



Meteora Capital, LLC
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Part 2A of Form ADV: Firm Brochure

March 31, 2023

Item 1 - Cover Page

This brochure provides information about the qualifications and business practices of Meteora Capital, LLC (“Adviser”, “Meteora”, “we” or “us”). If you have any questions about the contents of this brochure, please contact Joseph Levy, by telephone at +1 (212) 207 0091 or by email at joe.levy@meteoracapital.com. The information in this brochure has not been approved or verified by the U.S. Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about the Adviser is available on the SEC’s website at www.adviserinfo.sec.gov.

Any reference to the Adviser as a “registered investment adviser” or as being “registered,” does not imply a certain level of skill or training.

Item 2 - Material Changes

Meteora has opened a new office location at 1200 N Federal Hwy, #200 in Boca Raton Florida. There have been no other material changes to the Adviser's brochure since the last update on March 31, 2022. In the future, this item will be used to report other material changes in accordance with the instructions to Form ADV.

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Item 4 - Advisory Business

Meteora Capital, LLC (the “Adviser,” “we” or “us”) is a Delaware limited liability company that commenced business operations in February 2021. The Adviser is now owned by Vikas Mittal.

The Adviser’s investment objective is to achieve consistent returns, independent of stock market movements. The Adviser seeks to minimize market risks by identifying and exploiting inefficiencies in the financial markets, thereby generating returns that are not correlated to stock market performance. Subject to any limitations or restrictions that a client (as defined below) may impose, the Adviser seeks to ensure that clients are aware of the risks involved in these portfolio strategies.

The Adviser manages an event-driven and arbitrage-oriented Strategy with a core SPAC Strategy at the current time (collectively the “Strategies” as defined in Item 8) on behalf of the Funds (as defined below). The Strategies are described in detail in Item 8.

We currently manage the following private investment funds (each, including any future investment funds pursuing a substantially similar or overlapping investment strategy, a “Fund” and, collectively, the “Funds”):

- Meteora Select Trading Opportunities Master, LP
- Meteora Select Trading Opportunities, LP
- Meteora Select Trading Opportunities Offshore, Ltd

MSTO General Partner, LLC is the general partner of Meteora Select Trading Opportunities Master, LP and Meteora Select Trading Opportunities, LP (together the “General Partner”). The General Partner is owned by Vikas Mittal. Unless and only to the extent that the context otherwise requires, references to the Adviser, we or us herein are deemed to include references to the General Partner as well.

We provide discretionary investment advice to the Funds. In the future, we may provide discretionary and/or non-discretionary investment advice to other private investment funds and/or separately managed accounts or funds-of-one, in each case including those in which the Adviser or its affiliates or their respective partners, members, directors, officers or employees may invest (collectively with the Funds, the “clients” or the “Meteora Clients”).

Each Fund is managed in accordance with its own investment and trading objectives, as described in its offering and governing agreements (collectively, the “Fund Documents”). We generally do not permit investors in the Funds that we manage to impose limitations on the investment activities described in the Fund Documents.

Under certain circumstances, we may contract with a client to adhere to limited risk and/or operating guidelines imposed by the client. We negotiate such arrangements on a case-by-case basis.

The Adviser has investment discretion over a portion of assets of two funds on behalf of another registered investment adviser. These Separately Managed Accounts generally are invested pari passu with Meteora Select Trading Opportunities Master, LP.

As of December 31, 2022, we managed approximately \$592.8 million in regulatory assets under management for our clients on a discretionary basis. Currently, we do not manage any assets on a non-discretionary basis.

Item 5 - Fees and Compensation

The extent to and specific manner in which our clients are responsible for fees, performance-based compensation and/or expenses are set forth in each client's applicable written agreement with us (and, in the case of the Funds, in the Fund Documents).

In general, the Funds pay to the Adviser management fees quarterly in advance, generally equal to between 0.25% and 0.5% per quarter (or between 1.0% and 2.0% annually) of each Fund investor's share of the applicable Fund's net asset value. We generally receive performance-based fees or allocations (generally 20%) from the Funds on an annual basis and upon the distribution of capital (pursuant to the Fund Documents). The Adviser also may receive performance-based fees and expense reimbursements from the Separately Managed Accounts on an annual basis.

Unless provided otherwise in the applicable Fund Documents, the Funds generally bear all costs and expenses associated with their operations, including, without limitation: (i) expenses related to the research, execution and monitoring of actual and prospective investments (whether or not consummated) and the consummation of investments, including, without limitation, the following: third-party investment sourcing fees; consulting fees; expert fees; fees and expenses of and related to obtaining research, analytics and market data (including, without limitation, any information technology hardware, software and data subscriptions (such as Bloomberg and FactSet) or other technology incorporated into the cost of obtaining such research and market data); due diligence expenses including, without limitation, consulting and appraisal fees; investment and research-related travel expenses; any outsourced trading provider fees; brokerage and prime brokerage fees, commissions and expenses (including the costs of negotiating, documenting and/or amending agreements with prime brokers, International Swap and Derivatives Association (ISDA) master agreements and related trading documentation and other agreements with trading and financing counterparties); expenses relating to borrowing securities to be sold short; clearing and settlement charges; custodial fees and expenses; bank service fees; interest expenses and other borrowing costs; fees and expenses of proxy research and voting services; broken deal expenses and up to one-hundred percent (100%) of any broken deal expenses relating to any portion of an investment that is not consummated by any co-investment vehicle to the Funds; and fees and expenses of third-party professionals, including, without limitation, consultants, investment bankers, attorneys and accountants; and fees and expenses associated with reviewing documentation and negotiating any side letters with respect to any investments by the Funds in other private investment funds or vehicles that invest in special purpose acquisition companies or "blank-check" companies ("SPACs"); (ii) organizational fees and expenses incurred in

connection with the offering and sale of the Interests, including, without limitation, the following: the preparation and amendment of each Fund's (i) offering memorandum, (ii) limited partnership agreement or other governing document, (iii) investment management agreement, and (iv) subscription agreements, and the costs of establishing any special purpose vehicles; fees and expenses of the Adviser incurred in connection with "world sky" matters and private placement regimes, including the European Alternative Investment Fund Managers Directive, and Form D and blue sky and similar fees and expenses; (iii) operational expenses, including, without limitation, the following: fees and expenses relating to information technology hardware, software or other technology (including, without limitation, costs of software licensing, implementation, data management and recovery services and custom development) used to research investments, evaluate and manage risk, facilitate valuations, facilitate accounting functions, facilitate compliance with the rules of any self-regulatory organization or applicable law (including, without limitation, reporting obligations) in connection with the activities of the Funds, facilitate and manage the order execution of securities or otherwise manage the Funds (such as portfolio management systems and order management systems); fees and expenses of third-party risk management products, models and services; third-party administrative fees and expenses, including fees and expenses of the Funds' administrator and any middle or back office service provider; fees and expenses of third-party professionals, including, without limitation, consultants, valuation service providers, attorneys, accountants and tax preparers; third-party audit and tax preparation expenses; insurance expenses, including, without limitation, directors and officers liability insurance, errors and omission insurance, and cybersecurity insurance and liability insurance covering the Funds, the General Partner, the Adviser and the members, partners, officers, employees and agents of any of them (in each case, even if such insurance covers conduct for which indemnity would not be available from the Funds); fees and expenses associated with investor meetings; costs of preparing and distributing reports and notices to Fund investors (including the development, implementation and maintenance of an investor electronic delivery site and/or system); entity-level taxes; fees and expenses related to compliance with applicable law and regulations in connection with the activities of the Funds, including, without limitation, any governmental, regulatory, licensing, filing, reporting or registration expenses, fees or taxes (including, without limitation, fees and expenses incurred in connection with the preparation and filing of Section 13 filings, Section 16 filings and other similar regulatory filings, and any filings or reporting with respect to compliance with Sections 1471–1474 of the Internal Revenue Code, related guidance thereon, intergovernmental agreements or other foreign laws implementing any of the foregoing or similar laws enacted in other jurisdictions, as well as any foreign tax regime registrations, tax filings and associated annual fees and expenses); and (iv) extraordinary expenses, including, without limitation, the following: the costs of any litigation or investigation involving activities of the Funds (including attorney's fees and investigative fees and expenses); the cost of settlements and indemnification expenses (including advances thereof); fees and expenses incurred in connection with any tax audit by any U.S. federal, state or local authority, including, without limitation, any related administrative settlement and judicial review; and fees and expenses incurred in connection with the reorganization, dissolution, winding-up or termination of any of the Funds.

The fees, performance-based compensation and/or expenses that are charged to any

separately managed accounts or funds-of-one that we may in the future manage are negotiated on a case-by-case basis. Clients other than private investment funds, such as any separately managed accounts or funds-of-one that we may in the future manage, may have management fees, performance-based compensation and/or expense arrangements that differ in one or more respects from those applicable to the Funds.

Management fees, performance-based compensation and/or expenses will be reduced or waived in certain circumstances, including, without limitation, with respect to investments in Funds by our personnel and/or other related persons. The management fees will be pro-rated if a Fund closing occurs on a date other than the first day of a calendar quarter. If a Fund terminates on a date other than the last day of a calendar quarter, then the Adviser will pay back to such Fund a *pro rata* portion management fee paid for such quarter (determined based on the number of days remaining in such quarter prior to termination).

To the extent that we incur any expenses for the benefit of multiple clients, we generally will allocate such expenses in any manner that we deem equitable, taking into account our written agreements with such clients (and, in the case of the Funds, the Fund Documents) and applicable facts and circumstances, including the relative size of the applicable entity or account, the nature or source of the product or service and the benefits derived from and the extent of use of the product or services. Nonetheless, the portion of an expense that we allocate to a client for a particular product or service might not reflect the relative benefit derived by such client from that product or service in any particular instance. Furthermore, it is possible that under some of our advisory contracts we may not require a client to incur certain expenses, despite the fact that such client will receive a benefit in connection with our incurrence of such expenses. In such an event, our other clients may bear the additional share of any such expenses that would have been allocable to the client that is not required to incur such expenses. Our expense allocations often depend on inherently subjective determinations, but the expense allocations made by us will be in good faith. There may be situations in which the appropriate allocation of expenses in the course of evaluating potential investments may not be clear (for example, if a client and one or more other clients considered making an investment that was not consummated). Expenses will typically be allocated among the clients participating in the relevant investment or potential investment. However, in all cases, subject to applicable legal, regulatory, contractual or similar restrictions, we will make expense allocation decisions in our sole discretion in good faith.

We sometimes and for certain clients allocate a portion of certain clients' capital to money market funds, exchange-traded funds or similar fee-bearing products, or private investment funds and accounts, that are managed by other investment managers. In that case, such client accounts generally would be responsible for paying any and all fees, performance-based compensation and expenses associated with such products, which would be in addition to those discussed above.

The Adviser and its personnel generally can be expected to receive certain intangible and/or other benefits and/or perquisites arising or resulting from their activities on behalf of clients and client portfolio investments, including benefits and other discounts provided from service providers. For example, airline travel or hotel stays incurred as a client expense

typically result in cash rebates, “miles,” “points” or credit in loyalty/status programs, and such benefits and/or amounts will exclusively benefit the Adviser and/or such personnel even though the cost of the underlying service is borne by clients. The value of such benefits and perquisites will neither be subject to an offset against fees or expenses payable by clients nor will they otherwise be shared with clients and/or portfolio investments.

In some cases, our clients or investors may agree to pay or reimburse some or all of our overhead expenses.

