

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 the Firm 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 31, 2022:

| Item No. | Description of Material Changes |
|----------|--|
| 4 | Added language around more favorable arrangements with certain investors |
| 6 | Enhanced disclosures around performance based fees and associated conflicts of interest. |
| 8 | Updated to include certain strategies. Updated to expand and refine certain material risks of investment strategies. Added risk disclosure regarding dealer market making and diversification and concentration |
| 10 | Added one wholly owned Luxembourg entity of Muzinich & Co. Limited: Muzinich Pan-European Private Debt III General Partner, S.à r.l. Updated disclosure regarding one related person of the Firm, Muzinich & Co. SGR S.p.A. |
| 11 | Enhanced disclosure regarding a potential conflict of interest of resources, time or attention spent by Muzinich on Clients that pay higher fees. |
| 14 | Updated to include reference to Rule 206(4)-1 and remove reference to Rule 206(4)-3 as it was rescinded. |
| 17 | Added language regarding situations where Muzinich may chose not to vote proxies |

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 and, in its discretion, also provides 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 relevant 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. Additionally, this Brochure is available through the SEC’s Investment Adviser Public Disclosure website.

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 could 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 Governing Documents, the relevant Governing Documents shall govern and control.

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ITEM 4: ADVISORY BUSINESS

a) Background

Muzinich & Co., Inc. (“Muzinich” or the “Firm”) is a Delaware corporation established on July 21, 1988. Muzinich is a global institutional asset manager specializing in corporate credit investment portfolios and other credit-based investment strategies and is an SEC-registered investment adviser. Registration with the SEC does not imply a certain level of skill or training. The Firm has been offering investment advisory services since 1988. George M. Muzinich is the Firm’s founder, Executive Chairman and is the principal owner of the Firm. As used herein, the term “Muzinich Group” means, collectively, Muzinich and its affiliates, as outlined in Item 10 – Other Financial Industry Activities and Affiliates.

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 - Methods of Analysis, Investment Strategies and Risk of Loss for a brief discussion of the Firm’s strategies. The Firm pursues each Client’s investment objectives 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 Clients, invest in collateralized loan obligations (“CLOs”) and/or asset backed securities.

Muzinich applies a research-intensive approach to investing in debt issued by corporate borrowers. The Firm applies fundamental financial and qualitative analysis to uncover opportunities to provide its Clients with yield and potential capital appreciation in a risk-aware framework. Some of the company factors the Firm evaluates 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.

Muzinich enters into arrangements with certain investors that grant such investors special or more favorable rights that are not available to all investors. Such special or more favorable rights could include, but are not limited to (i) different fee arrangements; (ii) additional reporting and/or greater access to certain information; and (iii) opportunities to meet or speak with Muzinich’s investment team.

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 objectives and strategy or strategies employed and related restrictions.

Prospective 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 - Methods of Analysis, Investment Strategies, and Risk of Loss, before making an investment decision.

d) Wrap Fee Disclosure

Not applicable.

e) Assets Under Management

As of December 31, 2022, the Firm had approximately \$30.92 billion in discretionary assets under management.

ITEM 5: FEES AND COMPENSATION

a) Compensation

For Funds and Separate Accounts, 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. This annual management fee generally will range and is based on a percentage of assets under management for both Funds and Separate Accounts. 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, are negotiable and may be substantially different from those paid by Funds.

Investors in both Separate Accounts and Funds may additionally be subject to profit participation, incentive allocation, or other variable fee components based on performance and/or a share of positive returns (collectively, "Performance Fees"), in any such case in accordance with the terms of the applicable Governing Documents and the requirements of applicable law. See Item 6 - Performance Based Fees and Side by Side Management 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 arrear, 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 and Performance Fees as outlined 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.

For investors in Funds, detailed information regarding the expenses to which a Fund is subject is set out in the Governing Documents, as applicable, with respect to the particular fund. Fund expenses typically include, but may not be limited to, expenses incurred in fund formation; professional fees relating to investments (including expenses of consultants, investment bankers, lawyers, accountants and/or other experts) whether or not such investments are consummated; 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, any and all taxes and other governmental charges that may be incurred or payable by the Fund; audit services, paying agency and anti-money laundering supervision services; regulatory filing fees; hedging fees, costs and/or

expenses; fees and/or expenses related to compliance with legal and/or regulatory obligations related to the activities of the Fund; 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; indemnification expenses and/or any settlements, costs, losses, claims, charges, fines and/or penalties arising from any proceedings brought by or against the Fund; 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.

For a more complete discussion of brokerage, selection of broker dealers, and transaction costs that could be incurred by Clients, see Item 12 – Brokerage Practices.

Throughout the course of carrying out its investment advisory activities, the Muzinich Group incurs expenses on behalf of one of more Clients and/or clients of Muzinich’s affiliates (all Clients and clients of any of Muzinich’s affiliates, collectively, “Muzinich Group Clients”) as well as on behalf of the Muzinich Group (“Common Expenses”). Muzinich together with its affiliates seeks to allocate Common Expenses in a fair and reasonable manner consistent with its fiduciary duties (e.g., pro rata, equal shares, or other appropriate methodology), notwithstanding its interest in the outcome. Common Expenses will generally be allocated among applicable Muzinich Group Clients on a pro rata basis. It should be noted, however, that Muzinich and its affiliates could deviate from pro rata allocation with respect to Common Expenses based on a variety of factors, including the nature or source of the Common Expense, the relative benefits derived by the client accounts from the product or service, or other relevant factors. Accordingly, Muzinich and/or its affiliates may charge all or part of the expense to one or more Muzinich Group Clients. Clients and investors in Funds should refer to the Governing Documents pertaining to a particular Client for additional information regarding the allocation of expenses.

Muzinich and its affiliates’ determinations with respect to whether certain specific Common Expenses should be allocated fully to one or more Muzinich Group Clients, or borne entirely by Muzinich and/or its affiliates require subjective judgments. Muzinich and its affiliates have a conflict of interest when making such judgments because Muzinich and/or its affiliates will bear the costs of any expenses not allocated fully or partially to a Muzinich Group Client. In addition, the allocation of certain Common Expenses among multiple Muzinich Group Clients could affect the size or performance of, and therefore the fees or performance compensation earned by Muzinich and/or its affiliates with respect to, certain Muzinich Group Clients. Therefore, Muzinich and its affiliates will generally have a conflict of interest when determining how to allocate expenses among such client accounts.

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.

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 arrear as reflected in the applicable Fund's Governing Documents. With respect to Separate Accounts, investment management fees may be paid quarterly or monthly, in advance or in arrear, 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

Neither Muzinich nor any of its supervised persons receives any sales based compensation for the sale of securities or the sale of other investment products.

ITEM 6: PERFORMANCE BASED FEES AND SIDE BY SIDE MANAGEMENT

The Firm may receive Performance Fees as described in Item 5 – Fees and Compensation. Performance Fees, which vary by strategy and Client, are based on a percentage of the Client's realized and unrealized investment returns over any agreed hurdle rate, where applicable. In addition, the Muzinich Group is entitled to receive performance-based compensation from certain other Muzinich Group Clients. Performance-based compensation creates an incentive for the Muzinich Group to make investments that are riskier or more speculative than would be the case in the absence of performance-based compensation. Furthermore, the performance on which performance-based compensation is calculated could include unrealized appreciation and depreciation of investments that could ultimately not be realized. To the extent that the Muzinich Group receives only investment management fees from certain Muzinich Group Clients and investment management fees and performance-based compensation from certain other Muzinich Group Clients, the Muzinich Group Clients with a performance-based fee arrangement will offer the Muzinich Group a potential for higher profitability when compared to a Muzinich Group Client with only an investment management fee. In addition, certain Muzinich Group Clients can have higher fees or more favorable performance-based compensation arrangements than other Muzinich Group Clients. Consequently, a conflict of interest exists because the Muzinich Group and/or its portfolio managers will have a greater incentive, in connection with the allocation of investment opportunities, to favor Muzinich Group Clients from whom the Muzinich Group receives higher management fees and/or performance-based compensation arrangements over other Muzinich Group Clients that pay lower fees, do not have performance-based compensation arrangements, and/or from whom the Muzinich Group receives less favorable performance-based compensation.

