

FORM ADV PART 2A

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This brochure provides information about the qualifications and business practices of Muzinich & Co., Inc. (“Muzinich” or the “Firm”). If you have any questions about this brochure please contact us at (212) 888-3413 or compliance@muzinich.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authorities. Muzinich may refer to itself as a “registered investment adviser.” Registration with the SEC or with any state securities authority does not imply a certain level of skill or training. Additional information about Muzinich is also available on the SEC’s website at www.adviserinfo.sec.gov.

ITEM 2: MATERIAL CHANGES

This Item 2 discusses only material changes that have been made to this Form ADV Part 2A (“Brochure”) since the Firm’s most recent annual updating amendment. The following material changes were made since the Annual Update dated March 29, 2020:

Item No.	Description of Material Changes
4	Advisory Services: Added language regarding our research-intensive approach and certain factors that we consider when investing in debt issued by corporate borrowers.
5	Added disclosure that the Firm may invest in mutual funds or other investment companies including exchange traded funds. Fees and expenses charged by them, if any, will be borne by Clients.
8	Updated to reflect offering of Asia-Pacific Private Debt and expanded on and refined certain other strategy disclosures. Added risk disclosure regarding bankruptcy and similar proceedings, Environmental, Social, Corporate Governance (“ESG”), loan to debtor-in-possession, LIBOR and Business Development Company (“BDC”) risks and enhanced certain other risk disclosures.
10	Updated disclosure regarding Muzinich & Co. Limited to include an extended place of business in Sydney Australia and wholly-owned subsidiaries in Switzerland, Dublin, Singapore and Cayman Islands. Added four wholly owned Luxembourg entities of Muzinich & Co. Limited: Muzinich Pan-European Private Debt II General Partner, S.à r.l., Muzinich Diversified Enterprises Credit II General Partner, S.à r.l., Muzinich Asia Pacific Private Debt I General Partner, S.à r.l., Muzinich Aviation Special Opportunities I General Partner, S.à r.l. Added one wholly owned Delaware entity of Muzinich, Muzinich Long-Short Credit Fund GP, LLC.
11	Updated disclosures regarding the Firm’s general prohibition on transacting in principal and/or cross trades. Enhanced disclosures regarding the associated transactions fees paid by Clients to the third party broker-dealer for cross trades if they are to occur in Client accounts. Added other conflicts – non-exclusive services.
12	Updated disclosures regarding the allocation and aggregation of trades to reflect that they are not averaged as to price. Enhanced disclosures of factors considered when allocating and aggregating new issues.

IMPORTANT NOTE ABOUT THIS BROCHURE

This Brochure is not:

- **an offer or agreement to provide advisory services to any person**
- **an offer to sell interests (or a solicitation of an offer to purchase interests) in any portfolio**
- **a complete discussion of the features, risks or conflicts associated with any portfolio**

As required by the Investment Advisers Act of 1940, as amended (“Advisers Act”), the Firm provides this Brochure to current and prospective clients of the Firm. The Firm may also provide this Brochure to current or prospective investors in any publicly offered and/or privately placed investment funds managed by the Firm, together with such fund’s confidential offering memorandum, prospectus, and/or other related documents relating to an investment in such fund, as applicable, prior to or in connection with such person’s consideration or execution of an investment with the Firm.

Although this publicly available Brochure describes investment advisory services and products of the Firm, persons who receive this Brochure (whether or not from the Firm) should be aware that it is designed solely to provide information about the Firm as necessary to respond to certain disclosure obligations under the Advisers Act. As such, the information in this Brochure is general in nature and therefore is qualified in its entirety and may differ from information provided in the confidential offering memorandum, prospectus, and/or other offering documents in the case of a fund advised by the Firm, or the investment management agreement and/or other related documents in respect of a separately managed account, as applicable (collectively, “Governing Documents”). More complete information is included in relevant Governing Documents, certain of which may be provided to current and eligible prospective investors only by the Firm and/or distributors of certain funds. To the extent that there is any conflict between discussions herein and similar or related discussions in any offering materials, the relevant Governing Documents shall govern and control.

ITEM 3: TABLE OF CONTENTS

ITEM 1: COVER PAGE.....	1
ITEM 2: MATERIAL CHANGES.....	2
ITEM 3: TABLE OF CONTENTS	4
ITEM 4: ADVISORY BUSINESS.....	5
ITEM 5: FEES AND COMPENSATION.....	7
ITEM 6: PERFORMANCE BASED FEES AND SIDE BY SIDE MANAGEMENT	9
ITEM 7: TYPES OF CLIENTS	11
ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS	12
ITEM 9: DISCIPLINARY INFORMATION	30
ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS.....	31
ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING.....	34
ITEM 12: BROKERAGE PRACTICES	40
ITEM 13: REVIEW OF ACCOUNTS.....	43
ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION	44
ITEM 15: CUSTODY.....	45
ITEM 16: INVESTMENT DISCRETION	46
ITEM 17: VOTING CLIENT SECURITIES.....	47
ITEM 18: FINANCIAL INFORMATION	49

ITEM 4: ADVISORY BUSINESS

a) Background

Muzinich & Co., Inc. (“Muzinich” or the “Firm”) is a global institutional asset manager specializing in corporate credit investment portfolios and other credit-based investment strategies. The Firm has been offering investment advisory services since 1988. George M. Muzinich is the Firm’s founder, Chairman, and Chief Executive Officer and is the primary principal owner of the Firm.

b) Advisory Services

Muzinich provides discretionary investment advice and management to various onshore and offshore (i) investment funds (each a “Fund” and collectively, the “Funds”) and (ii) separately managed accounts (“Separate Accounts” and, together with the Funds, “Clients”), either directly or as a subadvisor. The Firm primarily advises on investments in corporate credit, primarily bonds and loans.

The Firm offers a variety of credit-based investment strategies. See Item 8 for a brief discussion of the Firm’s main strategies. The Firm pursues each Client’s investment objective by investing generally in high yield credit instruments, short duration credit instruments, syndicated loans, investment grade corporate debt instruments, other credit based instruments and/or income focused equities such as those issued by business development companies and real estate investment trusts (REITs). Muzinich also may, for certain Clients, use currency forwards and derivative instruments, exchange-traded funds or other funds or indices, primarily for hedging and efficient portfolio management purposes but, depending on the Client and the strategy, also to gain exposure to certain types of instruments or to seek to take advantage of dynamics in the market. Muzinich also may, for certain Funds invest in collateralized debt obligations (“CDOs”) or collateralized loan obligations (“CLOs”).

Muzinich applies a research-intensive approach to investing in debt issued by corporate borrowers. We apply fundamental quantitative and qualitative analysis to uncover opportunities to provide our Clients with yield and potential capital appreciation in a risk-aware framework. Some of the company factors we evaluate include industry dynamics, company strengths and weaknesses, free cashflow generation, debt load, asset coverage, governance quality and skill, transparency of disclosure, regulatory constraints, outstanding controversies, and the quality of covenants and other protections offered investors.

c) Tailored Advice and Client-Imposed Restrictions

Each investment strategy can, in most cases, be tailored to meet a Client’s specific investment objectives, risk guidelines, and legal constraints. For Funds, the Firm manages each Fund’s assets in accordance with such Fund’s relevant Governing Documents, which contain more detailed information, including a description of the investment objective and strategy or strategies employed and related restrictions.

Clients and investors in Funds must consider whether a particular Separate Account relationship or Fund, as applicable, is appropriate to their own circumstances based on all relevant factors including, but not limited to, the Client’s or investor’s own investment objectives, liquidity requirements, tax situation and risk tolerance. Prospective clients and investors are strongly encouraged to undertake appropriate due diligence, including but not limited to, a review of relevant Governing Documents

and the additional details about Muzinich's investment strategies, methods of analysis, and related risks in Item 8 of this Brochure, before making an investment decision.

d) Wrap Fee Disclosure

Not applicable.

e) Assets Under Management

As of December 31, 2020, the Firm had approximately \$35.752 billion in discretionary assets under management.

ITEM 5: FEES AND COMPENSATION

a) Compensation

The Firm generally receives an investment management fee based on the market value of the securities and cash in the Client portfolio on the relevant appraisal date as provided in the Governing Documents. The annual management fee generally will be up to 1.0% of assets under management. Fees are negotiable. Fees may differ based on account size, strategy, complexity and the overall services provided, among other factors. Fees paid for services provided to Separate Accounts are determined on a client-by-client basis and may be substantially different from those paid by the Funds.

Investors in both Separate Accounts and in Funds may additionally be subject to profit participation, incentive allocation, or other variable fee components based on performance, in any such case in accordance with the terms of the applicable Governing Documents and the requirements of applicable law. See Item 6 for more information relating to performance-based fees and potential conflicts of interest.

b) Billing

For Funds, investment management fees are typically deducted from the Funds by third party administrators and paid to Muzinich on a monthly basis. With respect to Separate Accounts, investment management fees are generally billed quarterly but may be billed monthly, in advance or in arrears, as provided in the Governing Documents. Typically, investment management fees are based on a valuation of assets by the Client's custodian or administrator.

c) Other Expenses

The payment of expenses by a Client will reduce the value of each Client's investment.

Clients are responsible for and do incur other expenses separate and apart from the Firm's investment management fees as provided in the Governing Documents. For Separate Accounts, these expenses typically include custody fees, administration fees, brokerage services and other transaction fees (where imposed), as well as any additional services such as audit, third party investment analysis, pricing, or tax preparation contracted for by the investor. See Item 12 for more information about the selection of broker-dealers.

For investors in Funds, expenses typically include, but may not be limited to, custody fees; brokerage services and other transaction fees (where imposed); operating expenses; administration and transfer agency service fees; fees for the preparation of audited and unaudited financial statements; professional fees such as fees for legal, regulatory, tax preparation, audit services, paying agency and anti-money laundering supervision services; regulatory filing fees; fees for drafting, consultation, design, electronic and print publication; mailing and communication of fund materials including prospectuses and applications, investor statements, notifications and corporate actions, privacy statements, fact sheets, annual reports, portfolios, and other ancillary materials; expenses associated with pricing and marking the portfolio as well as for the cost of hiring and maintaining Directors for the Funds, as well as insurance and bonding.

The Firm may invest a portion of Client assets in shares of mutual funds or other investment companies, including Exchange Traded Funds (“ETFs”). Assets invested in such investment companies will be included in computing the management fees paid to Adviser. The same assets will also be subject to additional advisory and other fees and expenses, as set forth in the prospectuses of those investment companies, which will ultimately be borne by Clients, unless such investment companies are also advised by Muzinich, in which case Clients will not be charged additionally.

There are situations where an expense may be allocable to some, but not all, of the Clients that receive the benefit of such expense. In these situations, the Clients that can bear the expense shall bear their allocable share of the expense and Muzinich shall pay the remainder.

Due to legal restrictions, certain Clients that are deemed to hold “plan assets” as defined under US Employee Retirement Income Security Act of 1974 (“ERISA”) may be prohibited from bearing certain expenses.

d) Advance Billing

With respect to the Funds, the management fee is payable in advance or in arrears as reflected in the Fund documents. With respect to Separate Accounts, investment management fees may be paid quarterly or monthly, in advance or in arrears, as provided in the Governing Documents. For Separate Accounts or Funds that are terminated prior to the end of the period, fees paid in advance will be refunded to the extent agreed to by the parties.

e) Sales-based Compensation

Certain employees’ compensation may be dependent on their success of bringing assets to the Firm. This may create a conflict of interest to the extent that the employee may be incentivized to recommend investments in products that generate higher fees.

ITEM 6: PERFORMANCE BASED FEES AND SIDE BY SIDE MANAGEMENT

The Firm may receive fees from certain Clients based on a share of positive returns of the Client's assets under management. This fee, which varies by strategy and Client, can be up to 20% of the Client's realized and unrealized investment returns over any agreed hurdle rate where applicable.

Performance-based compensation may create an incentive for the Firm to make investments that are riskier or more speculative than would be the case in the absence of the performance-based compensation. In addition, the performance on which performance-based compensation is calculated may include unrealized appreciation and depreciation of investments that may not ultimately be realized.