Certain partners, members, directors, officers, employees or other related persons of the Adviser may serve as advisers, consultants, or members of the boards of directors of certain portfolio companies of Funds managed by the Adviser. Such related persons (i) are expected to be reimbursed by the underlying portfolio companies for travel costs and other expenses related to their services, e.g., attendance at portfolio company board meetings and (ii) in some cases may be compensated, in cash compensation, through the issuance of shares, warrants or other interests in such portfolio company or in some other manner (including through the opportunity to purchase underlying portfolio company shares at or below market value, either alongside the Funds *pro rata* on a *pari passu* basis, or otherwise), and such compensation may or may not be used as an offset against the management fee paid by the Funds investing in the relevant portfolio company. Such related persons may also be investors in a proprietary investment vehicle or other client that invests, side by side with any Funds, in a portfolio company which may result in certain conflicts of interests as described in Item 10 and Item 11 below.

For a summary of our brokerage practices, see Item 12 below.

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

As generally described above in Item 5, our clients pay management fees and may, in some cases, pay or reimburse some or all of our overhead expenses. In addition, we are generally entitled to receive performance-based compensation (which is based on a percentage of the capital appreciation of client assets or the return on invested capital) from clients. Performance-based compensation will take the form of a performance allocation, performance fee, carried interest or other payment. Fund investors and separately managed account clients are provided with detailed disclosure in the applicable Fund Documents for such Fund or written agreement with us, as applicable, as to how the relevant performance-based compensation is calculated and charged. Employees invested in the Fund or through the employee fund are not charged management or performance fees.

The terms of the compensation that we receive differ among the client accounts that we advise. This may result in a conflict of interest when we allocate opportunities among these accounts because we will have an incentive to favor an account from which we are entitled to receive greater compensation over other accounts. To avoid such a conflict of interest we generally follow documented procedures in allocating opportunities among such accounts, which do not take into account the compensation to which such accounts are subject.

When we determine that a particular trading opportunity would be desirable for more than one client, we generally seek to allocate such opportunity among such clients in a manner that we deem fair and equitable under the circumstances existing at such time. In general, investments will be allocated between clients following a substantially similar investment strategy *pro rata* on a *pari passu* basis. There are, however, scenarios under which the Adviser may deviate from this general policy based upon a number of factors as described in the following paragraph.

The factors that we may consider in making a determination to deviate from the allocation of investment opportunities between clients following a substantially similar investment strategy *pro rata* on a *pari passu* basis include (but are not limited to): the relative amounts of capital in each client's account available for new positions of the type at issue; the mandate of each client account; our perception of the appropriate risk/reward ratio for each client account; the intended objective and strategy of each client account and any applicable investment or risk targets, restrictions or guidelines; the liquidity of each client account at the time of investment and thereafter; the ability to add positions to a client account on a leveraged basis; liquidity of the security; market capitalization and/or enterprise value of the underlying credit; whether the position is an "odd lot"; whether certain accounts would receive nominal or de minimis allocation amounts; transaction costs; position size; industry exposure; market exposure; gross, net, long and short exposure; applicable legal, tax and regulatory considerations; the overall portfolio composition of each client account; and such other considerations that we determine to be relevant at such time. If applicable, new issues (as defined by FINRA rule 5130) are generally allocated to client accounts in accordance with the criteria set forth above to the extent that such accounts are eligible to participate in new issues.

Notwithstanding the foregoing, there can be no assurance that certain allocation decisions will not directly or indirectly adversely affect our clients, even if such decisions are made in good faith. Allocations are subject to a significant degree of discretion exercised by us, including, but not limited to, in connection with portfolio rebalancing, investing in new, different or additional investment strategies and in connection with admissions and withdrawals of investors to and from the private investment funds that we manage. Even allocations designed to mitigate conflicts do not eliminate the possibility that an allocation of assets will not adversely affect our clients.

We will have no obligation to purchase or sell a security for, enter into a transaction on behalf of, or provide an investment opportunity to, a client solely because we purchase or sell the same security for, enter into a transaction on behalf of, or provide an opportunity to, another client if, in our reasonable opinion, such security, transaction or investment opportunity does not appear to be suitable, practicable or desirable for such other client.

Our personnel and/or other related persons invest in one or more of our clients and currently own, or in future cases, may own all or a substantial portion of the equity interests of certain of our clients. Such clients may compete with, or have interest adverse to, certain of our other (future) clients. Such conflicts could affect the prices and availability of securities in which our clients invest. For example, we may allocate investment opportunities in particular risk capital shares or warrants of a SPAC on a non-*pro rata* or non-*pari passu*

basis among our clients. In such case, we may have an incentive to favor client(s) in which we have a greater economic interest and/or may have a conflict of interest in allocating investment opportunities among those client accounts and other client accounts. In order to mitigate these potential conflicts, we will generally follow the documented procedures referenced above.

Management fees and performance-based compensation are based on the net asset value of client accounts. In most circumstances, the valuations of client assets will be based on independent market quotations from relevant counterparties, but obtaining such valuations is not required in each instance. In making valuation determinations, we may be deemed subject to a conflict of interest, especially with respect to securities or other financial instruments which are not traded on an organized or liquid market, as the valuation of such assets and liabilities affects our compensation and the compensation of our affiliates. There is no guarantee that the value determined with respect to a particular client asset or liability by us will represent the value that will be realized by such client on the eventual disposition of the related investment or that would, in fact, be realized upon an immediate disposition of the investment, and the difference between such value and the ultimate disposition price could be material. To the extent we are responsible for valuing a client's assets, we will follow our documented valuation policies in order to mitigate these risks.

Since the amount of fees paid/allocations made to us is dependent in part on the profitability of the applicable client, we may have an incentive to cause clients to make investments that are riskier or more speculative than would be the case if such fees/allocations were not dependent on clients' net asset value and profitability. We recognize that we have a fiduciary duty and as such must act in the best interests of our clients.

Clients and investors in the Funds are urged to review their applicable investment management agreements and/or Fund Documents for information regarding the specific fees, performance-based compensation and expenses applicable to them.

Item 7 - Types of Clients

We currently provide investment advice to clients who are private investment funds. Investors in such private investment funds generally must qualify as "accredited investors" (as defined in Rule 501 under the Securities Act of 1933, as amended) and "qualified clients" (as defined in Rule 205-3 of the Advisers Act) or "qualified purchaser" (as defined in Rule 2a51-1 of the Investment Company Act of 1940, as amended), and may be subject to other suitability requirements to the extent provided in the applicable Fund Documents. We may provide investment advice to other types of clients in the future.

The minimum initial investment for Meteora Select Trading Opportunities, LP and Meteora Select Trading Opportunities Offshore, Ltd. is \$250,000. Each minimum investment amount is subject to each Fund's discretion to accept lesser amounts. We will determine the minimum investment amount (and any other conditions for opening and maintaining an account) for other clients, such as any separately managed accounts or

funds-of-one, on a case-by-case basis.

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

The Funds invest primarily in equity and debt securities, equity options, equity-related convertible securities, interest bearing or interest rate sensitive marketable securities (including those issued or guaranteed by the United States Government or agencies or instrumentalities of the United States Government), forward contracts, swaps, derivatives, currencies and any other instruments which are traded in normal channels of trading for securities. Specifically, the Funds seek to generate attractive risk-adjusted returns by investing among the following investments, pursuant to the respective Fund Documents. The Funds may utilize various event-driven and arbitrage-oriented investment Strategies, including, but not limited to, special purpose acquisition company (a “SPAC”) liquidation arbitrage, SPAC option-oriented buy-writes, OTC structured derivative transactions, defensive credit positions, short-duration credit positions, fallen-angel credit positions, convertible bonds, convertible arbitrage, event-oriented hard and soft catalyst equity and credit investments, closed-end fund arbitrage, intra-capitalization arbitrage, and warrant and rights arbitrage. The Fund may also invest in the securities of companies that are undergoing corporate changes, or for which some form of event, or catalyst, such as a share buy-back, partial tender offer, change in management, spin-off, tender offer, business combination, reverse triangular merger, minority stake sale, debt recapitalization or other special situation, may lead to a change in the value of the issuer’s securities.

Each Fund employs investment strategies that may invest in the various capital structures of SPACs, which may include in the sponsors thereof (the “SPAC Strategy”). Specifically, the Funds seek to provide their investors with an opportunity to realize attractive risk-adjusted returns by investing among the following investments, pursuant to the respective Fund Documents: (i) in any public securities relating to SPACs, including, but not limited to: (A) the public securities issued in an initial public offering of a SPAC, or (B) the public securities of any publicly listed SPAC; (ii) the public securities of any operating company that resulted from the reverse merger with a SPAC; (iii) the public securities issued in an initial public offering of any company or other issuer; (iv) other parts of the capital structure of any company or other issuer that is involved or could be involved in a potential SPAC transaction, including, but not limited to, loans, corporate bonds and convertible bonds; (v) any other public securities used as a hedge, through short sales or otherwise, with respect to any of these or any other investment of a Fund made in accordance with such Fund’s investment the equity securities of, or loans to or debt instruments of, SPAC sponsors, which sponsors have acquired, or will acquire, interests (“Risk Capital”) in the equity of the SPACs in return for providing the initial funding for the SPACs; (vi) alongside sponsors in Risk Capital of SPACs; (vii) structured investments or other investments related to the Risk Capital of SPACs..

In addition to the above, the Funds may invest in the following hard and soft catalyst event-oriented strategies, including, but not limited to: (i) distressed/restructurings; (ii) capital structure arbitrage; (iii) convertible arbitrage; (iv) derivative strategies (including options, rights and warrants). The Funds may invest in companies which are involved in publicly

announced acquisitions, takeovers, tender offers, leveraged buyouts, spin-offs, liquidations and other corporate reorganizations.

The Funds may invest in fixed and floating rate income investments of any credit quality or maturity, including below investment grade bonds (commonly known as “junk bonds”), bank debt and preferred stock.

The Fund may invest in other investment companies, including closed-end funds and ETFs. To the extent that a Fund invests in shares of another investment company or ETF, it bears its proportionate share of the expenses of the underlying investment company or ETF and is subject to the risks of the underlying investment company’s or ETF’s investments.

The development of an investment strategy for the Funds and any other client is an ongoing process. The strategies, techniques and methods described above will therefore be modified by us from time to time and over time. There is no limitation on the investment strategies, techniques, methods or processes which we may adopt for any particular client or the factors that we may take into account in analyzing investments for our clients. Depending on conditions and trends in securities markets and the economy generally, we may pursue other objectives, or employ other strategies, techniques, methods or processes, that we consider appropriate and in the best interest of our clients, without notice to them or their consent, except to the extent that our written agreement with a client may provide otherwise.

The above description of our investment strategies, techniques, methods and processes is intended only as a general overview, and is subject to the specific terms of our written agreements with clients.

Risk of Loss

A brief summary of the material risks involved with our significant investment strategies and methods of analysis follows. An investment in a Fund (and/or separately managed account, if applicable) involves substantial risks, and prospective investors should carefully consider, among other factors, the risks described below. References to the “Fund” and “Funds” also include, for purposes of this risk and conflict disclosure, any separately managed account or fund-of-one client that the Adviser may start to advise or manage. These risk factors are not intended to be an exhaustive listing of all potential risks associated with such an investment. Investors are urged to review the Fund Documents or written agreement applicable to their investment for additional information concerning the risks applicable to them. Investing in securities involves risk of loss that clients and investors should be prepared to bear.

General Investment and Trading Risks. All securities investments present a risk of loss of capital. Volatile financial markets increase that risk. If our evaluation of an investment opportunity should prove incorrect, our clients could experience losses. No guarantee or representation is made that our clients’ investment programs will be successful, that clients will achieve their targeted returns or that there will be any return of capital invested to investors. In addition, investment results may vary substantially over time.