The differences described above among fee arrangements, including performance-based fee arrangements will also create an incentive for the Muzinich Group and its portfolio managers to favor Muzinich Group Clients that pay higher fees and/or otherwise offer greater potential for fees over other Muzinich Group Clients in the devotion of time and resources. For instance, the Muzinich Group can be incentivized to provide access to certain research analysts employed by the Muzinich Group. These conflicts could impact the relative performance of such Muzinich Group Clients as compared to other Muzinich Group Clients.

To manage these potential conflicts, the Muzinich Group has adopted a number of policies and procedures. These policies and procedures include the Muzinich Group's (i) Compliance Manual and Global Code of Ethics, which remind all employees of their duty to treat all Muzinich Group 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 Muzinich Group 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) – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading; Participation or Interests in Client Transactions, Investment in Securities Recommended to Clients and Item 12(e) – Brokerage Practices; 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 paid if specific internal rates of return thresholds are achieved. 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 could 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 Group's investment team, including the portfolio managers of its Muzinich Group Client accounts, can 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 Muzinich Group 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 Muzinich Group Client's assets.

It should be noted that different Muzinich Group Client accounts will sometimes carry the same asset at different values, and performance metrics will sometimes differ slightly between the Muzinich Group and administrators, custodians, or trustees due to valuation differences. Such differences can be caused by variations among Muzinich Group Client accounts in pricing sources, differing methodologies for determining values when prices are not available from a third-party source, or applying prices at the bid quote versus the mid-point of bid and ask quotes in each case as determined by the Governing Documents of the applicable Client.

ITEM 7: TYPES OF CLIENTS

Muzinich provides discretionary investment management services as an adviser or sub-adviser primarily to:

- Funds, private and public, including investment companies registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”) and certain European collective investment schemes pursuant to the Undertakings for Collective Investment in transferable Securities – commonly known as UCITS funds;
- 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.

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 investment fund(s) must be (1) (a) “accredited investors” under Regulation D under the Securities Act of 1933, as amended (the “Securities Act”), and (b) to the extent a private investment fund relies upon the exemption from the definition of “investment company” under Section 3(c)(7) of the Investment Company Act, “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 investments 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, environmental and/or social considerations, 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 presented 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

- **Global Short Duration Investment Grade**
 - Consists of diversified 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 mostly on US Dollar denominated credits 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 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 primarily rated BB/B. The strategy focuses primarily on syndicated loans and may also contain other 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 with a contained volatility target. Overall portfolio duration and spread volatility are managed with a macro derivative overlay when appropriate in the judgment of the portfolio management team.
- **Dynamic Income Credit**
 - A long, multi-sector credit strategy that focuses on investment grade, high yield and syndicated loans across the US, Europe and emerging markets to target the generation of high yields over the market cycle. Overall portfolio duration and spread volatility are managed with a macro derivative overlay when appropriate in the judgment of the portfolio management team.
- **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.

- **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.
- **Global Low Carbon High Yield**
 - Integrates additional sustainability research as well as exclusions and quality standards into Muzinich’s rigorous, traditional bottom-up investment process while targeting a portfolio which overall maintains a weighted average carbon intensity score (“WACI”) of at least 40% less than the broad similarly-rated market. The strategy invests primarily in high yield corporate credit by investing selectively in creditworthy companies which meet high ESG within a low carbon framework.

b) Material 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’s investment strategies; it does not purport to be a complete enumeration or explanation of all such risks. 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 manager(s) 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 can underperform another Client’s account with similar investment objectives.

Allocation Risk – Minimum Lot Size. The Muzinich Group will typically allocate high yield bond investment opportunities to Muzinich Group Client accounts in round lots and minimum increments as imposed by (i) the Muzinich Group based on the market in which the assets are traded, and/or (ii) the issuers of such high yield bonds. This could result in smaller accounts being disadvantaged by not being able to participate in an investment opportunity. See Item 12(e) – Brokerage Practices: Aggregation and Allocation of Trades, for further information.

Allocation Risk – Partial Fills. When open orders to purchase or sell the same asset on same terms are placed on behalf of more than one Client account 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. In the event of a partial fill of an order, allocations to Muzinich Group Client accounts are generally made pro rata based on the initial order but can be modified on a basis that the Muzinich Group deems to be appropriate. Accordingly, one or more Muzinich Group Clients could be disadvantaged because of the investment activities conducted for one or more other Muzinich Group Clients. This can 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) – Brokerage Practices; Aggregation and Allocation of Trades, for further information.

Asset-Backed Securities Risk. Payment of principal and interest on asset-backed securities is dependent largely on the cash flows generated by the assets backing the securities, and asset-backed securities may not have the benefit of any security interest in the related assets.

Availability of Suitable Investments Risk. While the Firm believes 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 or be as attractive; past performance is not necessarily indicative of future performance. Furthermore, it is possible that the Firm is unable to find a sufficient number of attractive investment opportunities to meet Clients' investment objectives.

Bankruptcy and Similar Proceedings Risk. While the Firm does not intend to invest in distressed positions, an investment made by the Firm could be impacted by a bankruptcy or similar proceeding regarding a position that becomes distressed after investment. 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 could prove to be incorrect.
- A bankruptcy filing could have adverse and permanent effects on a company. For instance, the company can 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 could 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 could

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 could be named as defendants in civil proceedings. For example, if a proceeding involves protracted or difficult litigation, or turns into a liquidation, substantial assets could 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 could be made.
- Certain claims, such as claims for taxes, could have priority by law over the claims of certain creditors.
- If a creditor seeks representation on a creditor's committee, it could owe certain obligations generally to all similarly situated creditors that the committee represents. Accordingly, where a representative of the Muzinich Group serves in this capacity, the Muzinich Group, including the Firm, could be required to consider interests that conflict with those of one or more of the Muzinich Group Clients, which can include a Client. In addition, the Muzinich Group's serving on such committees could subject Muzinich to various trading or confidentiality restrictions. Moreover, Clients could be required to indemnify any person serving on a committee on their 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 can present different risks.

Business Development Company ("BDC") Distribution Risks. BDCs' 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 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 can 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 could use leverage or debt to purchase their investments. A BDC's use of leverage can increase its return but can also increase its losses. Use of leverage also increases risk and can make the price of BDC shares more volatile. Moreover, increases

in interest rates tend to increase BDCs' cost of borrowing which can reduce BDCs' profits.

BDC Investment Risks. BDCs typically invest in small and medium-sized companies that are developing and/or financially distressed and which may not make public disclosures to investors or trade on exchanges. There are risks in owning shares or loaning money to small- and medium-sized companies that are different from, and in some ways more significant than, investments in larger public companies. These smaller companies could 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 BDCs to determine the value of their 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 can 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 can 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.