To the extent that the Firm receives only investment management fees from certain Clients and investment management fees and performance-based fees from certain other Clients, the Firm and/or its portfolio managers will have a conflict of interest in that Clients with a performance-based fee will offer the Firm a potential for higher profitability when compared to a Client with only an investment management fee. Performance-based fee arrangements will also create an incentive for the Firm and its portfolio managers to favor performance-based fee Clients over other Clients in the devotion of time, resources and allocation of investment opportunities. For instance, Muzinich may be incentivized to provide access to certain research analysts employed by Muzinich and/or to direct additional investment opportunities to Clients from whom Muzinich receives performance fees which are not available to other Clients. This may impact relative performance of such Clients as compared to other Clients.

To manage these potential conflicts, Muzinich has adopted a number of policies and procedures. These policies and procedures include Muzinich's (i) Compliance Manual and Code of Ethics, which remind all employees of their duty to treat all Clients fairly and consistently with relevant fiduciary duties; (ii) trade allocation and aggregation policy, which seeks to ensure that investment opportunities are allocated fairly and equitably among Clients over time, without consideration of relative fee structures; and (iii) allocation and performance monitoring processes, which are designed to identify potentially unfair or unequal treatment of accounts. See also "Item 11(b) – Participation or Interests in Client Transactions" and "Item 12(e) – Aggregation and Allocation of Trades."

Management fees received by Muzinich are based on the value of the assets under management. In cases where Muzinich also receives a performance fee, the performance fee is based on the generation of positive returns on the assets under management. For most accounts Muzinich manages, account valuations are received for purposes of computing returns from external custodians or administrators, independent of Muzinich, selected by the Client. For accounts wherein Muzinich values asset(s) internally as provided in the Governing Documents, there is a potential conflict in that Muzinich can benefit from fee calculations based on an increased asset base. Muzinich has a formal valuation policy and a Valuation Committee for supervising the valuation of such assets. Such assets are typically valued at the bid price, by Muzinich's risk and accounting professionals using independent third party pricing vendor(s). In instances where a custodian or an administrator cannot determine a fair market value for a security, the custodian or administrator may request Muzinich's involvement as described in the Governing Documents. For hard to value assets, when Muzinich is unable to obtain a value from an independent third party pricing vendor, Muzinich's Valuation Committee will determine it. The Valuation Committee may consider such factors as quotes from broker-dealers, input from the investment team, "look-back" tests, industry comparables, current yields, payment status, probability

of default, market liquidity and general economic factors.

As noted above, Muzinich's investment team, including the portfolio managers of its Client accounts, may provide input during the valuation process which raises a potential conflict of interest as such investment professionals maintain an interest in the performance, and therefore the valuation of a Client's assets. However, the investment team members do not sit on the Firm's Valuation Committee and therefore do not participate in the final determination of the valuation of the Client's assets.

ITEM 7: TYPES OF CLIENTS

Muzinich provides discretionary investment management services primarily to:

- Funds, including investment companies registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”);
- institutions such as banks or thrift institutions, insurance companies, corporations or other forms of business entities, other asset managers, trusts, family offices, endowments, charitable institutions, pension funds and profit sharing plans, and other institutions inside and outside the United States; and
- high-net-worth individuals inside and outside the United States.

Muzinich also provides discretionary investment management services to Separate Account investor(s) that are deemed to hold “plan assets” as defined under ERISA.

In general, investors in private funds must be (1) (a) “accredited investors” under Regulation D under the Securities Act of 1933, as amended (the “Securities Act”), and (b) “qualified purchasers” under Section 2(a)(51)(A) of the Investment Company Act or “knowledgeable employees” under Rule 3c-5 of the Investment Company Act or (2) not “US Persons” as defined under Regulation S of the Securities Act.

Investors should review the Governing Documents for each relevant Fund for further information with respect to minimum requirements for investment.

The minimum dollar amount of assets ordinarily required for the establishment of a Separate Account is typically \$50,000,000. The Firm, in its sole discretion, may reduce investment minimums.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

a) Methods of Analysis & Investment Strategies

Muzinich utilizes proprietary fundamental research to identify investment opportunities to meet its investment criteria. The Firm evaluates securities based on the issuing company's overall credit risk as evidenced by items such as cash flow coverage ratios, corporate asset values, an issue's seniority in the issuer's capital structure, the expected volatility of corporate cash flows and asset values, and/or an issue's particular credit covenants. The Firm also evaluates key off balance-sheet risks such as anticipated liquidity characteristics, an instrument's structural characteristics, and non-balance sheet risks which might change the value of an instrument in the marketplace such as, but not limited to, quality of governance, off-balance sheet exposures, liabilities, and controversies, technological obsolescence, or legislative risk.

The Firm engages in in-depth credit analysis, believing that credit research, rather than credit engineering, is the long-term driver of attractive risk-adjusted returns.

Muzinich offers a number of strategies; however, Muzinich provides Clients with specific solutions according to their customized guidelines. A summary of Muzinich's primary strategies is detailed below. The exact parameters of a Client account within each strategy are defined in the relevant Governing Documents.

High Yield Credit

- **US High Yield**
 - Focuses on US Dollar denominated credits issued by North American corporations primarily rated BB/B.
- **European High Yield**
 - Focuses on Euro, Sterling and/or Swiss Franc denominated credits issued by European corporations primarily rated BB/B.
- **Global High Yield**
 - Focuses on a combination of US Dollar, Euro, Sterling, and Swiss Franc denominated credits issued mostly by both North American and European corporations with a rating of BB/B. The strategy is offered both with a focus on developed markets only and in a more global format including hard currency emerging market exposure.

Short Duration Credit

- **Short Duration Investment Grade**
 - Consists of diversified portfolios of US and global investment grade credit. The strategy combines an investment grade core that can include a less than 5% allocation to BB/B credits, maintaining an average investment grade rating. Average portfolio duration is targeted typically at 2 years or less.
- **Short Duration Corporate-Plus**
 - Invests in predominately European and US investment grade credits but can

incorporate some high yield credits, as well as hard currency emerging market credits. Average portfolio duration is targeted typically at 2 years or less.

- **Short Duration High Yield**
 - Focuses on US Dollar denominated credits issued by North American corporations primarily rated BB/B. Average targeted duration of the portfolio is typically a maximum of 2 years.
- **Emerging Markets Short Duration**
 - Primarily invests in debt instruments rated B/BB/BBB, denominated in US Dollars or other hard currencies, of corporate borrowers doing business mainly in emerging markets in Asia, Africa, Latin America and certain parts of Europe. The strategy, to a lesser extent, may also invest in European and North American corporates with Emerging Market exposure. The maximum average duration is typically 2.5 years.

Investment Grade-Plus Credit

- **Investment Grade Credit**
 - Consists of diversified portfolios of US and global investment grade credit. The strategy combines an investment grade core that can include a less than 20% allocation to BB/B credits, maintaining an average investment grade rating.
- **Corporate-Plus**
 - Invests in a diversified portfolio of largely investment grade US and global corporate credits coupled with some allocation to select high yield corporate credits. The strategy combines an investment grade core, with an allocation to below investment grade credits, maintaining an average investment grade rating.
- **Asian Credit Corporate-Plus**
 - Invests in investment grade and high yield debt issued by Asian corporates and sovereigns in US Dollar denominations, primarily, or in Euros. This strategy allows for a below investment grade allocation so long as it maintains an average investment grade rating (minimum BBB-).
- **Emerging Markets Corporate-Plus**
 - Targets a diverse portfolio of corporate investment grade and high yield credits issued by companies from emerging market countries with market-like-duration-to-worst. These credits are primarily issued by companies registered in or doing business mainly in emerging markets in Asia, Africa, Latin America and certain parts of Europe.

Syndicated Loans

- **Syndicated Loans**
 - Consists of diversified portfolios of US, European and/or global syndicated loans extended to corporate issues rated BB/B. The strategy focuses primarily on syndicated loans and floating rate debt instruments.

Alternative Credit / Absolute Return Strategies

- **US Long/Short Credit**
 - Invests in a credit hedge fund strategy with the application of modest leverage and opportunistic shorting. The strategy focuses on US corporate high yield credit. May include a minority in European corporate credit and may invest in other instruments such as investment grade corporate credit and equities. This strategy employs modest leverage and employs a number of shorting tactics. The strategy stresses liquidity and does not typically invest in deeply distressed credits.
- **European Long/Short Credit**
 - Invests in a credit hedge fund strategy with the application of modest leverage and opportunistic shorting. The strategy focuses on European corporate high yield credit. May include a minority in US corporate credit and may invest in other instruments such as investment grade corporate credit and equities. The strategy employs modest leverage and employs a number of shorting tactics. The strategy stresses liquidity and does not typically invest in deeply distressed credits.
- **Global Tactical Credit**
 - An absolute return, long, multi-sector credit strategy that focuses on investment grade, high yield and syndicated loans across the US, Europe and emerging markets. Overall portfolio duration and spread volatility are managed with a macro derivative overlay when appropriate in the judgment of the portfolio management team.

Private Debt

- **US Private Debt**
 - The Firm can offer a strategy with directly-originated sustainable growth financing to select middle market companies in a variety of jurisdictions. Muzinich's private debt team works closely with banks and numerous other financial and non-financial intermediaries to access opportunities that fit the Firm's investment standards. The goal is to provide returns which are not subject to the short term price volatility one finds in the public markets.
- **European Private Debt**
 - The Firm can offer a strategy with directly-originated sustainable growth financing to select middle market companies in a variety of European jurisdictions. The goal is to provide returns which are not subject to the short term price volatility one finds in the public markets.
- **Global Private Debt**
 - The Firm can offer a combination of US, European, and Asia-Pacific private debt as a Global Private Debt strategy.
- **Asia-Pacific Private Debt**
 - The Firm can offer a strategy with directly-originated sustainable growth financing to select middle market companies and special opportunities, including secondary debt acquisition, in a variety of Asia-Pacific jurisdictions.
- **Business Development Company**
 - Applies an approach to private debt underwriting to the analysis of US Business

Development Companies (“BDCs”), and invests in the equities of these entities, which are formed expressly for lending to developing US businesses.

Sustainable Investments

- **Corporate-Plus Environmental, Social, and Governance (“ESG”) Overlay**
 - Integrates additional sustainability research as well as exclusions and quality standards into Muzinich’s rigorous, traditional bottom up investment process in targeting delivery of superior risk-adjusted results. The strategy invests primarily in corporate bonds priced in European currencies and US Dollars issued by European and North American companies, which meet high ESG standards. The portfolio maintains an average investment grade rating but can selectively invest in high yield bonds.
- **Investment Grade ESG Overlay**
 - Integrates additional sustainability research as well as exclusions and quality standards into Muzinich’s rigorous, traditional bottom up investment process in targeting delivery of superior risk-adjusted results. The strategy invests primarily in corporate bonds priced in European currencies and US Dollars issued by European and North American companies, which meet high ESG standards.
- **High Yield Credit ESG Overlay**
 - Integrates additional sustainability research as well as exclusions and quality standards into Muzinich’s rigorous, traditional bottom up investment process in targeting delivery of superior risk-adjusted results. The strategy invests primarily in high yield corporate credit by investing selectively in creditworthy companies which meet high ESG standards.

b) Risks of Investment Strategies

While Muzinich seeks to manage each Client’s account so that risks are appropriate to the return potential for the strategy employed, it is often not possible or desirable to fully mitigate risks. Any investment involves the risk of loss, and there can be no guarantee that a particular level of return will be achieved. Clients and investors should also be aware that investment strategies are often limited to particular types of securities and may not be diversified. An account’s investment strategies may present a high degree of risk that investors and Clients should be prepared to bear. It is possible that some or all of an account’s investments could be lost. Clients and investors should be prepared to bear the risk of such potential losses, including through diversification.

Each of Muzinich’s principal investment strategies involves various material risks. The following is a summary of material risks associated with Muzinich investment strategies. Please note that certain risks outlined below may not apply to all Muzinich investment strategies or may not apply to a material degree to particular strategies. Clients and investors should also review relevant Governing Documents for further information on the risks associated with a particular strategy and/or investment.