Highly Volatile Markets. The prices of financial instruments in which clients' assets will be invested can be highly volatile and may be influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. Clients also are subject to the risk of the failure of any of the exchanges on which clients' positions trade or of their clearinghouse.

SPAC Investments Generally. SPACs are "blank-check" companies with no operating history or ongoing business other than to seek a potential acquisition. Accordingly, the value of their securities is particularly dependent on the ability of the entity's management to identify and complete a profitable acquisition. A number of factors can affect whether a SPAC will complete a successful transaction. In addition, an investment in a SPAC entails numerous additional risks, each of which could have an adverse effect on a Fund, including, without limitation, the sponsor of the SPAC being unable to complete a successful business combination, interests in the SPAC becoming subject to forfeiture or detrimental earn out provisions, limited liquidity during the life of the SPAC in the event that a client seeks to exit its investment both before and after a business combination and having limited to no voting authority and relying entirely on third party actors.

SPAC Concentration. Given that SPACs are "blank check" companies, it is uncertain which business a certain SPAC will ultimately target. Accordingly, there is a risk that the businesses that various SPACs acquire will overlap, and at times, we will hold a relatively large concentration in a limited number of SPACs representing similar industry sectors and/or geographic regions. Losses incurred in connection with those investments could have a material adverse effect on a client's overall financial condition. Additionally, there has been a growing number of SPACs entering the market seeking to acquire various business across a number of industries. Such concentration could ultimately be detrimental to the overall SPAC market, making attractive initial business combinations scarcer.

Effect of Public SPAC Shareholders. Depending on the particular SPAC, the public shareholders of such SPAC may have certain rights that may affect the ability of the SPAC to realize a successful business combination target. For example, certain public shareholders may have the ability to convert their shares for cash or exercise conversion rights with respect to a large number of the SPAC's shares, both of which may make the SPAC sponsor's financial condition unattractive to potential business combination targets. This in turn may make it difficult for the sponsor to enter into a business combination with a target. Such inability can have an adverse effect on the success of a Fund's investments.

Trust Accounts. Typically, SPAC initial public offering proceeds, less proceeds used for certain fees and expenses, are held in a trust account. Similar to an escrow arrangement when buying a house, this money is held by a third party until the transaction is consummated—in the case of a SPAC, the initial business combination—or the SPAC is liquidated for not having completed an initial business combination within a certain period of time. Although SPACs generally invest the proceeds in relatively safe, interest-bearing instruments, there is no rule requiring that the proceeds be invested only in those types of instruments. Accordingly, there is a risk of loss of such capital.

Timing Issues with Acquiring a Target. SPACs are often under time constraints to effect a successful business combination. The requirement that a SPAC complete its initial business combination within a short time period (which often ranges from a year and a half to two years after the closing of a SPAC's public offering) may give potential target businesses leverage over such a SPAC in negotiating a business combination and may limit the time such SPAC has in which to conduct due diligence on potential business combination targets as it approaches its dissolution deadline. This could undermine the SPAC's ability to complete its business combination on terms that would produce value for its shareholders. Moreover, any potential target business with which a SPAC may enter into negotiations concerning a business combination will be aware that it must complete its business combination within a certain time frame. Consequently, such target business may obtain leverage over the SPAC in negotiating a business combination, knowing that if the SPAC does not complete its business combination with that particular target business, it may be unable to complete its business combination with any target business. Such considerations and potential detriments may adversely affect a Fund's investment.

Potential Delisting of SPAC Shares. SPAC shares are listed and traded on public exchanges, such as NASDAQ or the NYSE. Any exchange may delist a SPAC's securities from trading on its exchange, which could limit investors' ability to make transactions in such securities and subject the SPAC to additional trading restrictions. Additionally, SPAC sponsors will likely be required to demonstrate compliance with the various exchange listing requirements and standards, which can be burdensome and costly. There can be no assurance a given SPAC will meet those standards, and can accordingly be delisted from an exchange.

Effect of Various Laws and Regulations. Changes in laws or regulation, or a SPAC's failure to comply with any such laws and regulations, may adversely affect its business, including its ability to negotiate and complete its business combination, and results of operations. SPACs are subject to laws and regulations enacted by national, regional and local governments. In particular, they are required to comply with certain SEC and other legal requirements. Compliance with, and monitoring of, applicable laws and regulations may be difficult, time consuming and costly. Those laws and regulations and their interpretation and application may also change from time to time and those changes could have a material adverse effect on such SPAC's business, investments and results of operations. In addition, a failure to comply with applicable laws or regulations, as interpreted and applied, could have a material adverse effect on its business, including its ability to negotiate and complete its initial business combination, and results of operations. Such legal or regulatory pitfalls could adversely affect a Fund's investment.

Acquisitions May Not be Completed. Resources could be wasted in researching acquisitions that are not completed, which could materially adversely affect subsequent attempts to locate and acquire or merge with another business. A SPAC, for its investigation of each specific target business, will engage in the negotiation, drafting and execution of relevant agreements, disclosure documents and other instruments, which will require substantial management time and attention, and substantial costs for accountants, attorneys and others. If the SPAC decides not to complete a specific initial business combination, the costs incurred up to that point for the proposed transaction likely would not be recoverable.

Furthermore, if the SPAC reaches an agreement relating to a specific target business, it may fail to complete its initial business combination for any number of reasons. Any such event will result in a loss to the SPAC of the related costs incurred, which could materially adversely affect subsequent attempts to locate and acquire or merge with another business.

Dependence on Third-Party Personnel. The ability of a SPAC to successfully effect its initial business combination and to be successful thereafter will be totally dependent upon the efforts of the SPAC's key personnel, which neither we nor any of our affiliates control. The loss of key personnel of a SPAC could negatively impact the operations and profitability of such SPAC's operations. Prior to the completion of a business combination, a SPAC's operations will be dependent upon a relatively small group of individuals and, in particular, its executive officers and directors. In the event one or any of such individuals is no longer active in the process of targeting a business combination, such SPAC's ability to acquire such target may be negatively impacted. Moreover, SPAC sponsors must assess the management of a prospective target business and, as a result, may effect its business combination with a target business whose management may not have the skills, qualifications or abilities to manage a public company. All of these third-party reliance issues can pose significant challenges to a Fund's ability to make successful returns on its investments.

PIPE Investing. We expect to make private investments in PIPEs. These are typically securities issued pursuant to Regulation D under the Securities Act to "accredited investors" such as a Fund. Generally, the issuer's common stock is publicly traded on a U.S. securities exchange or listed on the over-the-counter market. However, the securities acquired by a Fund (in the case of equity or preferred securities) or the underlying securities (in the case of warrants, options, or convertible securities) typically are unregistered and subject to re-sale restrictions, but these securities may have registration rights which generally require the issuer to register them for re-sale by a Fund following the date of issue. Certain convertible securities issued in these privately negotiated transactions, however, may provide for registration at a date several months in the future. Often, the issuers of PIPEs will have unstable, fluid, or weak financial positions. As a result, PIPE investments made by a Fund may lose some or all of their value, which could cause losses to a Fund.

PIPE strategies have historically been significantly more likely to be successful during periods of rising equity prices. In such conditions, not only is it easier to liquidate the equity acquired upon conversion of a Fund's illiquid and restricted securities, but also the equity price may increase from the date of the conversion, increasing the profit of conversion. PIPE investing also involves making capital commitments to issuers without access to traditional capital markets in situations in which the bankruptcy of the issuer could result in a total loss of the investment and thereby result in losses to a Fund. Analysis of the financial condition of each issuer is an important component of determining whether to make any such investment.

Concentration of Investments. Subject to any limitations we have adopted from time to time, a Fund is not restricted in the amount of its capital that it may commit to any issuer, security, industry sector or geographic region, and at times a Fund may hold a relatively

large concentration in a limited number of issuers, securities, industry sectors and/or geographic regions. Losses incurred in connection with those investments could have a material adverse effect on a Fund's overall financial condition. This is because the value of a Fund's investment portfolio will be more susceptible to any single occurrence affecting one or more of those issuers, securities, industry sectors or geographic regions than would be the case with a more diversified investment portfolio.

Competition for Investments. The activity of identifying, completing and realizing on attractive investments is highly competitive and involves a high degree of uncertainty. We expect to encounter competition from other entities having similar investment objectives and others pursuing the same or similar opportunities. Potential competitors include other investment partnerships and corporations, business development companies, strategic industry acquirers, sovereign wealth funds, and other financial investors investing directly or through affiliates. Additional funds with similar investment objectives can be expected to be formed in the future by other unrelated parties. Some of these competitors may have more relevant experience, greater financial and other resources and more personnel than we and the Funds. It is possible that competition for appropriate investment opportunities could increase, thus reducing the number of opportunities available to a Fund and adversely affecting the terms upon which investments can be made. A Fund will from time to time incur bid, due diligence or other costs on investments which are not consummated or are otherwise not successful. As a result, a Fund will not recover from such investments all of its costs, which would adversely affect returns. There can be no assurance that a Fund will be able to identify or consummate investments satisfying their investment criteria or that such investments will satisfy a Fund's rate of return objectives. To the extent that a Fund encounters competition for investments, returns to Fund investors are likely to decrease.

Illiquid Investments. A Fund's investments are expected to include highly illiquid securities. The market prices, if any, for such investments tend to be volatile and/or will not be readily ascertainable, and a Fund could typically be unable to sell them when they desire to do so or to realize what they perceive to be their fair value in the event of a sale. Any possible sale of restricted and illiquid securities often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than does the sale of securities eligible for trading on national securities exchanges or in the over-the-counter markets. A Fund may not be able to readily dispose of such illiquid investments and, in some cases, may be contractually prohibited from disposing of such investments for a specified period of time. Restricted securities may sell at a price lower than similar securities that are not subject to restrictions on resale. An investment in a Fund is suitable only for certain sophisticated investors who do not require immediate liquidity for their investments.

Illiquid and Long-Term Investments, Investments Longer than Term. Due to the illiquid nature of certain investments, as well as the uncertainties of the reorganization or litigation related to certain investments made by a Fund, the General Partner is unable to predict with confidence what the exit strategy will ultimately be for specific positions, or that one will definitely be available. Exit strategies which appear to be viable when an investment is initiated may be precluded by the time the investment is ready to be realized due to economic, legal, political or other factors. Although investments are expected to generate

some current income, certain private investment transaction structures typically may not provide for liquidity of a Fund's investment prior to that time.

In the case of privately negotiated transactions, a Fund generally will not be able to sell its securities or instruments publicly unless such assets have an available secondary market. In addition, in some cases, it is expected that a Fund will be prohibited by contract or other limitation from selling certain securities or instruments for a period of time (*e.g.*, due to limitations on sale arising from contractual lockups, obligations to receive consent to transfer or assign interests, or rights of first offer), and as a result may not be permitted to sell an investment at a time it might otherwise desire to do so. Further, disposition of such investments can require a lengthy time period or result in distributions in-kind to investors. Thus, the range of disposal strategies available to a Fund may be further limited.

The Funds may invest in securities which cannot be advantageously disposed of prior to the date that such Fund will be dissolved, either by expiration of a Fund's term or otherwise. Although the General Partner expects that investments will either be disposed of prior to dissolution or be suitable for in-kind distribution at dissolution, a Fund may have to sell, distribute or otherwise dispose of investments at a disadvantageous time as a result of dissolution.

