

Item 1. Cover Page

Mount Logan Management, LLC

**Part 2A of Form ADV
Firm Brochure**

650 Madison Avenue, 23rd Floor
New York, NY 10022

March 31, 2023

This brochure (“Brochure”) provides information about the qualifications and business practices of Mount Logan Management, LLC (“MLM,” “we,” “us,” or “our”). If you have any questions about the contents of this Brochure, please contact us at 212 891 2899. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Registration with the SEC does not imply a certain level of skill or training.

Additional information about Mount Logan Management, LLC is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2. Material Changes

This Item 2 summarizes only material changes to our brochure since our last annual updating amendment filed on March 31, 2022. Capitalized terms used in Item 2 have the definitions provided herein.

- MLM became the investment adviser to a closed-end management investment company and the investment sub-advisor to a closed-end management investment company. In addition, MLM became the investment adviser to two additional private funds. As a result, we have updated this brochure throughout (including Items 4, 5, 6, 7, and 8).
- Item 4 has been updated to reflect that MLC, the parent company to MLM, has announced that it has entered into a definitive agreement with Ovation Partners, LP and its affiliate to acquire Ovation Fund Management II LLC.
- Item 11 has been updated to provide greater detail regarding potential conflicts of interest between Clients and officers of the Adviser and associated persons.

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 investment vehicle
- a complete discussion of the features, risks or conflicts associated with any investment vehicle or advisory service

As required by the Investment Advisers Act of 1940, as amended (the “***Advisers Act***”), MLM provides this Brochure to current and prospective clients and can also, in its discretion, provide this Brochure to current or prospective investors in an investment vehicle, together with other relevant documents, such as the investment vehicle’s offering or private placement memorandum, organizational documents and related transaction documents, as applicable, prior to, or in connection with, such persons’ investment. 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 MLM, persons who receive this Brochure (whether or not from MLM) should be aware that it is designed solely to provide information about MLM as necessary to respond to certain disclosure obligations under the Advisers Act. As such, the information in this Brochure could differ from information provided in relevant client governing documents. More complete information about each investment vehicle is included in relevant client governing documents, certain of which are provided to current and eligible prospective investors only by MLM. To the extent that there is any conflict between discussions herein and similar or related discussions in any applicable client governing documents, such relevant documents shall govern and control.

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Item 4. Advisory Business

Below are certain key definitions used in this brochure.

<u>Term</u>	<u>Definition</u>
“MLM”, “Adviser”, “we”, “us”, or “our”	Mount Logan Management, LLC, registered with the SEC as an investment adviser, a subsidiary of Mount Logan
“Mount Logan Capital”	Mount Logan Capital Inc., a Canadian public company
“Mount Logan”	Mount Logan Capital, together with its subsidiaries
“BCPAL”	BC Partners Advisers L.P., a Delaware limited partnership, affiliate of MLM, registered with the SEC as an investment adviser
“BC Partners”	BCPAL, together with its affiliates, including Mount Logan and the Adviser
“Sierra Crest”	Sierra Crest Investment Management LLC, registered with the SEC as an investment adviser, an indirect subsidiary of BCPAL and MLC
“BDC”	A non-diversified, closed-end management investment company that has elected to be regulated as a business development company under the 1940 Act that is managed by MLM
“CLOs”	Collateralized loan obligations backed by debt obligations and similar assets for which MLM acts as the collateral manager. As referred to herein, the term “CLOs” may include short-term and long-term warehouse credit or repurchase agreement facilities entered into to finance the preliminary accumulation and “ramp-up” of assets comprising the initial pool of collateral securing any such issuer, as well as other warehouse, repurchase or other credit facilities and/or special purpose vehicles.
“Sub-Advised Closed-End Fund”	A non-diversified, closed-end management investment company registered under the 1940 Act that operates as an interval fund, for which MLM acts as a sub-adviser.
“Advised Closed-End Fund”	A non-diversified, closed-end management investment company registered under the 1940 Act that operates as an interval fund, for which MLM acts as investment adviser.
“Closed-End Funds”	Advised Closed-End Fund and Sub-Advised Closed-End Fund

“Regulated Funds”	The BDC and the Closed-End Funds
“Insurance Company”	An insurance company, a wholly-owned subsidiary of Mount Logan Capital, for which MLM acts as an investment adviser.
“MLM Private Funds”	Privately offered investment funds exempt from registration under the 1940 Act advised by MLM
“MLM Funds”	Includes the BDC, the CLOs, the Insurance Company, the Closed-End Funds, and the MLM Private Funds
“Clients”	Includes the MLM Funds and any other clients of MLM
“BC Partners Credit Clients”	Credit Funds, Credit Accounts, Credit SIFs and the Insurance Company
“Credit Business”	BC Partners’ dedicated credit business
“Private Equity Business”	BC Partners’ private equity business
“Real Estate Business”	BC Partners’ real estate business focusing on pan-European opportunistic investments managed by an affiliate of BCPAL
“PE Funds”	Investment vehicles organized by BC Partners and its affiliates as part of its Private Equity Business
“Credit Funds”	(i) MLM Funds, (ii) private funds exempt from registration under the 1940 Act and registered investment companies advised by BCPAL or Sierra Crest and (iii) collateralized loan obligations for which either BCPAL or Sierra Crest acts as collateral manager
“Credit Accounts”	Separate accounts managed by the Adviser, BCPAL or Sierra Crest
“Credit SIFs”	Single-investor funds managed by the Adviser, BCPAL or Sierra Crest
“BC Partners Funds” or “Funds”	PE Funds and Credit Funds
“SEC”	The U.S. Securities and Exchange Commission
“Advisers Act”	The Investment Advisers Act of 1940, as amended
“1940 Act”	The Investment Company Act of 1940, as amended

The Advisor:

The primary business of MLM is to provide investment management services to (i) MLM Private Funds, (ii) a non-diversified closed-end management investment company that has elected to be regulated as a business development company, (iii) an insurance company that is a wholly-owned subsidiary of Mount Logan Capital, (iv) non-diversified closed-end management investment companies registered under the 1940 Act that operate as interval funds, and (v) to act as the collateral manager to CLOs. MLM was organized in 2020 as a Delaware limited liability company and is registered with the SEC as an investment adviser under the Advisers Act.

Affiliates of MLM serve as the general partners or managing members of the MLM Private Funds (each and as applicable, a “**General Partner**” or “**Managing Member**”); however, the investment management services are performed by MLM pursuant to an investment advisory agreement by and between MLM and the respective Client.

Mount Logan:

MLM is a wholly-owned subsidiary of Mount Logan. Mount Logan is a Canada-based asset manager created to source and execute on credit investment opportunities in North America. Mount Logan Capital holds and actively manages and monitors a portfolio of loans and other investments with credit-oriented characteristics. Mount Logan Capital intends to actively source, evaluate, underwrite, monitor, and primarily invest in additional loans, debt securities, and other credit-oriented instruments that present attractive risk-adjusted returns and present low risk of principal impairment through the credit cycle.

In addition to its ownership interest in MLM, Mount Logan holds a minority ownership interest in Sierra Crest, a registered investment adviser that manages or sub-advises various funds focused on credit investment opportunities.

BC Partners:

“**BC Partners**”, globally, is composed of BCPAL and other affiliates of BCPAL. BCPAL was founded in 1986 and, together with its affiliated general partners of the PE Funds and other affiliates provide advisory services to and/or receive advisory fees in respect of the PE Funds and other clients of the Private Equity Business via its sub-investment advisory relationship with BCP Partners LLP (UK), an exempt reporting adviser. BCPAL has a minority equity investment in Mount Logan Capital and its affiliate BC Partners Investment Holdings Limited has a majority equity investment in Sierra Crest.

The Private Equity Business has a long history making investments in control-oriented equity positions in businesses across Europe and North America through its private equity business. It generally focuses on buy-outs and targets investments in control equity positions in businesses across Europe and in North America. Advisory personnel of the Adviser, all of whom are involved with the Credit Business, are not involved in the Private Equity Business.

BC Partners is primarily composed of three business lines: (i) the Private Equity Business, (ii) the Credit Business and (iii) the Real Estate Business. MLM’s advisory business is part of the Credit

Business. BCPAL provides personnel to MLM through a resource sharing agreement between the entities (the “*Sharing Agreement*”).

BC Partners Credit Business

MLM provides investment advisory services to Clients as part of the Credit Business. The Credit Business is a dedicated credit business focusing on making investments utilizing a variety of investment strategies and themes primarily in developed countries, with a focus on North America and Europe. It provides investment advisory services to clients through BCPAL and Sierra Crest, in addition to MLM. The investment vehicles by which clients receive these advisory services include: (i) private funds, (ii) business development companies regulated under the 1940 Act, (iii) separately managed accounts, (iv) interval funds regulated under the 1940 Act, (v) an insurance company, and (vi) collateralized loan obligations for which the Adviser or an affiliate acts as loan manager.

The Credit Business’ advisory services typically consist of investigating, identifying and evaluating investment opportunities, structuring, negotiating and making investments on behalf of the Credit Clients, managing and monitoring the performance of such investments and disposing of such investments. The investment team in respect of the Credit Business (the “*Credit Investment Team*”) follows investment processes with a view towards achieving what it believes to be consistent and repeatable results.

MLM

MLM provides investment advice to Clients and not individually to the limited partners, members, or underlying investors in Clients. The assets of each Client are managed in accordance with the terms of the relevant limited partnership agreement (“*LPA*”), investment advisory agreement, investment sub-advisory agreement, prospectus, indenture, collateral management agreement, and other organizational documents with respect to such Client (collectively, the “*Governing Documents*”).

In our capacity as collateral manager to the CLOs, we control the management of the collateral supporting certain debt obligations issued by the CLOs. The collateral generally consists of debt obligations, secured claims, any equity securities acquired as part of a unit consisting of both a debt obligation and an equity security, certain derivative instruments, and, rarely, unsecured claims. We perform numerous administrative and advisory functions with respect to the collateral, including selecting the portfolio of collateral and instructing the trustee with respect to any acquisition, disposition, or reinvestment or proceeds of the collateral. Our ability to invest a CLO’s assets is constrained by the portfolio quality criteria and asset and income coverage tests established in the indenture pursuant to which the CLO’s securities are issued and in any other relevant Governing Documents.

As of December 31, 2022, the Adviser managed a total of \$1,697,771,514 of regulatory assets under management, all of which on a discretionary basis. Regulatory assets under management, refers to the gross amount of assets under management without subtracting out any liabilities. It also includes, with regard to private funds, uncalled capital commitments.

Ovation

On January 31, 2023, Mount Logan Capital announced that it has entered into a definitive agreement (the “**Purchase Agreement**”) with Ovation Partners, LP and its affiliate (“**Ovation**”) to acquire Ovation Fund Management II LLC, the General Partner of Ovation Alternative Income Fund LP, a Delaware limited partnership (the “**AIF Fund**”); Ovation Alternative Income Fund-A LP, a Delaware limited partnership (the “**AIF Corporate Feeder**” and, collectively with the AIF Fund, the “**AIF Feeder Funds**”); and Ovation Alternative Income Master Fund LP, a Delaware limited partnership (the “**AIF Master Fund**” and, collectively with the AIF Feeder Funds, “**AIF**”), which serves as the master fund into which the AIF Feeder Funds invest all or substantially all of their assets through a “master-feeder” fund structure. As part of the proposed transaction, MLM is expected to become the investment adviser to AIF. The transaction is expected to close in second quarter 2023. At such applicable time, the Adviser will amend this Form ADV Part 2A to reflect the changes to the business and investment management practices following the consummation of the transaction.

Item 5. Fees and Compensation

Clients and investors should review the relevant Governing Documents to fully understand the total amount of fees and expenses that may be paid. Compensation received by MLM is negotiated on a case-by-case basis and/or established in connection with the formation of each Client.

MLM Private Funds

Each MLM Private Fund is governed by an LPA and/or other Governing Document that sets forth in detail the fee structure relevant to that MLM Private Fund. The terms of the LPAs are established during the formation and fundraising period of the applicable MLM Private Fund. Management fees, performance-based compensation (which may be in the form of an incentive allocation or carried interest) (collectively, “**Carried Interest**”), and expenses borne by each Client are generally negotiated with prospective investors during the fundraising period. The following description of fees and expenses borne by the MLM Private Funds is not intended to be exhaustive. Prospective and existing investors are advised to review the applicable MLM Private Fund offering documents, LPA and other Governing Documents for further information regarding the fees and expenses associated with an investment in the MLM Private Funds.

Management Fees. Pursuant to a MLM Private Fund’s LPA or other Governing Documents, compensation paid to MLM in consideration of its investment advisory services is generally comprised of a management fee (a “**MLM Private Fund Management Fee**”) based on a percentage of the MLM Private Fund’s capital commitments during the investment period (i.e., the period during which a MLM Private Fund may make new investments), and thereafter based on a percentage of capital invested. Management fees payable in relation to a particular MLM Private Fund may also be based on a blended percentage of capital commitments and capital invested or alternatively on the net asset value of the applicable MLM Private Fund.

Performance-Based Fees. Pursuant to a MLM Private Fund’s LPA or other Governing Documents, MLM affiliates, in their role as General Partners or Managing Members, can be eligible to receive Carried Interest, with respect to realized investments, which is generally determined as a

percentage of profits derived from the disposition of all investments (after taking into account expenses of the MLM Private Fund, including management fees, following a preferred return to investors). If the payment of the Carried Interest results in a distribution in excess of the amount of Carried Interest contemplated in the Governing Documents to the applicable MLM Private Fund's General Partner or Managing Member, such General Partner or Managing Member is generally subject to a "claw back" arrangement in which instance the excess amounts are returned to the MLM Private Fund.

