

ITEM 1
COVER PAGE

PART 2A OF FORM ADV: FIRM BROCHURE

SEER CAPITAL MANAGEMENT LP

March 31, 2023

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This Investment Adviser Brochure provides information about the qualifications and business practices of Seer Capital Management LP (“the Registrant”). If you have any questions about the contents of this Brochure, please contact the Registrant at 212-850-9000 or info@seercap.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

The Registrant is an investment adviser registered with the SEC under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

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

ITEM 2

MATERIAL CHANGES

The Registrant is required to update this Brochure on an annual basis or more frequently in the event information contained herein becomes materially inaccurate.

There have been no material changes made since the last annual update, dated March 31, 2022. Certain other non-material updates have been made to the Brochure to supplement existing disclosure regarding the Registrant's advisory business and associated conflicts of interest.

Clients and prospective clients should review this entire brochure carefully.

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ADVISORY BUSINESS

Seer Capital Management LP (“Seer Capital” or the “Firm”), a Delaware USA limited partnership, is a diversified, credit-focused investment firm founded by Philip Weingord in 2008 that primarily invests in structured credit and loans. Seer Capital allocates capital opportunistically across all major asset classes in the U.S. and Europe, including residential and commercial mortgages, syndicated and small balance commercial loans, and a variety of consumer loans (auto, credit card, student, housing). Its investment team combines highly granular fundamental credit analysis with rigorous, data-intensive modeling and broad market access to source global credit investments. These investments are executed through direct lending, purchase and securitization of whole loans, and active trading in both legacy and new issue securitizations.

Seer Capital is based in New York and owned by Philip Weingord, members of his family, and trusts affiliated with him and members of his family. Seer Capital Holdings LLC, a Delaware limited liability company controlled by Philip Weingord, is the general partner of Seer Capital.

Seer Capital registered with the SEC in December 2009 as an Investment Adviser, as such term is defined in the Investment Advisers Act of 1940, as amended from time to time (the “Advisers Act”).

Seer Capital serves as the investment manager or investment advisor with discretionary trading authority for discretionary separate accounts generally for institutional clients and the following private investment vehicles:

- Seer Capital Partners Fund L.P., a Cayman Islands exempted limited partnership;
- Seer Capital Partners Offshore Fund Ltd., a Cayman Islands exempted company;
- Seer Capital Partners Offshore Fund II Ltd., a Cayman Islands exempted company;
- Seer Capital Partners Shares Ltd., a Cayman Islands exempted company;
- Seer Capital Partners Master Fund L.P., a Cayman Islands exempted limited partnership;
- Seer Capital Opportunities Fund I Trust I, a Cayman Islands trust;
- Seer Capital Opportunities Fund I Trust II, a Cayman Islands trust;
- Seer Capital Opportunities Fund I Trust III, a Cayman Islands trust;
- Seer Capital Opportunities Fund I (Cayman) Intermediate Investment Vehicle Ltd., a Cayman Islands exempted company;
- Seer Capital Opportunities Fund I Master Fund I L.P., a Cayman Islands limited partnership;
- Seer Capital Special Situations Master Fund II, Ltd., a Cayman Islands exempted company;
- Seer Capital Special Situations Fund II, LP, a Cayman Islands limited partnership.
- Seer Capital Commercial Real Estate Debt Fund II Ltd., a Cayman Islands exempted company; and
- Seer Capital Commercial Real Estate Debt Fund II Trust, a Cayman Islands trust.

Additionally, Seer Capital has established an advisory relationship with its affiliate Locam S.p.A. (“Locam”), an Italian-based loan servicer that specializes in the evaluation, acquisition and collection of non-performing secured and unsecured consumer and commercial loans, and as a result is able to assist with the valuation of securities backed by such loans. Locam is fully owned by the Seer Capital Opportunities Fund I Master Fund I, L.P. and the Seer Capital Partners Master Fund, L.P., and is deemed a Relying Adviser of Seer Capital, as defined in the SEC Staff Letter dated December 5, 2005. A number of clients managed by Seer Capital invest in securities backed by Italian non-performing loan pools serviced by Locam.

Seer Capital also serves as a sub-adviser to a number of private funds which are advised by investment advisers registered with the SEC.

As used herein, the term “client” generally refers to each such private investment vehicle and each separate account. The advice Seer Capital provides to its clients is tailored according to the investment objectives, guidelines and requirements set forth: (i) with respect to each private investment vehicle, in its respective offering memorandum or corresponding document (each, a “Memorandum”); and (ii) with respect to each separate account, in each corresponding client’s investment management agreement, as well as any instructions provided by such client to Seer Capital. The specifications of Seer Capital’s investment authority and obligations in respect of each of its management and advisory assignments are set forth in the investment management agreement or investment advisory agreement related to each separate assignment. Certain clients may impose restrictions on certain types of investments or investment strategies.

Interests in a private investment vehicle managed or advised by Seer Capital that is domiciled within the United States are offered on a private placement basis pursuant to Section 3(c)(7) of the Investment Company Act of 1940 to persons who are “accredited investors” as defined under the Securities Act of 1933 and “qualified purchasers” under the Investment Company Act of 1940, subject to certain conditions set forth in the Memorandum for such private investment vehicle.

Shares or interests in a private investment vehicle managed or advised by Seer Capital that is not domiciled within the United States are also offered on a private placement basis pursuant to Section 3(c)(7) of the Investment Company Act of 1940. These shares or interests may be offered to U.S. persons who are “accredited investors” and “qualified purchasers,” subject to certain conditions set forth in the offering documents for such private investment vehicle. Shares or interests in such private investment vehicles may also be offered to persons who are not “U.S. Persons” as defined under Regulation S of the Securities Act of 1933 so long as they meet the conditions set forth in the offering documents for such private investment vehicle.

As of December 31, 2022, Seer Capital had \$912.6 million of client regulatory assets under management, of which \$643.6 million is managed on a discretionary basis.

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FEES AND COMPENSATION

With respect to both its private investment vehicles and separate accounts, Seer Capital typically receives a management fee equal to a percentage of assets under management (which does not include committed but undrawn capital). The management fee varies by client and is generally calculated as a fixed percentage of the value of the client's net asset value or assets under management. Management fees are structured to be payable monthly, quarterly or on a different frequency with the calculation of management fees made in advance or in arrears, depending on the structure agreed upon with each client. For management fees paid in advance, a pro-rata portion of the management fee will be repaid by Seer Capital to the relevant client based on the number of days remaining in any partial period should a redemption occur prior to the end of the period for which the fees were paid in advance. If such client is a private investment vehicle, the repaid amount will be distributed to the corresponding withdrawn investors.

Seer Capital also typically receives performance-based compensation (which is typically in the form of an incentive fee or an incentive allocation) from certain clients which also varies by client, and is typically calculated as a percentage of the net capital appreciation of the client's account after accounting for management fees, expenses, other items and, in some cases, a performance hurdle rate. Net capital appreciation generally includes both realized and unrealized appreciation and depreciation of assets and liabilities held in a client's investment portfolio. For certain private investment vehicles, the portion of such private investment vehicle's portfolio that is invested in securities and instruments Seer Capital determines to maintain in an alternate withdrawal sub-account upon a request for a withdrawal by one of its investors is not subject to any performance-based compensation until a gain is realized. Generally, any net capital depreciation experienced by a client portfolio in a measurement period is carried forward so that no performance-based compensation is received by Seer Capital until the losses related to such previously incurred net capital depreciation have been recouped, subject to certain adjustments. Performance-based compensation received from the private investment vehicles is typically payable annually or upon redemption by each investor therefrom, but may be payable more frequently as agreed with certain clients. In lieu of an incentive fee or incentive allocation, Seer Capital typically receives performance-based compensation in the form of a carried interest, which is typically calculated as a set percentage of realized distributions from investments made after investors have received distributions equal to their initial investment and a preferred return. Seer Capital only charges performance-based fees in accordance with Section 205 of the Advisers Act and Rule 205-3 thereunder.