Equity Securities. We will invest a significant portion of our assets in equity and equity-related securities. Equity securities fluctuate in value in response to many factors, including the activities, results of operations and financial condition of individual companies, the business market in which individual companies compete, industry market conditions, interest rates and general economic environments. In addition, events such as political instability, terrorism and natural disasters may be unforeseeable and contribute to market volatility in ways that may adversely affect a Fund's positions.

Purchasing Securities of Initial Public Offerings. We expect to purchase securities (including bonds) of companies during their initial public offerings or shortly thereafter. Special risks associated with these securities may include a limited number of shares available for trading, unseasoned trading, lack of investor knowledge of the companies and limited operating histories. These factors may contribute to substantial price volatility for the shares of these companies. The limited number of shares available for trading in some initial public offerings may make it more difficult for a Fund to buy or sell significant amounts of shares without an unfavorable impact on prevailing market prices. In addition, some companies engaged in initial public offerings are involved in relatively new industries or lines of business, which may not be widely understood by investors. Some of these companies may be undercapitalized or regarded as developmental stage companies, without revenues or operating income, or the near-term prospects of achieving them.

Small to Medium Capitalization Companies. We expect to also invest its assets in the stocks of companies with small- to medium-sized market capitalizations. While we believe these investments often provide significant potential for appreciation, these stocks, particularly smaller-capitalization stocks, involve higher risks in some respects than do investments in stocks of larger companies. For example, prices of such stocks are often more volatile than

prices of large-capitalization stocks. In addition, due to thin trading in some such stocks, an investment in these stocks may be more illiquid than that of larger capitalization stocks.

Foreign Investments; Securities of Non-U.S. Companies; European Economic Conditions.

We expect to trade, directly or indirectly, in non-U.S. securities and other instruments denominated in non-U.S. currencies and/or traded outside of the United States. Such transactions require consideration of certain risks not typically associated with investing in United States securities or property. Such risks include currency exchange risks (including blockage, devaluation and non-exchangeability), as well as a range of other potential risks which could include expropriation, imposition of exchange control regulation by the United States or foreign governments, confiscatory taxation, political or social instability, illiquidity, price volatility and market manipulation. In addition, less information may be available regarding securities of non-U.S. issuers, and non-U.S. issuers may not be subject to accounting, auditing and financial reporting standards and requirements comparable to, or as uniform as, those of U.S. issuers. Transaction costs of investing in non-U.S. securities markets are generally higher than in the United States. There is generally less government supervision and regulation of exchanges, brokers and issuers outside the United States than there is in the United States. A Fund might have greater difficulty taking appropriate legal action in non-U.S. courts. Non-U.S. markets also have different clearance and settlement procedures which, in some markets, could at times fail to keep pace with the volume of transactions, thereby creating substantial delays and settlement failures that could adversely affect a Fund's performance.

Income received by a Fund from sources within some countries may be reduced by withholding and other taxes imposed by such countries. Any such taxes paid by a Fund will reduce its net income or return from such investments. While we will take these factors into consideration in making investment decisions for a Fund, no assurance can be given that such Fund will be able to fully avoid these risks.

Further, there remains considerable uncertainty as to future developments in the European debt crisis and the impact on global financial markets. A significant deterioration of the European debt crisis could result in material reductions in the value of sovereign debt and other asset classes, disruptions in capital markets, widening of credit spreads, loss of investor confidence in the financial services industry, a slowdown in global economic activity, and other adverse developments that could negatively impact the performance of a Fund.

Event Driven Risk. Event-driven investing involves the risk that Meteora's assessment of the outcome of a proposed event (merger, reorganization, or other event) will prove incorrect and that the Funds' return on the investment will be negative. Furthermore, the expected event may be delayed or completed on terms other than those originally proposed, which result in a loss or failure to achieve a desired rate of return.

Debt Securities. Debt securities may fluctuate in value and experience periods of reduced liquidity due to, among other things, changes in interest rates, governmental intervention, general economic conditions, industry fundamentals, market sentiment and the financial condition of the issuer, including the issuer's credit rating or financial performance. During

those periods, a Fund may experience high levels of shareholder redemptions, and may have to sell securities at times when it would otherwise not do so, and at unfavorable prices. Debt securities may be difficult to value during such periods. Debt securities are subject to interest rate risk, which is the risk that when interest rates rise, the values of fixed income debt securities tend to decline. Debt securities have varying levels of sensitivity to changes in interest rates, and the values of securities with longer durations tend to be more sensitive to changes in interest rates. Debt securities are subject to the risk that if interest rates decline, issuers of debt securities may exercise redemption or call provisions. This may force a Fund to reinvest redemption or call proceeds in securities with lower yields, which may reduce Fund performance. Debt securities are also subject to credit risk, which is the risk that the issuer of an instrument may default on interest and/or principal payments due to a Fund. An increase in credit risk or a default will cause the value of a Fund's fixed and floating rate income securities to decline. Securities rated below-investment-grade (and unrated securities of comparable credit quality), commonly referred to as "high-yield" or "junk" bonds, have speculative characteristics and generally have more credit risk than higher-rated securities. Lower rated issuers are more likely to default and their securities could become worthless. Below investment-grade securities are also subject to greater price volatility than investment grade securities. In addition, investments in defaulted securities and obligations of distressed issuers, such as issuers undergoing or expected to undergo bankruptcy, may be illiquid and are considered highly speculative.

The market value of convertible debt securities will also be affected by changes in the price of the underlying equity securities. The market values of debt securities issued by companies involved in pending corporate mergers, takeovers or other corporate events, or debt securities that will be repaid in connection with a merger, takeover or other corporate event, may be determined in large part by the status of the transaction and its eventual outcome, especially if the debt securities are subject to change of control provisions that entitle the holder to be paid par value or some other specified dollar amount upon completion of a transaction or other event.

We expect to trade in fixed-income securities which are not protected by financial covenants or limitations on additional indebtedness. In addition, evaluating credit risk for foreign debt involves greater uncertainty because credit rating agencies throughout the world have different standards, making comparisons across countries difficult.

Convertible Securities. Convertible securities generally offer lower interest or dividend yields than non-convertible securities of similar quality. Because convertible securities are higher in the firm's capital structure than equity, convertible securities are generally not as risky as the equity securities of the same issuer. However, convertible securities may gain or lose value due to changes in the interest rates and other general economic conditions, industry fundamentals, market sentiment and changes in the issuer's operating results and credit ratings. If a convertible security held by a Fund is called for redemption, such Fund will be required to permit the issuer to redeem the security, convert it into the underlying stock or sell it to a third party. Any of these actions could have an adverse effect on a Fund's ability to achieve its objective.

Distressed Securities Risk. Distressed securities risk refers to the uncertainty of repayment

of defaulted securities and obligations of distressed issuers. Because the issuer of such securities is likely to be in a distressed financial condition, repayment of distressed or defaulted securities (including insolvent issuers or issuers in payment or covenant default, in workout or restructuring or in bankruptcy or insolvency proceedings) is subject to significant uncertainties. Insolvency laws and practices in foreign jurisdictions are different than those in the U.S. and the effect of these laws and practices may be less favorable and predictable than in the U.S. Investments in defaulted securities and obligations of distressed issuers are considered highly speculative.

Interest Rate Risk. Prices of debt securities and preferred stocks tend to move inversely with changes in interest rates. When interest rates fall, the market value of the respective debt securities and preferred securities usually increase. Conversely, when interest rates rise, the market value of the respective debt securities and preferred securities usually declines. As such, a change in interest rates may affect prices of the Fund's debt securities and preferred securities and, accordingly, the Funds' performance.

Leverage. We will use leverage as part of the Funds' investment program, and the amount of leverage which a Fund can have outstanding at any time can be substantial in relation to its capital. Leverage can be obtained by borrowing funds to make trades or (if used by a Fund) by purchasing or entering into derivative instruments that are inherently leveraged, such as swaps, options, futures and forward contracts.

If the interest expense on borrowings were to exceed the net return on the positions acquired with borrowed funds, a Fund's use of leverage would result in a lower rate of return than if a Fund were not leveraged. If the amount of borrowings which a Fund may have outstanding at any one time is large in relation to its capital, fluctuations in the market value of a Fund's portfolio will have a disproportionately large effect in relation to its capital and the possibilities for profit and the risk of loss will therefore be increased. Any gains made with the additional monies borrowed will generally cause the value of a Fund's assets to rise more rapidly than would otherwise be the case. Conversely, if the investment performance of the additional monies fails to cover their cost to a Fund, the value of a Fund's assets will generally decline faster than would otherwise be the case. The amount of any borrowing may also be limited by regulations imposed by the Federal Reserve Board or by the availability and cost of credit, as well as due to overall market conditions. If, due to market fluctuations or other reasons, the value of a Fund's assets should fall below required regulatory or counterparty imposed levels, a Fund will be required to reduce its debt by selling securities in its long portfolio. A Fund may also be unable to carry-out its investment program if it is not able to obtain leverage on reasonable terms.

In the case of derivative instruments, because many derivatives are "leveraged," such instruments provide significantly more market exposure than the money paid or deposited when the transaction is entered into and, thus, a relatively small adverse market movement can not only result in the loss of the entire investment, but may also expose a Fund to the possibility of a loss exceeding the original amount invested.

In addition, in transactions involving derivative instruments, counterparties and lenders will likely require a Fund to post collateral to support its obligations. Should the securities

and other assets pledged as collateral decline in value, or should brokers increase their maintenance margin requirements (*i.e.*, reduce the percentage of a position that can be financed), a Fund could be subject to a “margin call” pursuant to which it must either deposit additional funds with the broker or suffer mandatory liquidation of the pledged assets to compensate for the decline in value. In the event of a precipitous drop in the value of pledged securities, a Fund might not be able to liquidate assets quickly enough to pay off the margin debt or provide additional collateral and may suffer mandatory liquidation of positions in a declining market at relatively low prices, thereby incurring substantial losses. Furthermore, secured counterparties and lenders will generally have the right to sell, pledge, rehypothecate, assign, use or otherwise dispose of collateral posted by a Fund. This could increase exposure to the risk of a counterparty default since, under such circumstances, a Fund may be unable to recover the posted collateral promptly or may be unable to recover all of the posted collateral.

Short Sales. The Funds may engage in short selling for speculative or hedging purposes. A short sale involves the sale of a security that the Funds do not own in the expectation of purchasing the same security (or a security exchangeable therefor) at a later date at a lower price. To make delivery to the buyer, the Funds must borrow the security and a Fund is obligated to return the security to the lender, which is accomplished by a later purchase of the security by the Fund. When a Fund makes a short sale in the United States, it must leave the proceeds thereof with the broker and it must also deposit with the broker an amount of cash or U.S. government or other securities sufficient under current margin regulations to collateralize its obligation to replace the borrowed securities that have been sold. If short sales are effected on a foreign exchange, such transactions will be governed by local law. A short sale involves the risk of a theoretically unlimited increase in the market price of the security that would result in a theoretically unlimited loss to the Funds. The extent to which the Funds will engage in short sales will depend upon the Investment Manager’s investment strategy and perception of market direction and the value of individual securities. We will engage in short sales on behalf of the Funds as a hedge against potential market declines and/or based on its fundamental analysis of the subject issuers.

Call Options. The Funds may invest in call options. There are risks associated with the sale and purchase of call options. The seller (writer) of a call option which is covered (*e.g.*, the writer holds the underlying security) assumes the risk of a decline in the market price of the underlying security below the purchase price of the underlying security less the premium received, and gives up the opportunity for gain on the underlying security above the exercise price of the option. If the seller of the call option owns a call option covering an equivalent number of shares with an exercise price equal to or less than the exercise price of the call written, the position is “fully hedged” if the option owned expires at the same time or later than the option written. The seller of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security above the exercise price of the option. The buyer of a call option assumes the risk of losing its entire investment in the call option.