The Insurance Company

The Insurance Company pays MLM certain management fees (the "***Insurance Company Management Fee***") and performance-based incentive fees, as set forth in its Governing Documents.

The BDC

The BDC is governed by its Governing Documents that sets forth in detail the fee structure relevant to the BDC. Management fees, performance-based compensation, and expenses borne by each investor are generally described in the applicable Governing Documents. The following description of fees and expenses borne by the BDC is not intended to be exhaustive. Prospective and existing investors are advised to review the applicable BDC offering documents and other Governing Documents for further information regarding the fees and expenses associated with an investment in the BDC.

Management Fees. Pursuant to the BDC's Governing Documents, compensation paid to MLM in consideration of its investment advisory services is generally comprised of a management fee (a "***BDC Management Fee***"). The BDC Management Fee will generally be based on a percentage of the BDC's gross assets (including any borrowings for investment purposes), calculated based on the average value of gross assets at the end of the two most recently completed calendar quarters, and appropriately adjusted for any share issuances or repurchases during the current calendar quarter.

Performance-Based Fees. Pursuant to the BDC's Governing Documents, MLM is generally eligible to receive a performance-based incentive fee for its management of the BDC. The first part of the incentive fee is generally calculated and payable quarterly in arrears based on the pre-incentive fee net investment income for the immediately preceding calendar quarter. The second part of the incentive fee is generally determined and payable in arrears as of the end of each calendar year (or upon termination of the advisory agreement, as of the termination date), and will equal a percentage of realized capital gains, if any, on a cumulative basis from inception through the end of each calendar year, computed net of all realized capital losses and unrealized capital depreciation on a cumulative basis, less the aggregate amount of any previously paid capital gain incentive fees with respect to each of the investments in the portfolio.

Closed-End Funds

Each Closed-End Fund is governed by its Governing Documents that sets forth in detail the fee structure relevant to the Closed-End Fund. Management fees, performance-based compensation (if applicable), and expenses borne by each investor are generally described in the applicable

Governing Documents. The following description of fees and expenses borne by the Closed-End Funds is not intended to be exhaustive. Prospective and existing investors are advised to review the applicable Closed-End Fund prospectus and other Governing Documents for further information regarding the fees and expenses associated with an investment in a Closed-End Fund.

Management Fees. For the Advised Closed-End Fund, pursuant to its Governing Documents, compensation paid to MLM in consideration of its investment advisory services is generally comprised of a management fee (an “**Advised Closed-End Fund Management Fee**”), which will generally be based on a percentage of the Advised Closed-End Fund’s gross assets. The management fee will generally be payable monthly in arrears and calculated based on the average daily value of the Advised Closed-End Fund’s gross assets during such period.

For the Sub-Advised Closed-End Fund, pursuant to its Governing Documents, compensation paid to MLM in consideration of its investment advisory services is generally comprised of a management fee (a “**Sub-Advised Closed-End Fund Management Fee**” and, together with MLM Private Fund Management Fees, the Insurance Company Management Fee, the BDC Management Fee, and the Advised Closed-End Fund Management Fee, “**MLM Fund Management Fees**”) paid by the investment adviser of the Sub-Advised Closed-End Fund, which will generally be paid monthly based on a percentage of the average daily net assets of the Sub-Advised Closed-End Fund that are managed by MLM.

Performance-Based Fees. Pursuant to the Advised Closed-End Fund’s Governing Documents, MLM is generally eligible to receive a performance-based incentive fee for its management of the Advised Closed-End Fund. Generally, the incentive fee is calculated and payable quarterly in arrears, and is not payable unless and until the Advised Closed-End Fund’s performance exceeds the designated hurdle rate during the immediately preceding calendar quarter, as described in the Advised Closed-End Fund’s prospectus. The Sub-Advised Closed-End Fund is not currently charged performance-based incentive fees by MLM, although future Sub-Advised Closed-End Funds can be charged performance-based incentive fees.

CLO Clients

Compensation received by MLM from CLOs is comprised of a senior management fee and a subordinated management fee (collectively, “**CLO Management Fees**,” and together with the MLM Fund Management Fees, “**Management Fees**”). An incentive fee may also be charged to future CLOs, although CLOs that MLM currently manages are not charged an incentive fee. The senior and subordinated fees are paid quarterly in arrears in accordance with the priority of payment waterfall (i.e., priority of payment sequence) set forth in the indenture pursuant to which each CLO’s securities are issued. The senior management fee is paid earlier in the waterfall than the subordinated management fee. The subordinated fee is subject to deferral if sufficient funds are not available to pay CLO obligations at a higher level in the waterfall. The subordinated management fee also may be deferred if the CLO is not in compliance with certain financial coverage tests set forth in the CLO indenture on the date each quarter when the tests are determined.

Generally, an incentive fee (if any) is not payable unless and until the CLO’s performance exceeds the CLO’s designated hurdle rate and the CLO equity investors have achieved a certain internal

rate of return (“**IRR**”) on their investment. Thereafter, the incentive fee is typically payable quarterly as a percentage of the amount (principal and interest) available for distribution to the CLO’s equity investors. The trustee of each CLO generally remits the collateral management fees and incentive fees (if any, after the designated IRR has been achieved) quarterly in arrears, from interest collections (and after the rated debt and expenses are paid in full, principal collections) associated with the applicable CLO.

The Governing Documents provide for different collateral management fees for each Client as set forth in the applicable Governing Documents. Further, we have the right to waive or reduce, from time to time, all or part of the collateral management fee.

General Fee and Expense Information

MLM Transaction Fees. In addition to the Management Fees and Carried Interest, subject to the terms of Client Governing Documents and regulatory restrictions, MLM can receive transaction fees, break-up fees, commitment fees, investment banking fees, termination fees, closing fees, directors’ fees, asset management fees, consulting fees, origination fees, advisory fees, monitoring and other similar fees, payment or compensation (whether in the form of cash, options, warrants, stock or otherwise) from or in connection with Client investments (collectively, “**Transaction Fees**”).

With respect to MLM Private Funds that pay Management Fees to us, a percentage of such Transaction Fees allocable to such MLM Private Funds (net of certain expenses) is typically applied to reduce the Management Fees, if any, payable by such MLM Private Fund in accordance with such MLM Private Fund’s LPA, which is referred to as a management fee offset. The Transaction Fees that reduce the Management Fees will generally be limited to the extent of such MLM Private Fund’s proportionate interest (or intended proportionate interest) based on capital committed (or proposed to be committed) to the investment to which the applicable Transaction Fee relates. While certain Transaction Fees may be allocable to Co-Investors, as defined below, that do not pay Management Fees, such Co-Investors generally will not receive the benefit of a management fee offset related to such Transaction Fees. However, certain MLM Private Funds’ LPAs may not contemplate the allocation of Transaction Fees as described above.

Firm Transaction Fees. In addition to the fees that MLM receives from the Clients, MLM can receive fees relating to the investments made by a Fund (other than a Client) and other services provided by BC Partners to an actual or prospective investment in which a Client may invest (“**Portfolio Investment**”), other investment vehicles of the Funds or the Funds themselves (collectively, “**Other Fees**”). The scope and composition of “Other Fees” will vary across each Fund based on the terms and Fund organizational documents thereof and will differ over time. Unless expressly provided in governing documents, Other Fees will not offset Management Fees paid by Clients.

Expenses Paid Directly, or Reimbursed, By Clients. In addition to Management Fees, Carried Interest, and other incentive fees as described above, Clients pay or reimburse us for certain fees and expenses. These fees and expenses vary from Client to Client and are specifically set-out in each Client’s Governing Documents.

Generally, expenses paid or reimbursed by Clients could include the following: all legal and other organizational and offering expenses incurred in the formation of a particular Client investment vehicle and related entities and the offering of the interests in such Client investment vehicle; investment-related costs and expenses (whether or not any such investment is consummated and including due-diligence, travel, and related expenses); expenses related to the operation of the entities related to the Client; brokerage or similar commissions, custodial fees, bank service fees and interest expenses; hedging expenses; investment-related travel expenses; legal expenses, including, in some cases, the cost of internal counsel's work for Clients; professional fees relating to investments; expenses of consultants and experts); expenses associated with attendance at industry conferences and other events relevant to the Client's investment mandate; accounting expenses; the cost of asset management and accounting software and other software packages (including any and all fees and expenses incurred in implementing or maintaining third-party or proprietary software tools, programs or other technology for the benefit of Clients (including, without limitation, any and all costs and expenses of any books and records, portfolio compliance, treasury and reporting systems, including consultant, software licensing, data management and recovery services fees and expenses); auditing, accounting and other professional service fees and expenses incurred by or on behalf of the Client (including, without limitation, expenses associated with the preparation of Client financial statements, tax returns and other filings, and Schedules K-1); valuation expenses; entity-level taxes of a Client and entity-level taxes imposed on any MLM Fund subsidiaries; expenses of third-party servicers and asset managers; administrative expenses; insurance expenses; directors and officers and errors and omissions liability insurance; expenses incurred in connection with any amendments or supplements to the MLM Fund's LPA or offering documents; fees and expenses of any administrator of the Client; expenses incurred in connection with any indemnification obligations of a Client; litigation and regulatory costs and expenses; expenses incurred in connection with the formation of any alternative investment vehicles or special purpose vehicles; expenses incurred in connection with any meetings of investors in a Client called by the General Partner or Managing Member of such Client; reasonable out of pocket expense (including travel expenses) incurred by the members of a Client's advisory board in connection with the fulfillment of their duties; travel, late car and/or late meal (expenses for MLM's employees); and any other expenses permitted by a Client's Governing Documents.

CLO Clients

CLOs reimburse MLM for expenses including fees and out-of-pocket expenses reasonably incurred by MLM in connection with services provided under each CLO's Collateral Management Agreement. Generally, expenses paid or reimbursed by CLOs could include the following: expenses incurred in connection with services provided by (a) legal advisers, consultants, rating agencies, accountants, brokers and other professionals retained by the CLO or MLM (on behalf of the CLO), (b) asset pricing and asset rating services, compliance services and software, and accounting, programming and data entry services directly related to the management of CLO assets, (c) taxes, regulatory and governmental charges, insurance premiums or expenses, (d) costs and expenses incurred in connection with the acquisition, disposition of investments on behalf of the CLO (whether or not actually consummated) and management thereof, including attorneys' fees and disbursements, (e) any fees, expenses or other amounts payable to rating agencies, (f) costs related to compliance and reporting obligations, (i) travel expenses (including without limitation airfare, meals, lodging and other transportation) (j) broker or brokers in consideration of brokerage services; (k) software programs licensed from a third party and used by MLM in

connection with servicing CLO assets, (l) fees and expenses incurred in obtaining the market values for CLO assets; and (m) audit fees and expenses. Please also see Item 12 herein.

Allocation of Fees, Costs, and Expenses among Multiple Clients. BC Partners may incur, from time to time, fees, costs and expenses on behalf of one or more Clients. To the extent that such fees, costs, and expenses are incurred for the account or for the benefit of one or more Clients, such Clients will typically bear an allocable portion of any such fees, costs, and expenses in proportion to the size of the investment made by each in the activity or entity to which the expense relates (subject to the terms of the applicable Governing Documents of the Clients) or in such other manner as we consider to be fair and reasonable, and in accordance with our policies and procedures. BC Partners endeavors to allocate such fees, costs, and expenses on a fair and reasonable basis.

Payment of Fees. The General Partner or Managing Member of a MLM Private Fund may call capital for the payment of Management Fees and other expenses or pay such fees and expenses out of the assets of the MLM Private Fund, current income, or disposition proceeds from investments of the MLM Private Fund.

Co-Investments. Subject to the terms of Client Governing Documents and regulatory requirements, we can offer investors in a Client or any third party the opportunity to co-invest in any transaction in which a Client has made, or will make, an investment, (each a “*Co-Investor*” and collectively, “*Co-Investors*”), subject to the provisions of the Governing Documents applicable to the Client, the terms of any side-letter or other document, and our policies and procedures regarding co-investments. If any Co-Investors are participating in a co-investment alongside a Client (indirectly through a co-investment vehicle established by us or directly in the relevant investment), such Co-Investors will typically bear their pro rata share of fees, costs, and expenses related to the discovery, monitoring, investigation, development, acquisition or consummation, ownership, maintenance, hedging and disposition of their co-investment, and may be required to pay their pro rata share of fees, costs, and expenses related to proposed co-investments that are not consummated. To the extent that Co-Investors do not agree to or do not otherwise bear fees, costs, and expenses related to investments which are not ultimately consummated, such fees, costs, and expenses may be borne by BC Partners, or if consistent with the Client’s (or Clients’) Governing Documents, by the Client(s) on whose behalf MLM evaluated and pursued such investment. In addition, in the event that the Co-Investors participate in a co-investment through an investment vehicle or vehicles managed or advised by MLM or BC Partners, they will generally bear their pro rata share of organizational costs and expenses of such vehicles. MLM may (or may not) in its discretion (i) charge Carried Interest, Management Fees, or other similar fees to Co-Investors and (ii) collect customary fees in connection with actual or contemplated investments that are the subject of such co-investment arrangements. Notwithstanding the foregoing, in no instance will the Client or its investors be entitled to any fees or other monies of any kind related to the portion of an investment made by any Co-Investor or other third party who participates in a given transaction. Such amounts may be paid to the Co-Investor or other third-party investor or retained by us at the mutual agreement of such parties and without regard to such Client.