Active Management Risk. Client accounts are actively managed and rely on the expertise of Muzinich and/or the portfolio manager(s) primarily responsible for the relevant Client accounts. Performance therefore will reflect in part the ability of Muzinich and its portfolio managers to select securities and to make investment decisions that are suited to achieving a Client’s investment objective. Due to being actively managed, a Client’s account may underperform another Client’s account with similar

investment objectives.

Allocation Risk – Minimum Lot Size. As set forth in more detail in “Item 12(e) – Aggregation and Allocation of Trades,” Muzinich will typically allocate investment opportunities to Client accounts in round lots and minimum increments as imposed by (i) Muzinich based on the market in which the assets are traded, and/or (ii) the issuers. See “Item 12(e) – Aggregation and Allocation of Trades.”

Allocation Risk – Partial Fills. In the event of a partial fill, allocations to Client accounts are generally made pro rata based on the initial order but may be modified on a basis that Muzinich deems to be appropriate, including, for example, in order to meet Muzinich’s or an issuer’s imposed minimum lot size, or to avoid odd lots or *de minimis* allocations. This may result in smaller accounts being disadvantaged, including by not receiving any allocation, especially with regard to new issues, which can trade at a premium shortly after issuance. See “Item 12(e) – Aggregation and Allocation of Trades.”

Availability of Suitable Investments Risk. While we believe that many attractive investments of the type in which Clients invest are currently available, there can be no assurance that such investments will continue to be available or that available investments will continue to meet the Clients’ investment criteria. Furthermore, we may be unable to find a sufficient number of attractive investment opportunities to meet Clients’ investment objectives. Past performance is not necessarily indicative of future performance.

Bankruptcy and Similar Proceedings Risk. There are a number of significant risks when invested in companies involved in bankruptcy cases, including the following:

- Many events in a bankruptcy case are the product of contested matters and adversary proceedings that 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 a Client’s interests. Further, positions based on established bankruptcy case law may prove to be incorrect.
- A bankruptcy filing may have adverse and permanent effects on a company. For instance, the company may lose its market position and key employees and otherwise become incapable of restoring itself as a viable entity. Further, if the reorganization case becomes a liquidation, the liquidation value of the company may not equal the liquidation value that was believed to exist at the time of the investment.
- The duration of a bankruptcy case is difficult to predict. A creditor’s return on investments can be adversely impacted by delays while the plan of reorganization is being negotiated, voted on by the creditors and confirmed by the bankruptcy court, until it ultimately becomes effective.
- The administrative costs in connection with a bankruptcy case are frequently high and may be paid out of the debtor’s estate prior to any return to creditors. In addition, reorganizations can be contentious and adversarial. It is by no means unusual for participants to use the threat of, as well as actual, litigation as a negotiating technique. It is possible that Muzinich and/or its Clients may be named as defendants in civil proceedings. For example, if a proceeding

involves protracted or difficult litigation, or turns into a liquidation, substantial assets may be devoted to administrative costs, which would thereby reduce the value of the investment.

- Creditors can be subject to equitable subordination and lose their ranking and priority if they engage in certain inequitable conduct or they exercise “domination and control” over a debtor and other creditors can demonstrate that they have been harmed by such actions, especially in the case of investments made prior to the commencement of bankruptcy cases.
- Bankruptcy law in certain jurisdictions 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 creditor’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.
- In the early stages of the bankruptcy case, it is often difficult to estimate the extent of, or even to identify, any contingent claims that may be made.
- Certain claims, such as claims for taxes, may have priority by law over the claims of certain creditors.
- If a creditor seeks representation on a creditor’s committees, it may owe certain obligations generally to all similarly situated creditors that the committee represents. Accordingly, where Muzinich serves in this capacity, Muzinich may be required to consider interests that are conflicting with those of one or more of its Clients. In addition, serving on such committees may subject Muzinich to various trading or confidentiality restrictions. Moreover, Clients may be required to indemnify any person serving on a committee or the board of directors on its behalf for claims arising from serving in these capacities. Such indemnification obligations could therefore adversely affect the return on any investment related to a reorganization.
- Certain non-U.S. jurisdictions may present different risks.

Business Development Company (“BDC”) Distribution Risks. BDC’s distributions can include income generated by the BDC – interest income, dividends, and/or capital gains – but can also include a return of capital. Most BDCs that have elected a certain tax status which requires them to distribute ninety percent of their taxable income to their shareholders each year. The distribution of interest income, dividend and capital gains may have income tax ramifications for a shareholder of a BDC. The return of capital will reduce the amount of money that a shareholder has invested in a BDC.

BDC Exposure to Leverage or Debt Risk. BDCs may use leverage or debt to purchase their investments. A BDC’s use of leverage can increase its return but can also increase its losses. It can also increase risk and can make the price of BDC shares more volatile. In addition, it can be more expensive for BDCs to borrow to invest if interest rates rise which can reduce BDCs’ profits.

BDC Investment Risks. BDCs typically invest in small and medium-sized companies that are developing and/or financially distressed which may not make public disclosures to investors or trade on exchanges. There are risks in owning shares or loaning money to the small- and medium-

sized companies that are different from, and in some ways more significant than, investments in larger public companies. These smaller companies may be more likely to go out of business or default on their debts. Also, it can be difficult to find information about the companies BDCs invest in and for the BDC to determine the value of its portfolio holdings.

BDC Management Fee and Expense Risks. Typically, BDCs are managed by an investment adviser that charges management fees to the BDCs. BDCs also have additional expenses such as audit, administration, legal and other operating expenses which are paid by the BDCs. The fees and expenses charged to the BDCs are in addition to any fees and expenses that a Client may incur from the management of the Client's account by Muzinich.

BDC Premium or Discount to Net Asset Value Risks. The market price for BDC shares may be greater or less than the net asset value of a BDC which will cause shares to trade at either a premium or discount to the net asset value of the BDC's holdings.

Collateralized Debt Obligations ("CDOs") and Collateralized Loan Obligations ("CLOs") Risk. Certain Clients invest in CLOs and CDOs. CLOs and CDOs issue classes or "tranches" that vary in risk and yield. The value of CLOs and CDOs generally will fluctuate with, among other things, the financial condition of the obligors or issuers of the underlying portfolio of assets of the related CLO or CDO, general economic conditions, the condition of certain financial markets, political events, developments or trends in any particular industry and changes in prevailing interest rates. Clients that invest in CLOs and CDOs can experience substantial losses due to actual defaults, decrease of market value due to collateral defaults and disappearance of subordinate tranches, market anticipation of defaults, and investor aversion to CLO and CDO securities as a class. The risks of investing in CLOs and CDOs depend largely on the type of the underlying collateral. Holders of CLOs or CDOs rely on distributions from the underlying collateral or proceeds thereof for payment in respect of the applicable CLO or CDO. If distributions on the underlying collateral are insufficient to make payments on the CLOs or CDOs, generally, no other assets are available for payment of the deficiency, and following realization of the CLOs or CDOs, the obligations of the issuer to pay such deficiency will generally be extinguished.

Combined Orders Risk. When orders to purchase or sell the same asset on identical terms are placed on behalf of more than one Client account on a single day through the same broker/dealer, they are typically aggregated and allocated as to the amount in accordance with the original order placed for each Client account. . Similarly, if an order on behalf of more than one Client cannot be fully executed under prevailing market conditions, the Firm will allocate the investments among the different Clients on a basis that it considers equitable. Situations may occur where a Client could be disadvantaged because of the investment activities conducted for other Clients.

Corporate Credit Investments Risk. Certain strategies may invest in sub-investment grade corporate credit instruments, including, without limitation, credit instruments that are subject to resale pursuant to Rule 144A or other legal restrictions on resale; debt securities issued or guaranteed by private or public corporations; and various other types of instruments including exchange-traded funds. Corporate debt instruments pay fixed, variable or floating rates of interest. Some debt securities, such as zero coupon bonds, do not make regular interest payments but are issued at a discount to their principal or maturity value. The value of fixed-income securities in which a strategy may invest will change in response to fluctuations in interest rates. In addition, the value of certain fixed-income securities can fluctuate in response to perceptions of creditworthiness, political stability or soundness

of economic policies. Fixed-income securities are subject to the risk of the issuer's inability to meet principal and interest payments on its obligations (i.e., credit risk) and are subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (i.e., market risk).

Currency and Exchange Rate Risk. The value of a Client's assets may be affected favorably or unfavorably by changes in currency rates. Currency exchange rates may fluctuate significantly over short periods of time. They generally are determined by the forces of supply and demand in the respective markets and the relative merits of investments in different countries, actual or perceived changes in interest rates and other complex factors. Currency exchange rates can also be affected unpredictably by intervention by governments or central banks (or the failure to intervene) or by currency controls or political developments. While the Firm may seek to hedge this risk through the use of foreign currency forward contracts, these contracts may not be effective in managing currency risk effectively. Also, currency markets generally are not as regulated as securities markets.

Derivatives Risk. Certain strategies may use derivatives. The use of derivatives may increase the volatility of performance or affect the value of a strategy's assets and may involve a small investment of cash relative to the magnitude of risk assumed. The principal risk of forward commitments is that the security may be worth less when it is issued or received than the price the strategy agreed to pay when it made the commitment. The principal risks of swap agreements are that they may be difficult to value and may be susceptible to liquidity and credit risk. The principal risk of options transactions is that they may increase the volatility of or affect the value of the strategy's assets and may involve a small investment of cash relative to the magnitude of the risk assumed. Derivatives may also be subject to counterparty risk, that is, the risk that the other party in the transaction will not fulfill its contractual obligations. If the counterparty to a derivative transaction defaults, a Client's losses will generally consist of the net amount of contractual payments that the Client has not yet received, though the Client's losses could extend to the notional amount of the contract should the underlying asset on which the contract is written have no offsetting market value. The "notional value" is generally defined as the value of the derivative's underlying assets at the spot price.

Energy and Natural Resources Risk. Certain strategies may invest in energy and natural resources based investments. The energy sector is cyclical and highly dependent on commodities prices. This sector may be subject to substantial government regulation and contractual fixed pricing, which may increase the cost of business and limit earnings. A significant portion of the revenues in this industry depends on a relatively small number of customers, including governmental entities and utilities. As a result, governmental budget constraints may have a material adverse effect on market values in this industry. Energy projects may also operate in countries with less developed regulatory regimes or a history of expropriation, nationalization or other adverse policies. Energy projects also face a significant risk of civil liability from accidents resulting in injury or loss of life or property, pollution or other environmental mishaps, equipment malfunctions or mishandling of materials and a risk of loss from terrorism and natural disasters, including explosions, hurricanes, tornadoes, tsunamis, floods and earthquakes. The risks associated with investments in the energy and natural resources sectors include adverse consequences resulting from the availability of reserve requirements, national and international events.

Environmental, Social, Corporate Governance (ESG) Risks. ESG strategies could cause a Client account to perform differently compared to Client accounts that do not utilize ESG strategies. The criteria related to certain ESG strategies may result in an account forgoing opportunities to buy

certain securities when it might otherwise be advantageous to do so, or selling certain securities for ESG reasons when it might be otherwise disadvantageous for it to do so. In addition, there is a risk that the issuers identified by an ESG strategy do not operate as expected when addressing ESG issues. An issuer's ESG performance or Muzinich's assessment of an issuer's ESG performance could vary over time, which could cause a Client account to be temporarily invested in issuers that do not comply with the Client account's approach towards considering ESG characteristics. There are significant differences in interpretations of what it means for an issuer to have positive ESG characteristics and Muzinich's investment decisions may differ with other's views. In making investment decisions, Muzinich relies on information and data that could be incomplete or erroneous, which could cause the Firm to incorrectly assess a company's ESG characteristics. For Client accounts that focus on meeting ESG standards, there is risk that, at some point(s) in the market cycle, the more highly performing companies in the broad market will be those that do not meet the account's ESG criteria.

Equity Securities Risk. Certain strategies may invest in, sell short, or hold equity securities. Equity securities fluctuate in value in response to many factors, including the activities and financial condition of individual companies, the business markets in which individual companies compete, industry market conditions and general economic environments.