Put Options. The Funds may invest in put options. There are risks associated with the sale and purchase of put options. The seller (writer) of a put option which is covered (*e.g.*, the

writer has a short position in the underlying security) assumes the risk of an increase in the market price of the underlying security above the sales price (in establishing the short position) of the underlying security plus the premium received, and gives up the opportunity for gain on the underlying security below the exercise price of the option. If the seller of the put option owns a put option covering an equivalent number of shares with an exercise price equal to or greater than the exercise price of the put written, the position is “fully hedged” if the option owned expires at the same time or later than the option written. The seller of an uncovered put option assumes the risk of a decline in the market price of the underlying security below the exercise price of the option. The buyer of a put option assumes the risk of losing its entire investment in the put option.

Derivatives Generally. The Funds may invest in derivatives for speculation or hedging purposes. Derivative instruments, or “derivatives,” include options, futures, swaps, structured securities and other instruments and contracts that are derived from, or the value of which is related to, one or more underlying securities, financial benchmarks, financial assets, currencies or indices. Derivatives allow an investor to hedge or speculate upon the price movements of a particular security, financial benchmark, financial asset, currency or index at a fraction of the cost of investing in the underlying asset. The Funds may seek to acquire derivatives for these or other reasons, however, there is no assurance that derivatives that the Funds wish to acquire will be available at any particular times upon satisfactory terms or at all.

The value of a derivative is frequently difficult to determine and depends largely upon price movements in the underlying asset. Therefore, many of the risks applicable to trading the underlying asset are also applicable to derivatives of such asset. However, there are a number of other risks associated with derivatives trading. For example, because many derivatives are “leveraged,” and thus provide significantly more market exposure than the money paid or deposited when the transaction is entered into, a relatively small adverse market movement can not only result in the loss of the entire investment, but may also expose the Funds to the possibility of a loss exceeding the original amount invested. Over-the-counter (“OTC”) derivatives generally are not assignable except by agreement between the parties concerned, and no party or purchaser has any obligation to permit such assignments. The OTC market for derivatives is relatively illiquid. In the case of OTC derivatives contracts, the Funds are subject to the credit risk of the counterparty.

The Funds may take advantage of opportunities with respect to certain other derivative instruments that are not presently contemplated for use or that are currently not available, but that may be developed, to the extent such opportunities are both consistent with the investment objective of the Funds and legally permissible. Special risks may apply to instruments that are invested in by the Funds in the future that cannot be determined at this time or until such instruments are developed or invested in by the Funds.

The Dodd-Frank Act enables the U.S. Commodity Futures Trading Commission (the “CFTC”) and the SEC to enact new regulations on certain OTC derivatives. Under the Dodd-Frank Act and rules promulgated thereunder, certain OTC derivatives contracts are required to be traded on regulated trading platforms and cleared through registered clearing organizations subject to regulation by the SEC and the CFTC. Such contracts are traded

more like futures and options contracts and parties to such transactions will trade standardized contracts and will face clearing organizations as contractual counterparties, rather than facing the credit risk of counterparties under individually negotiated bilateral OTC agreements.

In addition, swap dealers and major swap participants (entities that are not swap dealers, but are subject to rules governing dealers due to their levels of activity and exposure) are subject to regulatory oversight and requirements with respect to OTC derivatives, which will include business conduct requirements, such as know-your-customer rules, increased risk disclosure and rules requiring trades to be documented and confirmed within certain timeframes. Derivative contracts, whether cleared or uncleared, will have to be reported to trade data repositories registered with the CFTC and/or the SEC.

While the CFTC has finalized the majority of its required rulemakings under the Dodd-Frank Act, there are still a number of rules that have not been finalized by the SEC. As a result, the effect that the foregoing regulatory changes will have on the price of derivative contracts, liquidity and administrative costs, among other things, remains unclear.

In addition, there is speculation that some or all of the Dodd-Frank Act may be repealed and/or changed. Depending upon such changes, there may be significant differences in the future with respect to the risks associated with derivatives trading. The impact of any such changes is currently unknown, and neither we, our affiliates nor the Funds undertake to update investors upon such changes or upon finalization of any CFTC or SEC regulations promulgated under the Dodd-Frank Act.

Currency Hedging. The Funds may invest in securities and other instruments denominated or quoted in currencies other than the U.S. Dollar. In connection therewith, we may hedge against the resulting currency exposure wherever economically prudent. However, changes in currency exchange rates will affect the value of the Funds' portfolio and the unrealized appreciation or depreciation of investments. Additionally, such hedging transactions may include a credit component pursuant to which the Funds may be required to grant to its hedging counterparty a security interest in certain of its assets. Accordingly, in such a case, if a Fund defaults with respect to a currency hedging transaction, then the hedging counterparty could lay claim to an interest in such assets.

Exchange Traded Funds ("ETFs"). The Funds may trade in ETFs for hedging purposes. ETFs are generally structured to invest in all or a representative sample of the securities that generally replicate the price and yield performance of an underlying market index or sector such as a broad stock market, industry sector, domestic or international equity or fixed income, or U.S. or foreign government bond. ETF shares are traded on stock exchanges and markets at open market prices that generally track the net asset value per share of the ETF. Direct issuances and redemption of ETF shares at the ETF's net asset value per share only occur in large blocks (or creation units) transacted between the ETF and authorized institutional purchasers on an in-kind basis. An exchange traded sector fund may be adversely affected by the performance of that specific sector or group of industries on which it is based. International investments may involve risk of capital loss from unfavorable fluctuations in currency values, differences in generally accepted accounting

principles, or economic and/or political instability in other nations and/or other factors. Although index-based ETFs are designed to provide investment results that generally correspond to the price and yield performance of their respective underlying indices, ETFs may not be able to replicate exactly the performance of the indices because of their expenses and other factors. ETF shares may trade at either a discount or premium to their underlying net asset value. The purchase or sale of ETF shares on the secondary market involves the payment of brokerage commissions, and the purchase and redemption of creation units involves other transaction costs and brokerage commissions. Investors in ETFs also directly bear the ETF's costs associated with its payment of investment management fees and fees for administrative, custodial or other services and thus the limited partners will indirectly incur an additional layer of fees and expenses.

Forward Trading. We may engage in forward trading on behalf of the Funds, typically for hedging purposes. Forward contracts (including certain forward exchange contracts) and options thereon, unlike futures contracts, are not traded on exchanges and are not standardized; rather banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Such forward trading is largely unregulated and currently daily price movements are not limited and speculative position limits are not applicable. The principals who deal in such forward markets are not required to continue to make markets in the currencies or commodities they trade and these markets can experience periods of illiquidity, sometimes of significant duration, which could result in substantial losses to the Funds.

Loans of Securities; Pledge of Assets. Pursuant to master securities lending agreements or similar agreements, the Funds may lend securities from its portfolio to brokers, dealers and financial institutions and receive collateral in the form of cash and securities in an amount equal to or greater than the current market value of the loaned securities, including any accrued interest or dividend receivable. During the term of such loan, the Funds will not retain all incidents of beneficial ownership as to the loaned portfolio securities, including voting rights. It will, however, generally retain the rights to interest or other distributions, and will have the right to regain record ownership of the loaned securities to exercise such beneficial rights. Such loans will be terminable at any time upon sufficient notice to the other party.

It should be noted that, pursuant to the Funds' account agreements with prime brokers, the prime brokers may, under certain circumstances, lend Fund securities to third parties without notice to the Funds and without providing any collateral to the partnership. If a prime broker makes such loans of securities from the partnership's account, the partnership may not be able to vote such securities. In addition, if a prime broker were to become insolvent in the United States, the Funds would not have a claim against any specific assets of such prime broker, but would have a claim against the pool of assets held for the benefit of such prime broker's customers. Jurisdictions outside of the United States may not provide any similar rights to the Funds.

Hedging Transactions. We expect to utilize financial instruments for investment, hedging and risk management purposes, particularly in order (i) to protect against possible changes in the market value of a Fund's portfolio resulting from fluctuations in the securities

markets and changes in interest rates; (ii) to protect a Fund's unrealized gains in the value of a Fund's portfolio; (iii) to facilitate the sale of any such investments; (iv) to enhance or preserve returns, spreads or gains on any investment in a Fund's portfolio; (v) to hedge the interest rate or currency exchange rate on any of a Fund's liabilities or assets; (vi) to protect against any increase in the price of any securities a Fund anticipates purchasing at a later date; or (vii) for any other reason that we deem appropriate.

The success of a Fund's hedging strategy (if any) will depend, in part, upon our ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the portfolio investments being hedged. Since the characteristics of many securities change as markets change or time passes, the success of a Fund's hedging strategy will also be subject to our ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. While we may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for a Fund than if it had not engaged in such hedging transactions. For a variety of reasons, we may not seek to establish a perfect correlation between the hedging instruments utilized and the portfolio holdings being hedged. Such an imperfect correlation may prevent a Fund from achieving the intended hedge or expose a Fund to risk of loss. We may also not hedge against a particular risk because we do not regard the probability of the risk occurring to be sufficiently high as to justify the cost of the hedge, or because we do not foresee the occurrence of the risk. The successful utilization of hedging and risk management transactions requires skills complementary to those needed in the selection of a Fund's portfolio holdings.

Changes in Investment Strategy. We have considerable discretion in choosing the securities that may be acquired and have the right to modify the investment strategy, selection criteria, or hedging techniques used by a client without the consent of the client, unless provided otherwise in our written agreement with such client. Any of these new investment techniques may not be thoroughly tested in the market before being employed and may have operational or theoretical shortcomings, which could result in unsuccessful investments and, ultimately, losses to clients. In addition, any new investment strategy or hedging technique developed may be more speculative than earlier techniques and may increase the risk of loss by clients.

Changes and Uncertainty in U.S. and International Regulation. Clients may be adversely affected by uncertainties such as international and domestic political developments, changes in government policies, taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of the countries to which a client's assets are exposed through their investments or investor base. During this period of uncertainty, market participants may react quickly to unconfirmed reports or information and as a result there may be increased market volatility. This unpredictability could cause the Adviser to alter investment and trading plans, including the holding period of positions and the nature of instruments used to achieve a client's investment objectives.

In the United States, the Adviser and its clients may be adversely affected as a result of new or revised legislation or regulations imposed by the SEC, the Financial Stability

Oversight Council, and other U.S. governmental regulatory authorities or self-regulatory organizations that supervise the financial markets. In addition, the securities and futures markets are subject to comprehensive statutes and regulations, including margin requirements. Regulators and self-regulatory organizations and exchanges are authorized to take extraordinary actions in the event of market emergencies. The Dodd-Frank Act and the rules promulgated thereunder could result in a client and the Adviser becoming subject to additional regulatory compliance burdens and trade reporting, which may add significant costs to a client. The Dodd-Frank Act endows the SEC, the CFTC, and other regulators with discretionary authority to write and interpret new rules. The ultimate impact of the Dodd-Frank Act on a client and the Adviser is unclear and will depend in large part on the regulations that the CFTC and SEC promulgate, as well as any legislative changes that may be made. There is speculation that some of the provisions of the Dodd-Frank Act and rules and regulations promulgated thereunder may be revised, repealed or amended. The impact of any such changes is unknown.