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

As described above, the General Partners or Managing Members of certain MLM Private Funds are entitled to performance-based compensation in the form of Carried Interest and MLM is entitled to performance-based incentive fees for its management of the BDC, the Insurance Company, and the Advised Closed-End Fund. Performance-based compensation arrangements create an incentive for MLM to make investments on behalf of MLM Funds that are riskier or more speculative than would be the case in the absence of such performance-based compensation. The Sub-Advised Closed-End Fund is not currently charged incentive fees by MLM, however in the future a Sub-Advised Closed-End Fund may be charged incentive fees. The Adviser's current CLOs are not charged incentive fees, however future CLOs may be charged performance-based fees. Performance-based fees are typically payable only after a certain return target has been achieved, in the form of an internal rate of return hurdle, based on payments received by the equity holders thereunder in relation to their initial investment. The payment by some, but not all, Clients of incentive fees, or the payment of Management Fees or incentive fees (as applicable) at varying rates, can create an incentive for MLM to disproportionately allocate time, services or functions to Clients paying incentive fees, or Clients paying Management Fees and/or incentive fees at a higher rate, or allocate investment opportunities to such Clients.

In addition, there are other Credit Clients that are charged performance-based fees by BC Partners or its affiliates. The payment by some, but not all, other Credit Clients of management fees or incentive fees (as applicable), or the payment of management fees or incentive fees (as applicable) at varying rates, can create an incentive for BC Partners, whose employees manage MLM pursuant to the Sharing Agreement, to direct MLM to disproportionately allocate time, services or functions to such other Credit Clients paying management fees and/or incentive fees, or such other Credit Clients paying management fees and/or incentive fees at a higher rate, or direct MLM to allocate investment opportunities to such Funds and/or other Credit Clients.

BC Partners seeks to mitigate risks and conflicts of interest with respect to differing fee arrangements by, among other things, allocating investments among clients with similar investment programs but different fee structures in a manner consistent with BC Partners' investment allocation policy. For more information on this policy, please see Item 11 below.

Co-Investment Opportunities. To the extent that MLM believes in its sole discretion that it is appropriate to do so, MLM may offer any Co-Investor the opportunity to co-invest in any transaction in which a Client has made, or will make, an investment, subject in all cases (including with respect to the allocation of co-investments among potential Co-Investors) to the provisions of the LPA or other Governing Documents of the applicable MLM Fund, the terms of any side letter or other terms negotiated with a Client's investors. MLM considers multiple factors, based on the facts and circumstances of a potential investment, in determining whether or not to offer a co-investment opportunity to a potential Co-Investor. Please see Item 11 below. The structure and terms of any co-investment opportunity to be offered by us to any investor in a Client shall be determined by us, subject to the restrictions, if any, set forth in the LPA or other Governing Documents of the relevant MLM Fund. MLM or any of its affiliates may (or may not) in their discretion charge Management Fees, Carried Interest or other fees to Co-Investors.

Item 7. Types of Clients

We provide investment advisory services to the MLM Private Funds, the Insurance Company, a BDC, and the Closed-End Funds, and collateral management services to CLOs. In general, a CLO is a pooled investment vehicle that has a tiered capital structure, issuing secured notes and subordinated notes (together, “**CLO Securities**”). The CLOs are excepted from the definition of an “investment company” and the CLO Securities are exempt from registration under the Securities Act of 1933, as amended. CLO Securities are offered and sold in private placement transactions only to institutional investors. Additional details concerning applicable investor suitability criteria are provided in each CLO’s Governing Documents.

MLM and/or the relevant General Partner or Managing Member may enter into separate agreements, commonly referred to as “side letters”, with certain investors in the MLM Private Funds, which may have the effect of establishing preferential rights under, altering, or supplementing the terms of, the LPA (or other Governing Documents) of the applicable MLM Private Fund with respect to such investor, in a manner more favorable to such investor than those applicable to other investors in such MLM Private Fund. Such rights or terms pursuant to such side letters may include, for example (and without limitation), fee arrangements or hurdle rates with respect to an investor, reporting obligations, waiver of certain confidentiality obligations, consent to certain transfers or withdrawals by an investor, or rights or terms necessary in light of particular legal, regulatory, or tax requirements or concerns of an investor. The provisions set forth in any such side letter are generally available for review (but not necessarily adoption) by all of the investors in the relevant MLM Private Fund that have entered into side letters.

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

The following is a summary of the investment strategies and methods of analysis employed by the MLM on behalf of Clients. This summary should not be interpreted to limit in any way MLM’s investment activities. MLM may offer any advisory services, provide advice with respect to any investment strategies and make any investments, including those that may not be described in this Brochure, that MLM considers appropriate, subject to each Clients’ investment objectives and guidelines. Specific descriptions of such strategies and method are included in each Client’s governing documents or offering memoranda. There can be no assurance that the investment objectives of any Client will be achieved.

Subject to a particular Client’s investment strategy, we may invest on behalf of the Clients in a portfolio of assets, loans, and other investments. A MLM Fund’s portfolio is expected to consist primarily of loans and other debt obligations (and may include equity or equity-like interests), and may include loans, equity and lower-rated debt tranches that constitute equity in CLOs, or debt obligations secured by portfolios of loans, leases, other receivables, tangible assets and real estate. More detailed information regarding the BDC’s and the Closed-End Funds’ respective investment objectives and policies can be found in their respective prospectuses.

A CLO’s collateral portfolio consists primarily of debt obligations, secured claims (including secured loans or bonds issued by corporations, structured products and other privately issued obligations), swaps and derivatives and other eligible instruments in each case meeting the investment guidelines, qualifications, and rating requirements specified in each respective offering

circular. MLM would manage collateral through the maturity of CLO Securities. MLM's ongoing functions with respect to the CLOs include instructing the trustees with respect to any acquisition or sale of the collateral and reinvestment of proceeds during the reinvestment period.

Investment Strategy

As noted in Item 4, above, MLM is part of the Credit Business which was established by BC Partners in February 2017 to pursue attractive risk-adjusted return opportunities in credit-oriented investments across both opportunistic and yield strategies primarily in North America and Europe.

Direct Lending: Yield strategies, or direct lending, are implemented by the Credit Business through capital efficient vehicles that allow for favorable tax treatment, such as business development companies or CLOs. Direct lending broadly encompasses the type of corporate lending to middle market companies that used to be the purview of banks but is now provided by non-bank asset managers such as hedge funds, private equity funds and insurance firms. In other words, direct lending is the provision of financing to private companies by a supplier which is not a bank. In executing this investment strategy, the Credit Business seeks to source deal flow consisting of traditional corporate asset and cash flow lending to sponsor-backed companies by leveraging the Credit Business' network of relationships with sponsors and intermediaries. In addition, the Credit Business utilizes sourcing tools and personal and professional contacts to find opportunities which may include transacting directly with family or entrepreneur owned businesses or asset-based lending or transactions in specialty verticals. The Credit Business pursues both sponsor-backed and non-sponsored opportunities to target risk adjusted returns and capital preservation across a larger opportunity set.

Opportunistic Credit: The Credit Business seeks to provide a full credit cycle investment platform with the ability to allocate capital to fill the space created as other capital sources retrench due to both secular and cyclical investing trends. This investment strategy seeks to invest throughout the credit cycle and across liquid and illiquid strategies. The Credit Business expects to apply the same investment philosophy throughout the stages of the credit cycle. The investment philosophy prioritizes establishing downside protection and principal preservation and seeks to generate attractive risk-adjusted returns through execution of a differentiated investment approach built around four principal strategies: event driven, stressed/distressed, asset investing and private lending and structured equity. In contrast with the direct lending strategy, the credit strategy seeks more asymmetric risk-return opportunities.

Both of the above-mentioned strategies seek to emphasize:

Focus on capital preservation	<ul style="list-style-type: none"> Preference for secured debt Maximize margin of safety through both financial and structural protection
Private equity style investment process	<ul style="list-style-type: none"> Long-term focused investment philosophy Leverage expertise and network through integrated platform Utilize standardized investment memos to reinforce discipline in investment analysis and support repeatable investment process
Flexible and opportunistic	<ul style="list-style-type: none"> Seek to generate alpha through market dislocations, relationship advantages, regional expertise and structural documentation

	<ul style="list-style-type: none"> ▪ Flexibility and patience of capital is anticipated to drive attractive risk-adjusted return
Cross-functional investment committee	<ul style="list-style-type: none"> ▪ Comprised of individuals from the Credit Business and the Private Equity Business ▪ Deep industry experience through decades of investing in targeted sectors ▪ Flexible investment approach optimizing risk-return across the capital structure ▪ Provides the Credit Business with broader perspective on macro trends and industry dynamics
Breadth of resources across geographies and sectors	<ul style="list-style-type: none"> ▪ Target primarily developed markets with a focus on North America and Europe ▪ Sectors and regions where BC Partners has industry expertise and deep sourcing relationships

Methods of Analysis

Deal Sourcing. The Credit Business’ sourcing capabilities are supported by longstanding and well-established relationships across both the credit and private equity platforms with intermediaries, advisors, corporations, funds, financial institutions, sponsors, and management teams. The Credit Business’ access to proprietary deal flow is strengthened by its integration with BC Partners’ private equity platform and the flow of information between the private equity and credit sides of BC Partners. The Credit Business seeks to position itself as a solution provider for financial institutions and businesses with the ability to provide expertise in both financial structuring and value creation.

The Credit Business considers sourcing across four broad categories:

- **Platform** – Through integration with the Private Equity Business, it is anticipated that the Credit Business will have access to information on over 200 opportunities that pass through the Private Equity Business deal flow pipeline each year. The Credit Business will have an opportunity to analyze this information for the purposes of primary deal flow, secondary debt purchases and industry insights. In certain cases, the optimal risk adjusted return profile of the opportunities reviewed by the Private Equity Business may be credit related and an opportunity that may not suit the Private Equity Business’ requirements could be attractive to the Credit Business.
- **Systematic** – Includes traditional approaches to liquid credit such as screening to target attractive opportunities in the broad universe of publicly traded bonds and loans. An important part of the Credit Business investment process is industry sector mapping and proprietary screening to maximize efficiency and focus on the most actionable investment opportunities at any given time.
- **Market driven** – Driven by market or industry events which result in fundamental changes that drive asset prices and create opportunities. This is supported by the knowledge and expertise available through the Private Equity Business’ portfolio company ownership which provides the Credit Business with in-depth and direct understanding of

developments and trends across sectors and may provide Credit Business with the insight to see opportunities in sectors that competitors may miss.

- **Network and relationships** – In addition to the usual networks of legal and financial advisors and intermediaries, integration with the Private Equity Business platform and its investment professionals across North America and Europe is anticipated to provide the Credit Business with access to the broad BC Partners network built up over 30 years of investing in the buyout space. This network includes CEOs, entrepreneurs, business founders and senior advisors with experience at the highest levels across a broad range of both sector and geographies. Access to the Private Equity Business’ network can help the Credit Business position itself as the partner of choice for businesses seeking not just financial support but knowledge and expertise to support and add value.

Initial Credit Review. After an attractive and actionable investment opportunity has been identified, the Credit Business will perform initial diligence which includes high level credit analysis and a more in-depth assessment of actionability. An initial investment idea and – as applicable – a preliminary set of deal terms along with a proposed potential structure will be determined and presented along with the initial diligence findings in a standardized investment memo.

Full Credit Review. Following approval from investment committee to continue to diligence a prospective investment, the Credit Business will proceed to “Full Credit Review” which will include a detailed fundamental credit analysis and an absolute and relative risk/return assessment. An in-depth, private equity style fundamental analysis of the opportunity will be performed to allow the Credit Investment Team to assess the target’s intrinsic and future value.

Monitoring. Throughout the investment hold period the Credit Business will perform ongoing monitoring to ensure the investment remains on track to achieve its return target. Formalized ongoing monitoring processes will include full quarterly portfolio reviews, continuous assessments of fund-level risk-reward profiles and comprehensive scenario sensitivities.

Value Creation. As appropriate, the Credit Business will engage with portfolio company management on value-add initiatives, with the support of its operations team and with access to the intellectual capital of BC Partners’ operating adviser and CEO networks.

Exit. The Credit Business will actively monitor the investment and market conditions to determine if an opportunity exists to exit an investment. When the Credit Business determines the time is right to exit – either because the initial return target has been met, or because changing circumstances suggest that it may be appropriate to exit without having achieved the return target, the team will seek the approval of the Credit Business’ investment committee.

While BC Partners intends generally to apply the investment processes described in this brochure to the Credit Clients’ investments, the Credit Clients intend to pursue a wide variety of strategies (as described in the applicable Governing Documents) and BC Partners may therefore modify or depart from the process described herein in order to achieve a Credit Client’s investment objectives. The investment committee may, once it has made its portfolio management decision, provide certain investment or divestment parameters to a member of the Credit Investment Team,

so that they can implement that decision without having to seek the further approval of the Committee.

Risk of Loss

Investing in securities involves a substantial degree of risk. A Client may lose all or a substantial portion of its investments, and Clients (and investors in Clients) must be prepared to bear the risk of a complete loss of their investments.

In addition, material risks relating to the investment strategies and methods of analysis described above, and to the types of securities typically purchased by or for Clients, include those discussed below. The risk summary contained herein is intended solely as a summary and is not an exhaustive list of risks, and investors should review the applicable Governing Documents for additional information and risk factors.