Exit of the United Kingdom from the European Union Risk ("Brexit" Risk). On June 23, 2016, the United Kingdom held a remain-or-leave referendum on the United Kingdom's membership of the European Union, the result of which favored the exit of the United Kingdom from the European Union ("Brexit"). On March 29, 2017, the UK notified the European Council of its decision to withdraw from the European Union (commonly referred to as Brexit). As a result, the UK withdrew from the European Union on January 31, 2020, but the full terms of withdrawal continue to be finalized. While the long-term economic effects of Brexit on the United Kingdom may or may not be positive, it is nevertheless likely that a period of significant political, regulatory and commercial uncertainty will result. Among other things, uncertainty in relation to Brexit may affect borrowers' ability to service loans and the price, volatility and/or liquidity of the Client's other investments, particularly in the United Kingdom but also throughout the European Union and wider global markets. Moreover, the cost of entering into hedging transaction with respect to currency may increase. Regulatory mismatch between the United Kingdom and the rest of Europe may lead to a period of regulatory uncertainty. While the exact impact of Brexit is as yet unknown, it is possible that such could impair Clients' profitability, result in losses and/or otherwise affect the Firm's ability to carry out its investment approach and achieve its Clients' investment objectives.

Extension Risk. Some debt securities are subject to the risk that the debt security's effective maturity is extended because calls or prepayments are less or slower than anticipated, particularly when interest rates rise. The market value of such security may then decline and become more interest rate sensitive.

Foreign Investments / Emerging Markets Risk. Investments in foreign securities are subject to risks that differ from investments in U.S. securities, including the following: political, social or economic instability; the unpredictability of international trade patterns; the possibility of non-U.S. governmental actions such as expropriation, nationalization or confiscatory taxation; the imposition or modification of exchange controls; price volatility; the imposition of withholding taxes on dividends, interest and gains; fluctuations in currency exchange rates; changes in tax or currency laws; and changes in monetary policy; different bankruptcy laws and customs; and different legal systems and laws relating to creditors' rights. Foreign securities may be more difficult to sell than US

securities.

As compared to U.S. entities, foreign issuers generally: disclose less financial and other information publicly, may be subject to less stringent and less uniform accounting, auditing and financial reporting standards and may be subject to less stringent regulatory oversight.

Also, it may be more difficult to obtain and enforce legal judgments against non-U.S. entities than against domestic entities. Greater tax risks and complexities also may be associated with these investments. The foreign securities in which Clients may invest may be issued by companies or governments located in emerging market countries.

All of the above mentioned risks may be greater in emerging market countries than in more developed countries. Compared to the United States and other developed countries, emerging market countries may have relatively unstable governments, economies based on only a few industries and securities markets that trade a small number of securities. Securities issued by companies or governments located in emerging market countries tend to be especially volatile and may be less liquid than securities traded in developed countries. In particular, in emerging markets there may be potentially small issue sizes; less transparent information standards; heightened currency exposure; reduced legal protections and enforceability; and less developed systems for transaction settlement and custody. The Firm may not be obligated to engage in any currency hedging operations, and in any event, there can be no assurance as to the success of any hedging operations that the Firm or any Clients may implement.

Hedging Risk. The entire market or particular securities traded on a market may decline even if earnings or other factors improve since the prices of debt securities and equity securities are subject to numerous economic, political, procedural and other factors that have little or no correlation to the performance of a particular company. The Firm may utilize a variety of financial instruments, for its Clients such as derivatives, exchange-traded funds, options, shorting securities, interest rate swaps, caps and floors, futures and forward contracts, both for investment purposes and for risk management purposes. When used for hedging purposes, an imperfect or variable degree of correlation between price movements of the derivative instrument and the underlying investment sought to be hedged may prevent the Firm from achieving the intended hedging effect or expose the Clients to risk of loss. While the Firm may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for the Clients than if the Firm had not engaged in any such hedging transaction. Muzinich may determine not to hedge a position and/or may not identify appropriate risks to hedge. Moreover, it should be noted that Client portfolios will always be exposed to certain risks that cannot be hedged.

High Yield Security Risk. Investments in high yield securities can involve a substantial risk of loss. These securities, which are rated below investment grade, are considered to be speculative with respect to the issuer's ability to pay interest and principal and they are susceptible to default or decline in market value due to adverse economic and business developments. High yield securities expose Client accounts to a greater risk of loss of principal and income than a Client that invests solely or primarily in investment grade debt securities. If there is a "flight to safety," the market's perception of "high yield" securities may turn negative, and these types of securities may become perceived "high risk."

Information Technology and Cybersecurity Risk. The increased use of internet-based technologies

creates growing operational and security risks. Muzinich is reliant on its information technology infrastructure, processes and procedures, and seeks to ensure that it has competitive informational technology systems. Information technology changes rapidly, however, and Muzinich may not be able to stay ahead of such advances. Cyber incidents could result from unintentional events, or from deliberate attacks that may result in the compromise of personal information, corruption of data, disruption of operational systems, or misappropriation of assets or sensitive information. Such incidents could affect Muzinich and Clients' service providers (including, but not limited to custodians, administrators, trading counterparties, and accountants), governmental and regulatory authorities, and the issuers of assets in Client accounts. These risks can interrupt Muzinich's ability to engage in its business, cause financial loss, reputational harm, or lead to violations of applicable laws, agreements, or Muzinich's policies concerning privacy protection and confidentiality. While Muzinich maintains an information security program, cybersecurity threats evolve quickly and cannot always be identified and avoided. Muzinich or a service provider could be a target of cybersecurity attacks. While steps have been taken to mitigate the risk of such attacks, no system is fully attack-proof, and a cybersecurity attack may have an adverse impact on Muzinich and its Clients.

Interest Rate Risk. When interest rates rise, prices of debt securities generally fall and when interest rates fall, prices of debt securities generally rise. Interest rate changes can be sudden and unpredictable, and are influenced by a number of factors, including government policy, monetary policy, inflation expectations, perceptions of risk, and supply and demand of bonds. Changes in government monetary policy, including changes in tax policy or changes in a central bank's implementation of specific policy goals, may have a substantial impact on interest rates. There can be no assurance that any particular government or central bank policy will be continued, discontinued or changed, nor that any such policy will have the desired effect on interest rates. A substantial increase in interest rates may also have an adverse impact on the liquidity of a security, especially those with longer maturities. Securities with longer maturities or durations or lower coupons or that make little (or no) interest payments before maturity tend to be more sensitive to these interest rate changes.

Impairment of Collateral Risk. The value of any collateral securing a bond or loan can decline and may be insufficient to meet the borrower's obligations or be difficult to liquidate. In addition, access to collateral may be limited by bankruptcy or other insolvency laws.

Investment Return Risk. There is no assurance that the capital will be invested on attractive terms or generate returns. Clients could experience losses on their investment, including a total loss of their investment. Supply and demand for securities and other financial instruments change rapidly and are affected by a variety of factors. Such factors include investment-specific price fluctuations as well as macro-economic, market and industry-specific conditions, including, but not limited to, national and international economic conditions, domestic and international financial policies and performance, conditions affecting particular investments (such as the results of operations, financial condition, sales and product lines of corporate issuers), national and international politics, governmental events and changes in interest rates and income tax laws. In addition, events such as political instability, terrorism, natural disasters, and regional and global health epidemics may occur. Muzinich may have only limited ability to vary its investment portfolio in response to changing economic, financial, investment and other conditions. No guarantee or representation can be made that Muzinich's investment program will be successful. The market price of securities and other financial instruments may go up or down, sometimes unpredictably, and investment results may vary substantially.

Issuer Risk. An issuer may perform poorly, and therefore, the value of its securities may decline, which would negatively affect performance.

Leverage Risk. Certain transactions and the use of derivatives such as foreign currency forward contracts, swaps and futures may create leveraging risk. Leverage may cause the Client's account to be more volatile than if the Client's account had not been leveraged. This is because leverage tends to exaggerate the effect of any increase or decrease in the value of the Client's securities. Only certain Clients may incur leverage.

LIBOR Risk – LIBOR is an interest rate benchmark that reflects the interest rate that banks charge one another for the use of short-term money. Senior secured loans typically pay interest at a floating rate based on LIBOR; CLOs also typically obtain financing at a floating rate based on LIBOR. Other instruments such as fixed income securities, loans, derivatives and floating rate securities may rely on LIBOR as an interest rate benchmark. The Financial Conduct Authority of the United Kingdom, which has the statutory power to require banks to submit contributions to LIBOR, has decided not to require banks to continue to submit contributions by the end of 2021. Thus, LIBOR is expected to be terminated, which could adversely affect the market value or liquidity of any loan or security or other instrument that currently utilize LIBOR as a benchmark, and pose tangential risk for markets and assets that do not directly rely on LIBOR. It is expected that alternative reference rates will be adopted however there remains uncertainty regarding the nature of any replacement rate (though the Alternative Reference Rates Committee, a group of private-market participants convened by the Federal Reserve Board and the New York Fed to help ensure a successful transition from LIBOR, has issued suggestions), and any potential effects of the transition away from LIBOR on loans, securities and other instruments that currently utilize LIBOR as an interest rate benchmark. It is possible that different markets will adopt different reference rates, resulting in a potential mismatch between interest rates payable with respect to financings and the interest income earned from assets held by a portfolio. If uniform conventions do not develop, or are delayed, or if changes in benchmark rates are dependent upon mutually agreed-upon amendments to credit agreements or indentures, it is uncertain what effect potential divergent calculation methodologies or timing with respect to amendments will have on assets, the marketplace, or the ability to obtain financing from lenders. The transition process may involve, among other things, increased volatility or illiquidity in markets for instruments that currently rely on LIBOR.

Many derivatives transactions contemplate LIBOR to be used to calculate certain payments between the parties. Under current standard definitions published by the International Swaps and Derivatives Association ("ISDA") that are often incorporated into the terms of derivatives contracts, if a reference rate (such as LIBOR) is not available, the rate is calculated based on quotations from banks. This approach is not expected to be workable if LIBOR is no longer available. As a result, ISDA has announced that it plans to publish new standard definitions that will use the new fallback rates (including Secured Overnight Financing Rate (SOFR) and Sterling Overnight Index Average (SONIA)). These definitions are expected to be incorporated into the terms of new derivatives transactions going forward. ISDA has also announced that it will publish a related protocol. The outstanding transactions between market participants that adhere to the protocol will be amended by means of the protocol to reference the new rates, and financial compensation will be made from one party to the other to compensate for the difference in the rates. The publication by ISDA of the new definitions and the protocol has been delayed, due to uncertainty as to whether the change to the new rates will occur when LIBOR is no longer available, or earlier when LIBOR is no longer a

representative rate. Such delay has slowed down the move of derivatives counterparties to the new rates and created uncertainty as to how and when such change will occur.

Liquidity Risk. Securities that are liquid at the time of purchase may subsequently become illiquid due to events relating to the issuer of the securities, market events, economic conditions or investor perceptions. Below investment grade bonds and syndicated loans may be less liquid than investment grade securities. The value of illiquid securities may reflect a discount from the market price of comparable securities for which a liquid market exists, and accordingly may have a negative effect on the value of a strategy's assets. To meet Client requests to withdraw assets, Muzinich may be forced to sell securities at an unfavorable time and/or under unfavorable conditions.

Liquidity Risk of Investments in Private Companies. Various restrictions render investments in private companies relatively illiquid. Investments in private companies are typically subject to legal and other restrictions on resale or are otherwise less liquid than publicly traded securities. The illiquidity of private company investments may make it difficult to sell such investments if the need arises. Therefore, if Muzinich is required to or desires to liquidate all or a portion of its private company investments quickly, Muzinich could realize significantly less than the value at which such investments are held.