Systems Risk. Clients depend on the Adviser to develop and implement appropriate systems for their activities. The Adviser relies heavily on computer programs and systems (and may rely on new systems and technology in the future) for various purposes in connection with its activities on behalf of its investors, including, without limitation, to trade, clear and settle transactions, to evaluate certain financial instruments, to monitor its portfolio and net capital, and to generate risk management and other reports that are critical to oversight of such investors' activities. Certain of the Adviser's or the clients' activities will be dependent upon systems operated by third-party service providers, and the Adviser may not be in a position to verify the risks or reliability of such third-party systems. The failure, corruption or breach of one or more systems (including as a result of the occurrence of a disaster such as a cyberattack, a natural catastrophe, an industrial accident, a terrorist attack or war, events unanticipated in the Adviser's disaster recovery systems, or a support failure from external providers) or the inability of such systems to satisfy investor's needs may have a material adverse effect on the Adviser's ability to conduct business and thus, the clients, particularly if those events affect the Adviser's computer-based data processing, transmission, storage and retrieval systems or destroy the Adviser's data. If a significant number of the Adviser's personnel were to be unavailable in the event of a disaster, the Adviser's ability to effectively conduct the client's business could be severely compromised.

Operational and Information Security Risk from Cyberattacks; Cyber-Fraud Disaster Recovery. The clients and their service providers may be subject to operational and information security risks resulting from cyberattacks. Cyberattacks include, among other behaviors, stealing or corrupting data maintained online or digitally, denial of service attacks on websites, the unauthorized release of confidential information or various other forms of cybersecurity breaches. Cyberattacks affecting the clients, the General Partner, the Adviser, the clients' administrator, the clients' prime brokers, custodians and other third-party service providers may adversely impact the clients. For instance, cyberattacks may interfere with the processing of investor transactions, impact the ability to calculate the clients' net asset values, cause the release of private investor information or other confidential information, impede trading, subject the client and its service providers to regulatory fines or financial losses and cause reputational damage. Similar types of

cybersecurity risks are also present for other market participants, which may have material adverse consequences for the client, and may cause the client's investments to lose value. The client may also be the targets of cyber-fraud that could result in the theft of assets from the client, especially as computer malware, viruses and computer hacking, fraudulent use attempts and phishing and spoofing attacks have become more prevalent. In the hedge fund and other private fund industry, these attacks have included third-party actors submitting fraudulent withdrawal and transfer requests, resulting in the theft of the rightful investor's assets. The client and its service providers may incur additional costs relating to cybersecurity preparations, and such preparations, though taken in good faith, may be inadequate. Cyberattacks are viewed as an emerging risk and the scope of the risk and related mitigation techniques are not yet fully understood and are subject to continuing change.

While the Adviser has put in place certain safeguards in case of disruption of information technology, including transmission failures, there can be no guarantee that such measures will be effective against all situations or will be implemented in time and each of the clients may be adversely affected thereby.

Coronavirus and Global Health Events. Epidemics, pandemics and other widespread public health problems could adversely affect a client's performance. For example, in late 2019, a novel virus started causing a disease ("COVID-19") with severe acute respiratory syndromes in humans, at times with serious health complications that sometimes result in death. What began as a local outbreak in Wuhan, China, spread globally over the course of weeks, stressing advanced healthcare systems of Western countries and resulting in financial disruptions of an extent that remains unclear. On March 11, 2020, the World Health Organization assessed that the outbreak can be characterized as a pandemic. Many countries have been imposing increasingly stringent restrictions on travel and strict measures of social distancing.

As the final impact on global markets from COVID-19, or future epidemics, pandemics or other health crisis, is impossible to predict, the extent to which any such crisis may negatively affect a client's performance or the duration of any potential business disruption is uncertain. Precautions or restrictions imposed by governmental authorities and public health departments related to this pandemic have resulted in and are expected to continue to result in indeterminate periods of decreased economic activity throughout the United States and globally, including reduced or ceased business operations, decline in international trade and shortages of supplies, goods and services. An outbreak such as COVID-19, and the reactions to such an outbreak have caused and are expected to continue to cause uncertainty in the markets and businesses and have adversely affected and are expected to continue to adversely affect the performance of the U.S. and global economy, including due to market volatility, market and business uncertainty and closures, supply chain and travel interruptions, the need for employees to work at external locations and extensive medical absences among the workforce. As a reaction to such an outbreak, governmental fiscal and economic measures have led, and will likely continue to lead to an increase in spending and other forms of financial stimuli, and it is difficult to predict what effect such measures will have on the United States and the global economy. Although vaccines for COVID-19 have started to be distributed, it is impossible to predict

when or whether the disruptions caused by the COVID-19 pandemic will end.

The impact that pandemics and other public health events have on the performance of the clients in particular is uncertain, and it will depend to a large extent on future developments and new information that may emerge regarding the duration and severity of the coronavirus or other health crisis, and the actions taken by authorities and other entities to contain such crisis or treat its impact, particularly in the United States, all of which are beyond our control.

Business Continuity. Various force majeure events, including acts of God, natural disasters like fire, flood or earthquakes, wars, terrorist acts, outbreaks of infectious disease, epidemics, pandemics or other serious public health concerns, cyber-attacks, technology and/or power failures, labor strikes, or geopolitical or other extraordinary, or other unforeseen circumstances or events, may materially disrupt our business and operations, or the business and operations of any counterparty or service provider to the Adviser or a client, and a client may be adversely affected thereby. For example, if a significant number of our personnel were to be unavailable in a force majeure event (such as war, terror attack or an outbreak of infectious disease), our ability to effectively conduct a client's business could be severely compromised. In addition, the cost to a client, the Adviser or our affiliates of repairing or replacing damaged assets or systems resulting from such force majeure event could be considerable. While we have adopted certain policies and procedures designed to restore and/or continue our business and operations in such situations, there is no guarantee that such policies and procedures will be effective in any of such situations or will be implemented in time, and a client may be adversely affected thereby.

Market Disruption Events and Geopolitical Risks. We expect to trade in different markets and different kinds of instrument types. It is possible that as a result of war, terrorist act, natural disaster, outbreak of infectious disease, epidemic, pandemic or other serious public health concern, or geopolitical or other extraordinary or unforeseen circumstance or event (a "Market Disruption Event"), one or more of these markets may cease operating for a limited or indeterminable period of time. In that event, it may be difficult for a client to value the positions that trade in the affected markets, and a client may be exposed to significant movements in the perceived value of instruments without having the ability to trade those instruments.

Additionally, Market Disruption Events may have a substantial effect on economies and securities markets in the United States or worldwide, and could materially adversely affect individual issuers or related groups of issuers, securities markets, interest rates, credit ratings, inflation, investor sentiment, and other factors affecting the value of a client's investments. Market Disruption Events could also affect the principal prime brokers and custodians that carry and clear a client's trades and positions. The inability of key marketplace intermediaries to function could have an adverse impact upon liquidity as well as the ability of a client to trade positions. Market Disruption Events could also have a direct physical impact upon a client's and/or the Adviser's operations, including the destruction of their facilities and/or incapacity or loss of life to key personnel.

While we have taken steps intended to mitigate the adverse consequences that could arise

from the occurrence of a Market Disruption Event, the inability to predict the timing, location, source and severity of such event or events make it difficult to provide assurances that a client would not suffer material adverse consequences should a Market Disruption Event occur.

Item 9 - Disciplinary Information

There have been no legal or disciplinary events that would be material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Item 10 - Other Financial Industry Activities and Affiliations

As described above in Item 4, the Adviser is now owned by Vikas Mittal.

Vikas Mittal was previously a Member of Glazer Capital, LLC. Vikas Mittal continues to be compensated for such legacy role through a share in asset-based and in performance-based compensation paid by GCM clients.

We and our affiliates are subject, and each of us and our clients are exposed, to a number of actual and potential conflicts of interest. Any such conflict of interest could have a material adverse effect on our clients (and on investors in the Funds). However, the existence of an actual or potential conflict of interest does not mean that it will be acted upon to the detriment of any client. When a conflict of interest arises, we will endeavor to ensure that the conflict is resolved fairly and in an equitable manner that is consistent with our fiduciary duties to the relevant client(s). We have in place policies and procedures that we believe are reasonably designed to identify and resolve actual and potential conflicts of interest. However, there can be no assurance that these policies and procedures will be successful in identifying or mitigating all actual or potential conflicts of interest.

Our management of clients may result in conflicts of interests when we and our related persons allocate time and investment opportunities among Meteora Clients. In addition, terms regarding fees and performance-based compensation may differ among our clients. This may result in a conflict of interest when we allocate opportunities among our clients because we have an incentive to favor clients that have higher fee and/or performance-based compensation arrangements as well as clients in which we or our related persons have invested. To avoid such conflicts of interest we generally follow documented procedures in allocating opportunities among such accounts, which do not take into account the fees or performance-based compensation to which such clients are subject or the investment in such clients by us or our related persons.

The Adviser, the General Partner, and their principals and affiliates expect to determine, at times and in their sole discretion, to participate in investments with persons not affiliated with our clients. In addition, we may offer to certain clients (such as co-investment vehicles that we may launch), or to any third party, the opportunity to co-invest in opportunities in which a client has invested or that becomes available to a client. We may offer such opportunities to investors that we select in our sole discretion without notice to or the consent of any other client or investor. The economic and other terms of any co-investment will be determined by us in our discretion on a case-by-case basis, and we may receive fees

and/or allocations from co-investors, which may differ among co-investors and also may differ from the fees and/or allocations borne by our clients (or investors in the Funds).

Certain advisors and other service providers, or their affiliates, to our clients may also provide services to, or have business, personal, familial, political, financial or other relationships with, us or our affiliates. For example, there are certain experienced SPAC investors/industry professionals who have expressed an interest in collaborating with the Adviser in various capacities on potential future SPAC investments that our clients may make or on other business opportunities related or unrelated to our clients. These individuals are part of the Adviser's network of resources who have expressed interest in the Adviser calling upon them in certain business situations. They are not past, current or future partners, officers or employees, and not necessarily contractors, of the Adviser or any of its affiliates and do not make investment decisions for, or endorsed the launch of, our clients. Any such advisors and service providers may be our clients or investors in the Funds, sources of investment opportunities for us or our clients, or co-investors with or counterparties to transactions involving the foregoing. These relationships may influence us in deciding whether to select or recommend any such advisor or service provider to perform services for our clients (the cost of which will generally be borne directly or indirectly by such clients). Notwithstanding the foregoing, we will generally seek to engage advisors and service providers for our clients on the basis of, without limitation, the overall quality of advice and other services provided.

In addition, we have a conflict of interest where a service provider (*e.g.*, legal counsel or accountants) provides services directly to us or one of our affiliates, and separately provides services to one or more clients, in that we or our affiliates may potentially obtain services at a lower cost (or obtain other terms that are more beneficial) than we or our affiliates otherwise could have as a result of the service provider's work performed on behalf of, and the compensation paid to the service provider by, such clients. In particular, unless inconsistent with our applicable written client agreement, costs associated with services rendered to the benefit of a client may be borne by such client. We and our affiliates may use some of the same service providers as are retained on behalf of one or more clients and, in some cases, fee rates, amounts or discounts may be offered to us and our affiliates by a third-party service provider which differ from those offered to a client as a result of scheduled or ad hoc rate changes, differences in the scope, type or nature of the service or transaction, alternative fee arrangements and negotiation.