Cash Drag and Negative Cash Positions. A Client account maintaining a position in cash will be susceptible to a reduction in total return or interest received, *i.e.* "cash drag" due to not having all cash deployed into investments that can appreciate or earn income. Client accounts receive cash inflows regularly, as a result of regular interest payments tied to debt investments and return of principal or repayments of such debt investments. In most circumstances, Muzinich seeks to fully invest Client accounts to reduce the possibility of cash drag. Accordingly, Muzinich will often place purchase transactions on behalf of Client accounts in anticipation of receipt of cash inflows, which can have the effect of a Client account experiencing a negative cash position on a trade date basis, but with the expectation of receiving sufficient cash in time to settle purchase transactions. While the Firm's strategies generally intend to reduce cash drag, particularly in accounts that intend to utilize leverage, reduced cash drag typically increases the risk of delayed settlement in the event that cash is not available to settle purchase transactions when counterparties seek to settle, and could exacerbate loss under unfavorable market conditions.

Capital Introduction Risk. From time to time, Muzinich will participate in capital introduction programs arranged by broker-dealers, including firms that serve as prime brokers to a private fund managed by Muzinich or recommend investments in these private funds as investments to the clients of the broker-dealer. Muzinich could place client portfolio transactions with firms who have made such recommendations or provided capital introduction opportunities if Muzinich determines that it is otherwise consistent with seeking best execution. In no event will Muzinich select a broker-dealer as a means of remuneration for recommending Muzinich or any other product managed by Muzinich (or an affiliate) or affording Muzinich with the opportunity to participate in capital introduction programs.

Collateralized Loan Obligations ("CLOs") Risk – Investments in CLOs. Certain Clients invest in CLOs. CLOs issue classes or "tranches" of securities that vary in risk and yield. The value of CLO securities 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, general economic conditions, the

condition of certain financial markets, political events, developments or trends in any particular industry and changes in prevailing interest rates. Investments in CLO securities 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 securities as a class. The risks of investing in CLOs depend largely on the type of the underlying collateral. Holders of interests in CLOs could have limited rights with respect to underlying assets in which the CLO invests. Holders of interests in CLOs rely on distributions from the underlying collateral or proceeds thereof for payment. If distributions on the underlying collateral are insufficient to make payments on the applicable CLO security, generally, no other assets are available for payment of the deficiency, and following realization of the CLO, the obligations of the CLO to pay such deficiency will generally be extinguished. The CLO could have limited assets to make payment on the interests owned by investors. More junior securities issued by a CLO are subject to greater risk of nonpayment than more senior securities. Interests issued by a CLO have limited liquidity and there are restrictions on their transfer.

Corporate Credit Investments Risk. Certain strategies can 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 instruments in which a strategy invests will change in response to fluctuations in interest rates. In addition, the value of certain fixed-income instruments can fluctuate in response to perceptions of creditworthiness, political stability or soundness of economic policies. Fixed-income instruments 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 can be affected favorably or unfavorably by changes in currency rates. Currency exchange rates can 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 could 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.

Dealer Market Making Risk. The value of debt investments will be affected by general leveraged finance market conditions, such as the volatility and liquidity of the leveraged finance market, which are affected by the ability of dealers to "make a market" in debt instruments. In recent years, the market for debt instruments has significantly increased while dealer inventories have significantly decreased, relative to market size. This reduction in dealer inventories could be attributable to regulatory changes, such as capital requirements, and is expected to continue. As dealers' inventories decrease, so does their ability to make a market (and, therefore, create liquidity) in the leveraged finance market. Especially during periods of rising interest rates, this could result in greater volatility

and illiquidity in the leveraged finance market, which could impair profitability or result in losses in debt instruments.

Derivatives Risk. Certain strategies use derivatives. The use of derivatives can increase the volatility of performance or affect the value of a strategy's assets and can involve a small investment of cash relative to the magnitude of risk assumed. The principal risk of forward commitments is that the security could 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 could be difficult to value and can be susceptible to liquidity and credit risk. The principal risk of options transactions is that they could increase the volatility of or affect the value of the strategy's assets and can involve a small investment of cash relative to the magnitude of the risk assumed. Derivatives could 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.

Diversification and Concentration. Certain strategies could select investments that are concentrated in a limited number of types of instruments. In addition, certain strategies could become significantly concentrated in investments related to a single or limited number of issuers, industries, sectors, markets, countries or geographic regions. The limited diversification could result in the concentration of risk, which in turn, could lead to losses disproportionate to market movements in general if there are disproportionately greater adverse price movements in such investment types.

Energy and Natural Resources Risk. Certain strategies could invest in energy and natural resources based investments. The energy sector is cyclical and highly dependent on commodities prices. This sector could be subject to substantial government regulation and contractual fixed pricing, which can 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 could have a material adverse effect on market values in this industry. Energy projects can 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) General Risks. Muzinich recognizes that environmental, social and governance (ESG) factors and sustainability risk can have a meaningful impact on credit analysis and the performance of companies. Accordingly, the Firm could decline to invest in or dispose of investments in certain companies or industries based upon a risk determination incorporating ESG elements, or for reasons other than risk; such investments could prove to be advantageous, and Clients could therefore be negatively impacted by such decisions. However, Muzinich does not automatically negatively screen investments based on ESG factors unless specified in a Client's Governing Documents. Additionally, Muzinich does not represent that the

Firm's services are "ESG Compliant," "Green," or otherwise conceived for the purpose of promoting ESG initiatives. Furthermore, to the extent that the Firm takes into account ESG factors for a particular investment by a Client, the Firm can rely on information and data, including data from a third party, that could be incomplete or erroneous, which could cause the Firm to incorrectly assess a company's ESG characteristics.

Equity Securities Risk. Certain strategies can invest in, sell short, or hold equity securities and/or may receive equity securities in connection with a restructuring. 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. The value of equity securities of public and private, listed and unlisted companies generally varies with the performance of the issuer, movements in the equity markets, and trends in overall economic conditions.

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 they are not called or prepaid as anticipated, particularly when interest rates rise. The market value of such security could 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 could be more difficult to sell than US securities.

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

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

All of the above mentioned risks can be greater in emerging market countries than in more developed countries. Compared to the United States and other developed countries, emerging market countries can 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 can be less liquid than securities traded in developed countries. In particular, in emerging markets there could 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 implement.

Fundamental Analysis Risk. Certain investment decisions made by Muzinich are based on fundamental analysis. Data on which fundamental analysis relies could be inaccurate or could be generally available to other market participants. To the extent that any such data proves to be inaccurate or that other market participants have developed, based on such data, trading strategies similar to Muzinich's strategy, Muzinich may not be able to realize its investment goals. In addition, fundamental market information is subject to interpretation. To the extent that Muzinich misinterprets the meaning of certain data, Clients could incur losses.

Hedging Risk. The entire market or particular securities traded on a market could 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 can 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 can prevent the Firm from achieving the intended hedging effect or expose the Clients to risk of loss. While the Firm can enter into hedging transactions to seek to reduce risk, such transactions can 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 Instrument Risk. Investments in high yield debt instruments can involve a substantial risk of loss. These instruments, 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 debt instruments expose Client portfolios to a greater risk of loss of principal and income than a Client that invests solely or primarily in investment grade debt instruments. If there is a "flight to safety," the market's perception of "high yield" debt instruments may turn negative, and these types of debt

instruments can become perceived as “high risk.”