Loan Risk. Certain strategies may invest in syndicated loans. These loans, which may bear fixed or floating rates, have generally been arranged through private negotiations between a company and one or more financial institutions, including banks. Bank loans may not be securities and therefore may not have the protection afforded by federal securities laws. An investment may be in the form of participation in loans or of assignments of all or a portion of loans from third parties. The sale and purchase of a senior loan are subject to the requirements of the underlying credit agreement governing the loan. These requirements may limit the eligible pool of potential loan holders by placing conditions or restrictions on sales and purchases of loans. In addition, the value of the collateral securing the loan may decline, causing a loan to be substantially unsecured. There may not be a readily available market for loan participation interests, which in some cases could result in the strategy disposing of such interests at a substantial discount from face value or holding such interests until maturity. In addition, loans are subject to the credit risk of the underlying corporate borrower. Syndicated loans are not traded on an exchange and purchasers and sellers of these loans rely on market makers, usually the administrative agent for a particular senior loan, to trade these loans. These factors, in addition to overall market volatility, may negatively impact the liquidity of loans. To the extent that a secondary market does exist for certain loans, the market may be subject to volatility, irregular trading activity, wide bid/ask spreads, decreased liquidity and extended trade settlement periods. Investments in syndicated loans involves credit risk, interest rate risk, liquidity risk and other risks, including the risk that it may take more than seven days to settle any loan transaction, the risk that any collateral may become impaired, and the risk that the Client may obtain less than the full value for the loan interests when sold.

Loan Risk - Default. Borrowers could be susceptible to economic recession or downturns or other circumstances which cause the borrower to be unable to meet covenant requirements or service their obligations for indefinite periods of time. In addition, the credit markets are subject to volatility and a changing regulatory environment that could limit the availability of credit being provided by lenders with the result that a borrower might not be able to refinance its debt at or prior to maturity. This could lead to a default on a loan and, consequently, termination or a write down or other reduction in the value of the loan, and the exercise of remedies. In such cases, Clients would likely

suffer losses resulting from an inability to recover all or a portion of their investment in defaulted loans. Moreover, disruption in the credit or other financial markets leading to increased loan defaults and credit downgrades of borrowers could negatively affect the liquidity and pricing of loans in a Client's portfolio.

Loan Risk – Debtor-in-Possession (DIP Loans). Debtor-in-possession ("DIP") loans involve a fundamental credit risk based on the borrower's ability to make principal and interest payments and the inherent risks in the bankruptcy process. DIP loans are subject to a court approval process in which parties-in-interest may be heard but there can be no assurance that Clients would be successful in obtaining favorable results. If our calculations as to the outcome or timing of a reorganization are inaccurate, a company that has filed for bankruptcy may not be able to make payments on a DIP loan on time or at all. In addition, DIP loans may be privately negotiated transactions, each of which has individualized terms. These positions may be illiquid and difficult to value. DIP loans may be subject to price volatility due to various factors including, but not limited to, changes in interest rates, market perception of the creditworthiness of the borrower and general market liquidity.

Market Risk. The corporate credit markets can experience sharp and sudden price swings due to a variety of factors, including, but not limited to, changes in securities regulations, swings in market psychology, volatility in the stock market, changing economic conditions, a highly publicized default, or changes in asset allocations by major institutional investors. Economies and financial markets throughout the world are becoming increasingly interconnected, which increases the likelihood that events or conditions in one country or region will adversely impact markets or issuers in other countries or regions. Securities in any one strategy may under perform in comparison to general financial markets, a particular financial market or other asset classes, due to a number of factors, including inflation (or expectations for inflation), deflation (or expectations for deflation), interest rates, global demand for particular products or resources, market instability, debt crises and downgrades, embargoes, tariffs, sanctions and other trade barriers, regulatory events, other governmental trade or market control programs and related geopolitical events.

Market Disruption Risk. Global instability, geopolitical tensions, terrorist attacks in the United States and around the world, and the threat of a global pandemic have resulted in market volatility and may have long-term effects on the United States and worldwide financial markets and may cause further economic uncertainties in the United States and worldwide. The Firm cannot predict the effects of significant future events on the global economy and securities markets. A similar disruption of the financial markets could impact interest rates, credit risk, inflation and other factors.

An epidemic outbreak and reactions to such an outbreak could cause uncertainty in markets and businesses, including the Firm's business, and may adversely affect the performance of the global economy, including changes in currency exchange rates or interest rates, forced redemptions of securities or acquisitions proposals, regulatory intervention, general market conditions creating illiquidity or pricing anomalies or value impairment, causing market volatility, market and business uncertainty and closures, supply chain and travel interruptions, the need for employees and vendors to work at external locations, and extensive medical absences.

Risk of Investing in Middle-Market Companies. Middle-market companies may have limited financial resources, shorter operating histories, narrower product lines, smaller market shares than larger companies and tend to be more vulnerable to competitors' actions and market conditions, as well as to general economic downturns; such companies may be unable to meet their obligations under their debt securities that we hold, which may be accompanied by a deterioration in the value

of any collateral and a reduction in the likelihood of realizing any guarantees obtained in connection with the investment; such companies are more likely to depend on the management talents and efforts of a small group of persons; therefore, the death, disability, resignation or termination of one or more of these persons could have a material adverse impact on the portfolio company such companies generally have less predictable operating results, may from time to time be parties to litigation, may be engaged in rapidly changing businesses with products subject to a substantial risk of obsolescence, and may require substantial additional capital to support their operations, finance expansion or maintain their competitive position; and such companies may have difficulty accessing the capital markets to meet future capital needs, which may limit their ability to grow or to repay their outstanding indebtedness upon maturity.

Opportunity Risk. The Firm may participate in a limited number of investments for Client accounts and, as a consequence, the aggregate return of such Client assets may be substantially adversely affected by the unfavorable performance of even a single investment. In addition, other than as set forth in the applicable Client's Governing Documents, Clients have no assurance as to the degree of diversification of investments, either by geographic region, industry or transaction type.

Other Clients Risk. In addition to responsibilities with respect to the management and investment activities of any particular Fund or Separate Account, the Firm will have similar responsibilities with respect to various other existing and future pooled investment vehicles and managed accounts. The existence of such multiple vehicles and accounts necessarily creates a number of potential conflicts of interest.

Political Uncertainty Risk. US markets, as well as non-US markets in which Clients may invest in the future or to which Clients or borrowers are exposed, may experience political uncertainty and/or change that subject investments to heightened risks. These heightened risks may include: greater fluctuations in currency exchange rates; increased risk of default (by both government and private issuers); greater social, economic, and political instability (including the risk of war or terrorist activity); greater governmental involvement in the economy; less governmental supervision and regulation of the securities markets and market participants; controls or restrictions on foreign investment, capital controls and limitations on repatriation of invested capital and on the ability to exchange currencies; inability to purchase and sell investments or otherwise settle security or derivative transactions (*i.e.*, a market freeze); unavailability of currency hedging techniques; and slower clearance. During times of political uncertainty, the global securities, derivatives and currency markets often become more volatile. There also may be a lower level of monitoring and regulation of markets while a country is experiencing political uncertainty, and the activities of investors in such markets and enforcement of existing regulations may become more limited. Markets experiencing political uncertainty may have substantial, and in some periods extremely high, rates of inflation for many years. Inflation and rapid fluctuations in inflation rates may have negative effects on such countries' economies and securities markets. There can be no assurance that political changes will not cause a Client to suffer a loss of any or all of its investments or interest thereon.

Portfolio Turnover Risk. High portfolio turnover involves correspondingly greater expenses to the Client, including brokerage commissions or dealer mark-ups and other transaction costs on the sale of securities and reinvestments in other securities, which may result in adverse tax consequences to the Client's shareholders.

Prepayment Risk. Prepayment risk occurs when a debt security can be repaid in whole or in part prior

to the security's maturity and the Client must reinvest the proceeds it receives, during periods of declining interest rates, in securities that pay a lower rate of interest. Also, if a security has been purchased at a premium, the value of the premium would be lost in the event of prepayment. Prepayments generally increase when interest rates fall.

Private Companies - Diversification Risk. If a Fund is classified as a non-diversified investment company within the meaning of the Investment Company Act, it will not be limited by the Investment Company Act with respect to the proportion of assets that may be invested in securities of a single issuer, excluding limitations on investments in other investment companies. The risks of classifying a Fund as a non-diversified investment may be intensified because it may invest in a limited number of portfolio companies. To the extent that the Fund assumes large positions in the securities of a small number of issuers or industries, its value may fluctuate to a greater extent than that of a diversified investment company as a result of changes in the financial condition or the market's assessment of the issuer or industry. A Fund classified as a non-diversified investment company may also be more susceptible to any single economic or regulatory occurrence than a diversified investment company. In addition, the aggregate returns realized may be significantly adversely affected if a small number of investments perform poorly or default. Additionally, a downturn in any particular industry in which the Fund is invested could significantly affect its aggregate returns. In addition, Funds may incur bid, legal, due diligence and other costs on investments which may not be successful.

Public Health Crisis Risk. The outbreak of an infectious disease or any other serious public health concern, together with resulting restrictions on travel, quarantines, and inability of various industries or companies to meet production expectations, has had and will likely continue to have a negative impact on the economy, and businesses globally, including investments on behalf of Clients. The Firm seeks to mitigate risks related to its own ability to conduct business in the midst of a health crisis, by maintaining and testing a business continuity plan intended to prepare the Firm to continue critical business activities in the event of direct impact on the Firm's personnel or office location. While the Firm believes it has taken reasonable and appropriate preparation measures, and seeks to confirm reasonable business continuity capabilities of critical vendors, it cannot guarantee that business activities will not be affected by an escalating health crisis.

Ratings Agencies Risk. The ratings of any security may not adequately reflect the credit risk of those assets due to their structure. Ratings agencies may fail to make timely changes in credit ratings and an issuer's current financial condition may be better or worse than a rating indicates. In addition, ratings agencies are subject to an inherent conflict of interest, because they are often compensated by the same issuers whose securities they grade.

Redemption Risk. A Client seeking redemptions may experience periods of heavy redemptions in the market that could cause the Firm to sell assets at inopportune times or at a loss or depressed value. Redemption risk is heightened during periods of declining or illiquid markets. In addition, redemption risk is heightened to the extent that one or more investors control a large percentage of investments in a Fund, have short investment horizons, or have unpredictable cash flow needs. Heavy redemptions whether by a few large investors or many smaller investors, could hurt a Client's account performance. A general rise in interest rates has the potential to cause investors to move out of fixed income securities on a large scale, which may increase redemptions in accounts holding large amounts of fixed income securities. Such a move, coupled with a reduction in the ability or willingness of dealers and other institutional investors to buy or hold fixed income securities may result in decreased liquidity and increased volatility in the fixed income markets. Additionally, for

investors in funds, the redemption of one investor, especially a large redemption, may impact the performance of a fund for investors who do not redeem.

Risk of Investment in REITS. REITs are exposed to the risks specific to the real estate market as well as the risks that relate specifically to the way in which REITs are organized and operated. REITs receive principal and interest payments from the owners of the mortgaged properties or lease monies from tenants in rented properties. Accordingly, REITs are subject to the credit risk of the borrowers. Credit risk refers to the possibility that the borrower or tenant will be unable and/or unwilling to make timely interest payments and/or repay the principal on the loan to a REIT when due. Unexpected high rates of default on the mortgages held by a mortgage pool may adversely affect the value of a mortgage-backed security and could result in losses to a REIT. The risk of such defaults is generally higher in the case of mortgage pools that include subprime mortgages. To the extent that a REIT's portfolio is exposed to lower-rated, unsecured or subordinated instruments, the risk of loss may increase, which may have a negative impact on the Clients' accounts. REITs also are subject to the risk that the value of mortgaged properties may be less than the amounts owed on the properties. If a REIT is required to foreclose on a borrower, the amount recovered in connection with the foreclosure may be less than the amount owed to the REIT. REITs typically use leverage and many are highly leveraged, which exposes them to leverage risk and the risks generally associated with debt financing. Leverage risk refers to the risk that leverage created from borrowing may impair a REIT's liquidity, cause it to liquidate positions at an unfavorable time and increase the volatility of the values of securities issued by the REIT. During periods of adverse market conditions, downturns in the economy or deterioration in the conditions of the REIT's assets, the use of leverage may cause a REIT to lose more money than would have been the case if leverage was not used. REITs are subject to special U.S. federal tax requirements. A REIT's failure to comply with these requirements may negatively affect its performance. REITs are generally not diversified and may be subject to heavy cash flow dependency, default by borrowers and self-liquidation.