Uncertainty Risks

In general, and particularly in light of the COVID-19 pandemic, Clients and investors should be aware that political, social and economic uncertainty creates and exacerbates risks and could impact our investment strategies, processes and methods of analysis. Social, political, economic and other conditions and events (such as natural disasters, epidemics and pandemics, terrorism, conflicts and social unrest) will occur that create uncertainty and have significant impacts on issuers, industries, governments and other systems, including the financial markets, to which Clients and their investments are exposed. As global systems, economies and financial markets are increasingly interconnected, events that once had only local impact are now more likely to have regional or even global effects. Events that occur in one country, region or financial market will, more frequently, adversely impact issuers in other countries, regions or markets, including in established markets such as the United States. These impacts can be exacerbated by failures of governments and societies to adequately respond to an emerging event or threat.

Uncertainty can result in or coincide with, among other things: increased volatility in the financial markets for securities, derivatives, loans, credit and currency; a decrease in the reliability of market prices and difficulty in valuing assets (including the assets in which Clients invest); greater fluctuations in spreads on debt investments and currency exchange rates; increased risk of default (by both government and private obligors and issuers); further social, economic, and political instability; nationalization of private enterprise; greater governmental involvement in the economy or in social factors that impact the economy; changes to governmental regulation and supervision of the loan, securities, derivatives and currency markets and market participants and decreased or revised monitoring of such markets by governments or self-regulatory organizations and reduced enforcement of regulations; limitations on the activities of investors in such markets; controls or restrictions on foreign investment, capital controls and limitations on repatriation of invested capital; the significant loss of liquidity and the inability to purchase, sell and otherwise fund investments or settle transactions (including, but not limited to, a market freeze); unavailability of currency hedging techniques; substantial, and in some periods extremely high, rates of inflation, which can last many years and have substantial negative effects on credit and securities markets as well as the economy as a whole; recessions; and difficulties in obtaining and/or enforcing legal judgments.

For example, beginning in late 2019, COVID-19 emerged in China and spread rapidly across the world, including to the United States. This outbreak led to disruptions in local, regional, national and global markets and economies affected thereby. With respect to the U.S. credit markets, this outbreak resulted in the following among other things: (i) government imposition of various forms of “stay at home” orders and the closing of “non-essential” businesses, resulting in significant disruption to the businesses of many borrowers, including supply chains, demand and practical aspects of their operations, as well as in lay-offs of employees, and, while these effects are hoped to be temporary, some effects could be persistent or even permanent; (ii) increased draws by borrowers on revolving lines of credit; (iii) increased requests by borrowers for amendments and waivers of their credit agreements to avoid default, increased defaults by such borrowers and/or increased difficulty in obtaining refinancing at the maturity dates of their loans; (iv) volatility and disruption of these markets including greater volatility in pricing and spreads and difficulty in valuing loans during periods of increased volatility, and liquidity issues; and (v) rapidly evolving proposals and/or actions by local, state and federal governments to address problems being experienced by the markets and by businesses and the economy in general, which will not necessarily adequately address the problems facing the loan market and businesses broadly. This outbreak had, and any future outbreaks could have, an adverse impact on the markets and the economy in general, which could have a material adverse impact on, among other things, the ability of lenders to originate loans, the volume and type of loans originated, and the volume and type of amendments and waivers granted to borrowers and remedial actions taken in the event of a borrower default, each of which could negatively impact the amount and quality of loans available for investment by Clients and returns to Clients. As of the date of this Brochure, it is impossible to determine the scope of any future outbreaks, how long any such outbreak, market disruption or uncertainties will last, the effect any governmental actions will have or the full potential impact on us, obligors and Clients.

Although it is impossible to predict the precise nature and consequences of these events, or of any political or policy decisions and regulatory changes occasioned by emerging events or uncertainty on applicable laws or regulations that impact us, our Clients and their investments, it is clear that these types of events are impacting and will, for at least some time, continue to impact Clients and borrowers and in many instances the impact will be adverse and profound. For example, companies in which Clients invest are being significantly impacted by these emerging events and the uncertainty caused by these events. With respect to loans to such companies, Clients will be impacted if, among other things, (i) amendments and waivers are granted (or are required to be granted) to borrowers permitting deferral of loan payments; (ii) borrowers default on their loans, are unable to refinance their loans at maturity, or go out of business permanently; and/or (iii) the value of loans held by the Client decreases as a result of such events and the uncertainty they cause. There can be no assurance that such emerging events will not cause a Client to suffer a loss of any or all of its investments or interest thereon. A Client would also be negatively affected if our operations and effectiveness or those of our affiliates or an issuer, obligor, or borrower (or any of the key personnel or service providers of the foregoing) is compromised or if necessary or beneficial systems and processes are disrupted.

As a result, each of the risks discussed in Item 8 of this Brochure is subject to, and should be considered in light of, the foregoing risks and uncertainties.

General Risks

Limited Operating History. MLM has recently commenced investment advisory operations. As a result, MLM has limited operating history upon which an investor can evaluate performance of a Client advised by MLM. There can be no assurance that a Client will be able to implement its investment strategy and investment approach or achieve its investment objective or that an investor will receive a return of its capital. Moreover, a Client is subject to all of the business risks and uncertainties associated with any new fund, including the risk that it will not achieve its investment objective. The past performance of any Client is not a reliable indicator of the future performance of Clients.

Structured Product Risk. The value of an investment in a Client will depend on the investment performance of the underlying assets or interests in which the Client invests and will, therefore, be subject to all of the risks associated with an investment in those underlying assets or interests. These risks include the possibility of a default by, or bankruptcy of, the issuers of such assets or a claim that the pledging of collateral to secure any such asset constituted a fraudulent conveyance or preferential transfer that can be subordinated to the rights of other creditors under applicable law. Any such Client may include one or more underlying issuers in which one or more of BC Partners' other investment funds, investment vehicles and/or accounts have or subsequently acquire an interest, including portfolio companies of the other Funds.

General Economic and Market Conditions. Clients are affected by general economic and market conditions and the financial health of corporate borrowers. Negative trends or volatility in economic conditions generally or in particular financial and credit markets are likely to increase the number of non-performing collateral obligations and decrease the value and collectability of the thereof. It is difficult to predict which markets, products, businesses and assets will be affected by particular economic or business conditions (or to what degree the health of particular markets or industries are dependent on monetary policies by central banks, particularly the Federal Reserve).

Regulatory Risks. Legal, tax and regulatory changes could occur that could adversely affect the Clients. In addition, certain of MLM's investments on behalf of the Insurance Company can be subject to required insurance regulatory approvals. Regulatory requirements could impose filing fees and other additional expenses on a Client and could adversely affect the Client's ability to acquire or dispose of investment positions. In addition, the Regulated Funds are subject to numerous constraints on their operations under the 1940 Act that do not apply to other types of investment vehicles, which can hinder MLM's ability to take advantage of attractive investment opportunities and, as a result, achieve the Regulated Funds' investment objectives. Clients and/or MLM could also be subject to regulation in jurisdictions in which MLM engages in business. The regulatory environment for private investment funds, including Clients, is evolving, and changes in these regulations could adversely affect the value of investments held by a Client and the ability of a Client to effectively employ its investment strategies. Increased scrutiny and legislative changes applicable to private investment funds and their sponsors could also impose significant administrative burdens on MLM and could divert time and attention from investment advisory activities. The effect of any future regulatory change on the Clients could be substantial and adverse.

Valuation of Assets. To the extent required by the Governing Documents of a Client, MLM may seek out independent valuations of that Client's assets. When no market exists for an investment or when MLM determines that the market price does not fairly represent the value of an investment, MLM may value such investment at fair value as it reasonably determines. There is no guarantee that fair value represents the value that may be realized by the Client on the eventual disposition of the investment or that could, in fact, be realized upon an immediate disposition of the investment.

The interest rates of our floating-rate loans to our portfolio companies might be subject to change based on recent regulatory changes.

LIBOR, the London Interbank Offered Rate, was a common rate of interest used in lending transactions between banks on the London interbank market, and was widely used as a reference for setting the interest rate on loans globally. Clients typically used LIBOR as a reference rate in floating-rate loans extended to portfolio companies such that the interest due to such Client pursuant to a loan extended to a portfolio company is calculated using LIBOR. The terms of Client debt investments also can include minimum interest rate floors which are calculated based on LIBOR.

As a result of longstanding regulatory initiatives, LIBOR is being discontinued as a floating rate benchmark. The date of discontinuation will vary depending on the LIBOR currency and tenor. On March 5, 2021, the UK Financial Conduct Authority (the "FCA"), which regulates the LIBOR administrator, announced that LIBOR settings will cease to be provided by any administrator or will no longer be representative after June 30, 2023, in the case of the principal U.S. dollar LIBOR tenors (i.e., overnight and one, three, six and twelve months). All other LIBOR settings ceased on December 31, 2021. Although the foregoing reflects the likely timing and certain details of the LIBOR discontinuance, there is no assurance that LIBOR will continue to be published until any particular date or in any particular form. Both the FCA and certain U.S. regulators have emphasized that, despite the expected publication of U.S. dollar LIBOR through June 30, 2023, parties should not enter into new contracts using U.S. dollar LIBOR.

In the United States, there have been various efforts to identify a set of alternative reference interest rates for LIBOR. The market has generally coalesced around recommendations from the Alternative Reference Rates Committee (the "AARC") convened by the Board of Governors of the Federal Reserve System and the Federal Reserve Bank of New York. The AARC has recommended that U.S. dollar LIBOR be replaced by the Secured Overnight Financing Rate ("SOFR") plus, in the case of existing LIBOR contracts and obligations, a spread adjustment. There is no assurance that SOFR, as modified by an applicable spread adjustment, will be the economic equivalent of U.S. dollar LIBOR. SOFR-based rates will differ from U.S. dollar LIBOR, and the differences may be material.

There is no guarantee that a transition from LIBOR to an alternative reference rate will not result in financial market disruptions, significant increases in benchmark rates, or borrowing, any of which could have a material adverse effect on our Clients' businesses, results of operations, and financial conditions.

Risks of Investments

Subordinated Debt. A Client may be invested from time to time in “mezzanine” loans, privately held credit and other debt instruments that may be subordinated or otherwise junior in an issuer’s and/or borrower’s capital structure. To the extent a Client is invested in subordinated debt or “mezzanine” debt investments, such investments and the Client’s remedies will be subject to the rights of holders of more senior tranches in an issuer’s capital structure and, to the extent applicable, contractual inter-creditor, co-lender and/or participation agreement provisions. Moreover, the ability of a Client to influence an issuer’s affairs, especially during periods of financial distress or following insolvency, is likely to be substantially less than that of senior creditors.

Investments in subordinated debt (including junior and “mezzanine” debt, and junior tranches of structured credit products) involve greater credit risk of default and loss than the more senior classes of or tranches of debt and absorb losses from default before other more senior tranches of such instruments (or structured credit products), particularly if such instruments (or securities) have been issued with little or no credit enhancement or equity. As a result, to the extent a Client invests in subordinate debt instruments, the Client must bear the risk of losses or defaults before more senior lenders.

Discounted/Undervalued Investments. An investment may be based, in part, upon the premise that the investment otherwise performing may from time to time be available for purchase by the Client at “undervalued” prices. Purchasing interests at what may appear to be “undervalued” or “discounted” levels is no guarantee that these investments will generate attractive returns to any Client or will not be subject to further reductions in value. No assurance can be given that investments can be acquired or realized at favorable prices or that the market for such interests will continue to improve since this depends, in part, upon events and factors outside the control of BC Partners.

Hedging Policies/Risks. A Client may utilize a wide variety of derivative financial instruments for risk management purposes. The successful utilization of hedging and risk management transactions requires skills that are separate from the skills used in selecting and monitoring investments, and such transactions may entail greater than ordinary investment risks. Additionally, costs related to hedging arrangements will be borne by the applicable Client. There can be no assurance that any such hedging transactions will be effective in mitigating risk in all market conditions or against all types of risk (including unidentified or unanticipated risks or where BC Partners does not regard the probability of the risk occurring to be sufficiently high as to justify the cost of engaging in hedging), thereby resulting in losses to the Client. Engaging in hedging transactions may result in a poorer overall performance for a Fund than if it had not engaged in any such hedging transaction, and BC Partners may not be able to effectively hedge against, or accurately anticipate, certain risks that may adversely affect a Client’s investment portfolio.

Equity and Equity-Like Investments. A Client is expected to also invest in structured and/or preferred equity interests, convertible securities, warrants and otherwise in securities that have equity-like features and may otherwise end up owning equity securities as part of making or owning a debt instrument (e.g., in the case of foreclosure). Any equity interest owned by a Client will generally rank junior to all existing and future indebtedness, including commercial mezzanine

loans and senior debt. Further, in the event of a bankruptcy, liquidation, reorganization or other winding-up with respect to an issuer in which a Client holds an equity interest, the Client will bear a risk of loss of principal as such interests are not generally secured.

Market/Interest Rate Fluctuations. General fluctuations in credit prices/spreads, valuations, and/or interest rates may adversely affect the value of a Client's portfolio investments. The ability of portfolio investments to repay debt obligations (including making payments to a Client as a creditor with respect thereto) and/or to refinance debt instruments may depend on their ability to obtain financing. Interest rate changes may also affect the value of a debt instrument directly or indirectly. In general, rising interest rates will negatively impact the price of a fixed rate debt instrument and falling interest rates will have a positive effect on price.

Any deterioration of the global debt markets (particularly the U.S. and European debt markets), any possible future failures of certain U.S. and European companies and/or increases in interest rates, taxes and/or market risk and credit spreads may adversely affect a Client's ability to generate investment returns.