Seer Capital deducts management fees and performance-based compensation payable by the private investment vehicles it manages from accounts held by such vehicles. Seer Capital bills clients directly for management fees and performance-based compensation payable in connection with its separate accounts.

The rates and structure of the management fee and performance-based compensation received by Seer Capital are set forth: (i) with respect to each private investment vehicle, in its respective Memorandum; and (ii) with respect to each separate account, in its respective investment management agreement. The management fees, performance-based compensation and expenses applicable to a client may, under limited circumstances, be negotiated based on various

factors relating to the client and the specific nature of the services it receives from Seer Capital. Certain clients and investors in private investment vehicles have more favorable terms than others. Similarly, the management fees and performance-based compensation borne by investors in private investment vehicles, including, without limitation, Seer Capital, its affiliates, its personnel and/or friends and family of its personnel, may be, and, in certain circumstances, have been, waived or modified. In addition, each private investment vehicle reserves the right to subject future investors to different compensation arrangements.

Clients are likely to be subject to expenses which may include, without limitation, investment-related expenses, whether relating to investments that are consummated or unconsummated (*e.g.*, loan and security acquisition and disposition expenses, brokerage commissions, due diligence costs, interest on margin accounts and other indebtedness, borrowing charges on securities sold short, custodial fees, clearing and settlement charges, interest expense and investment-related travel and lodging expenses); research-related expenses, including, without limitation, news and quotation equipment and services; subscription and license fees for analytical systems, data and software; legal expenses (including on-site legal staffing who may have short- or long-term arrangements to support specific products); expenses incurred to comply with the rules under Section 1471-1474 of the Code or, if applicable, an "intergovernmental agreement" in effect between the United States and the Cayman Islands; professional fees (including, without limitation, expenses of consultants and experts, some of whom may also work on-site under short- or long-term arrangements to support specific products); fees (if any) and reimbursable expenses to the general partner and the board of directors, as applicable; the costs of organizing and maintaining any financing and trading subsidiaries; the costs and expenses incurred in connection with any leverage arrangements and other indebtedness of Seer Capital's clients and, if applicable, their subsidiaries, including, without limitation, the costs of establishing borrowing arrangements and other indebtedness; costs relating to swaps (and similar agreements) entered into by clients; auditing and tax preparation expenses; accounting expenses; costs of portfolio management and accounting system software, and implementation, data management and data recovery services and related development costs; costs of any third-party administrators; costs of any third-party valuation agents; regulatory filings (including without limitation consulting and other expenses related to preparing regulatory filings, *e.g.*, preparing Form PF); costs of printing and mailing reports and notices; organizational expenses; liability insurance and related insurance; clients' respective share of the Management Fees; indemnification expenses; withholding and transfer fees; entity-level taxes; other expenses related to the purchase, monitoring, sale, settlement, custody or transmittal of client assets (directly or through trading subsidiaries); fees and expenses of certain service providers; loan administration costs; and extraordinary expenses and other similar expenses related to a client. To the extent an investment opportunity is expected to be shared by more than one client, associated costs (including broken deal costs) will be allocated by or among the applicable clients in a fair and equitable manner, as determined by Seer Capital in its reasonable judgment.

Please refer to Item 12 of this brochure, Brokerage Practices, for a further description of, *inter alia*, the fees and expenses which are expected to be incurred as a result of Seer Capital's use of securities brokers. Please also refer to the appropriate offering document, private placement memorandum, limited partnership agreement, investment management agreement or other constitutive documents for a complete list of the fees and expenses that apply to the applicable client.

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PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

The level of performance-based compensation varies across clients, and certain performance-based compensation is also subject to performance hurdle rates. Differences in performance-based fees across clients may create an incentive for Seer Capital to invest assets in a manner that would favor certain clients over other clients. To address this issue, Seer Capital adheres to an allocation policy that is designed to ensure fair and equitable allocation of investment opportunities among those clients that are eligible for such investment opportunities. Please refer to Item 12 of this brochure, Brokerage Practices, for a further description of, *inter alia*, the fees and expenses which are expected to be incurred as a result of Seer Capital's use of securities brokers.

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TYPES OF CLIENTS

Seer Capital serves as the investment manager or investment adviser with discretionary trading authority for offshore and U.S.-based private investment vehicles and discretionary separate accounts. Investors in private investment vehicles may include individuals, banks, trusts, charitable organizations, pension plans, corporations, endowments, foundations, fund of funds and other institutions. Separate account clients are generally institutional.

As described in more detail in each private investment vehicle's respective Memorandum, investors in private investment vehicles managed or advised by Seer Capital are generally required to make minimum initial investments of at least \$1,000,000. Such minimum investment, however, may be waived or modified by the general partner or board of directors of the respective private investment vehicle, in their sole discretion, subject to applicable regulatory constraints.

Seer Capital does not maintain written minimum initial investment criteria for its separate accounts. However, such services are directed towards institutional investors and high net worth individuals who are able to commit substantial sums of capital for longer durations, typically in excess of \$100 million per separate account.

Seer Capital is under no obligation to accept any client and may decline acceptance of a client in its sole discretion.

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METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

A. Methods of Analysis and Investment Strategies.

Overview. Seer Capital specializes in structured credit and loans within the fixed income markets. It allocates capital opportunistically across all major asset classes in the U.S. and Europe, including non-agency residential mortgage-backed securities (RMBS), commercial mortgage-backed securities (CMBS), syndicated and small balance commercial loans, asset-backed securities (ABS), including bank regulatory capital relief transactions issued or sponsored by commercial banks, collateralized debt obligations (CDO), collateralized loan obligations (CLO) and a variety of consumer loans (auto, credit card, student, housing), among other forms of structured credit. Such instruments may be at any level in an issuer's capital structure, including equity. Seer Capital also engages in financing transactions, including the purchase and securitization of whole loans, and actively trades both legacy and new issue securitizations. Seer Capital, from time to time, may also trade its clients' capital in listed equity securities of issuers whose activities are linked to the residential mortgage market, such as mortgage REITs and mortgage servicers, as well as purchase equity interests in unlisted originators and servicers of mortgage loans and commercial and consumer finance debt. Seer Capital, from time to time, may also invest in securities and instruments that rely on intellectual property rights to generate cash-flows, such as patents, copyrights, trademarks, film libraries and other media properties, and royalty streams. Seer Capital also employs various forms of derivatives and futures instruments to hedge market, credit, interest rate, currency and other risks, or to take outright investment positions.

Seer Capital aims to generate attractive, uncorrelated, risk-adjusted returns for investors by exploiting opportunities in distressed markets and through the full market cycle by identifying situations in which pricing diverges from underlying risk. It combines highly granular fundamental credit analysis with rigorous, data-intensive modeling to analyze the credit investments its broad market access allows it to source. Seer Capital seeks to deliver a sustainable investment advantage in the structured credit and loan markets, regardless of the market environment at any particular time, by establishing a process that should allow attractive returns to be generated in a repeatable and stable fashion.