Restricted Securities Risk. Certain Clients may invest in restricted securities, which are securities that may not be listed on an exchange and may have no active trading market. Restricted securities may be illiquid and may be unable to be sold at a time when it may otherwise be desirable to do so or may be able to be sold only at prices that are less than what may be regarded as their fair market value. Transaction costs may be higher for restricted securities. In addition, the Firm and/or the Client may get only limited information about the issuer of a restricted security; accordingly, the valuation of restricted securities may be difficult.

US Government Securities Risk. Although certain strategies may hold securities that carry US government guarantees, not all securities issued by the US government and its agencies and instrumentalities are backed by the full faith and credit of the US Treasury.

Short Selling Risk. Certain strategies may sell securities short. If a security sold short increases in price, the strategy may have to cover its short position at a higher price than the short sale price, resulting in a loss. A strategy may have substantial short positions and must borrow those securities to make delivery to the buyer. The strategy may not be able to borrow a security that it needs to deliver or it may not be able to close out a short position at an acceptable price and may have to sell related long positions before it had intended to do so. Thus, the strategy may not be able to successfully implement short sales due to limited availability of desired securities or for other reasons. Unlike long positions, short positions create the potential for unlimited downside.

Time Commitment Risk. The Firm and its affiliates are not generally obligated to devote any specific amount of time to the affairs of any Client. The Firm and its affiliates spend substantial time on other business activities, including those related to the other Clients. The Firm's senior management currently engage in and will be free to continue to engage in outside business activities as well as investment activities for their own accounts.

ITEM 9: DISCIPLINARY INFORMATION

Not Applicable.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

a) Registered Broker-Dealer or Registered Representative

Muzinich wholly owns Muzinich Capital LLC (“Muzinich Capital”), a FINRA registered broker-dealer authorized to engage in the business of private placement transactions (including in respect of one or more Funds for which Muzinich and/or its affiliates act as investment manager) and market mutual funds. Certain related persons of the Firm are registered representatives of Muzinich Capital. The Firm does not place any Client trades through Muzinich Capital.

b) Business Relationships with Certain Related Persons

- Muzinich is the parent company of Muzinich & Co. Limited, a United Kingdom-based investment manager (the “UK Manager”). Muzinich acts as a sub-adviser for certain of the UK Manager’s client accounts. In addition, the UK Manager is a “participating affiliate” of Muzinich, pursuant to a Memorandum of Understanding between Muzinich and the UK Manager (the “MOU”) consistent with relevant SEC Staff guidance and, under the MOU, certain personnel of the UK Manager are associated persons of Muzinich and may make and implement investment decisions for certain Clients. The Firm and the UK Manager may also discuss investment related matters and such discussions may impact decisions made by the Firm and the UK Manager for their respective clients. Muzinich supervises such associated persons with respect to investment management services provided to Muzinich’s Clients.
- The UK Manager is authorized and regulated by the Financial Conduct Authority. The UK Manager has extended places of business in Manchester, United Kingdom and in Sydney, Australia. The UK Manager also has wholly owned subsidiaries in Ireland (Muzinich & Co. (Dublin) Limited (“Muzinich Dublin”) which is regulated by the Central Bank of Ireland), Singapore (Muzinich & Co. (Singapore) Pte. Limited (“Muzinich Singapore”) which is regulated by the Monetary Authority of Singapore), Italy (Muzinich & Co. S.G.R. S.p.A.) which is regulated by the Bank of Italy) and Switzerland (Muzinich & Co. (Switzerland) AG) (“Muzinich Switzerland”). The UK Manager and Muzinich may share resources, including research.
- Muzinich Dublin, which is regulated by the Central Bank of Ireland has regulated branch offices in Paris, France; Frankfurt, Germany; Milan, Italy; and Madrid, Spain. In addition, Muzinich Dublin is a “participating affiliate” of Muzinich, pursuant to a Memorandum of Understanding between Muzinich and Muzinich Dublin (the “MOU”) consistent with relevant SEC Staff guidance and, under the MOU, certain personnel of the Muzinich Dublin are associated persons of Muzinich and may make and implement investment decisions for certain Clients. The Firm and Muzinich Dublin may also discuss investment related matters and such discussions may impact decisions made by the Firm . Muzinich supervises such associated persons with respect to investment management services provided to Muzinich’s Clients.
- Muzinich Singapore has a representative office in Hong Kong. Muzinich Singapore is a “participating affiliate” of Muzinich, pursuant to a Memorandum of Understanding between Muzinich and Muzinich Singapore (the “MOU”) consistent with relevant SEC Staff

guidance and, under the MOU, certain personnel of the Muzinich Singapore are associated persons of Muzinich and may make and implement investment decisions for certain Clients. The Firm and Muzinich Singapore may also discuss investment related matters and such discussions may impact decisions made by the Firm. Muzinich supervises such associated persons with respect to investment management services provided to Muzinich's Clients.

- Muzinich Switzerland is a “participating affiliate” of Muzinich, pursuant to a Memorandum of Understanding between Muzinich and Muzinich Switzerland (the “MOU”) consistent with relevant SEC Staff guidance and, under the MOU, certain personnel of the Muzinich Switzerland are associated persons of Muzinich and may provide research and related services for certain Clients. The Firm and Muzinich Switzerland may also discuss investment related matters and such discussions may impact decisions made by the Firm. Muzinich supervises such associated persons with respect to services provided to Muzinich's Clients.
- The UK Manager wholly owns five Luxembourg entities each of which serves as general partner to one or more investment funds or other vehicles: Muzinich European Private Debt, S.à r.l., Muzinich European Senior Secured Private Debt I General Partner, S.à r.l., Muzinich Pan-European Private Debt General Partner, S.à r.l. and Muzinich US Private Debt General Partner, S.à r.l., Muzinich Pan-European Private Debt II General Partner, S.à r.l.
- The UK Manager wholly owns three Luxembourg entities each of which is expected to serve as a general partner to one or more investment funds or other vehicles: Muzinich Diversified Enterprises Credit II General Partner, S.à r.l., Muzinich Asia Pacific Private Debt I General Partner, S.à r.l., Muzinich Aviation Special Opportunities I General Partner, S.à r.l.
- The UK Manager wholly owns Muzinich US Private Debt General Partner, Limited a Cayman Islands entity which is expected to serve as general partner to one or more investment funds or other vehicles.
- Muzinich wholly owns Muzinich Long-Short Credit Fund GP, LLC a Delaware entity which is expected to serve as a general partner to one or more investment funds or other vehicles.
- Muzinich is the parent company of Muzinich & Co. (Ireland) Limited (the “Ireland Management Company”), a fund management company that is domiciled in Ireland and is regulated by the Central Bank of Ireland. The Firm serves as investment manager or sub-investment manager for Funds for which the Ireland Management Company is the manager.
- Muzinich is the investment adviser or investment sub-adviser to mutual funds registered under the Investment Company Act.
- Muzinich owns a greater than 75% interest in Muzinich BDC Adviser, LLC (the “BDC Adviser”). The BDC Adviser is a registered investment adviser with the SEC, and serves as investment adviser to Muzinich BDC, Inc. (the “BDC”) a closed-end, non-diversified management investment company which has filed an election to be treated as a business development company under the Investment Company Act of 1940.

Muzinich has entered into a Resource Sharing Agreement with the BDC Adviser pursuant

to which Muzinich provides the Adviser with experienced investment professionals and services so as to enable the BDC Adviser to fulfill its obligations as investment adviser to the BDC.

- Related persons of Muzinich may have a substantial interest in some of the Funds for which Muzinich is investment manager. Conflicts may arise as to the allocation of investment opportunities among these Funds and its other Clients.

Muzinich has policies and procedures in place reasonably designed to assure that Clients are treated fairly and equitably over time and that no Client account receives preferential treatment in the allocation of investment opportunities. See “Item 6 - Performance-Based Fees and Side-by-Side Management,” above, “Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading” and “Item 12 – Brokerage Practices; Aggregation and Allocation of Trades,” below.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

a) Code of Ethics

The Firm has adopted a Code of Ethics (the “Code”) which is designed to set forth the general fiduciary principles governing employees, require compliance with the federal securities laws, and assist employees in detecting and managing conflicts of interest. It also describes policies on personal trading by Firm employees, Insider Trading, Gifts and Corporate Entertainment, Anti-Bribery and Corruption, Outside Activities, Conflicts of Interest and Political Contributions and Political Activities.

Muzinich permits its employees to engage in personal securities transactions. These transactions raise potential conflicts of interest, including when they involve securities owned or considered for purchase or sale by or on behalf of a Client account. Potential conflicts of interest may arise in connection with, for example, an employee’s knowledge and timing of transactions, investment opportunities, broker selection, portfolio holdings and investments. Muzinich manages these potential conflicts by requiring that any transaction be made in compliance with its Code. Muzinich generally does not permit its employees to purchase corporate bonds.

The Code imposes specific requirements concerning employees’ personal security investments, including but not limited to:

- Quarterly, employees must report personal securities transactions in Covered Securities, which excludes certain securities such as US government securities and open-end mutual funds (other than mutual funds managed by the Firm);
- Employees must report all holdings annually;
- Employees may not trade for their personal accounts while in possession of material, non-public information;
- Employees may not trade for their personal accounts in securities which are either restricted or in which their investment may result in a conflict of interest;
- Employees must receive prior approval from the Chief Compliance Officer or his or her delegate prior to purchasing a security in an initial public offering or a private offering; and
- With certain exceptions for circumstances where the Firm believes the possibility of a conflict is remote, employees must receive prior approval from the Chief Compliance Officer or his or her delegate prior to engaging in a transaction in a Covered Security.

All Clients and prospective Clients may obtain a copy of the Firm’s Code of Ethics by writing or calling the Firm as follows:

Muzinich & Co., Inc.
Attn: Chief Compliance Officer
450 Park Avenue
New York, NY 10022
(212) 888-3413

b) Participation or Interests in Client Transactions; Investment in Securities Recommended to Clients

Muzinich, from time to time, recommends securities in which Muzinich and/or one or more of its affiliates, directly or indirectly, has an interest. For instance, it may be expected that one or more of Muzinich's Clients may invest capital in another of Muzinich's Clients or its affiliate's Clients. In addition, Muzinich, its affiliates, its employees, and employees of its affiliates may have invested and may in the future make further investments, directly or indirectly of their own capital in certain Funds. This may represent a conflict of interest for Muzinich, when allocating trades, correcting errors, engaging in cross transactions or otherwise making investment decisions on behalf of these Funds because the Firm may be incentivized to favor such Funds over other Clients. With respect to trade allocation in particular, these potential conflicts may be greater when purchasing securities that are limited in supply or selling securities that have limited liquidity. Muzinich seeks to manage these conflicts by allocating investment opportunities among accounts in a manner that Muzinich determines fair and equitable under the circumstances and in accordance with its policies and procedures regarding trade allocations. See "Item 12 – Brokerage Practices; Aggregation and Allocation of Trades" for further information.

A principal transaction occurs when an investment adviser, acting for its own account (or the account of an affiliate) buys a security from, or sells a security to, a Client. It is the Firm's policy to generally prohibit principal transactions and Muzinich does not presently intend to engage and has not engaged in the most recent fiscal year in principal transactions. Principal transactions may pose the potential for conflicts of interest between Muzinich and its Client. In the rare occasion where a principal transaction appears appropriate and in the best interest of the Client, it may be transacted only with written (i) disclosure to the Client and (ii) permission from the Client prior to settlement. Additionally, Clients may have different procedures with respect to completing principal transactions, as set forth in the relevant Client's Governing Documents. Additionally, Muzinich's use of principal transactions may be limited for certain Client accounts such as Client accounts that are registered under the Investment Company Act or subject to ERISA.

Muzinich, its employees and its affiliates may invest in issuers that they also recommend to Clients. However, Muzinich, its employees and affiliates may not trade for their personal accounts in securities which are either restricted or in which their investment may result in a conflict of interest. They also may give advice and take action with respect to Client accounts they manage, or for their own accounts, that may differ from action taken, or the time or nature of the action taken, by the Firm or its affiliates on behalf of other Client accounts. Muzinich is not obligated to recommend, buy or sell, or to refrain from recommending, buying or selling any security that Muzinich or its affiliates or their respective employees may buy or sell for their own accounts or for the accounts of any other Client.