Any downturn in the U.S., European Union and global economies may also adversely affect the financial resources and credit quality of the underlying issuers of any debt instruments in which a Client may invest, resulting in the inability of such issuers to make principal and interest payments on, or refinance, outstanding debt obligations when due. Any such defaults may have an adverse effect on a Client's portfolio investments. The foregoing factors and market conditions may also have an adverse impact on the availability of credit to businesses generally, which in turn may adversely affect or restrict the ability of a Client to sell or liquidate Investments at favorable times or at favorable prices or which otherwise may have an adverse impact on the business and operations of such Client.

Secured Loans and Bank Debt. A Client may invest in secured loans and/or secured bank debt. The factors affecting an issuer's secured loans and/or such bank debt and related capital structures are complex. Not all secured loans or bank debt have priority over all other unsecured debt of an issuer. Secured debt is secured only to the extent of its lien and only to the extent of underlying assets or incremental proceeds on already secured assets. Moreover, underlying assets are subject to credit, liquidity, and interest rate risk. Although the amount and characteristics of the underlying assets selected as collateral may allow a Client to withstand certain assumed deficiencies in payments occasioned by the borrower's default, if any deficiencies exceed such assumed levels or if underlying assets are sold it is possible that the proceeds of such sale or disposition will not be sufficient to satisfy the amount of principal and interest owing to the Client in respect of its investment.

Senior secured credit facilities are generally syndicated to a number of different financial market participants. The documentation governing such facilities typically requires either a majority consent or, in certain cases, unanimous approval for certain actions in respect of the credit, such as waivers, amendments, or the exercise of remedies. As a result of these voting regimes, a Client may not have the ability to control any decision in respect of any amendment, waiver, exercise of remedies, restructuring or reorganization of debts owed to the Client.

Debt securities are also subject to other risks, including (i) the possible invalidation of a debt or lien as a “fraudulent conveyance”, (ii) the recovery as a “preference” of liens perfected or payments made on account of a debt in the 90 days before a bankruptcy filing, (iii) equitable subordination claims by other creditors, (iv) “lender liability” claims by the issuer of the obligations and (v) environmental or other liabilities that may arise with respect to collateral securing the obligations. Decisions in bankruptcy cases have held that a secondary loan market assignee can be denied a recovery from the debtor in a bankruptcy if a prior holder of the loans either (a) received and did not return a preference or fraudulent conveyance or (b) engaged in conduct that would qualify for equitable subordination.

A Client’s investments may be subject to early redemption features, refinancing options, prepayment options or similar provisions that, in each case, could result in the issuer repaying the principal on an obligation held by the Client earlier than expected. As a consequence, a Client’s ability to achieve its investment objective may be adversely affected.

Risks Related to Rating Agencies. A Client may invest in debt securities that have been rated by nationally recognized rating organizations. In general, the ratings of these organizations represent the opinions of such agencies as to the quality of investments that they rate. Such ratings are relative and subjective and are not statements of fact; they are not absolute standards of quality and do not evaluate the market value risk of the investments that are rated. Therefore, there can be no assurance that any such rating will accurately quantify risk. Such agencies may change their method of valuation of, and the ratings of, securities held by a Client at any time. The sale price of debt securities may be highly correlated with the rating such debt securities receives from the rating agencies. If an existing investment of a Client is downgraded, the value of such investment may be adversely affected which in turn may adversely affect the returns to limited partners of the applicable Client.

High Yield. A Credit Fund may invest in “high yield” bonds that are rated in the lower rating categories, including non-investment grade, by the various credit rating agencies or comparable non-rated securities. Securities in the lower rated categories and comparable non-rated securities are subject to greater risk of loss of principal and interest than higher rated and comparable non-rated securities and are generally considered to be predominantly speculative with respect to the issuer’s capacity to pay interest and repay principal. They are also generally considered to be subject to greater risk than securities with higher ratings or comparable non-rated securities in the case of deterioration of general economic conditions.

Stressed Credits; Default Risk; Restructurings and Bankruptcy. A Credit Fund could be invested in stressed credit investments and distressed investments and/or investments that become “non-performing” after the acquisition thereof. During an economic downturn or recession, stressed credits are more likely to go into default than securities of other issuers not experiencing financial stress. Securities of stressed credits are also less liquid and more volatile than securities of companies not experiencing financial difficulties, often involving a higher degree of credit and market risk. The success of a Credit Fund’s investment strategy may depend, in part, on the ability of the general partner of the applicable Credit Fund and BC Partners to effectuate loan modifications and/or restructure and improve the operations of Portfolio Investments. The activity of identifying and implementing any such restructuring programs and operating improvements entails a high degree of uncertainty. There can be no assurance that the general partner of the

applicable Credit Fund and BC Partners will be able to successfully identify and implement such restructuring programs and improvements. These financial difficulties may never be overcome and may cause Portfolio Investments to become subject to bankruptcy or other similar administrative proceedings. Furthermore, bankruptcy laws and similar laws applicable to administrative proceedings may delay the ability of the general partner of the applicable Credit Fund and BC Partners to realize on collateral for loan positions held by a Credit Fund or may adversely affect the priority of such loans through doctrines such as equitable subordination or may result in a restructure of the debt through principles such as the “cramdown” provisions of the bankruptcy laws.

Distressed Investments. A Client could become exposed to distressed investments from time to time (e.g., investments in defaulted, out-of-favor or distressed bank loans and debt securities) or may involve investments that become “non-performing” following the Client’s acquisition thereof. Certain of a Client’s investments could therefore include specific securities of companies or other entities that typically are highly leveraged, with significant burdens on cash flow, and therefore involve a high degree of financial risk. The securities of portfolio entities described in this paragraph may be considered speculative, and the ability of such companies to pay their debts on schedule could be adversely affected by interest rate movements, changes in the general economic climate or the economic factors affecting a particular industry, or specific developments within such companies. Investments in companies operating in workout or bankruptcy modes also present additional legal risks, including fraudulent conveyance, voidable preference and equitable subordination risks.

Risks of Acquiring Non-Performing Debt Instruments, Loans and Participations. A Client could become exposed to non-performing or under-performing credit instruments, loans and other debt investments. A Client may also invest in credit instruments and loans that, when acquired, are performing but which subsequently become non-performing. This may occur for a variety of reasons, including financial or operational distress of an underlying issuer or with respect to the underlying collateral or in the event of a bankruptcy. Such non-performing instruments or loans may require a substantial amount of workout negotiations, restructuring or bankruptcy filings which may entail, among other things, a substantial reduction in the interest rate, deferral of payments and/or a substantial write-down of the principal of a loan or conversion of some or all of the debt to equity. It is possible that the Client or BC Partners may find it necessary or desirable to foreclose on collateral securing one or more loans purchased by a Client. The foreclosure process varies jurisdiction by jurisdiction and can be lengthy and expensive. Borrowers often resist foreclosure actions, which often prolongs and complicates an already difficult and time-consuming process. In some states or other jurisdictions, foreclosure actions can take up to several years or more to conclude. During the foreclosure proceedings, a borrower may have the ability to file for bankruptcy, potentially staying the foreclosure action and payments of its pre-petition debt, and further delaying the foreclosure process. Foreclosure litigation tends to create a negative public image of the collateral property and may result in disrupting ongoing leasing and management of the property.

Real Estate Risk. Investing in real estate and real estate related assets, such as leases, is subject to cyclicalities and other uncertainties. There can be no assurance as to a Client’s performance in a weaker market or weakened economy. The cyclicalities and leverage associated with real estate related investments have historically resulted in periods, including significant periods, of adverse

performance, including performance that may be materially more adverse than the performance associated with other investments. A Client's real estate-related investments are secured by or otherwise relate to properties of varying types, geographic locations, owners, tenants, and other factors which could make such investments susceptible to particular types of risks relating to such factors, including local economy, real estate market conditions, special hazards, and competition.

The value of real estate fluctuates depending on conditions in the general economy and the real estate business. The factors that affect the value of real estate investments include, among other things: national, regional, and local economic conditions; the condition of financial markets; developments or trends in a particular industry; competition from other available space; local conditions such as an oversupply of space or a reduction in demand for real estate in the area; management of properties; the development and/or redevelopment of properties; changes in market rental and occupancy rates; the timing and costs associated with property improvements and rentals; changes in operating expenses; the financial condition of tenants; availability of obtaining financing on acceptable terms; fluctuations in interest rates; changes in zoning laws and taxation; government regulation; potential liability under environmental or other laws or regulations; and acts of God, terrorist attacks, social unrest, and civil disturbances. The value of a Client's investments directly in real estate or in debt secured thereby may decline as a result of adverse changes in any of these factors. In addition, adverse changes in the real estate market increases the probability of default, as the equity in the underlying property declines.

Lack of Availability/Insufficiency of Property Insurance. There are certain types of losses, generally of a catastrophic nature, such as earthquakes, floods, hurricanes, terrorism, or acts of war, that may be uninsurable or not economically insurable. Inflation, changes in building codes and ordinances, environmental considerations and other factors, including terrorism or acts of war, also might make the insurance proceeds insufficient to repair or replace a property if it is damaged or destroyed. Under these circumstances, the insurance proceeds received might not be adequate to restore a Client's economic position with respect to the affected real property. Any uninsured loss could result in the loss of cash flow from, and the asset value of, the affected property.

Receivables Relating to Assets Risks. A Client may invest in portfolios of receivables relating to certain assets. The performance of such assets may be affected by general economic conditions. Recent changes in economic conditions have adversely affected the performance and market value of such assets.

Russia-Ukraine Conflict. There is currently an ongoing military conflict between Russia and the Ukraine which, in a relatively short period of time, has caused disruption to global financial systems, trade and transport, among other things. In response, multiple other countries have put in place global sanctions and other severe restrictions or prohibitions on the activities of individuals and businesses connected to Russia. However, the ultimate impact of the Russia-Ukraine conflict and its effect on global economic and commercial activity and conditions, and on the operations, financial condition and performance of the Funds or any particular industry, business or investee country and the duration and severity of those effects, is impossible to predict.

The Russia-Ukraine conflict may have a significant adverse impact and result in significant losses to the Funds. This impact may include reductions in revenue and growth, unexpected operational losses and liabilities and reductions in the availability of capital. It may also limit the ability of a

Fund to source, diligence and execute new investments and to manage, finance and exit investments in the future. Developing and further governmental actions (military or otherwise) may cause additional disruption and constrain or alter existing financial, legal and regulatory frameworks and systems in ways that are adverse to the investment strategy which any Fund intends to pursue, all of which could adversely affect the Fund's ability to fulfill its investment objectives

Cyber Security. The Adviser, the Credit Funds' service providers and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to a number of different threats or risks that could adversely affect the Funds and their investors, despite the efforts of the Adviser and the Credit Funds' service providers to adopt technologies, processes and practices intended to mitigate these risks and protect the security of their computer systems, software, networks and other technology assets, as well as the confidentiality, integrity and availability of information belonging to the Funds and their investors. For example, unauthorized third parties may attempt to improperly access modify, disrupt the operations of, or prevent access to these systems of the Adviser, the Credit Funds' service providers, counterparties or data within these systems. Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users of the Adviser's systems to disclose sensitive information in order to gain access to the Adviser's data or that of the Credit Funds' investors. A successful penetration or circumvention of the security of the Adviser's systems could result in the loss or theft of an investor's data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system or costs associated with system repairs. Such incidents could cause the Funds, the Adviser or their service providers to incur regulatory penalties, reputational damage, additional compliance costs or financial loss. In addition, the Adviser may incur substantial costs related to forensic analysis of the origin and scope of a cybersecurity breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, adverse investor reaction or litigation.

Similar types of operational and technology risks are also present for the companies in which the Funds invest, which could have material adverse consequences for such companies, and may cause the Funds' investment to lose value.

CLO-Related Risks

In addition to the risks set forth above, CLOs have additional structural and regulatory risks. This summary does not attempt to describe all of the risks associated with an investment in a CLO. Although no summary can fully describe all of the risks associated with such an investment, the offering circular for a CLO contains a more complete description of the risks associated with an investment in that CLO.

Material Risks Associated with Investment in Collateral Obligations by a CLO. The assets of each CLO consist primarily of non-investment grade, middle- and upper-middle market leveraged loans and participation interests ("***Collateral Obligations***"). The Collateral Obligations will generally be secured by substantially all of the assets of the related obligors. In addition to the risks described herein with respect to MLM's strategy, an investment in a CLO is also a leveraged and structured

investment. Each CLO's assets are subject to the lien of an indenture and each CLO is limited in its ability to purchase and sell assets.

CLO Structure. A CLO is similar to a closed-end investment fund in that it is an investment vehicle that has a specific investment strategy, a designated investment manager and all investment/trading activity is governed by an indenture and reported upon by an independent trustee. The CLO structure, however, utilizes financial leverage to purchase assets (corporate loans and other credit instruments) and, by doing so, allocates risk of loss among various classes of investors. The individual investor classes (or tranches of debt) each have a unique claim on the assets of the CLO in terms of their priority of payment for both interest and principal proceeds of the collateral. The senior debt tranches have a priority claim on the cash flows generated by the assets of the CLO over the junior debt tranches. To the extent that losses are suffered on the collateral, or the cash flow generated by the assets is not sufficient to pay interest and principal on the debt tranches, the holder(s) of the most subordinated notes bear the initial risk of loss before any such losses are incurred by more senior debt tranches. Additional risks associated with CLO structure are referenced in the clients' respective CLO indentures.

MLM has Limited Prior Experience Managing a CLO. MLM has limited experience managing a CLO and may not be able to successfully operate the CLO's business or achieve the CLO's investment objectives. As a result, an investment in CLO Securities may entail more risk than the securities of a comparable company with a substantial operating history.