Officers, members, partners, affiliates and employees of the Adviser and its affiliates made and are expected make personal investments in certain issuers or serve as directors or officers of certain issuers in which a client invests and, in those capacities, may be required to make decisions that they consider to be in the best interests of their investments or such companies. In certain circumstances, for example, in situations involving the bankruptcy or near-insolvency of a company, actions that may be in the best interest of the issuer or in connection with a personal investment may not be in the best interest of a client, or actions that may be ultimately found to be in the best interest of a client may not be in the best interest of the issuer or in connection with a personal investment. In these situations, there may be conflicts between an individual's duties as an officer, affiliate or employee of the Adviser or its affiliates and such individual's personal investments or duties as a director

or officer of the issuer. To avoid conflicts, including those described above, personal investment transactions and outside directorships by partners, members, officers and employees of the Adviser and its advisory affiliates are subject to the Adviser's written policies and procedures and its Code of Ethics (as defined below in Item 11), which are designed to, among other things, mitigate conflicts of interest and to detect and prevent misuse of material non-public information. In addition to certain trading restrictions, the personal investment transactions of the Adviser's employees are monitored and in some cases pre-cleared, to the extent required by the Code of Ethics.

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

We have adopted a Code of Ethics (the "Code of Ethics") which provides that we are committed to conducting our business in accordance with all applicable laws and regulations and in an ethical and professional manner. In addition, we recognize that we have a fiduciary duty to our clients, and that we must conduct our business in a manner that enables us to fulfill this fiduciary duty. In this regard, we have developed policies and procedures in our Code of Ethics that are premised on fundamental principles of openness, integrity, honesty and trust. In addition, among other things, our Code of Ethics governs all personal investment transactions by our employees, our policies with respect to gifts and entertainment, compliance with applicable federal securities laws, the manner in which violations of our Code of Ethics are to be reported, and certain other outside activities of our employees. We will provide a copy of our Code of Ethics to any client or prospective client upon request.

Under our Code of Ethics, we place certain restrictions on the personal trading activities of our employees and their immediate family members. For example, our employees will, at times, participate in initial public offerings and limited offerings, such as hedge funds, private equity funds or other types of private offerings, subject to pre-clearance procedures. In addition, it is possible that our employees will invest in the same securities (or related securities, such as warrants, options or futures) that we recommend to clients. As a result of differing trading and investment strategies or constraints, positions taken by our employees can be the same as or different from, or made contemporaneously or at different times than, positions taken for our clients. As these situations involve potential conflicts of interest, our Code of Ethics is intended to identify and prevent actual conflicts of interest with clients and to resolve such conflicts appropriately if they do occur. For example, our employees are required to disclose both their personal securities holdings on an initial and at least an annual basis and securities transactions at least on a quarterly basis, which requirements are designed to address potential conflicts of interest that might interfere or appear to interfere with making decisions in the best interest of our clients.

Therefore, the Adviser requires its employees to report personal securities transactions and holdings on a quarterly basis. However, in lieu of quarterly reporting the Adviser will accept monthly statements from its employees. Most types of transactions are only permitted on a pre-clearance basis. Any pre-clearance received will be effective for a designated amount of time. Proof of review will be documented per the Adviser's internal procedures. All records will remain confidential and will be maintained for five years.

Subject to applicable law, we can effect transactions between clients (generally for rebalancing purposes and to correct misallocations of trades) where one client will purchase securities from another client (including a private investment fund or account in which we, our affiliates, principals or employees may have a significant interest). Such transactions (*i.e.*, cross trades) will be effected only when we believe that such transactions are in the best interest of the applicable clients. Such transactions will be placed through an unaffiliated broker-dealer or custodian, will not involve any accounts subject to ERISA, and will be effected for cash consideration, at prices that reflect prevailing market conditions. In addition, no brokerage commission or transfer fee will be paid to us or our affiliates in connection with any such transaction. Any transaction costs incurred in connection with any such transaction will be shared *pro rata* between the applicable clients.

In the event that we effect a cross trade between an account (such as Meteora Capital Partners, LP) in which we or our principal owns more than twenty five percent (25%) and another client account, such transaction may be deemed to be a principal transaction under the Advisers Act. Such transactions would create a conflict of interest for us because we may put our or our principal's interests in such accounts before the interests of our client in the other account. We will not affect any cross trades between accounts if we believe that such trade would result in a principal transaction, unless:

- 1) We believe that such transaction is in the best interest of the clients participating in the transaction; and
- 2) We obtain the consent of the applicable clients to the extent required under the Advisers Act.

We will buy or sell securities for one client at the same time that we or our related persons buy or sell the same security for one or more other clients. This will typically happen when more than one client is capable of purchasing or selling a particular security based on investment objectives, available cash and other factors. This may create a conflict of interest if one account may benefit from making the trade before or after the other account. We will generally seek to aggregate trades, as described below in Item 12 under "Aggregation of Orders," to avoid any such conflict of interest.

The Adviser manages an employee fund that is able to make investments outside of the mandate of the Funds it advises. This fund has not invested in securities that overlap with the Funds managed by the Adviser. These investments include direct investments into SPAC sponsors, making loans to SPAC sponsors and assisting SPAC sponsors in completing business combinations. While the Funds may invest in the public securities of these sponsors, any investment decisions will be made on behalf of the Funds prior to the employee fund. While the Adviser does not believe that this arrangement creates conflicts of interests with the Funds, any potential or perceived conflicts are brought to the attention of the Chief Compliance Officer.

Item 12 - Brokerage Practices

Brokerage Execution; Selection of Brokers

The Adviser has full discretionary authority to manage clients' accounts, including authority to make decisions with respect to which securities are bought and sold, the amount and price of those securities, the brokers or dealers to be used for a particular transaction, and commissions or markups and markdowns paid. The Adviser's authority is limited by its own internal policies and procedures and each client's investment guidelines. The Adviser seeks to obtain "best execution" for client transactions. The Adviser has designated certain employees (the "Best Execution Committee") to review the quality of executions and the value of other services received from brokers. The Best Execution Committee will assess the brokerage relationships and commissions paid per the standards as described below.

The Adviser seeks to obtain the best combination of brokerage expenses and execution quality, but is not required to select the broker or dealer that charges the lowest transaction cost, even if that broker provides execution quality comparable to other brokers or dealers. In evaluating "execution quality," historical net prices (after markups, markdowns or other transaction-related compensation) on other transactions may be a principal factor, but other factors may also be relevant, including: the execution, clearance, and settlement and error correction capabilities of the broker or dealer generally and in connection with securities of the type and in the amounts to be bought or sold; the broker's or dealer's willingness to commit capital; reliability and financial stability; the size of the transaction; availability of securities to borrow for short sales; and the market for the security.

Brokers sometimes suggest a level of business they would like to receive in return for the various services they provide. We have not committed to provide any level of brokerage business to any broker to date, and actual brokerage business received by any broker may be less than the suggested allocations, but can (and often does) exceed the suggestions, because total brokerage is allocated on the basis of all the considerations described above.

We have adopted policies and procedures intended to seek best execution on an ongoing basis for securities transactions, based upon the aforementioned factors. We periodically evaluate the execution performance of the broker-dealers we use to execute client transactions. We also evaluate, and seek to resolve, any conflicts of interest that we may have in selecting brokers to execute client transactions.

In the event that we direct client transactions to a particular broker-dealer in return for soft dollar benefits, we will generally follow the same practices described above when selecting such broker-dealer.

Research and Other Soft Dollar Benefits

Soft dollar arrangements arise when an investment adviser obtains products and services, other than securities execution, from a broker in return for directing client securities transactions to the broker. Soft dollar arrangements pose a conflict of interest for us in that such arrangements allow us to pay with client commissions expenses that would otherwise

be borne by us. In the event that we use client brokerage commissions (or markups or markdowns) to obtain research or other products or services, we would receive a benefit because we do not have to produce or pay for the research, products or services. We believe that this conflict is mitigated because our clients will generally pay for research as a “hard dollar” expense pursuant to their respective investment management agreements. We may have an incentive to select a broker based on our interest in receiving the research or other products or services offered by such broker, rather than on our clients’ interests in receiving most favorable execution.

We currently do not have any soft dollar arrangements in place that would commit our clients to any implied or explicit level of trading but expect to in the future. However, we execute securities transactions on behalf of client accounts with broker-dealers that provide us with access to proprietary research reports (such as standard investment research and credit reports). To our knowledge, these services are generally made available to all institutional investors doing business with such broker-dealers. These bundled services are made available to us on an unsolicited basis and without regard to the rates of commissions charged or paid by client accounts or the volume of business that we direct to such broker-dealers.

In the event that we engage in soft dollar transactions, we intend to comply with the safe harbor requirements of Section 28(e) of the Securities Exchange Act of 1934, as amended. Under this provision, in exercising our discretionary authority to select or arrange for the selection of brokers for execution of transactions for our clients, and, subject to our duty to obtain best execution, we may consider the value of research and brokerage products and services (collectively, “Research”) provided by such brokers. Accordingly, if we determine in good faith that the amount of commissions charged by a broker is reasonable in relation to the value of the brokerage and products or services provided by such broker, our clients may pay commissions to such broker in an amount greater than the amount another broker might charge.

Research that we acquire from brokers may include, among other things, proprietary research, which may be written or oral. Research products that we acquire from brokers may include, among other things, databases and quotation services, and Research services may include, among other things, research concerning market, economic and financial data, a particular aspect of economics or on the economy in general, statistical information, pricing data and availability of securities, financial publications, electronic market quotations, performance measurement services, analyses concerning specific securities, companies, industries or sectors, market, economic and financial studies and forecasts, appraisal services, and invitations to attend conferences or meetings with management or industry consultants. We may in the future acquire other Research with client brokerage commissions in accordance with our policies and procedures.

Research provided by brokers may be used to service all client accounts and not exclusively in connection with the management of the client account that generated the particular soft dollar benefit.

Where a product or service obtained with client commission dollars provides both research and non-research assistance to us, we will make a reasonable allocation of the cost which may be paid for with client commission dollars.

Our prime broker(s) generally provide us with certain front and back office services, such as trading, securities lending, clearing, reporting, and settlement for equities, fixed income, foreign currency and options, capital introduction and talent recruiting, among other services. From time to time, we expect to utilize one or more of the services that are offered to us. Subject to applicable law, our prime brokers may also provide us with capital introduction services. Our clients will pay fees to the prime brokers in accordance with the fee schedules negotiated with such prime brokers.

Each fiscal year, we take into account the quality, comprehensiveness and frequency of available research services and products considered to be of value provided by brokers when directing client transactions to a particular broker. We direct transactions to such brokers consistent with best execution. Brokers sometimes suggest a level of business they would like to receive in return for the research services and products they provide; however, we have not committed to provide any level of brokerage business to any broker. Our Best Execution Committee also evaluates, generally on a quarterly basis, the execution performance of the broker-dealers we use to execute client transactions and resolves any conflicts of interest that we may have had in selecting brokers to execute client transactions.

Brokerage for Client Referrals

Subject to applicable law, we may direct some client brokerage business to brokers who refer prospective investors to the private investment funds we manage, consistent with best execution. Because such referrals, if any, are likely to benefit us but will provide an insignificant (if any) benefit to our clients, we have a conflict of interest with our clients when allocating client brokerage business to a broker who has referred investors to us. To prevent client brokerage commissions from being used to pay investor referral fees, we will not allocate client brokerage business to a referring broker unless we determine in good faith that the commissions payable to such broker are not materially higher than those available from non-referring brokers offering services of substantially equal value to the client account.

Trade Errors

Subject to applicable law and the terms of our written agreements with clients, our clients will (i) be responsible for any losses resulting from trading errors and similar human errors, absent our willful misconduct or gross negligence, which, for the avoidance of doubt, will not include errors in judgment or mistakes made in good faith, in the performance of our obligations and duties (or those of our affiliates or personnel) in respect of our clients, and (ii) receive the gain from such trading errors, as the case may be.