The common theme for Seer Capital's strategies is to identify opportunities where pricing diverges from underlying risk and thus offers a compelling risk-adjusted return. For undervalued opportunities, credit enhancement and stable underlying cash-flows should generate compelling yields even under severely pessimistic scenarios, and for overvalued opportunities, the risk of credit losses should be greater than the cost of establishing short positions. Seer Capital intends to profit from opportunities available in securities across markets, including the secondary market, the primary market, as well as the index, and synthetic marketplaces. Seer Capital seeks to identify valuation dislocations due to product complexity, or based on fundamental analysis, correlation trends and technical flows, among other reasons, and enter into outright long and short positions or relative value paired trades. Seer Capital's strategy is designed to profit from the complexity and structural premiums available to investors who have the detailed expertise and experience in

sourcing, analyzing, performing due diligence on, trading and monitoring these complex asset types.

Seer Capital employs a team-based investment process involving trading, sourcing and structuring, financial engineering and research personnel. Investment decisions are based upon a granular understanding of the underlying assets, merging quantitative analysis utilizing financial models, and deal evaluation with qualitative analysis. Seer Capital anticipates that disciplined active management will allow replacement of underperforming trades with more compelling opportunities.

Fundamental Research. Seer Capital utilizes both a “top-down” research approach and a “bottom up” approach to individual deal analysis. For fundamental analysis, a macro-level view, incorporating housing, unemployment, government policy and other factors, is combined with a micro-level analysis based on field research and financial modeling, to create an overall picture of current market conditions and economic variables. The due diligence process includes discussions with industry management and on-site visits. Loan level surveillance is used to drive specific investment decisions at the time of purchase and to drive hold versus sell decisions, and to inform Seer Capital’s macro view.

Portfolio Construction. Seer Capital determines portfolio targets based on the actual opportunities available in each segment of the market, and the risk reward profiles offered. Sector analysis is performed, as well as fundamental research by asset class, in order to develop a lens through which to evaluate and compare opportunities across sectors. Hedging and shorting strategies are overlaid to balance the portfolio as appropriate.

Opportunity Sourcing. The sourcing of assets and “first look” opportunities is a crucial component of Seer Capital’s investment strategy. The senior members of Seer Capital have long-established relationships with securitized products market constituents, such as originators, servicers, appraisers, due diligence firms, both senior management and proprietary trading desks at hedge funds and sell-side firms, private equity investors, attorneys, rating agencies, accountants, and others, as well as successful experience at building new investing businesses in the securitized products space. Seer Capital seeks to source substantial opportunities from these contacts, as well as actively utilize Seer Capital’s market position to establish new relationships.

Quantitative Modeling. Seer Capital utilizes a “bottom-up” approach to investing, driven by individual deal modeling and a strong surveillance infrastructure. Stress scenarios applied at the collateral-level include defaults, prepayments, loss severity and underwriting quality and, at the bond-level, cashflow runs and structural risks. Scenarios are developed using econometric and statistical analysis of economic factors that may impact transaction performance.

Deal Analysis. In addition to quantitative analysis, Seer Capital performs qualitative analysis of the transaction structure. Structural features considered for individual structured credit transactions, depending on asset type, include credit enhancement, cash flow waterfalls, cash flow lockout and diversion triggers, event of default provisions, call provisions and reinvestment criteria. Third parties are also evaluated for their impact on transactions, including originators,

servicers, guarantors and underwriters. Legal, tax, and regulatory frameworks and other potential risks are evaluated and monitored.

Investment Decision. After Seer Capital determines a transaction to be a satisfactory risk from a quantitative and qualitative perspective, then the transaction is also assessed to measure its relative value, leverage, and portfolio fit (including diversification). In addition, current and potential future liquidity and hedging strategy are modeled, evaluated and considered before a final investment decision is made. Various factors are taken into account by Seer Capital's investment committee or a subgroup thereof in making any final investment decision.

Risk Management. Seer Capital utilizes an integrated risk management approach across research, data compilation, analytics, modeling, security selection and portfolio construction. Seer Capital's investment committee holds regularly scheduled meetings to review market events and current positions, as well as to evaluate and determine fund strategy and review watch-list securities. The surveillance infrastructure tracks a variety of collateral characteristics along with performance across asset classes and against modeled projections. Fundamental market view and return targets drive overall portfolio allocation. The characteristics tracked include actual versus predicted performance, stresses for prepayments, interest rates, credit spreads, and similar attributes, hedging, and others, with performance of all tracked and analyzed at both a portfolio and position level.

Financial Engineering. Systems and analytics are a major barrier to entry for competent structured credit investing. Securitized products require computationally intensive analyses for investment decision-making, investment surveillance, portfolio construction and risk management, along with strong back office operations and infrastructure. Seer Capital has a deep understanding of the requisite analytics and systems required to facilitate the investment process and risk management functions. Seer Capital utilizes in-house systems and third party vendors, including data providers, as well as loan-level analytics appropriate to the asset class.

The investment strategies pursued by Seer Capital involve risk of loss to clients that clients should be prepared to bear. Seer Capital believes that its investment strategies and research techniques moderate this risk through a careful selection of investment opportunities, the use of short positions and other financial instruments. However, no guarantee or representation is made that the investment strategies pursued by Seer Capital will be successful. Seer Capital may utilize such investment techniques as option transactions, margin transactions, short sales, limited diversification, leverage and forward contracts, which can, in certain circumstances, increase the adverse impact to which clients' portfolios may be subject.

B. Material, Significant, or Unusual Risks Relating to Investment Strategies.

The following risk factors do not purport to be a complete list or explanation of the risks involved in an investment in a private investment vehicle or separate account advised by Seer Capital. Investors should ultimately refer to the applicable Memorandum or investment management agreement, as the case may be, for detailed risk disclosures. Below is a summary of potentially material risks for each significant Seer Capital investment strategy used, the methods of analysis used, and/or the particular types of securities that a private investment vehicle or separate account may invest in. Please note that the use of the term "investor" in this section may

refer to either investors in a private investment vehicle or the beneficial owners of a separate account. Material, significant, or unusual risks relating to investment strategies pursued by Seer Capital on behalf of its clients include, but are not limited to:

Non-Diversification. For certain clients, Seer Capital is not required to maintain any specific level of diversification among types of investments, geographic areas and issuers. Accordingly, such clients' portfolios may be subject to more rapid changes in value than would be the case if Seer Capital were required to maintain a wider diversification among types of investments, geographic areas and issuers.

Limited Liquidity. Seer Capital invests all or a portion of its clients' assets in financial instruments that are not publicly traded and may not be able to readily dispose of such non-publicly traded financial instruments and, in some cases, may be contractually prohibited from disposing of such securities for a specified period of time.

Liquidity of Markets. At times, the fixed income markets have experienced significant falloffs in liquidity. While such events may sometimes be attributable to changes in interest rates or other factors, the cause is not always apparent. During such periods of market illiquidity, investors may not be able to sell assets or may only be able to do so at unfavorable prices. Such "liquidity risk" could adversely impact the value of a client's portfolio, and may be difficult or impossible to hedge against.