Impact of Downturn in Global Credit Markets on CLO Investments. Among the sectors that have been particularly challenged by a downturn in the global credit markets are the CLO and leveraged finance markets. CLOs are subject to credit, liquidity, interest rate, and other risks. CLO private funds invest on a leveraged basis in loans or securities that are themselves highly leveraged investments in the underlying collateral, which increases both the opportunity for higher returns as well as the magnitude of losses when compared to unleveraged investments. As a result of such leveraged positions, CLOs and their investors are at greater risk of suffering losses. The CLO markets have experienced increased defaults and downgrades. Many CLOs have failed in the past or may in the future fail one or more of their "overcollateralization" tests. The failure of one or more of these "overcollateralization" tests may result in reduced cash flows that may have otherwise been available for distribution. This would reduce the value of such CLO's investments. There can be no assurance that market conditions giving rise to these types of consequences will not once again occur, subsist or become more acute in the future.

The Adviser and Investors Will Have Limited Control of the Administration and Amendment of Portfolio Loans. The Adviser will exercise or enforce, or refrain from exercising or enforcing, any or all of its rights in connection with any loan held in the portfolio collateral (each, a "**Portfolio Loan**") or any related documents or will refuse or accept amendments or waivers of the terms of any Portfolio Loan and related documents in accordance with its customary business practices as if the Adviser were administering the Portfolio Loans for its own account. The authority of the Adviser to change the terms of the Portfolio Loans will generally not be restricted by the fund's governing documents. Further, holders of any CLO Securities have no rights to compel the Adviser to take or refrain from taking any actions other than in accordance with its customary business practices.

The terms and conditions of the loan agreements and related assignments may be amended, modified or waived only by the agreement of the lenders. Generally, any such agreement must include a majority or a super majority (measured by outstanding loans or commitments) or, in certain circumstances, a unanimous vote of the lenders. Consequently, the terms and conditions of the payment obligation arising from loan agreements could be modified, amended or waived in a manner contrary to the preferences of the Adviser, as the case may be, if a sufficient number of the other lenders were to concur with such modification, amendment or waiver. There can be no assurance that any obligations arising from a loan agreement will maintain the terms and conditions to which the Adviser originally agreed.

The exercise of remedies may also be subject to the vote of a specified percentage of the lenders thereunder. The Adviser will have the authority to consent to certain amendments, waivers or modifications to the Portfolio Loans requested by obligors or the lead agents for loan syndication agreements. The Adviser may, in accordance with its investment management standards and subject to the transaction documents, extend or defer the maturity, adjust the outstanding balance of any Portfolio Loan, reduce or forgive interest or fees, release material collateral or guarantees, or otherwise amend, modify or waive the terms of any related loan agreement, including the payment terms thereunder. The Adviser will make such determinations in accordance with its customary investment management standards, and in accordance with a Client's Governing Documents. Any amendment, waiver or modification of a Portfolio Loan could postpone the expected maturity of CLO Securities and/or reduce the likelihood of timely and complete payment of interest or principal under the terms of CLO Securities, as well as the timing and amount of payments to holders of CLO Securities.

Sale of Portfolio Collateral by the Adviser under Certain Circumstances. The Adviser may only direct the disposition of portfolio collateral under certain limited circumstances, as outlined by a CLO's Governing Documents. More specifically, the Adviser may direct the disposition of portfolio collateral that is equity, has defaulted (as defined in the CLO Securities' offering circulars) or based on certain other conditions. Furthermore, the Adviser's ability to dispose of portfolio collateral may be subject to greater restrictions if the rating of any series of CLO Securities is downgraded. Notwithstanding such restrictions and satisfaction of the conditions set forth in the funds' governing documents and CLO Securities' offering circular, sales and purchases by the Adviser of portfolio collateral could result in losses by the Adviser, which losses may result in the reduction or withdrawal of the rating of any or all of the CLO Securities. On the other hand, circumstances may exist under which the Adviser may believe that it is in the best interests of the Adviser to dispose of portfolio collateral, but the Adviser will not be permitted to do so under the restrictions and conditions of the Indenture.

The market value of the portfolio collateral will generally fluctuate with, among other things, general economic conditions, world political events, developments or trends in any particular industry, the conditions of financial markets and the financial condition of the issuers of the portfolio collateral. As a result of these factors, a fund may be subject to losses upon the sale of portfolio collateral.

Limited Liquidity and Recourse. An investor's investment in a CLO is subject to the structure and terms of each CLO. Investors should have no expectation of a secondary market in notes issued by a CLO, or that markets would provide investors with liquidity. The notes issued by a CLO are

limited recourse obligations; investors must rely on available collections from the collateral pledged by a CLO, as issuer, pursuant to the indenture and will have no other source of payment.

Subordination. Payments on the senior-most class(es) of the CLOs' Securities are subordinate to the payment of certain fees and expenses payable by us to other parties pursuant to the indenture. Payments of principal and interest on any junior class of securities are subordinated under the priority of payments to payments on any senior class of securities. To the extent any losses are suffered by any securities, those losses will be borne by each class of securities in order of subordination. Accordingly, any class of securities may not be paid in full and may be subject to 100% loss. In addition, the most subordinated class(es) of interests in CLOs' Securities represent highly leveraged investments and will be most affected by any changes of market value of the collateral, including, but not limited to, defaults, prepayments and other risks associated with the collateral.

Remedies. If an event of default occurs under a CLO indenture, the controlling class (generally the most senior class of notes then outstanding) will generally be entitled to determine the remedies to be exercised under the indenture. The interests of the controlling class of a CLO may be adverse to those of the subordinated classes, and in pursuing this interest the controlling class will have no obligation to consider any possible effect on other interests. In addition, the junior-most class of securities is not generally entitled to exercise remedies under the indenture, nor is the trustee generally obligated to act on behalf of the holders of those securities.

Reinvestment Risk. In certain circumstances, certain funds of a CLO will be reinvested in additional or substitute assets. A number of factors, including the need to satisfy certain reinvestment criteria set forth in a CLO's indenture, may result in a lower yield on additional or substitute assets. In addition, due to significant restrictions set forth in a CLO's indenture on the ability to buy and sell collateral, a CLO may be unable to buy or sell obligations or take other actions which might be in the best interests of the security holders in the absence of these restrictions.

Early Termination of the Reinvestment Period. Under certain circumstances, the period during which CLO assets may be reinvested may terminate earlier than scheduled in which case the return to the lower-ranking classes of CLO securities may be adversely affected, and the holders of higher-ranking classes may receive principal payments earlier than anticipated and at a time when reinvestments that offer the same level of return may not be available.

Risk Retention Requirements. In October 2014, joint Federal regulators (including the SEC) adopted final regulations implementing the credit risk retention requirements of Section 15G of the Securities Exchange Act of 1934, as amended by Section 941 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**U.S. Risk Retention Rules**"). The U.S. Risk Retention Rules, along with similar rules applicable in the European Union (the "**EU Risk Retention Rules**") are referred to herein as the "**Risk Retention Rules**". The Risk Retention Rules generally require securitizers of asset-backed securities, including collateral managers of CLOs, to retain not less than 5% of the credit risk of the assets collateralizing such asset-backed securities (the "**Retention Interest**") unless an exemption applies. There has been no explicit guidance regarding how entities may be structured for this purpose, and therefore the regulatory environment in which the CLOs intend to operate is highly uncertain. MLM may be subject to the Risk Retention Rules and, if the Risk Retention Rules are applicable with respect to a securitization transaction, MLM is expected

to comply therewith. MLM may enter into a financing arrangement to finance its risk retention position in accordance with the Risk Retention Rules. There can be no assurance that applicable governmental authorities will agree that any of the transactions, structures or arrangements entered into by MLM, and the manner in which it expects to hold Retention Interests, will satisfy the Risk Retention Rules. If such transactions, structures or arrangements are determined not to comply with the Risk Retention Rules, we could become subject to regulatory action. The impact of the Risk Retention Rules on the securitization market is also unclear, and such rules may negatively impact the value of the CLOs and their underlying assets.

Item 9. Disciplinary Information

There are no items to report in response to this Item.

Item 10. Other Financial Industry Activities and Affiliations

MLM provides investment advisory services to Clients as part of the Credit Business and its personnel are provided to it by BCPAL through the Sharing Agreement. MLM relies heavily upon the expertise and relationships developed by the employees of BCPAL to identify and evaluate potential investment opportunities for Clients. As a result, personnel of BCPAL who are provided to MLM through the Sharing Agreement will work on projects unrelated to Clients which can create conflicts in the allocation of management or other resources and related costs. The advisory services that MLM provides Clients, and that BC Partners provides to the Credit Clients, usually in reliance upon the same employees, can create conflicts of interests (i) between different Clients of MLM and (ii) between Clients of MLM and the BC Partners Credit Clients. For example, subject to restrictions in applicable Governing Documents, either MLM or BCPAL could advise or manage other clients or types of clients, including additional CLOs or investment vehicles in the future and such funds, and the existing funds, could make investments that would be suitable for Clients. To address conflicts of interest (actual and apparent) and to fulfill MLM's fiduciary duties to each of its Clients, among other things, MLM intends to allocate investment opportunities in a manner that is fair and equitable over time and is consistent with BC Partners' allocation policy and to take steps to mitigate conflicts of interest. For more information on this policy and other conflicts of interests relating to the Credit Business, please see Item 11, below.

Affiliated Advisers/General Partners/Financial Institutions.

The Adviser's affiliated financial institutions currently include:

- Ability Insurance Company: regulated by the Nebraska Department of Insurance;
- BC Partner Beteiligungsberatung GmbH: organized in Germany;
- CIE Management II Limited: organized in Guernsey and regulated by the Guernsey Financial Services Commission;
- CIE Management IX Limited: organized in Guernsey and regulated by the Guernsey Financial Services Commission;

- BCEC Management X Limited: organized in Guernsey and regulated by the Guernsey Financial Services Commission;
- BC Partners Management XI Limited: organized in Guernsey and regulated by the Guernsey Financial Services Commission;
- BC Partners Management Lux Sàrl: organized in Luxembourg and regulated by the Commission de Surveillance du Secteur Financier of Luxembourg;
- BCP Real Estate Services Luxembourg SARL: regulated by the Commission de Surveillance du Secteur Financier of Luxembourg;
- BC Partners Advisors SARL; organized in France;
- BC Partners LLP: organized in the United Kingdom and regulated by the United Kingdom Financial Conduct Authority and an exempt reporting adviser under the Advisers Act;
- BC Partners Advisors L.P.: organized in Delaware and regulated by the Securities Exchange Commission and a registered investment advisor under the Advisers Act;
- Sierra Crest Investment Management LLC: organized in Delaware and regulated by the Securities Exchange Commission and registered investment advisor under the Advisers Act;
- Mount Logan Capital Inc.: organized in Toronto, Canada as an alternative investment management company;
- Garrison Middle Market Funding GP LLC: organized in Delaware;
- Mount Logan Middle Market Funding GP II LLC: organized in Delaware;
- BC Partners Management GR Limited: organized in Guernsey and regulated by the Guernsey Financial Services Commission;
- BC Partners Securities LLC: a US broker dealer regulated by the Financial Industry Regulatory Authority;
- BC Partners XI Lux GP Sarl: organized in Luxembourg
- BCP Special Opportunities Fund I GP LP: organized in the Cayman Islands and regulated by the Cayman Islands Monetary Authority.
- BCP Special Opportunities Fund II GP LP: organized in the Cayman Islands and regulated by the Cayman Islands Monetary Authority;
- BCPERE Fund I GP Sarl: organized in Luxembourg;
- BCP Special Opportunities Fund III GP LP: organized in the Cayman Islands and regulated by the Cayman Islands Monetary Authority.

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

Code of Ethics

BC Partners has adopted a written Code of Ethics that is applicable to all of its partners, officers and employees, as well as officers and employees of its affiliates and certain independent contractors (collectively, “**Adviser Personnel**”). The Code of Ethics, which is designed to comply with Rule 204A-1 under the Advisers Act, establishes guidelines for professional conduct and personal trading procedures, including certain pre-clearance and reporting obligations. Adviser Personnel and their families and households may purchase investments for their own accounts, including the same investments as may be purchased or sold for a Fund, subject to the terms of the Code of Ethics. Under the Code of Ethics, Adviser Personnel are also required to file certain periodic reports with the Chief Compliance Officer (“**CCO**”) as required by Rule 204A-1 under the Advisers Act. The Code of Ethics helps MLM detect and prevent potential conflicts of interest.

Adviser Personnel who violate the Code of Ethics may be subject to remedial actions, including, but not limited to, profit disgorgement, fines, censure, demotion, suspension or dismissal. Adviser Personnel are also required to promptly report any violation of the Code of Ethics of which they become aware. Adviser Personnel are required to annually certify compliance with the Code of Ethics.

A copy of the Code of Ethics is available to any client or prospective client by contacting compliance@bcpartners.com or upon written request to: Mount Logan Management, LLC, Attn: Chief Compliance Officer, 650 Madison Avenue, 23rd Floor, New York, New York 10022.