Additionally, in certain circumstances, such as when it makes investments in certain syndicated loans on behalf of certain Client accounts, the Firm may come into possession of material non-public information about an issuer. In these instances, Muzinich typically adds the issuer (if it has public securities) to its restricted list and would be prohibited from purchasing or selling public securities of such issuer for a Client while the issuer remains on the Firm's restricted list. In these circumstances, Muzinich has no responsibility or liability to the Client for not disclosing the information to the Client (or the fact that Muzinich possesses such information), or not using such

information for the Client's benefit, as a result of following its policies and procedures or applicable law.

The majority of trades made for Clients are executed through the open market and it is the Firm's policy to generally prohibit cross trades. However, when Muzinich believes, on a limited case-by-case basis, it is in the best interest of all Clients involved, such as an account liquidation or large withdrawal of funds, it may engage in "cross trading" – a transaction where one or more Clients purchases securities from one or more other Clients. In such circumstances, and where consistent with Muzinich's duty to seek best execution, the Firm may select an unaffiliated third party broker-dealer to facilitate the cross trade, the Clients will pay a transaction based fee to the third party broker-dealer, but Muzinich will receive no transaction-based compensation from the transaction. Where a Fund registered under the Investment Company Act is involved, the transaction will be executed in accordance with the provisions of Rule 17a-7 under the Investment Company Act of 1940. In other cases, the transaction will be executed in a manner, and at a price, that Muzinich believes to be fair for all involved Clients. The Firm has adopted procedures to seek the fair treatment of Clients in cross trades, including procedures that prohibit Funds in which Muzinich or its employees hold more than a 25% interest, from participating in cross trades. However, it is Muzinich's policy not to conduct cross trades for its ERISA Clients.

c) Other Conflicts of Interest – Material Non-Public Information/Insider Trading

From time to time, the Firm or its personnel may obtain material non-public information about an issuer of securities. The Firm has implemented policies and procedures that are reasonably designed to prevent the misuse by the Firm and its personnel of material non-public information about the Firm's securities recommendations and Clients' securities holdings and transactions (the "Insider Trading Policy"). The Insider Trading Policy is designed to comply with the requirements of the Advisers Act and other federal securities laws. The Insider Trading Policy requires that all Muzinich employees abide by the following guidelines:

- Except as expressly advised by Muzinich's compliance department, an employee may not buy or sell (or recommend, advise or solicit the purchase or sale), for any account (personal or Client), a security (or derivative) of any company about which the employee possesses material non-public information.
- All employees are required to safeguard the confidentiality of any non-public information that may be in their possession and to ensure that such information is not used improperly or in a manner inconsistent with the specific purpose for which it was created or obtained and to avoid situations that might create an appearance of such misuse.
- An employee must notify the Muzinich compliance department immediately if he or she believes that he or she has obtained any material non-public information about any company. Employees should not disclose such information to any other person without obtaining permission from the Muzinich compliance department.
- If there is any doubt as to whether information an employee possesses is material or non-public, the affected employee should conduct him/herself as though it were and contact the Muzinich compliance department for further guidance.

Where Muzinich is in possession of material non-public information about an issuer, it may be unable to purchase or sell securities of that issuer, even if it would be otherwise advisable to do so. This may prevent Clients from capitalizing on investment opportunities or mitigating losses.

Muzinich's policies allow for the purchase and sale of certain loan interests while in possession of material non-public information, where Muzinich is on the "private side" of the transaction.

d) Other Conflicts - Non-Exclusive Services

As Muzinich is a global investment management firm that offers a wide variety of investment strategies and services, Muzinich's services to each of its Clients are not exclusive. Accordingly, various conflicts of interest arise in connection with Muzinich's advisory activities on behalf of numerous Clients.

Muzinich and its affiliates may effect transactions for the accounts of one or more Clients that differ materially from the advice given, or the time or nature of action taken, with respect to one or more other Clients and, therefore, the results of our investment activities for a Client may differ significantly from the results achieved by us for other Clients. Furthermore, Muzinich may give advice, and take action, with respect to a Client that may compete or conflict with the advice we may give to, or an investment action we may take on behalf of, other Clients. Accordingly, Muzinich may buy or sell positions for one Client while we or our affiliates are undertaking for another Client the same or a different, including potentially opposite, strategy or position. For instance, Muzinich may take short positions in the securities of certain issuers for the account of a Client at the same time that other Client accounts hold or acquire the securities and/or syndicated loans of such issuers. The short position may result in the impairment of the price of the long position(s) held, or may be designed to profit from a decline in the price of the applicable securities and/or loans. Moreover, a Client account could similarly be adversely impacted if it establishes a short position, following which one or more other Client accounts takes a long position in the same or similar securities and/or syndicated loans.

Furthermore, the timing of transactions entered into or recommended by Muzinich, on behalf of itself or its Clients, may negatively impact certain other Client accounts or benefit certain other Client accounts. For example, if, Muzinich on behalf of one or more Client accounts, implements an investment decision or strategy ahead of, or contemporaneously with, or behind similar investment decisions or strategies made for other Client accounts, it could result, due to market impact or other factors, in liquidity constraints or in certain Client accounts receiving less favorable investment or trading results or incurring increased costs. Similarly, Muzinich may implement an investment decision or strategy that results in a purchase (or sale) of a security for one Client account that may increase the value of such security already held by another Client account (or decrease the value of such security that such other Client account intends to purchase), thereby benefitting such other Client account.

Conflicts also may arise in cases where different Muzinich Clients invest in different parts of an issuer's capital structure. For example, Muzinich or its affiliates may invest in senior debt obligations of an issuer for one Client and junior debt obligations or equity of the same issuer for another Client. Accordingly, one Client might recover all or part of its investment while the other Client might not. Moreover, Clients will not be required to take any action or refrain from taking any action to mitigate another Client's losses in such a scenario. In negotiating the terms and conditions of any such investments, or any subsequent amendments or waivers, Muzinich may find that its own interests, the interests of one or more Clients and/or the interests of one or more other Clients could conflict. In negotiating the terms and conditions of any such investments, or any subsequent amendments or waivers or taking any other actions, we may find that the interests of a Client and the interests of one

or more other Clients could conflict. In these situations, decisions over items such as whether to make the investment, exercise certain rights, or take or determine not to take an action, proxy voting, corporate reorganization, how to exit an investment, or bankruptcy or similar matters (including, for example, whether to trigger an event of default or the terms of any workout) may result in conflicts of interest.

Similarly, if an issuer in which a Client and one or more other 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 may be better served by a liquidation of the issuer in which it may be paid in full, whereas an equity holder might prefer a reorganization that holds the potential to create or retain value for the equity holders.

Furthermore, Muzinich may choose to participate in certain ad hoc or other committees on behalf of its Clients as part of such restructuring, work out or bankruptcy processes. In such instances, Muzinich may, by virtue of receipt of material non-public information with respect to the issuer, become restricted from transacting on behalf of its Clients in the securities or other instruments of such issuer. Moreover, in situations in which Clients hold positions in multiple parts of the capital structure of an issuer and/or in situations in which Clients' interests may otherwise diverge, Muzinich may determine not to participate in such a committee in order to mitigate conflicts; Clients may be disadvantaged by Muzinich's refraining from serving in such capacity.

In some cases Muzinich may refrain from taking certain actions or making certain investments on behalf of Clients in order to avoid or mitigate certain conflicts of interest or to prevent adverse regulatory or other effects on Muzinich, or may sell investments for certain Clients (in each case potentially disadvantaging the Clients on whose behalf the actions are not taken, investments not made, or investments sold). For instance, in circumstances in which Client accounts including one or more registered investment funds would be positioned to make side-by-side investments or otherwise take action with respect to an issuer in which such Client accounts hold an investment, Muzinich, acting on behalf of the Client accounts, may be limited in the terms of the transactions that it may negotiate under applicable law. In some cases, this has the effect of limiting the ability of certain Client accounts from participating in certain transactions or result in terms to Client accounts that are less favorable than would have otherwise been the case. Forgone investment opportunities or actions may adversely affect the performance of a Client's account if similarly attractive opportunities are not available or cannot be identified. In other cases, Muzinich may not refrain from taking actions or making investments on behalf of certain Clients that have the potential to disadvantage other Clients. In addition, Muzinich may take actions or refrain from taking actions in order to mitigate legal risks to Muzinich or its affiliates or its Clients even if disadvantageous to a Client's account.

Furthermore, from time to time, Muzinich may be presented with the opportunity to invest in securities and/or loans of issuer as a result of one or more Client accounts holding an existing position in securities and/or loans of such issuer or its affiliates. Such follow-on investments can create conflicts of interest, such as the determination of the terms of the new investment and the allocation of such opportunities among Client accounts. Follow-on investment opportunities may be available to Client accounts with no existing investment in the issuer, resulting in the assets of a Client account potentially providing value to, or otherwise supporting the investments of, other Client accounts. See

“Item 12(e) – Aggregation and Allocation of Trades.”]

ITEM 12: BROKERAGE PRACTICES

a) Selection of Broker-Dealers

In placing orders for purchase and sale of securities and selecting broker-dealers to effect transactions, Muzinich seeks prompt execution of orders at the most favorable prices reasonably obtainable under the circumstances and in doing so will consider a number of factors, including, without limitation, the overall direct net economic result to the Client, the financial strength, reputation and stability of the broker-dealer, the efficiency with which the transaction is effected, the ability to effect the transaction where a large block is involved, the settlement capabilities of the broker-dealer and the willingness of the broker-dealer to stand ready to execute possibly difficult transactions in the future. After giving account to all of these considerations, the Firm may cause an account to pay commissions or spreads which may not be the lowest available, but which ordinarily will not be higher than the generally prevailing competitive range. It should be noted however, that Muzinich maintains a list of approved broker-dealers (the “Approved Broker List”) which have been approved for trading by the Firm after conducting due diligence, and only trades through broker-dealers on such Approved Broker List. Additionally, Muzinich’s selection of a broker-dealer may be limited for certain accounts due to legal restrictions such as ERISA.

In selecting brokers to execute transactions and determining the reasonableness of their compensation, Muzinich is not required to solicit competitive bids and does not have an obligation to seek the lowest available commission cost or price.

Muzinich’s Best Execution Committee is responsible for reviewing the quality and value of the services provided by broker-dealers used and for monitoring any commission levels paid to these broker-dealers. The Best Execution Committee will periodically monitor trading to ensure that best execution has been achieved in accordance with its policies and procedures.

b) Soft-Dollar Arrangements

As a matter of policy, Muzinich does not have in place any “soft dollar” arrangements, and Muzinich will not pay higher commission or mark-up prices or direct trades to a particular broker-dealer in order to receive specific research or other services. Moreover, Muzinich will not enter into “soft dollar” arrangements for Clients with Plan Assets, as defined under ERISA. Muzinich may, however, receive proprietary, over the transom, research from broker-dealers through which it executes transactions. The desire to receive research may influence Muzinich’s brokerage decisions and the receipt of over-the-transom research from brokers benefits Muzinich in that it is not required to purchase or develop such research itself. Subject to our Best Execution Policy, Muzinich will from time-to-time allocate securities or loan transactions to these brokerage firms.

c) Brokerage for Client Referrals

Muzinich generally does not consider, in selecting or recommending a broker dealer, whether the Firm or a related person receives client referrals from that broker-dealer. However, Muzinich may engage brokers who invest, or who have affiliates who invest, in Muzinich funds or which are Clients.