Information Technology and Cybersecurity Risk. The increased use of internet-based technologies, including remote work environments, creates growing operational and security risks for Muzinich. 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 could 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 could have an adverse impact on Muzinich and its Clients.

Interest Rate Risk. When interest rates rise, prices of debt instruments generally fall and when interest rates fall, prices of debt instruments 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, could 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 could also have an adverse impact on the liquidity of a debt instrument, especially those with longer maturities. Debt instruments 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. Although the value of investments will vary, Muzinich expects investments in floating rate loans to minimize fluctuations in value as a result of changes in market interest rates. However, because floating rates on loans reset only periodically, changes in prevailing interest rates can still be expected to cause some fluctuation in value.

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

Investment Return Risk. There is no assurance that a Client’s 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 can occur. Muzinich could 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 can go up or down, sometimes unpredictably, and investment results can vary substantially.

Issuer Risk. An issuer could perform poorly, and therefore, the value of its securities and other financial instruments can decline, which would negatively affect performance.

Leverage Risk. Certain transactions and the use of derivatives such as foreign currency forward contracts, swaps and futures can create leveraging risk. Leverage can 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. Losses incurred on leveraged investments will increase in direct proportion to the degree of leverage employed. The use of leverage also could result in the forced liquidation of positions (which may otherwise have been profitable) as a result of margin or collateral calls. Moreover, Muzinich could increase (or decrease) leverage at times when it is not advantageous to do so and, as a result, the value of a portfolio can decrease.

In addition, Clients that utilize leverage will incur interest expense on the borrowings and/or other costs and expenses on the instruments used to leverage their positions. The costs attributable to leveraging the portfolio may outweigh any gains.

LIBOR Transition Risk. Clients could be subject to risks associated with the discontinuance of the London Interbank Offered Rate ("LIBOR"). The Clients' investments, payment obligations and financing terms could be based on floating rates, such as LIBOR, EURIBOR, the Federal Funds Rate, the Prime Rate and other similar types of reference rates (each, a "Reference Rate"). On July 27, 2017, the Chief Executive of the UK Financial Conduct Authority ("FCA"), which regulates LIBOR, announced that the FCA will no longer persuade nor require banks to submit rates for the calculation of LIBOR and certain other Reference Rates after 2021. Such announcement indicates that the continuation of LIBOR and other Reference Rates cannot and will not be guaranteed after 2021. This announcement and any additional regulatory or market changes could have an adverse impact on the Clients' or their investments. On March 5, 2021, the United Kingdom Financial Conduct Authority announced that Reference Rate settings will either cease to be provided by any administrator, or no longer be representative immediately after December 31, 2021, for all GBP, EUR, CHF and JPY LIBOR settings and one-week and two-month USD LIBOR settings, and immediately after June 30, 2023, for the remaining USD LIBOR settings, including one-month and three-month USD LIBOR (the "Announcement"). Concurrent with the Announcement, the Federal Reserve Board, the Office of the Comptroller of the Currency and the Federal Deposit Insurance Corporation released a statement that (i) encouraged banks to cease entering into new contracts that use U.S. dollar LIBOR as a Reference Rate as soon as practicable and in any event by December 31, 2021, (ii) indicated that new contracts entered into before December 31, 2021 should either utilize a Reference Rate other than U.S. dollar LIBOR or have robust fallback language that includes a clearly defined alternative reference rate after the discontinuation of U.S. dollar LIBOR and (iii) explained that extending the publication of certain U.S. dollar LIBOR tenors until June 30, 2023 would allow most legacy U.S. dollar LIBOR contracts to mature before LIBOR begins experiencing disruptions.

Nonetheless, the termination of certain Reference Rates presents risks to Clients because there is no assurance that the composition or characteristics of any alternative Reference Rate will be similar to or produce the same value or economic equivalence as existing Reference Rates or that will have the same volume or liquidity. At this time, it is not possible to completely identify or predict the effect of any such changes, any establishment of viable alternative Reference Rates or any other reforms to Reference Rates that could be enacted in the UK or elsewhere. The elimination of a Reference Rate or any other changes or reforms to the determination or supervision of Reference Rates could have an adverse impact on the market for or value of any securities or payments linked to those Reference Rates and other financial obligations held by Clients. In addition, any substitute Reference Rate and any pricing adjustments imposed by a regulator or by counterparties or otherwise could adversely affect performance of a Client account.

Liquidity Risk. Muzinich invests in loans and bonds that are thinly-traded or for which no market exists. The financial markets have experienced, and can in the future, experience, substantial fluctuations in prices for these investments and limited liquidity for such instruments. During periods of limited liquidity and higher price volatility, Muzinich's ability to acquire or dispose of investments at a price and time that the Firm deems advantageous can be severely impaired, and the Firm could be inhibited from taking advantage of market opportunities. Some investments can also have a limited (or no) trading market under any market conditions. Illiquid investments can trade at a discount from comparable, more liquid investments. The impact of low liquidity on the global credit markets could adversely affect the Firm's portfolio management flexibility and ultimately, the Firm's ability to achieve a Client's performance objectives. Additionally, bank loans generally are subject to legal or contractual restrictions on resale and could trade infrequently; and their value could be impaired when the Firm needs to liquidate such loans. Leveraged loans and bonds generally trade only in the over-the-counter market rather than an organized exchange and can be more difficult to purchase or sell at a fair price, which could have a negative impact on performance.

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 can 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 invest in syndicated loans. These loans, which can 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 are not securities and therefore do not have the protection afforded by federal securities laws. An investment can 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 can 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 could 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, can negatively impact the liquidity of loans. To the extent that a secondary market does exist for certain loans, the market could be subject to volatility, irregular trading activity, wide bid/ask spreads, decreased liquidity and extended trade settlement periods. In addition, investments in syndicated loans involve credit risk, interest rate risk, liquidity risk and other risks, including the risk that it could take more than seven days to settle any loan transaction, the risk that any collateral can become impaired, and the risk that the Client could 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 can be heard but there can be no assurance that Clients would be successful in obtaining favorable results. If the Firm's 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 could be privately negotiated transactions, each of which has individualized terms. These positions could be illiquid and difficult to value. DIP loans could 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. Investments in any one strategy could underperform 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, acts of war, terrorist attacks in the United States and around the world, and the threat of a global pandemic have resulted in market

volatility and could have long-term effects on the United States and worldwide financial markets and could 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 could 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..

Opportunity Risk. The Firm could participate in a limited number of investments for Client accounts and, as a consequence, the aggregate return of such Client assets could 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 Client, the Muzinich Group 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. See Item 6 – Performance Based Fees and Side by Side Management; Item 11(d) – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading; Other Conflicts – Non-Exclusive Services and Item 12(e) – Brokerage Practices; Aggregation and Allocation of Trades.

Political Uncertainty Risk. U.S. markets, as well as non-U.S. markets in which Clients can invest in the future or to which Clients or borrowers are exposed, could experience political uncertainty and/or change that subject investments to heightened risks. These heightened risks could 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 could 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 could become more limited. Markets experiencing political uncertainty could have substantial, and in some periods extremely high, rates of inflation for many years. Inflation and rapid fluctuations in inflation rates could 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. For example, in response to the recent conflict between Russia and Ukraine, the U.S. and other countries have imposed sanctions, embargoes, and other restrictive actions against Russia.

Sanctions, export controls, tariffs, trade wars and other governmental actions resulting from the conflict between Russian and Ukraine have resulted in significant volatility, disruption and uncertainty, which could lead to an economic downturn. These circumstances could have a material adverse effect on business, financial condition, cash flows and results of operations of the companies in which Clients invest.