General Economic and Market Conditions. The success of Seer Capital's activities will be affected by general economic and market conditions, such as the level of interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of investments), trade barriers, currency exchange controls or redenomination, national and international political circumstances (including wars, terrorist acts or security operations), and global or national health emergencies. These factors may affect the level and volatility of prices and the liquidity of client portfolio investments. Volatility or illiquidity could impair profitability or result in losses.

Coronavirus Risks. In December 2019, the virus SARS-CoV-2, which causes the coronavirus disease known as COVID-19, surfaced in Wuhan, China. The disease spread around the world, resulting in the temporary closure of many corporate offices, retail stores, and manufacturing facilities across the globe, as well as the implementation of travel restrictions and remote working and "shelter-in-place" or similar policies by numerous companies and national and local governments. These actions caused the disruption of manufacturing supply chains and consumer demand in certain economic sectors, resulting in significant disruptions in local and global economies. A number of Seer clients suffered market losses in 2020 due to the turmoil that followed community shut-downs as the United States and the rest of the world tried to stem the spread of COVID-19. The long-term impact of COVID-19 on Seer Capital's operations and the performance of the investments it selects is difficult to predict. While as of the date of this brochure the COVID-19 pandemic appears to be behind us, no assurances can be given that other variants will not arise and have an adverse affect on the markets or the portfolios Seer Capital assembles for its clients.

Geopolitical Risks. As of the date of this brochure, Russian forces continue to attack Ukraine, and it is uncertain how or when the war in Ukraine will end, or if it will broaden to areas beyond the Ukrainian border. As a result of the war, the United States and Western European countries, among others, have imposed economic sanctions on Russia, which are having an impact on the rate of inflation here and abroad. It is possible additional economic sanctions will be imposed, or that the nature of the war will change or expand to additional territories; as a result, it is impossible to predict their impact on the US and the global economies, or their markets, and whether they could have a deleterious effect on investments chosen by Seer Capital for its clients.

Developments in the Credit Market. Declines in the market value of ABS and MBS, especially securities backed by non-agency mortgages, followed the significant market events associated with the collapse of the U.S. housing market and financial crisis of the late 2000s and the subsequent regulatory and market responses to the financial crisis. Increasing credit and valuation problems in the non-agency residential and commercial mortgage market generated extreme volatility and illiquidity in the markets for securities directly or indirectly exposed to non-agency residential and commercial mortgage loans, as well as other securitized products such as CMBS and CLOs. This volatility and illiquidity extended to the global credit and equity markets generally, and, in particular, to the high-yield bond and loan markets, exacerbated by, among other things, uncertainty regarding the extent of problems in the mortgage industry and the degree of exposure of financial institutions and others, decreased risk tolerance by investors and significantly tightened availability of credit.

Although the U.S. housing market has recovered and legacy RMBS, CMBS and CLO prices have recovered significantly since the Great Financial Crisis, the market for new-issue RMBS has not fully recovered from these conditions and it is difficult to predict if or when a meaningful new-issue non-agency RMBS market will return. In addition, while global credit and equity markets have recovered from the depths of the credit crisis, market conditions cannot be predicted, nor is it known whether or to what degree such recovery will continue or whether conditions may deteriorate. Moreover, further uncertainty or deterioration in the structured credit markets, compounded by some service-providers to RMBS issuers holding back distributable amounts in anticipation of claims being brought against the issuing trusts, could result in further declines in the market values of or increased uncertainty with respect to investments made or considered by Seer Capital, which could require it to dispose of existing investments at a loss while such adverse market conditions prevail. Such declines could lead to diminished investment opportunities for Seer Capital, prevent Seer Capital from successfully executing its investment strategies, or require Seer Capital to dispose of investments at a loss while such adverse market conditions prevail.

Counterparty Insolvency. Client assets will be held or transacted with one or more accounts maintained for the client by counterparties, including derivatives counterparties, custodians and prime brokers. There is a risk that any of such counterparties could become insolvent potentially causing loss to client portfolios.

Price Volatility. The prices of financial instruments in which clients may invest can be volatile.

Leverage and Financing Risk. Seer Capital engages clients in leveraged transactions because Seer Capital believes that the use of leverage should enable clients to achieve a higher rate of return. Accordingly, Seer Capital expects to pledge a client's securities in order to borrow additional funds for investment purposes. Seer Capital may also leverage a client's investment return with options, short sales, swaps, forwards and other derivative instruments. The amount of borrowings and other forms of leverage which the client may have outstanding at any time may be substantial in relation to its capital. While leverage presents opportunities for increasing the client's total return, it has the effect of potentially increasing losses as well. Accordingly, any event which adversely affects the value of a client's investment would be magnified to the extent the client is leveraged. The cumulative effect of the use of leverage by the client in a market that moves adversely to the client's investments could result in a substantial loss to the client which would be greater than if the client had not been leveraged. In general, the use of short-term borrowings results in certain additional risks to the client. For example, should the securities pledged to brokers to secure the client's margin accounts decline in value, the client could be subject to a "margin call," pursuant to which the client must either deposit additional funds or securities with the broker, or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. In the event of a sudden drop in the value of the client's assets, the client may not be able to liquidate assets quickly enough to satisfy its margin requirements.

Valuation. Securities which Seer Capital believes are fundamentally undervalued or overvalued may not ultimately be valued in the capital markets at prices and/or within the time frame Seer Capital anticipates. In particular, purchasing securities at prices which Seer Capital believes to be distressed or below fair value is no guarantee that the price of such securities will not decline even further.

Uncertain Exit Strategies. Due to the illiquid nature of many of the positions which Seer Capital acquires for clients, Seer Capital is unable to predict with confidence what the exit strategy will ultimately be for any given position, 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.

Systemic Risk. Credit risk may arise through a default by one of several large institutions that are dependent on one another to meet their liquidity or operational needs, so that a default by one institution causes a series of defaults by the other institutions. This is sometimes referred to as a "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges, with which client portfolios interact on a daily basis.

Cybersecurity Risk. The computer systems, networks and devices used by Seer Capital, its clients and its service providers to carry out routine business operations employ a variety of protections designed to prevent damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons, and security breaches. Despite the various protections utilized by both Seer Capital and its service providers, systems, networks, or devices potentially can be breached. A client and its investors could be negatively impacted as a result of cybersecurity breach.

Cybersecurity breaches can include unauthorized access to systems, networks, or devices; infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access functionality. Cybersecurity breaches may cause disruptions and impact business operations, potentially resulting in financial loss to a client; interference with Seer Capital's ability to calculate the value of an investment in a client; impediments to trading; the inability for Seer Capital and other service providers to transact business; violations of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs; as well as the inadvertent release of confidential information.

Similar adverse consequences could result from cybersecurity breaches affecting issuers of securities in which a client invests; counterparties with which a client engages in transaction(s); governmental and other regulatory authorities; exchange and other financial market operators, banks, brokers, dealers, insurance companies, and other financial institutions; and other parties. In addition, substantial costs may be incurred by these entities in order to prevent any cybersecurity breaches in the future.

