:

- written information and analyses concerning specific securities, companies or sectors,
- market, financial and economic studies and forecasts,
- statistics and pricing or appraisal services,
- discussions with research personnel and
- invitations to attend conferences or meetings with management or industry consultants.

DW does not currently utilize soft dollars, but BHCM does engage in soft dollar arrangements. Consequently, DW's Clients may benefit from these arrangements and it may indirectly benefit from these arrangements. In addition, some of DW's Clients have authorized the firm to utilize soft dollars in connection with managing their accounts, so it is conceivable that DW may engage in soft dollar arrangements in the future. If it does, it will satisfy the requirements of the "safe harbor" provided by Section 28(e) of the Securities Exchange Act of 1934, as amended.

If DW chooses to utilize soft dollar benefits in the future, the availability of these benefits could influence us to select one broker-dealer rather than another to perform services for Clients, based on its interest in receiving the products and services instead of on the Clients' interest in receiving the best execution prices. Obtaining these benefits could cause the Clients to pay higher fees than those charged by other broker-dealers.

The use of soft dollars to obtain research could create a conflict of interest between DW and the Clients because the Clients could pay for products and services that would not be exclusively for their benefit and that would be primarily or exclusively for the benefit of DW. To the extent that DW could acquire these products and services without expending its own resources, the use of soft dollar benefits could increase DW's profitability.

(C) Trade Aggregation and Allocation.

DW often finds trades that are appropriate for more than one of its Clients. DW therefore often executes an aggregate trade, which DW then allocates to Client accounts at the time of confirmation in a fair manner.

When deciding how to allocate an aggregated order, DW typically considers any combination of the following factors:

- the amount of capital, and the amount of available capital, in each Client's account;
- each Client's investment mandates;
- each Client's risk profile;
- how much DW have already invested for each Client in this type of trade; and
- whether the trade is too small to be broken into smaller allotments.

Ultimately, Clients may benefit when DW aggregates trades if it receives volume discounts on execution costs. To avoid any disadvantages to any Clients due to potential adverse price movements, it is DW's policy not to buy or sell the same securities for one Client account before doing so for another, unless doing so is necessary because of disproportionate withdrawals from or influxes of capital into a particular Client account.

(D) Trade Errors.

DW has procedures designed to minimize mistakes made in executing trades. However, trade errors and miscommunications with broker-dealers and counterparties may occur and result in losses to a Client. DW will endeavor to detect trade errors quickly and correct and/or mitigate them in an expeditious manner. DW attempts to minimize trade errors by promptly reconciling its daily blotter reports with trades as recorded in its order management system.

DW will review the facts and circumstances surrounding each trade error to determine whether DW or the Client will be responsible for any costs or losses resulting from the error. To the extent an error is caused by a counterparty, DW will attempt to recover any loss associated with such error from such counterparty.

Item 13. Review of Accounts

David Warren, the Firm's Chief Investment Officer, regularly reviews the securities held by the Clients. DW's Chief Investment Officer holds monthly portfolio risk meetings with the firm's portfolio managers and DW's Chief Risk Officer. In addition, DW's Chief Investment Officer receives a daily email describing all trades that the firm has executed for the prior trading day and meets frequently with portfolio managers to discuss individual trades and aggregate trading strategies. DW's CCO and Compliance Department also monitor daily trading activity.

Additional reviews may be triggered by material market, economic or political events, by changes in a Client's asset level or by a request of the CCO.

DW prepares a quarterly written investor letter for the DW Funds in addition to a monthly performance snapshot with monthly market commentary and monthly account statements.

Item 14. Client Referrals and Other Compensation

In connection with managing Clients' accounts, DW receives asset-based fees and performance-based compensation from its Clients, as described in Item 5. Neither DW nor any of its employees receive any other economic benefit from non-Clients for providing advisory services to the Clients.

DW may enter into arrangements with third party marketers to introduce us to potential investors for the Clients DW advises. No such arrangements are currently in place.

Item 15. Custody

Under the Custody Rule, DW is deemed to have custody of Client assets. DW does not, however, have physical or constructive custody of any Client funds or securities. Nonetheless, in order to comply with the Custody Rule, DW maintains the custody of such managed assets with prime brokers and custodians. DW also has a public accounting firm audit the DW Funds annually and distributes annual audited financial statements to investors in the DW Funds within 120 days of the fiscal year-end.

Item 16. Investment Discretion

As noted in Item 4, DW accepts discretionary authority to manage securities portfolios for the Clients. By entering into investment management agreements, the Clients give DW complete authority to manage their assets in accordance with their investment objectives and program. Essentially, this means that DW has the authority to determine, without obtaining specific Client consent, which securities to buy or sell and the amount of securities to buy or sell. Despite this broad authority, DW is committed to adhering to the investment objectives and program set forth in each Client's Governing Documents.

Item 17. Voting Client Securities

DW has the authority to vote the proxies of any investments in the portfolios that DW manages for its Clients. In addition to voting proxies for equity securities, DW at times votes on corporate actions such as restructurings, bankruptcy reorganizations and mergers, and similar events related to Clients' debt (and other) investments. DW votes each proxy in accordance with its fiduciary duty to the Clients. DW's portfolio managers decide how DW votes each proxy, seeking to vote in a manner that maximizes the value of each Client's assets and that is in each Client's best interest. DW may abstain from voting a Client's proxy if DW determines that doing so is in the best interest of the Client.

DW's CCO documents any potential material conflicts of interest and may consult with outside counsel or other third parties regarding the potential conflicts. In the event of a material conflict, DW will vote in a manner that is consistent with the best interests of each eligible client.

DW's CCO maintains records of all of proxy votes. Upon request, Clients can obtain (1) records of proxies voted on their behalf and (2) a copy of DW's proxy voting policies and procedures.

Item 18. Financial Information

Under no current circumstances will DW require or accept fees in advance of services rendered.

DW is not aware of any financial condition that is likely to impair its ability to meet contractual commitments to its Clients.

DW has never been the subject of a bankruptcy petition.