Portfolio Turnover Risk. High portfolio turnover involves correspondingly greater expenses to Clients, including brokerage commissions or dealer mark-ups and other transaction costs on the sale of securities and other financial instruments and reinvestments in other securities and other financial instruments. Furthermore, high portfolio turnover can result in adverse tax consequences to Clients.

Prepayment Risk. Prepayment risk occurs when a debt instrument can be repaid in whole or in part prior to the instrument's maturity and the Client must reinvest the proceeds it receives, during periods of declining interest rates, in instruments that pay a lower rate of interest. Also, if a debt instrument 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.

Public and Private "Side" Risk. Loans are negotiated, structured, administered and, as the situation arises, amended on the basis of the borrower providing its lenders with confidential information about the borrower's business. At times, such information includes material nonpublic information. As discussed in more detail in Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading, under applicable law, Muzinich and its affiliates are prohibited from improperly disclosing or using material nonpublic information for their personal benefit or for the benefit of any other person, regardless of whether such other person is a Client. However, investors in loans can choose whether to receive borrower information that contains material nonpublic information. Investors that choose to participate on the "private side" (i.e., investors that choose to obtain borrower information that contains material nonpublic information) generally cannot purchase or sell (but can continue to hold) the securities of the borrower (e.g., high yield bonds) until such time as the information in the Firm's possession is no longer deemed material nonpublic information in the Firm's judgment. The Firm's judgment with respect to whether the Firm has material nonpublic information could prove incorrect and, potentially, harm a Client. The Firm chooses whether it will participate on the "private side" or "public side" (i.e., whether to obtain only borrower information that does not contain material nonpublic information). However, if the Firm participates on the "public side" to avoid such trading restrictions, the Firm will not have access to borrower information that could be advantageous to a Client. Furthermore, other market participants could have possession of, and benefit from, such information.

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 debt instrument may not adequately reflect the credit risk of those assets. Ratings agencies could fail to make timely changes in credit ratings and an issuer's current financial condition could 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 could 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 Fund's 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 could 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 could result in decreased liquidity and increased volatility in the fixed income markets.

Risk of Investment in REITS. Certain Clients invest 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 could 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 could increase, which could have a negative impact on the Clients' accounts. REITs also are subject to the risk that the value of mortgaged properties can 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 could 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 can 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 could 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 could negatively affect its performance. REITs are generally not diversified and can be subject to heavy cash flow dependency, default by borrowers and self-liquidation.

Restricted Securities Risk. Certain Clients invest in restricted securities, which are bonds or other financial instruments that are not listed on an exchange and could have no active trading market. Restricted securities could 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 could be regarded as their fair market value. Transaction costs can be higher for restricted securities. In addition, the

Firm and/or the Client could get only limited information about the issuer of a restricted security; accordingly, the valuation of restricted securities can be difficult.

US Government Securities Risk. Although certain strategies 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.

Settlement Risk. Leveraged loan trades are subject to extended settlement periods, beyond the standard for other credit or equity securities trades, and do not settle delivery-versus-payment. Leveraged loan settlement periods can extend for one or more weeks, depending on the nature of the transaction (i.e., transactions in a primary offering versus secondary trading) and other factors, some of which are outside of Muzinich's control, or that of a third-party settlement service provider. The leveraged loan market applies measures to promote prompt settlements of secondary trades and has more recently implemented similar measures for primary transactions. These measures include the forfeiture of certain economics to a counterparty in the event that Muzinich or its settlement service provider is unable to timely meet certain requirements in connection with the settlement process. These measures do not guarantee timely settlement. Clients remain subject to the risk of delayed settlement and the possibility of the loss of economics in the event of such delays, particularly as the measures are still in early stages of implementation.

Short Selling Risk. Certain strategies sell securities short. If a security sold short increases in price, the strategy could have to cover its short position at a higher price than the short sale price, resulting in a loss. A strategy could 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 could 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.

SOFR Risk. On April 3, 2018, the New York Federal Reserve Bank began publishing its alternative rate, the Secured Overnight Financing Rate ("SOFR"). The Bank of England followed suit on April 23, 2018 by publishing its proposed alternative rate, the Sterling Overnight Index Average ("SONIA"). Both SOFR and SONIA significantly differ from LIBOR – both in the actual rate and how they are calculated – and therefore it is unclear whether and when markets will adopt either of these rates as a widely accepted replacement for LIBOR. Furthermore, it is not possible to predict the changes that will ultimately be made to benchmark rates, the effect of any such changes and any other reforms to benchmark rates that could be enacted in the United Kingdom, United States and elsewhere and the effect of any perceived manipulation of benchmark rates. In connection with the adoption of SOFR, SONIA, or another benchmark as a replacement for LIBOR in a debt instrument's documentation, the interest rate (or method for calculating the interest rate) applicable to that debt instrument could also be modified to account for differences between LIBOR and the applicable replacement benchmark used to calculate the rate of interest payable in respect of that instrument, which modification could be based on the recommendations of the Loan Syndications and Trading Association, the Alternative Reference Rates Committee (or such successor organization, as applicable), or a governmental body for the applicable replacement benchmark rate (if any) or could be based on a determination of an industry-accepted spread adjustment for the replacement of the relevant LIBOR rate with the relevant replacement benchmark rate. These matters could result in a sudden or prolonged increase or decrease in reported benchmark rates, benchmark rates being more

volatile than they have been in the past and/or fewer debt instruments utilizing given benchmark rates as a component of interest payments. These matters could adversely affect the value of the Client and its investments.

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 Muzinich Group 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 management persons of the Firm are registered representatives of Muzinich Capital. The Firm does not place any Client trades through Muzinich Capital.

b) Futures Commission Merchant, Commodity Pool Operator and Commodity Trading Advisor

Neither Muzinich nor any of its management persons nor any associated person of the foregoing entities are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator or a commodity trading advisor.

c) 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 “UK MOU”) consistent with relevant SEC Staff guidance. Under the UK MOU, certain personnel of the UK Manager are associated persons of Muzinich and make and implement investment decisions for certain Clients. Muzinich supervises such associated persons with respect to investment management services provided to Muzinich’s Clients. The Firm and the UK Manager could also discuss investment related matters and such discussions can impact decisions made by the Firm and the UK Manager for their respective 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. (Ireland) Limited (“Muzinich Ireland”), 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. SGR S.p.A. (“Muzinich SGR”), which is regulated by the Bank of Italy) and Switzerland (Muzinich & Co. (Switzerland) AG) (“Muzinich Switzerland”). The UK Manager and Muzinich share resources, including research.
- Muzinich Ireland is a fund management company that is domiciled in Ireland and is regulated by the Central Bank of Ireland. Muzinich Ireland has regulated branch offices in Paris, France; Frankfurt, Germany; Milan, Italy; and Madrid, Spain. In addition, Muzinich Ireland is a “participating affiliate” of Muzinich, pursuant to a Memorandum of Understanding (the “Ireland MOU”) consistent with relevant SEC Staff guidance. Under the Ireland MOU, certain personnel of Muzinich Ireland are associated persons of Muzinich and make and implement investment decisions for certain Clients. The Firm supervises such

associated persons with respect to investment management services provided to Muzinich's Clients. Muzinich and Muzinich Ireland could discuss investment related matters and such discussions can impact decisions made by the Firm and Muzinich Ireland for their respective clients. Moreover, Muzinich serves as sub-investment manager for certain funds for which Muzinich Ireland is the manager.