We face a potential conflict of interest because, should a trade error occur, generally we (and not an independent third party) would be the party that determines whether such trade error resulted from our willful misconduct or gross negligence. However, notwithstanding

this potential conflict of interest, in all cases, we would make such determination in good faith.

We may correct misallocations of trades among client accounts by re-allocating the applicable trade using the intended allocation methodology prior to the trade's settlement date. If an erroneous allocation cannot be corrected prior to or after settlement, we may, if appropriate and subject to applicable law, correct such erroneous allocation by effecting a cross trade between client accounts at the price at which the initial trade was effected.

Aggregation of Orders

We will generally aggregate client trades, subject to best execution. Aggregation, or "bunching," describes a procedure whereby an investment adviser combines the orders of two or more clients into a single order for the purpose of obtaining better prices and lower execution costs. Aggregation opportunities for us generally arise when more than one client is capable of purchasing or selling a particular security based on investment objectives, available cash and other factors.

If investments on behalf of multiple clients are made, the amount sought for each client is determined by the portfolio manager prior to entry of the order for the security expected, taking into consideration the following factors, among others:

- Investment objectives and requirements;
- Risk-management requirements;
- Adherence to any limits as defined in the client's investment guidelines;
- Amount of assets in each client's account;
- Capital availability in each managed account for trades of the type under consideration;
- Liquidity/availability of securities (typically there is sufficient liquidity and depth in the market); and/or
- Ability to settle the transaction.

When an aggregated order is filled through multiple trades at different prices on the same day, each participating Meteora Client will receive the average price, with transaction costs generally allocated *pro rata* based on the size of each Meteora Client's participation in the order (or allocation in the event of a partial fill), as determined by the Adviser. In the event of a partial fill, allocations may be modified on a basis that the Adviser deems to be appropriate, including, for example, in order to avoid odd lots or *de minimis* allocations.

Clients may pay more to the extent that we do not, or are unable to, aggregate trades, as seeking to place separate, non-simultaneous transactions in the same security for multiple clients may negatively affect market price, transaction commissions and/or trade execution. A client's nonparticipation in bunched trades may result in lost opportunities to purchase securities for such client's account that other clients participating in bunched trades were able to purchase.

Third Party Trading

We may use a third-party trader to execute certain trades. The third-party trader is a registered broker-dealer and is capable (depending on our instructions and/or the exercise of its own discretion) of directly executing trades for our clients or instructing another broker to do so on its behalf. When using a third-party trader, we may select a specific broker that the third party-trader must use to execute the trade in question. Our decision to instruct the third-party trader to use a specific broker (or otherwise) is subject to the broker selection criteria described above.

Our brokerage practices, including our ability to receive soft dollar benefits or to enter into soft dollar arrangements or similar arrangements, as described above, may differ for certain clients based on the client's applicable written agreement with us.

Item 13 - Review of Accounts

Client accounts are typically reviewed internally on a daily basis from an accounting / control perspective and at least weekly from a portfolio management perspective (i.e., for conformity to the objectives and risk criteria applicable to such accounts, and compliance with any applicable investment guidelines and restrictions).

Investors in the Funds generally will receive a monthly account statement and audited financial statements on an annual basis. We also typically distribute tax reports to investors in the Funds.

We have entered, and expect in the future to enter, into agreements ("side letters") with one or more Fund investors that result in investment terms that differ from the terms applicable to other investors in such Fund, including, without limitation, with respect to fees, performance-based fees or allocations, and/or withdrawal terms. In addition, pursuant to side letters, we provide particular investors with more frequent and/or more detailed information regarding a Fund's positions, performance, finances, and management and/or other information about such Fund or us (including, notification of senior employee departures, the commencement of disciplinary actions, legal proceedings, investigations or similar matters, or redemptions from the Funds by us, our affiliates and/or our respective personnel), possibly enabling such investors to better assess the prospects and performance of the Funds. As a result of such side letters, certain investors do receive additional rights and/or information that other investors will not necessarily receive. Subject to applicable law and contractual arrangements, we do not intend to disclose the terms of side letter agreements or other arrangements and do not intend to disclose the identities of the investors that have entered into such agreements with any Funds or us. We will not be required to offer such additional or different rights and terms to any or all other investors.

We may provide certain additional information to any investor, or prospective investor, in a Fund (or to any of our clients or prospective clients) who requests such information. This information may be provided in response to questions and requests and in connection with due diligence meetings and other communications, but will not be distributed to other investors and prospective investors (or other clients or prospective clients) who do not

request such information. Such information may affect a prospective investor's (or prospective client's) decision to invest, and investors and clients (which may include our personnel, affiliates and/or related persons) who receive such additional information may be able to act on such additional information and redeem their investments potentially at higher values than other investors (or clients). Each investor and client is responsible for asking such questions that it believes are necessary in order to make its own investment decisions and must decide for itself whether the limited information provided by us is sufficient for its needs.

Generally once a quarter, the Adviser sends a letter to Fund investors containing an unaudited prior quarter return and a description of the activity in the prior quarter, which led to the results. Additionally, the letter generally includes any current news that may be of interest to or applicable to the investor.

Any managed account (if any) may have access to view their reports on a daily basis from the prime brokers and may be sent a weekly or other periodic email update on the applicable Fund's month- or quarter-to-date performance. Any managed account will generally have its own administrator that calculates the official valuations.

The Adviser can and has accommodated requests by investors for reports pertaining to their account containing information not specified above. If requested by the investor, an update call with the Adviser's management may be arranged. The Adviser typically sends out a quarterly email to the investors in each Fund discussing the performance of the applicable Fund for the past month.

We may provide clients with reports in such forms and at such times as such clients and we may agree.

The custodians of any separately managed accounts that we manage may send account statements to the owners of such accounts. In general, since a separately managed account client would directly own the positions in its account, such client may have full, real-time transparency as to all transactions and holdings in such account, and may be better able to assess the future prospects of a portfolio that is substantially similar to the portfolios of the private investment funds managed by us. Separately managed account clients may have the right to withdraw all or a portion of their capital from such accounts on shorter notice and/or with more frequency than the terms applicable to an investment in the private investment funds that we manage.

Item 14 - Client Referrals and Other Compensation

Other than the circumstances described above in Item 10 and 12, we do not receive any economic benefits from non-clients in connection with the provision of investment advice or other advisory services to our clients.

The Adviser currently does not utilize any third-party marketers or solicitors for client or investor referrals, but may do so in the future in accordance with applicable law and regulation, as set forth below

If a client is introduced to us by a third-party placement agent, we and/or our affiliates may pay that placement agent a referral fee in accordance with the requirements of Rule 206(4)-1 under the Advisers Act to the extent applicable. Any such referral fee will be paid solely by us or our affiliates, and will not result in any additional charge to the client, unless the client agrees otherwise in its applicable written agreement with us. Placement agents are subject to a conflict of interest because they will be compensated in connection with their solicitation activities. This conflict applies as well to nominees that are compensated in connection with the investment of their clients' assets with us or in the private investment funds that we manage.

Item 15 - Custody

Client funds and securities are maintained by qualified custodians to the extent required by Rule 206(4)-2 under the Advisers Act. However, for purposes of the Advisers Act, we may be deemed to have custody of certain client assets. For clients that are investment funds, we generally comply with Rule 206(4)-2 under the Advisers Act by obtaining an annual audit as required under that rule.

The owners of any separately managed accounts over which we have custody will receive account statements from the custodians for such accounts, and are urged to carefully review those statements. To the extent that such account owners were to also receive account statements from us (which currently is not expected), they are urged to compare those statements with the statements that they receive from their custodians.

Item 16 - Investment Discretion

We have discretionary authority to manage securities accounts on behalf of our clients. Clients give us this discretionary authority when they enter into a written agreement with us. The investors in the private investment Funds managed by us generally may not place any limits on our authority beyond the limitations set forth in the Fund Documents for such private investment Funds.

On a case by case basis, clients other than the Funds may negotiate certain risk and/or operating guidelines that we will adhere to when exercising our discretionary authority over such accounts.

Item 17 - Voting Client Securities

We have the authority to vote proxies on behalf of the Funds and separate account clients. We may delegate the authority to vote proxies for other client accounts to the extent provided in a written agreement with a particular client.

We have adopted proxy voting policies and procedures that are designed to ensure that in cases where we vote proxies with respect to client securities, such proxies are voted in the best interests of such clients, and that any material conflict of interest between our interests and the interests of our clients will be resolved in a manner that is consistent with the best interests of clients and in a manner not affected by such conflict of interest.

To the extent that we are authorized to vote proxies for a client account, invest in a security for a client account for which a proxy vote may arise and receive timely notice of such proxy from the client's custodian, we will be guided by general fiduciary principles and will seek to act in a manner intended to enhance the overall economic value of the applicable security. There may be times (which may be frequent) when we are authorized to vote proxies for a client account and determine that refraining from voting is in the best interest of that client. For example, we may refrain from voting a client proxy when (without limitation): (i) the economic effect on shareholder's interests or the value of the portfolio holding is indeterminable or insignificant; (ii) voting the proxy would unduly impair the investment management process; or (iii) the cost of voting the proxies outweighs the benefits or is otherwise impractical. In addition, we may abstain from voting a proxy on behalf of our clients' accounts due to (1) de minimis holdings; (2) de minimis impact on the portfolio; (3) contractual arrangements with clients; (4) their authorized delegates or the failure of a proxy to provide sufficient information to allow for informed decision making; and/or (5) items relating to non-U.S. issuers (such as those described below). We may refrain from voting a proxy of a non-U.S. issuer due to logistical considerations that may have a detrimental effect on our ability to vote the proxy. These issues may include, but are not limited to: (a) proxy statements and ballots being written in a foreign language; (b) untimely notice of a shareholder meeting; (c) requirements to vote proxies in person; (d) restrictions on non-U.S. person's ability to exercise votes; (e) restrictions on the sale of securities for a period of time in proximity to the shareholder meeting (*e.g.*, share blocking); or (f) requirements to provide local agents with power of attorney to facilitate the voting instructions.

To the extent that we have discretion to participate in class action lawsuits filed against companies or issuers in which our clients are invested, we may participate in such class action lawsuit if we believe that such participation is in the best interest of our clients on a case-by-case basis. Additionally, in the event we hold the shares of companies that are in agreements to be acquired, we will usually (but not always) vote "for" mergers.

We may engage a third-party proxy voting service to vote proxies on behalf of clients and in such case, we may, when it is believed to be in the best interest of clients, adopt such third-party's proxy voting policies and guidelines; the cost of any such third-party proxy voting service may be borne by such clients, as applicable. If engaged, we generally expect that we would vote with the advice of the third-party proxy voting service whose recommendations are intended to be in the best economic interest of investors; however, we may override any recommendation of such proxy voting service that we do not believe is in the best interest of our clients.

In the event that we do not accept proxy voting authority over a client's securities, we generally will not accept questions about particular solicitations from such client, who should contact its custodian to coordinate receipt of proxies and other solicitations directly from the custodian.

We currently do not permit clients to direct our vote in a particular solicitation. We may enter into arrangements with clients or other investment managers pursuant to which such clients or managers have responsibility to vote proxies according to their own policies and

procedures or wishes (such as in the event that we advise a separately managed account or fund-of-one, or act as a sub-adviser to a private investment fund managed by a third-party manager).

A client may obtain a copy of our proxy voting policy and procedures upon request, as well as information about how we voted the client's securities, by contacting us at the address on the cover page of this brochure.

Item 18 - Financial Information

Currently, there is no financial condition that is reasonably likely to impair our ability to meet contractual commitments to our clients.

Item 19 - Requirements for State-Registered Advisers

Not applicable.