C. Risks Associated With Particular Types of Securities.

Risks associated with the particular types of securities or instruments relating to investment strategies pursued by Seer Capital on behalf of its clients include, but are not limited to:

Asset-Backed Securities. Seer Capital invests client capital in various types of asset-backed securities backed by pools of a variety of assets, including, for example, auto loans, equipment leases and servicer advances, which represent the obligations of a number of different parties and use credit enhancement techniques such as subordination, guarantees or preference rights. The value of an asset-backed security is affected by changes in the market's perception of the assets backing the security and the creditworthiness and efficacy of the servicing agent for the loan pool, the originator of the loans or the financial institution providing any credit enhancement, as well as by the expiration of any credit enhancement. Asset-backed securities present certain risks. There is limited credit enhancement supporting asset-backed securities. Higher than expected defaults on the underlying assets may result in losses on the asset backed securities. Asset-backed securities may not have the benefit of a security interest in the securities' underlying loans. Even if an asset-backed security is secured by the securities' underlying loans, upon the occurrence of an event of default, the holders of the asset-backed security may be unable to liquidate the underlying loans for an amount sufficient to pay all amounts due on the asset-backed security. In addition, the underlying loans may not be secured by collateral. Even if an underlying loan is secured by collateral, the value of such collateral may depreciate more quickly than the amortization of the underlying loan. Therefore, if a borrower defaults on an underlying loan, there is a risk that recoveries on repossessed collateral may not be sufficient to pay the underlying loan in full. In such case, the related asset-backed securities may suffer losses, such risk being mitigated or increased depending upon the ranking in the issuer's capital structure of such asset-backed securities and the amount of available credit enhancement. Therefore, the risk of investing in asset-backed securities is ultimately dependent upon payment of the underlying consumer loans or other

receivables by the debtors, and investors in asset-backed securities are less likely to benefit from recoveries on any collateral if the consumer defaults on the loan.

In general, “premium” asset-backed securities (securities whose market values exceed their principal or par amounts) are adversely affected by faster than anticipated prepayments, and “discount” asset-backed securities (securities whose principal or par amounts exceed their market values) are adversely affected by slower than anticipated prepayments. The adverse effects of prepayments may adversely affect a client’s portfolio. The portfolio may underperform relative to hedges that Seer Capital may have constructed for these investments, resulting in a loss to the client’s overall portfolio. In particular, prepayments (at par) may limit the potential upside of many asset-backed securities to their principal or par amounts, whereas their corresponding hedges often have the potential for unlimited loss.

Structural and legal risks of asset-backed securities include the possibility that, in a bankruptcy or similar proceeding involving the originator or the servicer (often the same entity or affiliates), a court having jurisdiction over the proceeding could determine that, because of the degree to which cash flows on the assets of the issuing entity may have been commingled with cash flows on the originator’s other assets (or similar reasons), (i) the assets of the issuing vehicle could be treated as never having been truly sold by the originator to the issuing vehicle and could be substantively consolidated with those of the originator; or (ii) the transfer of such assets to the issuer could be voided as a fraudulent transfer. The time and expense related to a challenge of such determinations also could result in losses and/or delayed cash flows. These risks are also present in residential mortgage-backed securities. Asset-backed securities are also subject to the same considerations as residential mortgage-backed securities with regard to the Servicemembers’ Civil Relief Act of 2003 and violations of consumer protection laws, as discussed below.

Residential Mortgage-Backed Securities and Whole Loans. RMBS represent interests in pools of residential mortgage loans secured by one to four family residential mortgage loans. Such loans generally may be prepaid at any time without penalty. Residential mortgage loans are obligations of the borrowers thereunder only and are not typically insured or guaranteed by the government or any other entity. The rate of defaults and losses on residential mortgage loans will be affected by a number of factors, including general economic conditions and those in the geographic area where the related mortgaged property is located, the terms of the loan, the borrower’s equity in the mortgaged property and the financial circumstances of the borrower. If a residential mortgage loan is in default, foreclosure of such residential mortgage loan may be a lengthy and difficult process and may involve significant expenses, which expenses will reduce the amounts recoverable by the holders of the RMBS or, if owned outright, the owner of such loans. Furthermore, the market for defaulted residential mortgage loans or foreclosed properties may be very limited.

At any one time, a portfolio of RMBS may be backed by residential mortgage loans with disproportionately large aggregate principal amounts secured by properties in only a few states or regions. As a result, the residential mortgage loans may be more susceptible to geographic risks relating to such areas, such as adverse economic conditions, adverse events affecting industries

located in such areas and natural hazards affecting such areas, than would be the case for a pool of mortgage loans having more diverse property locations.

Prepayments on the underlying residential mortgage loans in an issue of RMBS will be influenced by the prepayment provisions of the related mortgage notes and may also be affected by a variety of economic, geographic and other factors, including the difference between the interest rates on the underlying residential mortgage loans (giving consideration to the cost of refinancing) and prevailing mortgage rates and the availability of refinancing. In general, if prevailing interest rates fall significantly below the interest rates on the related residential mortgage loans, the rate of prepayment on the underlying residential mortgage loans would be expected to increase. Conversely, if prevailing interest rates rise to a level significantly above the interest rates on the related mortgages, the rate of prepayment would be expected to decrease. Prepayments could reduce the yield received on the related issue of RMBS. RMBS purchased at a significant premium to par are particularly susceptible to prepayment risks, as residential mortgage loans generally do not contain prepayment penalties, and a reduction in interest rates will likely increase the prepayments on the RMBS, resulting in a reduction in yield to maturity for holders of either interest-only securities or securities purchased at a significant premium to par.

In addition, economic downturns or ensuing recessions may adversely affect the financial resources of borrowers and may result in the inability of borrowers to make principal and interest payments on, or to refinance, their underlying mortgage loans when due or to sell their mortgaged real properties for an amount sufficient to pay off such underlying mortgage loans when due. If a borrower defaults, the issuing entity may suffer a partial or total loss with respect to the related underlying mortgage loan. Any delinquency or loss on any underlying mortgage loan would have an adverse effect on the distributions of principal and interest received by the RMBS and may affect the value and liquidity of the RMBS. As a result of COVID-19, RMBS servicers made changes to its servicing standard to provide temporary relief in the form of forbearance to borrowers whose mortgaged real properties or related operations are affected by the pandemic. These changes may adversely impact cash flow from or operations at the mortgaged real properties, which may in turn adversely affect the performance and value of the RMBS. Even if the mortgaged real properties and the underlying mortgage loans perform, general conditions in the securitization markets resulting from the pandemic could adversely affect the value of the RMBS. Furthermore, economic downturn or recession may adversely affect the servicer's ability to perform its duties under the related servicing agreements for the RMBS or the ability to effectively service the underlying mortgage loans. Accordingly this may adversely affect the performance of the underlying mortgage loans or the performance of the RMBS.

As many floating rate mortgage notes backing RMBS have over time been converted to fixed rate notes through modifications of the related loans, the value of certain RMBS have become more sensitive to fluctuations in interest rates.

Non-Agency Residential Mortgage-Backed Securities. Non-agency RMBS typically are backed by non-conforming mortgage loans, which are mortgage loans that do not qualify for purchase by government-sponsored agencies, such as Fannie Mae and Freddie Mac, because of credit characteristics and/or dollar amounts that do not satisfy Fannie Mae and Freddie Mac guidelines, including loans to mortgagors whose creditworthiness and repayment ability do not satisfy Fannie Mae and Freddie Mac underwriting guidelines and loans to mortgagors who may

have a record of credit write-offs, outstanding judgments, prior bankruptcies and other negative credit items. Similarly, interest-only, hybrid adjustable rate mortgages and other non-traditional mortgage products are also not eligible for government-sponsored entity guarantees. Accordingly, non-conforming mortgage loans are likely to experience rates of delinquency, foreclosure and loss that are higher, and that may be substantially higher, than mortgage loans originated in accordance with Fannie Mae or Freddie Mac underwriting guidelines. The majority of mortgage loans made in the United States qualify for purchase by government-sponsored agencies. The principal differences between conforming mortgage loans and non-conforming mortgage loans include the applicable loan-to-value ratios, the credit and income histories of the related mortgagors, the documentation required for approval of the related mortgage loans, the types of properties securing the mortgage loans, the loan sizes and the mortgagors' occupancy status with respect to the mortgaged properties, and such differences generally lead to higher delinquency, foreclosure and losses on non-conforming mortgage loans as compared to conforming mortgage loans.