Muzinich executes securities transactions through brokers (or their affiliates) who market Muzinich funds or otherwise make such products available to potential investors. This practice creates a conflict of interest because Muzinich has an incentive to select or recommend a broker based on our interest in

receiving potential client referrals. Moreover, the allocation of transactions to brokers who (or that have affiliates who) market Muzinich funds or otherwise make our products available to their clients is subject at all times to our obligation under our Best Execution Policy to seek best execution.

d) Directed Brokerage

While typically, the Firm does not accept clients who require it to execute transactions through a specific broker-dealer, the Firm does have the discretion to accept such clients. Currently the Firm does not have any Clients who require it to execute transactions through a specific broker-dealer, except certain Clients' transactions in respect of certain currency related derivatives. Clients may however provide an approved list of broker-dealers for their account. The Firm will use such broker-dealers subject to its determination that the use of those broker-dealers is consistent with its duty to seek best execution of Client transactions. However, to the extent that the Firm places an aggregated order through a broker-dealer that is not on a Client's approved list but which the Firm believes will provide best execution for the order, the Client would not participate in that order and the Firm would have to place the order for the Client through one of the Client's approved broker-dealers. As a result, the Client might pay a higher price or receive a lower price for the same security than those Clients who participated in the aggregated order. Thus, restricting the broker-dealers that the Firm may use to effect transactions may adversely impact performance.

e) Aggregation and Allocation of Trades

Muzinich is committed to transacting in assets in a manner that is consistent with the investment objectives of each Client, and to allocating investment opportunities (including purchase and sale opportunities) among its Clients in a fair and equitable manner over time. If Muzinich is presented with an investment opportunity that falls within the investment objectives of more than one Client, Muzinich will allocate the opportunity among one or more of such Clients in a manner that Muzinich deems to be fair and equitable over time, taking into consideration such factors as: (i) investment guidelines and restrictions; (ii) investment horizons; (iii) current portfolio holdings and weightings; (iv) cash availability; (v) risk levels; (vi) liquidity requirements; (vii) tax considerations; (viii) legal and/or regulatory considerations; and (ix) other criteria Muzinich deems relevant (the nature and extent of the differences will vary from Client to Client). Muzinich will typically allocate high yield bond transactions to Client accounts in round lots and minimum increments as imposed by (i) Muzinich based on the market in which the assets are traded, and/or (ii) the issuers. When orders to purchase or sell the same assets on identical terms are placed on behalf of more than one Client account managed by Muzinich or its affiliates on a single day through the same broker/dealer, they are typically aggregated and allocated as to amount in accordance with the original order placed for each Client account. This aggregation is done to facilitate best execution by reducing overall transaction costs; however, Muzinich may choose not to aggregate where it believes appropriate. In the event that an order is not completely filled during the same trading day, it is considered a "partial fill". In such cases, it is important that the transaction is allocated fairly among all participating Client accounts. Partial fills are generally allocated to Client accounts on a pro-rata basis to the original order placed for each Client account on any given day. Reasons for allocating asset transactions on a basis different from pro rata include without limitation: (i) to avoid odd-lot sizes, (ii) to meet Muzinich and/or issuer's minimum trade lot sizes, (iii) to reach target fills in a market efficient manner (iv) the need for, or availability of, cash to complete the transaction; (v) whether the transaction would result in a meaningful position for the Client's account; and (vi) the availability of an alternative investment in the same asset or industry.

New Issues

Muzinich may invest Client assets in new issues. New issues frequently are in great demand and available only in limited quantities. Moreover, new issues can trade at a premium or discount shortly after issuance. Because these factors subject new issues to potential abuse, Muzinich seeks to ensure that new issues are allocated in a fair and equitable manner over time. Each portfolio manager determines whether to participate in a new issue for some or all of his or her Client accounts taking into consideration factors including those outlined above and may also consider some or all of the following factors; (i) weighing the investment proposition against the potential for gain from the existing holdings in the strategy and (ii) the other costs associated with the transactions, including transaction implementation costs related to selling positions to pay for the new issue.

Many Muzinich investment strategies are relative-value oriented and longer-term in nature. When considering whether to invest in a new issue, the portfolio manager may take into account additional factors, including but not limited to, weighing the investment proposition against the potential for gain from the existing holdings in the strategy and the other costs associated with the transactions, including transaction implementation costs related to selling positions to pay for the new issue. For instance, some Clients' investment strategies seek to capture the short-term opportunities that Muzinich perceives may exist for certain new issues, where the Firm would not choose to hold such assets for accounts which only have longer-term investment strategies. Since new issues may trade at a premium over the new issue price shortly after their issuance, Clients whose strategies seek to capture such short-term opportunities may be able to quickly sell new issues and may therefore significantly benefit from such investments, should they be profitable, while other Clients with longer-term investment horizons may not be able to benefit.

Because orders for new issues are often only partially filled, accounts participating in the original order may receive only a portion of the amount requested or may not receive any allocation at all. In these cases, Muzinich follows the aggregation and allocation policies described above. See also "Item 8(b) – Risks of Investment Strategies."

Loans

In certain circumstances, loan transactions may be allocated in a manner different than that described above. In particular, if portfolio managers seek to purchase for Client accounts a particular loan that is being issued to replace or refinance an existing loan and some Client accounts already own the existing loan, the accounts that own the existing loan may receive priority with respect to the new loans, up to the amount of their current holdings. This means that other Client accounts may not have the opportunity to purchase the loan in question if the accounts that already hold loans of that issuer absorb the available supply.

In the case of a partial fill, Muzinich may consider additional factors when allocating loan transactions to Client accounts, including but not limited to: (i) transfer fees paid on a Client basis; and (ii) whether the transaction would result in a meaningful position for the Client's account.

ITEM 13: REVIEW OF ACCOUNTS

a) Client Account Reviews

Muzinich portfolio managers review Client portfolios on a periodic basis in light of Client objectives and guidelines and in response to market events and the Firm's general policies and strategies. In addition, the portfolio managers meet regularly to consider economic, market and general investment matters not related to specific Client accounts. No single Client account is the sole responsibility of any one portfolio manager. Members of the Firm's Portfolio Risk Analytics Committee review portfolios at least monthly to monitor performance consistency among Clients with similar objectives.

In addition, the Firm has tools at its disposal to assess and monitor overall compliance of Client accounts with their stated investment objectives. For example, Muzinich employs a third party compliance system that has automated controls to help review investment transactions to confirm they are made in accordance with Client investment mandates. Muzinich has also developed reports from its portfolio accounting system to assist in performing next day reviews.

b) Client Reports

Holders of Separate Accounts and investors in Funds typically receive written monthly or quarterly reports. These reports provide information on account size or account balances, monthly performance, market commentary, portfolio composition, values and other information designed to provide an assessment of the relevant portfolios. Investors in private funds additionally receive annual audited financials and quarterly unaudited financials.

Investors in registered investment companies or their foreign equivalents receive reporting and documentation as required of publicly marketed funds in the jurisdictions in which they operate.

It should be noted that investors in Separate Accounts have more transparency regarding the positions held in their accounts than would be available to investors in Funds. Additionally, the level of reporting and transparency available to investors differs from Fund to Fund depending on the fund structure and investment strategy, and such differences may be meaningful. Although all investors within a Fund generally receive similar information, an investor may request and receive information that is not otherwise provided in a Fund's regular reports to investors. Muzinich will only provide information that it would provide to any investor within the applicable Fund that requests the information, but such information may provide the receiving investor with greater insight into the Fund's activities. This may enhance such investor's ability to make investment decisions with respect to the Fund.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

The Firm may compensate third parties for client referrals. Before making payments for any client referral, the Firm requires each such third party to enter into a written referral agreement. Third party referrers are required to disclose to potential clients the relationship between the referrer and Muzinich. Potential clients are required to acknowledge they have been informed of the referral arrangement, including the type and amount of compensation, prior to Muzinich accepting the potential client's account.

Referral fees are generally a percentage of the annual management fees, incentive allocation, or a combination thereof, earned by the Firm on referred accounts, but may also include a retainer payment. The referral fees do not result in additional expenses to the referred client.

Muzinich currently has one third party referral arrangement and may enter into others in the future. Under the terms of the current arrangement, which have been entered into consistent with the requirements of Rule 206(4)-3 under the Advisers Act, Muzinich pays one third party solicitor a flat fee. Muzinich may also receive referrals from its affiliates, however, Muzinich does not compensate affiliates for such referrals.

ITEM 15: CUSTODY

Muzinich does not have custody, or the authority to obtain possession, of securities or other assets for its Clients. Clients receive account statements directly from their administrator or custodian and should carefully review those statements. In addition, Clients also generally receive account statements directly from the Firm and are encouraged to compare the Firm's accounts statements to those received from their administrator or custodian. There may be differences in market values between the Firm's account statements and the administrator or custodian's account statement for various reasons. For example, the Firm and the Client's administrator or custodian may use different pricing sources to value securities held in their portfolio. Other differences may result from different dates being used to value securities (such as on a trade date versus settlement date basis) or may be due to the administrator or custodian's policies for handling certain assets or changes in the values of certain assets. To the extent Clients identify such a discrepancy, they may contact the Firm for an explanation.

ITEM 16: INVESTMENT DISCRETION

Subject to each Client's established guidelines, limitations or restrictions, Muzinich generally has the authority to determine for each Client: (a) which securities are to be bought or sold; (b) the total amount of securities to be bought or sold; (c) through which broker-dealers those securities are to be bought or sold; and (d) the commission rates or spreads to be paid for each transaction. Authority is typically granted in an investment management agreement signed by the Client and the Firm. Limitations and restrictions are included in the applicable Governing Documents for each Client, which, in the case of a Separate Account, would typically be in the applicable investment management agreement, and, in the case of a Fund would typically be included in the Fund's confidential offering memorandum, prospectus, and/or other offering documents.

ITEM 17: VOTING CLIENT SECURITIES

a) Firm Proxy Voting Authority

From time to time companies in which the Firm invests may submit certain matters to a vote of its security holders. The right to vote is usually exercised through a document called a proxy where the security holder enters its vote.

The Firm has adopted Proxy Voting Policies and Procedures pursuant to Rule 206(4)-6 of the Advisers Act designed to confirm that proxies are voted prudently and solely in the best interest of its Clients. In the event that a conflict of interest exists between management's recommendation and the Firm or its Clients, the Firm will vote in the manner which in its judgment and sole discretion is in the best interest of its Clients.

As the investments held by, and actions taken with respect to, different Clients will depend on the particular interests of those Clients (which may not be aligned, particularly where Clients hold different, or overlapping but not identical, investments in an issuer), decisions made by Muzinich for one Client may differ in some cases from those made for other Clients. Actions taken for one Client in that Client's interest could adversely impact other Clients.

In cases where an issuer in which multiple Clients hold interests acquired at different points in time or in different positions within the issuer's capital structure experiences financial distress, there is a potential for conflicts of interest (including, for example, conflicts over proposed waivers and amendments to debt covenants). When called upon to take action with respect to an investment (e.g., to sell, to vote, or to exercise a right or remedy) a Client's overall holdings, and related rights, may be such that it is in the Client's best interest to take action (or refrain from taking action) in a manner that would be contrary to the interest of a person holding only the particular class of interest on which the right is conferred. In these circumstances, Clients that have invested in some, but not all, of the relevant classes of interests of the issuer held may be disadvantaged.

When considering whether to pursue a particular course of action, including asserting available claims or remedies, factors that may be considered include the costs of pursuing the course of action (or alternative courses of action) and the likelihood of a favorable outcome. As a result, not every potential claim or course of action will be pursued and it will not always be the case that conflicts will be able to be resolved in the best interest of any particular Client nor can there be any assurance that actual or potential conflicts of interest can be resolved such that the ultimate terms of an investment (or an amendment to such terms) will be as favorable as they would be in the absence of such conflicts.

The Firm does not direct Client's participation in class actions unless outlined in the Governing Documents or otherwise agreed with the Client.

Clients may request a copy of Muzinich's Proxy Voting Policy and a record of its proxy votes with respect to the Client's securities by writing or calling the Firm as follows:

Muzinich & Co., Inc.
Attn: Chief Compliance Officer
450 Park Avenue
New York, NY 10022
(212) 888-3413

b) Client Proxy Voting Authority

Clients who do not grant Muzinich discretion to vote proxies on their behalf are responsible for voting their own proxies and, if they desire to do so, must arrange to receive proxy materials from the relevant custodians or transfer agents.

ITEM 18: FINANCIAL INFORMATION

This item requires disclosure of any financial condition that is reasonably likely to impair Muzinich's ability to meet contractual commitments to Clients. Currently, there is no financial condition that is reasonably likely to impair the Firm's ability to meet contractual commitments to Clients.