- Muzinich Singapore has a representative office in Hong Kong. Moreover, Muzinich Singapore is a “participating affiliate” of Muzinich, pursuant to Memorandum of Understanding (the “Singapore MOU”) consistent with relevant SEC Staff guidance. Under the Singapore MOU, certain personnel of Muzinich Singapore are associated persons of Muzinich and could make and implement investment decisions for certain Clients. Muzinich supervises such associated persons with respect to investment management services provided to Muzinich's Clients. Muzinich and Muzinich Singapore could discuss investment related matters and such discussions can impact decisions made by Muzinich for its Clients
- Muzinich Switzerland is a “participating affiliate” of Muzinich, pursuant to a Memorandum of Understanding (the “Swiss MOU”) consistent with relevant SEC Staff guidance. Under the Swiss MOU, certain personnel of Muzinich Switzerland are associated persons of Muzinich and could provide research and related services for certain Clients. Muzinich supervises such associated persons with respect to services provided to Muzinich's Clients. Muzinich and Muzinich Switzerland could discuss investment related matters and such discussions can impact decisions made by Muzinich for its Clients.
- Muzinich SGR is a fund management company that is domiciled in Italy, regulated by the Bank of Italy and supervised by the Bank of Italy and the Commissione Nazionale per le Società e la Borsa (Consob).
- The UK Manager wholly owns nine 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., Muzinich US Private Debt General Partner, S.à r.l., Muzinich Pan-European Private Debt II General Partner, S.à r.l., Muzinich Pan-European Private Debt III 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., and Muzinich Aviation Special Opportunities I General Partner, S.à r.l.
- Muzinich wholly owns Muzinich High Income Floating Rate Fund GP, LLC, a Delaware limited liability company, which serves as a general partner of Muzinich High Income Floating Rate Fund, LP, a private investment fund of which Muzinich serves as the investment manager.
- Muzinich serves as investment adviser or investment sub-adviser to certain mutual funds registered under the Investment Company Act.
- Muzinich owns an approximately 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.

- Muzinich wholly owns 1988 Asset Management, LLC (“1988 Asset Management”). 1988 Asset Management is a Delaware limited liability company and an SEC registered investment adviser. 1988 Asset Management serves as investment adviser to one or more CLOs and certain CLOs that are in the warehousing phase.

Muzinich provides 1988 Asset Management with experienced investment professionals and services so as to enable 1988 Asset Management to serve as investment adviser to certain CLOs and certain CLOs that are in the warehousing phase.

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

The Muzinich Group has policies and procedures in place reasonably designed to assure that Muzinich Group 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(e) – 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 Muzinich Group has adopted a Global 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 includes policies with respect to: Personal Securities (i.e., personal trading by Muzinich Group employees); Insider Trading; Gifts and Entertainment; Anti-Bribery and Corruption; Outside Activities; Conflicts of Interest; and Political Contributions and Political Activities.

Muzinich Group 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 Muzinich Group Client account. Potential conflicts of interest can arise in connection with, for example, an employee’s knowledge and timing of transactions, investment opportunities, broker selection, portfolio holdings and investments. Muzinich Group manages these potential conflicts by requiring that any transaction be made in compliance with its Code. The Muzinich Group generally does not permit its employees to purchase corporate bonds. Employees are given training with respect to the Code when they are hired and annually thereafter.

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

- Quarterly, employees must report personal securities transactions in most securities, excluding certain securities such as U.S. government securities and open-end mutual funds (other than mutual funds managed by the Muzinich Group);
- Employees must report holdings in certain covered securities annually;
- Employees cannot trade for their personal accounts while in possession of material, non-public information;
- Employees cannot trade for their personal accounts in securities which are either restricted or in which their investment can 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
- Prior to engaging in a transaction in certain securities, employees must receive approval from the Chief Compliance Officer or his or her delegate.

All Clients and prospective Clients can obtain a copy of the 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
compliance@muzinich.com

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

Muzinich, from time to time, recommends securities in which the Muzinich Group directly or indirectly, has an interest. In addition, the Muzinich Group and its employees have invested and could in the future make further investments, directly or indirectly of their own capital in certain Muzinich Group Clients, including Funds. These interests create an incentive to favor one Muzinich Group Client over another when, for example, allocating trades, correcting errors, engaging in cross transactions or otherwise making investment decisions on behalf of the Muzinich Group 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(e) – Brokerage Practices; Aggregation and Allocation of Trades for further information. Furthermore, the ownership by the Muzinich Group and/or employees of the Muzinich Group of an interest in any Fund and/or other Muzinich Group Client could create an incentive to devote more resources, time and attention to such Muzinich Group Clients

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 can 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 can be transacted only with written (i) disclosure to the Client and (ii) permission from the Client prior to settlement. Additionally, Clients could have different procedures with respect to completing principal transactions, as set forth in the relevant Client's Governing Documents. Additionally, Muzinich's ability to engage in principal transactions can be further limited for certain Client accounts such as Client accounts that are registered under the Investment Company Act or subject to ERISA.

The Muzinich Group and its employees could invest in issuers that they also recommend to Clients. However, the Muzinich Group and its employees cannot trade for their personal accounts in securities which are on the Muzinich Group's restricted list and/or in which their investment could result in certain conflicts of interest. They also can give advice and take action with respect to Muzinich Group Client accounts they manage, or for their own accounts, that could differ from action taken, or the time or nature of the action taken, by the Muzinich Group on behalf of other Muzinich Group Client accounts. The Muzinich Group is not obligated to recommend, buy or sell, or to refrain from recommending, buying or selling any security that the Muzinich Group or its employees can buy or sell for their own accounts or for the accounts of any other Muzinich Group Client.

Additionally, in certain circumstances, such as when it makes investments in certain syndicated loans on behalf of certain Muzinich Group Client accounts, the Muzinich Group could come into possession of material non-public information about an issuer. In these instances, the Muzinich Group 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 Muzinich Group Client while the

issuer remains on the Muzinich Group's restricted list. In these circumstances, the Muzinich Group has no responsibility or liability to the Muzinich Group Client for not disclosing the information to the Muzinich Group Client (or the fact that the Muzinich Group possesses such information), or not using such information for the Muzinich Group Client's benefit, as a result of following its policies and procedures or applicable law.

The majority of trades made for Muzinich Group Clients are executed through the open market and it is Muzinich Group's policy to generally prohibit cross trades. However, when the Muzinich Group believes, on a limited case-by-case basis, it is in the best interest of all Muzinich Group Clients involved, such as an account liquidation or large withdrawal of funds, it could engage in "cross trading" – a transaction where one or more Muzinich Group Clients purchases securities from one or more other Muzinich Group Clients. In such circumstances, and where consistent with the Muzinich Group's duty to seek best execution, the Muzinich Group will select an unaffiliated third party broker-dealer to facilitate the cross trade, the Muzinich Group Clients will pay a transaction based fee to the third party broker-dealer, but the Muzinich Group will receive no transaction-based compensation from the transaction. Where a Muzinich Group Client that is 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 the Muzinich Group believes to be fair for all involved Muzinich Group Clients. The Muzinich Group has adopted procedures to seek the fair treatment of Muzinich Group Clients in cross trades, including procedures that prohibit Funds in which the Muzinich Group or its employees hold more than a 25% interest, from participating in cross trades. However, it is the Muzinich Group's policy not to conduct cross trades for Muzinich Group Clients that are subject to the Employee Retirement Income Security Act of 1974.