The mortgage loans underlying certain of the RMBS or held outright may include adjustable rate mortgage loans. Borrowers with adjustable rate mortgage loans may be exposed to increased monthly payments when the related mortgage interest rate adjusts from the initial fixed rate, or in certain cases, a low introductory or "teaser" rate. Borrowers with adjustable rate mortgage loans seeking to avoid increased monthly payments by refinancing their mortgage loans may no longer be able to find available replacement loans at comparably low interest rates. A decline in housing prices may also leave borrowers with insufficient equity in their homes to permit them to refinance. Furthermore, borrowers who intend to sell their homes on or before the expiration of the fixed rate periods on their mortgage loans and are unable to pay the increased interest rate may find that they cannot sell their properties for an amount equal to or greater than the unpaid principal balance of their loans. These events, alone or in combination, may contribute to higher delinquency rates on adjustable rate mortgage loans and, as a result, adversely affect the performance and market value of RMBS or a client's portfolio of whole loans.

The mortgage loans underlying certain of the RMBS may include a significant number of mortgage loans that, at the time of origination, were "interest-only" mortgage loans, which provide for payment of interest at the related mortgage rate, but no payment of principal, for a stated period of time following origination as specified in the related mortgage note. Following the interest-only period, the monthly payment with respect to each of these mortgage loans will be increased to an amount sufficient to amortize the principal balance of such mortgage loans over the remaining term and to pay interest at the mortgage rate. This adjustment may result in a significant increase in monthly debt service payments and, as a result, could cause defaults on these mortgage loans to increase substantially.

The mortgage loans underlying certain of the RMBS (among those originated before 2007) may include mortgage loans originated with stated/reduced or no documentation of borrower income and/or assets. Borrowers under such mortgage loans may not actually have sufficient income or assets, or may have overstated their income or assets and, as a consequence, may be unable to make their monthly mortgage loan payments. As a result, mortgage loans originated pursuant to underlying guidelines that permit reduced or no documentation of borrower income

and/or assets may experience more delinquencies, foreclosures, bankruptcies and losses than mortgage loans originated pursuant to full documentation underwriting, all else equal.

The mortgage loans underlying certain of the RMBS may include mortgage loans originated in connection with the purchase of investment properties or second homes, which are generally considered to be subject to a greater risk of delinquency and/or default than primary residences.

The mortgage loans underlying certain of the RMBS (among those originated before 2007) may be structured with negative amortization features. Negative amortization arises when the mortgage payment in respect of a loan is less than the interest due on such loan. On any such mortgage loans, if the monthly payments are not enough to cover both the interest and principal payments on the loan, the shortfall is added to the principal balance, causing the loan balance to increase rather than decrease over time. During periods in which the outstanding principal balance of any such mortgage loan is increasing due to the addition of deferred interest, the increasing principal balance of such mortgage loan may approach or exceed the value of the related mortgage property, thus increasing the likelihood of default, as well as the amount of any loss experienced with respect to any such mortgage loan that is required to be liquidated. Furthermore, each such mortgage loan generally provides for the payment of any remaining unamortized principal balance (due to the addition of deferred interest, if any, to the principal balance of such mortgage loan) in a single payment at the maturity of the loan. Because the related mortgagors may be required to make a larger single payment upon maturity, it is possible that the default risk associated with such mortgage loans could be greater than that associated with fully amortizing mortgage loans. If the pool of mortgage loans underlying any RMBS were to contain loans with negative amortization features, the yield on such RMBS could be adversely affected.

The mortgage loans underlying certain of the RMBS (among those originated before 2007) may include mortgage loans with a “balloon” payment due on its maturity date. Balloon residential mortgage loans involve a greater risk to a lender than fully-amortizing loans because the ability of a borrower to pay such amount will normally depend on its ability to obtain refinancing of the related mortgage loan or sell the related mortgaged property at a price sufficient to permit the borrower to make the balloon payment, which will depend on a number of factors prevailing at the time such refinancing or sale is required, including, without limitation, the strength of the residential real estate markets, tax laws, the financial situation of the underlying borrower, interest rates, conditions in credit markets and general economic conditions. If the borrower is unable to make such balloon payment, the related issue of RMBS may experience losses.

Structural features of RMBS may contribute to the impact of increased delinquencies and defaults and lower recoveries on the underlying mortgage pool. In particular, there may be a decline in the interest rate payable under RMBS because the interest rate on RMBS typically is limited by the weighted average net coupon of the underlying mortgage loans themselves, often referred to as an “available funds cap.” Mortgage loans bearing interest at a higher rate will have a greater tendency to default than those with lower mortgage rates. Such defaults will reduce the weighted average coupon of the underlying mortgage loans and accordingly the interest rate payable to investors in the related RMBS. RMBS may include interest-only securities, principal-only securities, inverse floaters and accrual securities. The yields on these securities may be particularly sensitive to prepayments of the underlying mortgage loans or to fluctuations in interest

rate indices. Other factors, such as the use of interest rate derivatives, may also affect adversely the returns on RMBS.

Violations of consumer protection laws may result in losses on RMBS or whole loans. Applicable state laws generally regulate interest rates and other charges, require licensing of originators and require specific disclosures. In addition, other state laws, public policy and general principles of equity relating to the protection of consumers, unfair and deceptive practices and debt collection practices may apply to the origination, servicing and collection of the loans backing RMBS. Depending on the provisions of the applicable law and the specific facts and circumstances involved, violations of these laws, policies and principles may limit the ability of the issuer of a RMBS or any other holder of a whole loan to collect all or part of the principal of or interest on the underlying loans, may entitle a borrower to a refund of amounts previously paid and, in addition, could subject the owner of a mortgage loan to damages and administrative enforcement.

In addition, numerous U.S. federal and state statutory provisions, including the U.S. federal bankruptcy laws and state debtor relief laws, also may adversely affect the ability of an issuer of a RMBS or other holder of a whole loan to collect the principal of or interest on the loans, and holders of the affected RMBS may suffer a loss if the applicable laws result in these loans becoming uncollectible.