Principal Transactions and Cross Trades

When disclosed in relevant investment management agreements or Governing Documents, BC Partners could effect cross transactions between two Clients of MLM, or between a Client of MLM and another client of BC Partners or, on a principal basis between the Client and a principal account. In effecting such transactions, our interests, or that of BC Partners, could conflict with those of a Client. BC Partners has adopted policies and procedures designed to address the conflicts which may arise in the context of cross trades. BC Partners would only affect such transaction if it were to first determine that such trade is in the best interests of the affected Clients and then only in compliance with the requirements of the Advisers Act, and the Governing Documents of the affected Clients, including obtaining any required informed consent. Cross-trades among Clients or between a Client and a BC Partners Credit Client, where neither is a principal account are not principal transactions, but still could represent a conflict of interest due to, for example, different compensatory or pecuniary interests. Such trades are executed at fair market value, as determined by a party independent of BC Partners (unless waived by the CCO in his or her sole discretion) and approved by the CCO and, in the case of principal trades, disclosed to the Client for purposes of obtaining the Client’s consent prior to execution of the trade. In addition, as a general matter, no Client can engage in transactions with affiliates, except for those transactions provided for in the applicable Governing Documents, approved by a majority in interest of the investors of the applicable Client(s) or executed pursuant to the Co-Investment Order.

Financial Interests in Client Transactions

As described in Item 5 – “Fees and Compensation,” in addition to management fees and carried interest, the Adviser and its affiliates can receive transaction fees, break-up fees, commitment fees, investment banking fees, termination fees, closing fees, directors’ fees, asset management fees, consulting fees, origination fees, advisory fees, monitoring and other similar fees with respect to advisory and related services provided in connection with investments by Clients. MLM has a conflict of interest in circumstances where it has an opportunity to earn a fee from an acquisition or disposition by a BC Partners Credit Client.

Portfolio companies that may be appropriate investments for Clients may also be appropriate investments for proprietary accounts managed by an affiliated investment adviser or an affiliate of MLM. In such cases, MLM will have a conflict of interest in allocating investment opportunities in which Clients invest, and such proprietary investment may be senior, *pari passu*, or junior to Client investments. In such cases, investments by proprietary accounts could lead to conflicts of interests with Client investments. Officers and employees of MLM or its affiliates may become or are investors with BC Partners Credit Clients (that are not advised by MLM), or in general partners or managing members to such Clients and will or may become entitled to distributions on such interest. Such personnel have an incentive to allocate more favorable investment opportunities to such BC Partners Credit Clients away from Clients.

General Conflicts of Interest

BC Partners engages in a broad range of activities, including investment activities for its own account and for the account of other investment funds, and providing transaction-related, investment advisory, management and other services to the BC Partners Funds, SPACs and Portfolio Investments. In the ordinary course of conducting its activities, the interests of a Client may from time to time conflict with the interests of the Adviser or another BC Partners entity, certain personnel/employees of the Adviser, PE Funds or other BC Partners Credit Clients.

Allocation of Investment Opportunities

BC Partners Credit Clients, including Clients of MLM, will invest in different, similar or the same assets and, as a result, MLM and BC Partners are presented with a variety of conflicts of interests related to investments that can arise as a result of the activities of MLM and/or BC Partners. In particular, it is likely that investments that are suitable for one Client will also be suitable for other Clients or other BC Partners Credit Clients. BC Partners has implemented an allocation policy (the “**Allocation Policy**”), applicable to the entire Credit Business, which includes MLM, pursuant to which investment opportunities are allocated amongst the BC Partners Credit Clients, including the Clients of MLM.

While the Allocation Policy has been designed by BCPAL to reasonably assure that BC Partners Credit Clients are treated fairly and equitably over time, it does not guarantee that any client will participate in each or every investment that is consistent with its mandate. To the extent any BC Partners Credit Clients have investment objectives or guidelines that overlap, in whole or in part, investment opportunities that fall within such common objectives or guidelines will generally be allocated, unless otherwise provided for in the applicable Organizational Documents, *pro rata*,

subject to, amongst other limitations, (A) any applicable investment parameters, limitations and other contractual provisions, (B) available capital of participating clients, and (C) legal, tax, accounting, regulatory and other considerations deemed relevant by the manager of such clients.

If BC Partners acquires or disposes of less than the entire amount of an investment or disposition opportunity (as represented by the sum of each account's intended participation as set forth on a pre-trade allocation statement), BC Partners will, in most cases, allocate the amount filled pro rata to the amounts set forth on the pre-trade allocation statement. However, there will be some cases where BC Partners determines, in accordance with the Allocation Policy, that pro rata allocation would be inappropriate, unfair or otherwise not in the best interest of the participating BC Partners Credit Clients. In these cases, a non-pro rata allocation methodology may be used. BC Partners may also adjust allocations for other reasons such as maintaining round lot holdings or avoiding de minimis allocations.

BC Partners expects to allocate relatively higher amounts of investment opportunities to new CLOs (or similar vehicles for which affiliates of MLM act as collateral manager) during ramp-up periods, subject to the Allocation Policy and consistent with each CLO's Governing Documents, in order to assure that the new CLO can invest assets in accordance with its investment objectives. The increased allocations to ramping CLOs is likely to result in other Clients receiving relatively lower amounts of the opportunity.

Co-Investments

Co-Investments Opportunities. Co-investments can occur when an investment is shared between a Client and one or more third-party investors, including investors in Credit Funds, including MLM Funds. There are expected to be circumstances where an amount that would have otherwise been invested by an MLM Fund will instead be allocated to such co-investors. There is no guarantee for any investor in an MLM Fund that it will be offered any co-investment opportunities that are offered to other co-investors. As a general matter, the allocation of co-investment opportunities is entirely discretionary, and it is expected that many investors who may have expressed an interest in co-investment opportunities may not be allocated any co-investment opportunities or may receive a smaller amount of co-investment opportunities than the amount requested. BC Partners will take into account various facts and circumstances deemed relevant in allocating co-investment opportunities, including whether a potential co-investor has expressed an interest in evaluating co-investment opportunities, the manager's assessment of a potential co-investor's ability to invest an amount of capital that fits the needs of the investment (taking into account the amount of capital needed as well as the maximum number of investors that can realistically participate in the transaction), supply or demand of an investment opportunity at a given price level, and an assessment of a potential co-investor's ability to commit to a co-investment opportunity within the required timeframe of a particular transaction. Additional considerations may also include, among others and without limitation, the size of investor commitments to a Credit Fund, other BC Partners vehicles and strategic third party investors, the overall relationship and importance of such investor with BC Partners, whether a potential co-investor has a history of participating in co-investment opportunities with BC Partners, the size of the potential co-investor's interest to be held in the underlying portfolio entity, whether the potential co-investor has demonstrated a long-term and/or continuing commitment to the potential success of BC Partners, a Credit Fund, or other co-investments and/or other BC Partners vehicles, or otherwise has a "strategic" relationship with BC

Partners or the Credit Business or the Private Equity Business and such other factors that BC Partners deems relevant under the circumstances.

BC Partners may agree with investors to more favorable rights with respect to co-investment opportunities, and to the extent any such arrangements are entered into, they may result in fewer co-investment opportunities being made available to the investors of the PE Funds, including MLM Funds. Furthermore, in connection with any such co-investment by co-investors, BC Partners may establish one or more investment vehicles managed or advised by BC Partners to facilitate such co-investors' investment alongside a PE Fund, including an MLM Fund, in specific co-investments or as part of an overall program for multiple co-investments. The amount and frequency of co-investment by the co-investment vehicle would be at the discretion of the applicable manager. It is possible that the establishment of any such co-investment vehicle would result in fewer co-investment opportunities to investors who do not participate therein and allocations to the co-investment vehicle are likely to result in an MLM Fund investing less than it would have in the related investments.

Additionally, it can be expected that BC Partners will, from time to time, enter into arrangements or strategic relationships with third parties, including other asset managers, financial firms or other businesses or companies, which, among other things, provides for referral, sourcing or sharing of investment opportunities. BC Partners may, from time to time, enter into certain formal or informal arrangements and/or strategic relationships with third parties, including other asset managers, financial firms, investors in the PE Funds and/or the MLM Funds, investors in BC Partners vehicles and/or other businesses or persons, which, among other things, provide for referral, sourcing and/or sharing of investment opportunities and/or information and may, in connection therewith, pay and/or receive compensation (including asset management fees and/or performance-based compensation) and reimburse third parties for certain expenses incurred as part of such arrangements, including diligence expenses and administrative, deal sourcing and other related expenses. While it is possible that an MLM Fund will, along with BC Partners itself, benefit from the existence of those arrangements and/or relationships, it is also possible that investment opportunities that would otherwise be presented to or made by an MLM Fund would instead be referred (in whole or in part) to such third parties.

Regulated Fund Co-Investments. The 1940 Act generally prohibits funds regulated under the 1940 Act (including the BDC and the Closed-End Funds) ("**Regulated Funds**"), from co-investing with other BC Partners Credit Clients where terms other than price are negotiated, unless an exception or exemption applies. Regulated Funds, the Adviser, certain BC Partners Clients, and related entities may be able to co-invest only pursuant to an exemptive order from the SEC (the "**Co-Investment Order**"), which would permit the parties to enter into co-investments where the Adviser may negotiate terms other than price, subject to certain conditions set-out in the application to the SEC. The conditions of a Co-Investment Order seek to ensure that participation in a co-investment transaction by Regulated Funds is not on a basis different from or less advantageous than that of other participants by, among other things, giving Regulated Funds the opportunity to participate. Accordingly, if Regulated Funds participate in co-investment pursuant to a Co-Investment Order, it is expected that such Regulated Funds would invest on equal footing, including identical terms, conditions, price, class of securities purchased, settlement date, and registration rights as other participating Clients. Further, the conditions of a Co-Investment Order are expected to require that investment opportunities with limited supply (as well as certain

dispositions and follow-on investments) be allocated among participating Clients pro-rata. By permitting Regulated Funds to co-invest, a Co-Investment Order would generally increase the amount of available capital allocable by the Adviser, which may reduce the overall level of investment opportunities allocable to non-Regulated Fund Clients. No Client or investor can be assured that any Co-Investment Order will be received, nor can any Client or investor be assured that any co-investment with a Regulated Fund will occur.

Feeder Vehicles

A general partner may make feeder vehicles available to certain tax-exempt and non-U.S. investors for the purpose of making all or a portion of their investment in a Fund and/or an alternative investment vehicle through such entity (including with respect to certain types of investments) or to facilitate their participation with respect to certain investments or types of investments to be made by a Fund. Investors in a feeder vehicle will have indirect equity interests in the applicable Fund and/or such an alternative investment vehicle on generally the same economic terms as other investors in such Fund and/or such an alternative investment vehicle, subject to legal, tax, regulatory, structural, administrative and other similar considerations, and will bear both their pro rata share of the applicable fund expenses as well as any additional expenses and reporting costs related to the feeder vehicle.

Conflicts Related to Investments in Multiple Levels of an Issuer's Capital Structure

From time to time, the Adviser expects to invest in securities or other financial instruments of an issuer for one Client that are senior or junior to securities or financial instruments of the same issuer that are bought for or held by another client of BC Partners or a proprietary account. For example, one Client could acquire senior debt securities of an issuer while another client of BC Partners or proprietary account could acquire equity securities or subordinated debt of the same issuer. This creates the potential for conflicts of interests. BC Partners monitors conflicts of interests in the investment and allocation process, including with respect to investments in different classes of securities of the same issuer. Conflicts of interest that can arise in such circumstances include, for example, if an issuer enters bankruptcy or undergoes a capital restructuring, Clients holding securities that are senior in preference might have the right to pursue the issuer's assets to fully satisfy the issuer's indebtedness to the client, and as a fiduciary, BC Partners could have an obligation to pursue aggressive remedies on behalf of such clients. A client holding junior securities also might not have access to sufficient assets of the issuer to completely satisfy its bankruptcy claim against the issuer and could suffer loss.

Other Fees; Fees from Portfolio Investments

For certain Clients, in addition to advisory fees, other fees may be paid to BC Partners by or with respect to certain portfolio investments, as described above in Item 5. The payment of such other fees by or with respect to portfolio investments creates a potential conflict of interest between MLM and the MLM Funds and their investors because the amounts of these other fees and reimbursements may be substantial and the MLM Funds and their investors generally do not have a direct interest in these fees and reimbursements unless a fee offset arrangement has been agreed. BC Partners determines the amount of these fees for the services provided and reimbursements in its own discretion, subject to the Governing Documents.

Fees and Expenses

From time to time, BC Partners will be required to decide whether costs and expenses are to be borne by a Client, on the one hand, or the Adviser or other applicable affiliate of BC Partners, on the other, and/or how certain costs and expenses should be allocated between such Client and parallel funds or between such Client, on the one hand, and other BC Partners-managed vehicles, on the other. BC Partners will make such judgments notwithstanding its interest in the outcome, in accordance with BC Partners' expense allocation policies. Such allocation determinations are inherently subjective and give rise to conflicts of interest between BC Partners and its affiliates, such Client and other BC Partners vehicles due to the inherent biases in the process. Notwithstanding the foregoing, the portion of an expense allocated to a Client for a particular service may not reflect the relative benefit derived by such Client from that service in any particular instance.

Restrictions Associated with Material, Non-Public Information

BC Partners, either within the Private Equity Business or the Credit Business, may acquire confidential information concerning an entity in which other Clients have invested or which are being considered for investment. Acquiring information that is material, non-public information may limit BC Partners' ability to buy or sell particular securities or other instruments on behalf of such Clients, and this in turn may limit the opportunities, investment flexibility or exit strategies for such Clients. Where possible, information is expected to be shared between the Private Equity Business and the Credit Business to enhance the synergies and enable the Clients to capitalize on attractive investment opportunities, subject to compliance with applicable law and regulation regarding the sharing of information and the Adviser's policies and procedures related thereto. The sharing (or possession) of such information may, in certain circumstances, restrict the activities of the Clients. In such circumstances, the Clients may not be able to dispose of a security or other instrument relating to a portfolio entity owned by other BC Partners vehicles, even in a declining market, until the information becomes publicly available or immaterial, and the trading in the portfolio entity's instruments is no longer restricted.