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

From time to time, the Muzinich Group or its personnel will obtain material non-public information about an issuer of a particular investment. The Muzinich Group has implemented policies and procedures that are reasonably designed to prevent the misuse by the Muzinich Group and its personnel of material non-public information about the Muzinich Group'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 Group employees abide by the following guidelines:

- Except as expressly advised by the Muzinich Group's compliance department, an employee cannot buy or sell (or recommend, advise or solicit the purchase or sale), for any account (personal or Muzinich Group Client), an investment of any issuer about which the employee or the Muzinich Group possesses material non-public information.
- All employees are required to safeguard the confidentiality of any non-public information that could 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.
- A Muzinich Group employee must notify the Muzinich Group compliance department immediately if he or she believes that he or she has obtained any material non-public information about any issuer. Muzinich Group employees should not disclose such

information to any other person without obtaining permission from the Muzinich Group 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 the Muzinich Group is in possession of material non-public information about an issuer, it may be unable to purchase or sell securities or loans of that issuer on behalf of the Muzinich Group Clients, even if it would be otherwise advisable to do so. This could prevent Clients from capitalizing on investment opportunities or mitigating losses.

The Muzinich Group's policies allow for the purchase and sale of certain loan interests while in possession of material non-public information, where the Muzinich Group is on the "private side" of the transaction. The Muzinich Group could decline to receive certain information available to loan market participants which can include material nonpublic information about a loan issuer, in order to avoid trading restrictions with regard to securities of that issuer that could be of interest to the Muzinich Group, even though access to such information would otherwise have been advantageous to a Muzinich Group Client investing in loans. Clients could be adversely affected by such restrictions.

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 Group's services to each of its Clients are not exclusive. Accordingly, various conflicts of interest arise in connection with Muzinich Group's advisory activities on behalf of numerous Muzinich Group Clients. The Muzinich Group and its employees could have an incentive to devote more resources, time or attention to certain Muzinich Group Clients or investors than others, based on pecuniary (including interests in performance compensation paid by certain investors or Muzinich Group Clients) or other interests.

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

Muzinich and its employees could have an incentive to devote more resources, time or attention to certain Muzinich Group Clients or investors than others, based on pecuniary (including interest in performance compensation paid by certain investors or Muzinich Group Clients) or other interests.

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

Conflicts also could arise in cases where different Muzinich Group Clients invest in different parts of an issuer's capital structure. For example, the Muzinich Group can invest in senior debt obligations of an issuer for one Muzinich Group Client and junior debt obligations or equity of the same issuer for another Muzinich Group Client. Accordingly, one Muzinich Group Client might recover all or part of its investment while the other Muzinich Group Client might not. Moreover, Muzinich Group Clients will not be required to take any action or refrain from taking any action to mitigate another Muzinich Group Client's losses in such a scenario. In negotiating the terms and conditions of any such investments, or any subsequent amendments or waivers or taking any other actions, the Muzinich Group could find that the interests of a Muzinich Group Client and the interests of one or more other Muzinich Group Clients could conflict. In these situations, decisions over items such as whether to make or exit an investment, exercise certain rights, or take or determine not to take an action, and/or the voting of proxies (including any such matters in respect of a corporate reorganization or bankruptcy or similar matters (including, for example, whether to trigger an event of default or the terms of any workout)) could result in conflicts of interest.

Similarly, if an issuer in which a Muzinich Group Client and one or more other Muzinich Group 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 could be better served by a liquidation of the issuer in which it could 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, the Muzinich Group could choose to participate in certain ad hoc or other committees on behalf of its Muzinich Group Clients as part of such restructuring, work out or bankruptcy processes. In such instances, the Muzinich Group could, by virtue of receipt of material non-public information with respect to the issuer, become restricted from transacting on behalf of its Muzinich Group Clients in the securities or other instruments of such issuer. Moreover, in situations in which Muzinich Group Clients hold positions in multiple parts of the capital structure of an issuer and/or in situations in which Muzinich Group Clients' interests could otherwise diverge, the Muzinich Group

could determine not to participate in such a committee in order to mitigate conflicts. Muzinich Group Clients may be disadvantaged by the Muzinich Group's refraining from serving in such capacity.

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

Furthermore, from time to time, the Muzinich Group could be presented with the opportunity to invest in securities and/or loans of an issuer as a result of one or more Muzinich Group 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 Muzinich Group Client accounts. Follow-on investment opportunities can be available to Muzinich Group Client accounts with no existing investment in the issuer, resulting in the assets of a Muzinich Group Client account potentially providing value to, or otherwise supporting the investments of, other Muzinich Group Client accounts. See Item 12(e) – Brokerage Practices; Aggregation and Allocation of Trades.

ITEM 12: BROKERAGE PRACTICES

a) Selection of Broker-Dealers

In placing orders for purchase and sale of securities and other financial instruments and selecting broker-dealers to effect transactions, the Muzinich Group 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 Muzinich Group 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 Muzinich Group could cause an account to pay commissions or spreads which could not be the lowest available, but which ordinarily will not be higher than the generally prevailing competitive range. It should be noted however, that the Muzinich Group maintains a list of approved broker-dealers (the “Approved Broker List”) which have been approved for trading by the Muzinich Group after conducting due diligence, and only trades through broker-dealers on such Approved Broker List. Additionally, the Muzinich Group’s selection of a broker-dealer can be limited for certain accounts due to legal restrictions.

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

The Muzinich Group’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, the Muzinich Group 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. The Muzinich Group could, however, receive proprietary, over the transom, research from broker-dealers through which it executes transactions. The desire to receive research could influence the Muzinich Group’s brokerage decisions and the receipt of over-the-transom research from brokers benefits the Muzinich Group in that it is not required to purchase or develop such research itself. Subject to Muzinich’s 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 executes securities transactions through brokers (or their affiliates) who also market Muzinich funds and/or otherwise make such products available to potential investors. In certain circumstances, the Muzinich Group and/or Muzinich Group Clients compensate these brokers or their affiliates in connection with these arrangements (including, for example, a placement agent fee paid by a Client).

This practice creates a conflict of interest because Muzinich has an incentive to select or recommend a broker based on the Firm's interest in receiving potential client and/or investor referrals. Moreover, the allocation of transactions to brokers who (or that have affiliates who) market Muzinich funds or other Muzinich Group Clients or otherwise make the Muzinich Group's products available to their clients is subject at all times to the Firm's obligation under Muzinich's Best Execution Policy to seek best execution.

d) Directed Brokerage

While the Firm does not typically 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 could 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 could 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 could adversely impact performance.

e) Aggregation and Allocation of Trades

The Muzinich Group is committed to transacting in assets in a manner that is consistent with the investment objectives of each Muzinich Group Client, and to allocating investment opportunities (including purchase and sale opportunities) among Muzinich Group Clients in a fair and equitable manner over time. If the Muzinich Group is presented with an investment opportunity that falls within the investment objectives of more than one Muzinich Group Client, the Muzinich Group will allocate the opportunity among one or more of such Muzinich Group Clients in a manner that the Muzinich Group 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 the Muzinich Group deems relevant (the nature and extent of the differences will vary from Muzinich Group Client to Muzinich Group Client).

The Muzinich Group will typically allocate high yield bond transactions to Muzinich Group Client accounts in round lots and minimum increments as imposed by (i) the Muzinich Group based on the market in which the assets are traded, and/or (ii) the issuers of such bonds.