A number of legislative proposals have been enacted at both the U.S. federal, state and municipal level that are designed to discourage predatory lending practices or to provide relief to mortgage borrowers by reducing the interest rate on or principal amount of their mortgage loans or preventing foreclosures. The Dodd–Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”) includes significant changes to the regulation of financial institutions including the creation of (1) the Consumer Financial Protection Bureau (the “CFPB”) within the Federal Reserve to regulate consumer financial services and products; and (2) the Federal Stability Oversight Council to identify, monitor and address emerging systemic risks posed by the activities of financial services firms and make recommendations to the Federal Reserve to alleviate those risks. The CFPB has sole rulemaking and interpretive authority under existing and future consumer financial services laws and supervisory, examination and enforcement authority over institutions subject to its jurisdiction. In addition, the Dodd-Frank Act provides for the elimination of prepayment penalties for mortgage loans and expanded consumer protection in respect of high-cost loans. In addition, some states have enacted, or may enact, laws or regulations that prohibit inclusion of some provisions in mortgage loans that have mortgage rates or origination costs in excess of prescribed levels and require that borrowers be given certain disclosures prior to the consummation of such mortgage loans. An originator's failure to comply with these laws could subject the owner of any such loan, including a client or an issuer of a RMBS, to monetary penalties and could result in the borrowers rescinding the loans underlying such RMBS. Lawsuits have been brought in various states making claims against assignees of mortgage loans for violations of state law. Named defendants in these cases include numerous participants within the secondary mortgage market, including some securitization trusts, and it is expected that participants in the secondary mortgage market (including RMBS-issuing securitization trusts) will face similar claims under the qualified mortgage rules.

The Dodd-Frank Act also prohibits lenders from originating residential mortgage loans unless the lender determines that the borrower has a reasonable ability to repay the loan. Under

the Dodd-Frank Act, a lender and its assignees will not have liability under this prohibition with respect to any "qualified mortgage." The CFPB has issued a final rule, which became effective on January 10, 2014, specifying the characteristics of a qualified mortgage for this purpose (the "Qualified Mortgage Rule"). Interest-only loans, hybrid mortgage loans and balloon loans, as well as loans with a debt-to-income ratio exceeding 43%, do not meet the requirements for a qualified mortgage. With respect to qualified mortgages, the Qualified Mortgage Rule provides a safe harbor from liability if several requirements are satisfied, or a rebuttable presumption from such liability if only certain of these requirements are satisfied. Although the Qualified Mortgage Rule applies only to mortgage loans originated after the effective date in 2014, many of the mortgages in which Seer Capital may invest its clients' assets may not satisfy the requirements for a "qualified mortgage" under either set of requirements. As assignees of mortgage loans will be subject to assignee liability for high cost loan violations and for any failure of an originator to correctly determine a borrower's ability to repay the related mortgage loan, possible liabilities that could be required to be paid by an assignee of a mortgage loan originator include actual damages suffered by the borrower, litigation costs, statutory damages and special statutory damages. Various state and local legislatures may adopt similar or more onerous provisions in the future. The Qualified Mortgage Rule may result in a reduction in the availability of these types of loans in the future and may adversely affect the ability of a servicer of RMBS to utilize refinancing as a loss mitigation option with respect to certain loans. No assurances are given as to the effect of the Qualified Mortgage Rule on the value of mortgage loans (or liabilities with respect thereto) acquired by Seer Capital for its clients. For the avoidance of doubt, Seer Capital invests client funds in loans that are not "qualified mortgages" under the Qualified Mortgage Rule ("non-QM mortgage loans").

Delinquencies, defaults and losses on residential mortgage loans may increase, which may affect the performance of RMBS, which are backed by subprime and nonprime mortgage loans, which include non-QM mortgage loans, "Alt-A" and "Alt-B" mortgage loans and second lien mortgage loans. Nonprime mortgage loans are generally made to borrowers with lower credit scores and having higher loan-to-value ratios. Non-QM mortgage loans, Alt-A and Alt-B loans may also have some of the characteristics of subprime and nonprime mortgage loans. Accordingly, these types of mortgage loans are more sensitive to economic factors that could affect the ability of borrowers to pay their obligations under the mortgage loans backing these securities.

Servicing agreements often provide that the servicer is required to make advances in respect of delinquent mortgage loans. However, servicers experiencing financial difficulties may not be able to perform these obligations. Servicers who have sought bankruptcy protection may, due to application of the provisions of bankruptcy law, not be required to advance such amounts. Even if a servicer were able to advance amounts in respect of delinquent mortgage loans, its obligation to make such advances may be limited to the extent that it does not expect to recover such advances due to the deteriorating credit of the delinquent mortgage loans. In addition, a servicer's obligation to make such advances may be limited to the amount of its servicing fee.

Since 2007, a number of originators and servicers of mortgage loans have experienced serious financial difficulties and, in some cases, have entered bankruptcy proceedings. Such financial difficulties may have a negative effect on the ability of servicers to pursue collection on mortgage loans that are experiencing increased delinquencies and defaults and to maximize recoveries on sale of underlying properties following foreclosure. The inability of the originator

to repurchase such mortgage loans in the event of early payment defaults and loan representation breaches may also affect the performance of RMBS backed by those mortgage loans.

In recent years amendments to the U.S. Bankruptcy Code have also been proposed that would enable a bankruptcy court to reduce the principal amount of a mortgage loan without the consent of the owner of the mortgage loan. While it is unclear whether such amendments will ever be adopted into law, the value of RMBS securities could be adversely affected if they are.

These adverse changes in market conditions and in laws and regulations may reduce the cashflow which clients receive from RMBS held by them and decrease the market value of such RMBS.

Agency Mortgage Backed Securities. "Agency MBS" are mortgage backed securities issued or guaranteed by agencies of the United States (such as the Government National Mortgage Association, or "Ginnie Mae") or government-sponsored corporations and enterprises (such as the Federal Home Loan Mortgage Corporation, or "Freddie Mac", and the Federal National Mortgage Association, or "Fannie Mae"). Interest and principal payments on Agency MBS are usually made on a monthly basis, and principal usually may be paid prior to maturity because the underlying mortgages generally may be prepaid at any time. As a result, if Agency MBS is purchased at a premium, a prepayment rate that is faster than expected will reduce yield to maturity. However, a prepayment rate that is slower than expected will have the opposite effect of increasing yield to maturity. Alternatively, if the Agency MBS is purchased at a discount, faster than expected prepayments will increase, while slower than expected prepayments will reduce, yield to maturity and price.

Prepayments on the underlying residential mortgage loans in an issue of Agency MBS will be influenced by the prepayment provisions, if any, of the related mortgage notes and may also be affected by a variety of economic, geographic and other factors, including the difference between the interest rates on the underlying residential mortgage loans (giving consideration to the cost of refinancing) and prevailing mortgage rates and the availability of refinancing (which may be affected by the amount of borrower's equity in the mortgaged property). In general, if prevailing interest rates fall significantly below the interest rates on the related residential mortgage loans, the rate of prepayment on the underlying residential mortgage loans would be expected to increase. Conversely, if prevailing interest rates rise to a level significantly above the interest rates on the related mortgages, the rate of prepayment would be expected to decrease.

In a normal yield curve environment, an investment in Agency MBS will generally decline in value if long-term interest rates increase. A significant risk associated with Agency MBS is the risk that both long-term and short-term interest rates will increase significantly. If long-term rates increased significantly, the market value of these investments would decline, and the duration and weighted average life of the investments would increase. At the same time, an increase in short-term interest rates would increase the amount of interest owed under any repurchase agreements used to finance investments in Agency MBS.

Because a government agency (such as Ginnie Mae) or a federally-chartered corporation (such as Freddie Mac or Fannie Mae) guarantees the Agency MBS, Agency MBS are not directly exposed to the credit risk of the trusts or issuers that issue such Agency MBS (and, accordingly,

to the credit risk of borrowers on the mortgages in the underlying mortgage pool) unless the financial condition of the applicable agency or corporation that guarantees the obligations of the issuer prevents such agency or corporation from making payments pursuant to the underlying guarantee. The obligations of Fannie Mae and Freddie Mac to make payments of principal and interest on Agency MBS are not guaranteed by the United States government and do not constitute a debt or obligation of the United States; however, the full faith and credit of the United States backs the guarantee by Ginnie Mae.