Advisors and Consultants

BC Partners may work with or alongside one or more consultants, advisors (including senior advisors) and/or operating partners who are retained by BC Partners on a consultancy or retainer or other basis, to provide services to a Fund and other BC Partners vehicles including the sourcing of investments and other investment-related and support services. The functions undertaken by such persons with respect to a Fund and any of its investments will not be exclusive and such persons may perform similar functions and duties for other organizations which may give rise to conflicts of interest. Such persons may also be appointed to the board of directors of companies and have other business interests which give rise to conflicts of interest with the interests of such Fund or a portfolio entity of such Fund. Investors should note that such persons may retain compensation that will not offset the management fee payable to the manager of the applicable Fund, including that: (i) such persons are permitted to retain all directors' fees, monitoring fees and other compensation received by them in respect of acting as a director or officer of, or providing other services to, a portfolio entity and such amounts shall not be credited against the management fee; (ii) certain of such persons may be paid a deal fee, a consultancy fee or other

compensation where they are involved in a specific project relating to the applicable Fund, which fee will be paid either by such Fund or, if applicable, the relevant portfolio entity; and (iii) such persons may be invited to invest in or alongside the applicable Fund in investments, as part of a participation scheme or otherwise, and will be entitled to retain all of the proceeds generated from such investments.

Service Providers and Counterparties

Certain advisors and other service providers (or their affiliates), including accountants, administrators, lenders, bankers, brokers, attorneys, consultants, title agents and investment or commercial banking firms, to a Fund, BC Partners and/or certain Portfolio Investments may also provide goods or services to or have business, personal, financial or other relationships with the Adviser, other BC Partners entities and Portfolio Investments. Such advisors and service providers may be investors in a Fund, affiliates of the general partner of a Fund, sources of investment opportunities or co-investors or commercial counterparties or entities in which BC Partners and/or other BC Partners vehicles have an investment, and payments by a Fund and/or Portfolio Investments may indirectly benefit BC Partners and/or such other BC Partners vehicles. Additionally, certain employees of BC Partners may have family members or relatives employed by such advisers and service providers. BC Partners may also provide administrative services to a Fund for a fee. These relationships may influence the relevant BC Partners entity and/or the general partner of a Fund in deciding whether to select, recommend or create such an advisor or service provider to perform services for a Fund or a Portfolio Investment (the cost of which will generally be borne directly or indirectly by such Fund or such Portfolio Investment, as applicable) and may incentivize BC Partners to engage such a service provider over a third party. Such affiliated service providers are generally expected to receive market rate fees (as determined by the general partner of the applicable Fund) with respect to such arrangements. Certain employees and other professionals of BC Partners have family members or relatives that are actively involved and/or have business, personal, financial or other relationships with issuers in which a Fund invests or may invest, which gives rise to potential or actual conflicts of interest. In certain instances, a Fund or its Portfolio Investments may purchase or sell companies or assets from or to, or otherwise transact with, companies that are owned by such family members or relatives or in respect of which such family members or relatives have other involvement. In most such circumstances, the applicable Organizational Documents will not preclude a Fund from undertaking any particular investment activity and/or transaction.

BC Partners or its affiliates and service providers, often charge varying amounts or may have different fee arrangements for different types of services provided. For instance, fees for various types of work often depend on the complexity of the matter, the expertise required, and the time demands of the service provider. As a result, to the extent the services required by BC Partners or its affiliates differ from those required by the Funds and/or its portfolio companies, BC Partners and its affiliates will pay different rates and fees than those paid by the Funds and/or its portfolio companies. Notwithstanding the foregoing, BC Partners generally does not enter into any arrangement with a service provider that provides for a lower rate or discount than those available to a Fund or a portfolio company for comparable services.

Activities and Ownership Interests of Principals and Employees of BC Partners

Certain of the principals and employees of the Adviser, and personnel provided to the Adviser via the Sharing Agreement, may be subject to a variety of conflicts of interest relating to their responsibilities to Clients and the management of such Clients' investment portfolios. Such individuals may serve in an advisory capacity to other managed accounts or investment vehicles, as members of an investment or advisory committee or a board of directors (or similar such capacity) for one or more investment funds, corporations, foundations or other organizations. Such positions may create a conflict between the services and advice provided to such entities and the responsibilities owed to the applicable Client, including in making investments on behalf of the Client and such other funds and accounts. In addition, these principals, employees and personnel are generally permitted to invest in alternative investment funds, real estate funds, hedge funds or other investment vehicles, including potential competitors of Clients, and limited partners will not receive any benefit from any such investments.

Item 12. Brokerage Practices

Clients typically invest in private securities and do not ordinarily transact with financial intermediaries, such as broker-dealers, in public securities. For each Client, the Adviser has sole discretion over the purchase and sale of investments (including the size of such transactions) and the broker or dealer, if any, to be used to effect transactions. In placing each transaction for a Client involving a broker-dealer, the Adviser seeks to obtain the best execution for the Client taking into account the factors discussed below. "Best execution" is a qualitative standard that generally means obtaining for a Client account the lowest total cost (in purchasing a security) or highest total proceeds (in selling a security), whilst at all times taking into account the circumstances of the transaction and the execution factors set forth below.

Best Execution

BC Partners has established a global best execution policy. Under the policy, BC Partners considers and determines the relative importance of all the execution factors, by reference to the execution criteria, which are (i) the fact that the client (i.e., a Fund) is a per-se professional client and (ii) the characteristics of the client order, of the instruments concerned and of the venues to which that order can be directed.

The execution factors include price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of an order. BC Partners may also consider, among other things, the nature of the market for the security, the amount of the commission, the timing of the transaction taking into account market prices and trends, the reputation, experience and financial stability of the broker or dealer, and the quality of service rendered by the broker or dealer in other transactions. To the extent consistent with achieving best execution, BC Partners may also consider other business a particular broker or dealer may have done with BC Partners, such as identifying investment opportunities, performing investment banking services and providing services to BC Partners' principals. When purchasing or selling over-the-counter securities with market makers, BC Partners generally seeks to select market makers it believes to be actively and effectively trading the security being purchased or sold.

Soft Dollars

The Governing Documents of each Client prescribe whether the Client can utilize “soft dollars.” As a matter of policy, BC Partners does not utilize soft dollars, although it may in the ordinary course receive unsolicited research and other brokerage products from broker-dealers as part of the brokers’ full range of services. Such unsolicited materials might benefit the Clients and could therefore be construed as “soft dollars.” A conflict of interest exists when a broker-dealer provides such research.

Aggregation of Trades

BC Partners and its affiliates may aggregate (or bunch) the orders of more than one Client for the purchase or sale of the same publicly traded security. Portfolio managers and traders often employ this practice because larger transactions may enable them to obtain better overall prices, including lower commission costs or mark-ups or mark-downs. BC Partners and its affiliates may combine orders on behalf of the PE Funds and/or the Credit Clients with orders for other Funds for which it or its affiliates have trading authority, or in which it or its affiliates have an economic interest. In such cases, BC Partners and its affiliates generally aggregates trade orders for publicly traded securities so that each participating Client will receive the average price for each execution of a transaction.

If an order for more than one Client for a publicly traded security cannot be fully executed, allocation shall be made based upon BC Partners’ procedures for allocation of investment opportunities, as described in Item 11 above.

Item 13. Review of Accounts

Oversight and Monitoring

The Adviser monitors the Clients’ investment portfolios on an ongoing basis. The Credit Investment Team is responsible for monitoring the portfolio on an ongoing basis using the personnel of BC Partners under the resource sharing agreement. Each CLOs Governing Documents contain certain investment restrictions and other tests, such as detailed coverage tests, portfolio profile tests, and/or collateral quality tests, that are monitored.

Reporting

For the CLOs, schedules of fees and expenses, distributions and dividends (the “priority of payment waterfalls”), are reviewed and agreed to by the Adviser. Investors in a CLO receive monthly reports detailing the CLO’s portfolio and related portfolio metrics and guidelines and quarterly reports detailing cash flows which the Adviser reviews and approves.

MLM Funds and underlying investors typically receive (i) annual audited financial statements and tax information necessary for completion of their tax returns; and (ii) quarterly reports and net asset value statements describing investment performance and/or net asset value for the relevant reporting period.

Item 14. Client Referrals and Other Compensation

For details regarding economic benefits provided to the Adviser or BC Partners including a description of related material conflicts of interest and how they are addressed, please see Item 11 above. In addition, the Adviser, BC Partners and their related persons, in certain instances, receive discounts on products and services provided by portfolio companies of Funds.

While not a client solicitation arrangement, BC Partners has in the past, and may from time to time in the future engage one or more persons to act as a placement agent for a PE Fund or Credit Client in connection with the offer and sale of interests to certain potential investors. Such persons generally will receive a fee in an amount equal to a percentage of the capital commitments for interests made by such potential investors to such PE Fund or Credit Client that are subsequently accepted and in certain instances a retainer. Such fees are paid by BC Partners and not the Clients.

Item 15. Custody

Rule 206(4)-2 under the Advisers Act (the “**Custody Rule**”) imposes certain obligations on registered investment advisers that have custody of any Client funds or securities. MLM is deemed to have custody of MLM Private Fund assets because we (or our affiliate) serve as general partner or managing member of each of the MLM Private Funds. MLM Private Funds are subject to an annual audit and the audited financial statements are distributed to each Fund investor no later than 120 days after the end of each MLM Fund’s fiscal year.

In the event that MLM has custody of other Client assets or is deemed to have custody of Client assets, MLM will take steps to comply with the Custody Rule, which may include obtaining an audit or alternatively undergo a surprise examination under the Custody Rule.

The Regulated Funds are subject to rules respecting custody under the 1940 Act and, as a result, are not subject to the Custody Rule.

Item 16. Investment Discretion

Except in limited instances, MLM has full discretionary authority with respect to investment decisions by or for Clients. MLM’s advice with respect to the MLM Funds is provided in accordance with the investment objectives and guidelines set forth in their respective LPAs, prospectuses, and other Governing Documents. The LPAs, prospectuses, and other Governing Documents of the MLM Funds generally place limitations on MLM regarding its management of the Funds. Investors in the MLM Private Funds may also negotiate with the applicable General Partner or Managing Member in side letter agreements for more specific limitations applicable to such investor, such as prohibited investments in specific geographic regions, industries, or sectors.

The Governing Documents for each CLO grant the Adviser discretion to manage the CLO’s portfolios, subject to the detailed description of such CLO’s specific investment objectives, eligibility criteria and investment guidelines, policies, and restrictions set forth in the Governing Documents. While the Adviser has sole discretion to pursue any investment strategy on behalf of a CLO that is not prohibited by the applicable Governing Documents, and to modify the strategy from time to time in the future without the approval of or prior consultation with any other person, the Governing Documents typically place significant restrictions on the Adviser’s ability to buy

and sell collateral obligations on behalf of the CLO. Accordingly, as a result of such restrictions, the Adviser may be unable to buy or sell assets on behalf of a CLO or to take other actions which it might otherwise consider in the best interests of such CLO and the holders of the CLO Securities.

Item 17. Voting Client Securities

MLM has established written policies and procedures setting forth the principles and procedures by which MLM votes or gives consent with respect to securities owned by Clients (“*Votes*”). The guiding principle by which MLM votes all Votes is to vote in the best interests of each Client by maximizing the economic value of the relevant Client’s holdings, taking into account the relevant Client’s investment horizon, the contractual obligations under the relevant Governing Documents, and all other relevant facts and circumstances at the time of the vote. MLM does not permit Voting decisions to be influenced in any manner that is contrary to, or dilutive of, this guiding principle.

It is MLM’s general policy to vote or give consent on all matters presented to security holders in any Vote. However, MLM reserves the right to abstain on any particular Vote or otherwise withhold its vote or consent on any matter if, in the judgment of the CCO or the relevant investment professional, the costs associated with voting such Vote outweigh the benefits to the relevant Client or if the circumstances make such an abstention or withholding otherwise advisable and in the best interests of the relevant Clients.

Clients generally cannot direct MLM’s Vote.

All voting decisions initially are the responsibility of MLM’s investment professionals, unless there is a material conflict of interest, in which case they should raise it with the CCO. In most cases, MLM investment professionals will make the decision as to the appropriate vote for any particular Vote. In making such decision, they may rely on any of the information and/or research available to them. In the event of a material conflict of interest, if the investment professional and the CCO are unable to arrive at an agreement as to how to vote, then the CCO may consult with MLM’s Board as to the appropriate vote, who will then review the issues and arrive at a decision based on the overriding principle of seeking the maximization of the economic value of the relevant Client’s holdings.

All MLM investment professionals are expected to perform their tasks relating to the voting of Votes in accordance with the principles set forth above, according the first priority to the best interest of the relevant Clients. The CCO will use his or her best judgment to address any such conflict of interest and ensure that it is resolved in accordance with his or her independent assessment of the best interests of Clients.

Where the CCO deems appropriate in his or her sole discretion, unaffiliated third parties may be used to help resolve conflicts. In this regard, the CCO shall have the power to retain independent fiduciaries, consultants, or professionals to assist with Voting decisions and/or to delegate voting or consent powers to such fiduciaries, consultants or professionals.

Copies of relevant proxy logs, identifying how proxies were voted in connection with a Client and copies of proxy voting policies are available to any client or prospective client by contacting compliance@bcpartners or upon written request to: Mount Logan Management, LLC, Attn: Chief Compliance Officer, 650 Madison Avenue, 23rd Floor, New York, New York 10022.

Item 18. Financial Information

Not applicable.