When open orders to purchase or sell the same assets on identical terms are placed on behalf of more than one Muzinich Group Client account 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, the Muzinich Group can choose not to aggregate where it believes appropriate.

Additional Considerations for New Issues and/or Partially Filled Transactions

In the event that an order is not completely filled in a single transaction, it is considered a “partial fill”. In such cases, it is important that the transaction is allocated fairly among all participating Muzinich Group Client accounts. Partial fills are generally allocated to Muzinich Group Client accounts on a pro-rata basis to the original order placed for each Client account. Reasons for allocating asset transactions on a basis different from pro rata include without limitation: (i) to avoid odd-lot sizes, (ii) to meet the Muzinich Group 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 Muzinich Group Client's account; and (vi) the availability of an alternative investment in the same asset or industry.

Subject to a Muzinich Group Client’s investment objectives and restrictions, the Muzinich Group can invest Muzinich Group Client assets in new issues. New issues frequently are in great demand and available only in limited quantities. Moreover, new issues frequently trade at a premium shortly after issuance. When determining whether a Muzinich Group Client should invest in a new issue investment opportunity, the Muzinich Group considers, among other relevant factors, the account’s investment strategy. For instance, some Muzinich Group Clients’ investment strategies seek to capture short-term opportunities – such as those that the Muzinich Group perceives can exist for certain new issues – whereas other Muzinich Group Clients have longer-term investment strategies. Since new issues can trade at a premium over the new issue price shortly after their issuance, Muzinich Group Clients whose strategies seek to capture such short-term opportunities could be able to quickly sell new issues and could therefore significantly benefit from such investments, should they be profitable, while it is possible that other Muzinich Group Clients with longer-term investment horizons will not be able to benefit.

Because orders for new issues are often only partially filled, accounts participating in the original order can receive only a portion of the amount requested or cannot receive any allocation at all. Accordingly, the Muzinich Group seeks to allocate such opportunities in fair and equitable manner over time, in accordance with the aggregation and allocation policies with respect to partial fills described above. See also Item 8(b) – Methods of Analysis, Investment Strategy and Risk of Loss; Material Risks of Investment Strategy.

Additional Considerations for Loans

In certain circumstances, loan transactions could be allocated in a manner different than that described above. In particular, if portfolio managers seek to purchase for Muzinich Group Client accounts a particular loan that is being issued to replace or refinance an existing loan and some Muzinich Group Client accounts already own the existing loan, the accounts that own the existing loan could receive priority with respect to the new loans, up to the amount of their current holdings. This means that other Muzinich Group Client accounts could 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, the Muzinich Group can consider additional factors when allocating loan transactions to Muzinich Group Client accounts, including but not limited to: (i) transfer fees paid on a Muzinich Group Client basis; and (ii) whether the transaction would result in a meaningful position for the Muzinich Group 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

With respect to private investment funds for which Muzinich is deemed to have custody as described in Item 15 - Custody, each investor receives annual audited financial statements for such fund. In addition, with respect to Funds generally, investors in the applicable fund(s) receive additional such financial statements and reports as described in Governing Documents for such Fund. With respect to Separate Accounts, Muzinich will provide such Clients with reports and statements, in accordance with the content and frequency of which will be as agreed in the Governing Documents or otherwise.

It should be noted that investors in Separate Accounts typically 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 could be meaningful. Although all investors within a Fund generally receive similar information, an investor could request and receive information that is not otherwise provided in a Fund's regular reports to investors. Such information could provide the receiving investor with greater insight into the Fund's activities. This could enhance such investor's ability to make investment decisions with respect to the Fund. The Firm also offers regular conference calls, in-person meetings and monthly account update letters to investors and considers ad hoc and customized reporting requests.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

The Firm does not receive economic benefits from non-clients in exchange for providing investment advice and other advisory services.

The Firm compensates 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 including, but not limited to, (i) whether the referred is a current client or investor of the Firm; (ii) that compensation was provided to the referrer, if applicable; (iii) a brief statement of any material conflicts of interest on the part of the referrer resulting from Muzinich's relationship with the referrer and/or any compensation arrangement and (iv) the material terms of the compensation arrangement, including a description of the compensation provided or to be provided, if required. If the referrer is a registered broker or dealer and the potential client is not a retail investor then the referrer is not required to comply with (iii) and (iv), above. .

Referral fees are generally a percentage of the annual management fees, Performance Fee, 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 has been entered into consistent with the requirements of Rule 206(4)-1 under the Advisers Act, Muzinich pays one third-party solicitor a percentage of management fees received by the Firm in the event that such third-party refers a Client to the Firm. Muzinich may also receive referrals from its affiliates, however, Muzinich does not compensate affiliates for such referrals.

ITEM 15: CUSTODY

A wholly owned subsidiary of Muzinich acts as general partner to a private investment fund for which Muzinich serves as investment manager. As a result, Muzinich is deemed to have custody of the private investment fund's assets for purposes of SEC rules and regulations. Accordingly, to meet the requirements of these rules and regulations, the private investment fund is subject to an annual audit in accordance with generally accepted accounting principles conducted by an independent public accountant registered and subject to inspection by the Public Company Accounting Oversight Board and the audited financial statements are distributed to investors in the private investment fund within 120 days of the end of the private investment fund's fiscal year. Private investment fund investors who do not receive such statements promptly should contact Muzinich.

Muzinich does not currently have custody, or the authority to obtain possession, of securities or other assets for any other Clients (with the exception of the private investment fund described in the preceding paragraph). Clients generally receive account statements directly from their administrator or custodian and should carefully review those statements. In addition, in the event that Clients also receive account statements directly from the Firm such Clients are encouraged to compare the Firm's accounts statements to those received from their administrator or custodian. There could 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 could use different pricing sources to value securities held in their portfolio. Other differences could result from different dates being used to value securities (such as on a trade date versus settlement date basis) or could 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 can contact the Firm for an explanation.

ITEM 16: INVESTMENT DISCRETION

As discussed in Item 4 – Advisory Business, above, subject to each Client’s established guidelines, limitations or restrictions, Muzinich generally has the authority to determine for each Client: (a) which investments are to be bought or sold; (b) the total amount of investments to be bought or sold; (c) through which broker-dealers those investments 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 between 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 Muzinich Group invests could 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 Muzinich Group 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 the applicable Muzinich Group Clients. In the event that a conflict of interest exists between management's recommendation and the Muzinich Group or the Muzinich Group Clients, the Muzinich Group will vote in the manner which in its judgment and sole discretion is in the best interest of the Muzinich Group Clients.

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

In cases where an issuer in which multiple Muzinich Group 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 Muzinich Group Client's overall holdings, and related rights, can be such that it is in the Muzinich Group 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, Muzinich Group Clients that have invested in some, but not all, of the relevant classes of interests of the issuer held could be disadvantaged.

When considering whether to pursue a particular course of action, including asserting available claims or remedies, factors that could 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 Muzinich Group 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 Muzinich Group may choose not to vote the proxies in certain situations or for certain Muzinich Group Clients, such as (i) the Muzinich Group Client no longer owns the security at the voting deadline; (ii) the Muzinich Group Client has tendered the security before the voting deadline; (iii) the Muzinich Group Client has informed the Muzinich Group that it wishes to retain the right to vote the proxy, (iv) the Muzinich Group deems the cost of voting would exceed any anticipated benefit to the Muzinich Group Client; or (v) the proxy is received for an account for which the Muzinich Group no

longer acts as investment manager, investment adviser or sub-adviser at the voting deadline.

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

Clients can 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
compliance@muzinich.com

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.