Under certain circumstances the guarantor of an Agency MBS may be required, or may have the option, to purchase loans from the pool of mortgages underlying the Agency MBS, which may result in prepayments of such Agency MBS. In the past, Fannie Mae and Freddie Mac, significantly increased their purchases of loans that were delinquent by 120 days or longer from their Agency MBS pools. Such repurchases were substantial and resulted in increased prepayments on the affected Agency MBS pools, and resulted in lower yields to maturity for Agency MBS purchased at a premium that were backed by such repurchased loans. In the event that Fannie Mae or Freddie Mac engages in similar repurchases or other unforeseen actions in the future, yields to investors in such Agency MBS may be adversely affected.

Agency MBS are exposed to the credit risk of the entities guaranteeing Agency MBS. Due to increased market concerns about Fannie Mae and Freddie Mac's ability to withstand future credit losses associated with securities held in their investment portfolios and securities on which they provide guarantees, the U.S. Congress established the Federal Housing Finance Agency (the "FHFA"), which has broad regulatory powers over Fannie Mae and Freddie Mac (collectively, government sponsored entities, or "GSEs"). On September 6, 2008, the FHFA placed Fannie Mae and Freddie Mac into conservatorship. As the conservator of Fannie Mae and Freddie Mac, the FHFA controls and directs the operations of Fannie Mae and Freddie Mac. Although the U.S. Treasury has committed capital to Fannie Mae and Freddie Mac, there can be no assurance that these actions will be adequate for their needs. If these actions are inadequate, Fannie Mae and Freddie Mac could continue to suffer losses and could fail to honor their obligations which could ultimately cause losses on Agency MBS investments.

The future role of the U.S. government in the residential mortgage market and related GSE reform under the Biden administration remains uncertain. Even if Fannie Mae and Freddie Mac continue to exist in their current forms, their operations could be significantly reduced and the nature of their guarantees could be considerably diminished. Any changes to the nature of the guarantees provided by Fannie Mae and Freddie Mac could cause losses on Agency MBS. Similarly, any changes to the Federal Reserve Board's policies regarding use of their balance sheets could impact MBS valuations.

Mortgage loan modification and refinancing programs may adversely affect the value of, and returns on, Agency MBS. The U.S. government has implemented a number of federal programs designed to assist homeowners, which may involve, among other things, the modification of mortgage loans to reduce the principal amount of the loans (through forbearance and/or forgiveness) and/or the rate of interest payable on the mortgages, or the extension of payment terms of the mortgages or the refinancing of mortgages of homeowners who owe more on their mortgages than their homes are worth. The Home Affordable Refinance Program ("HARP") enables borrowers with mortgages owned or guaranteed by Freddie Mac or Fannie Mae

with high loan-to-value ratios to refinance their mortgages. A significant number of loan modifications or refinancings with respect to a given Agency MBS, including, but not limited to, those related to principal forgiveness and coupon reduction, resulting in increased prepayment rates, could negatively impact the realized yields and cash flows on such security. These loan modification programs, HARP, its successor programs, and other future legislative or regulatory actions (including possible amendments to the bankruptcy laws) which result in the modification of outstanding residential mortgage loans, as well as changes in the requirements necessary to qualify for refinancing of mortgage loans with Fannie Mae, Freddie Mac, or Ginnie Mae, may adversely affect the value of, and the returns on, Agency MBS.

Variable rate Agency MBS, including ARMs, are backed by mortgages with variable rates. The rate of interest payable under variable rate Agency MBS varies with a designated rate or index. The value of these investments is closely tied to the absolute levels of such rates or indices, or the market's perception of anticipated changes in those rates or indices. This introduces additional risk factors related to the movements in specific indices or interest rates which may be difficult or impossible to hedge, and which also interact in a complex fashion with prepayment risk.

Stripped securities markets were developed to separate the interest ("IO" or "interest only") and principal ("PO" or "principal only") components of Agency MBS. IO and PO securities experience greater yield and return variability relative to changes in prepayments than do traditional RMBS. IO and PO securities are only entitled to payments of interest and principal, respectively, from the related Agency MBS and are thus extremely sensitive to the rate of principal prepayments on the underlying mortgage loans. Higher than anticipated rates of prepayment will reduce the amount of interest paid on the underlying mortgage loans and may subsequently lower yields on IO securities. Conversely, lower than anticipated rates of prepayment will extend the amount of time principal on the underlying mortgage loans remains outstanding and may subsequently lower yields on PO securities.

Inverse interest only Agency MBS entitle the holder to interest only payments based on a notional principal balance, which is typically equal to a fixed rate of interest on the notional principal balance less a floating rate of interest on the notional principal balance that adjusts according to an index subject to set minimum and maximum rates. The value of inverse interest only Agency MBS will generally decrease when its related index rate increases and increase when its related index rate decreases.

Excess MSR. Excess MSRs are interests in mortgage servicing rights ("MSRs"), representing investments in monthly interest payments, net of a base fee paid to the mortgage servicer for the Agency MBS, generated by the MSRs. Fannie Mae and Freddie Mac generally require mortgage servicers to be paid a minimum servicing fee that significantly exceeds the amount a servicer would charge in an arm's-length transaction. The portion of the fee in excess of what would be charged in an arm's-length transaction is commonly referred to as the excess mortgage servicing fee. Like other IO securities, the values of Excess MSRs are highly sensitive to changes in interest rates because an increase in prepayment speeds could reduce the ultimate cash flows received from Excess MSRs. If delinquencies are significantly greater than expected, the estimated fair value of the Excess MSRs could also be diminished. MSRs are subject to numerous federal, state and local laws and regulations and the requirements of Fannie Mae and Freddie Mac. The servicer's failure to comply with applicable laws, rules or regulations, could

adversely affect the value of such MSRs. Excess MSRs are highly illiquid and subject to numerous restrictions on transfers. Investments in Excess MSRs are a new type of transaction, and there have been very few investment products that enable investors to pursue a similar investment strategy. Accordingly, the risks associated with the transaction and structure are not fully known to buyers or sellers.

Collateralized Mortgage Obligations. Collateralized mortgage obligations ("CMOs") are securities structured from Agency MBS. CMOs divide the cash flows which come from the Agency MBS into different classes of securities. CMOs can have different maturities and different weighted average lives than the underlying Agency MBS. Monthly payments of principal, including prepayments, are generally first returned to investors holding the shortest maturity class; investors holding the longer maturity classes receive principal only after the first class has been retired. Payments on CMOs are not guaranteed by any government agency or government-sponsored enterprise.

When-Issued and Forward Commitment Securities. The purchase of securities on a "when-issued" basis involves a commitment to purchase or sell securities at a future date (typically one or two months later). No income accrues on securities that have been purchased on a when-issued basis prior to delivery. When-issued securities may be sold prior to the settlement date. If the right to acquire a when-issued security is disposed of prior to its acquisition, it may generate a gain or loss. In addition, there is a risk that securities purchased on a when-issued basis may not be delivered, which may cause a loss. One type of security which can be acquired on a "when-issued" basis is a forward-settling Agency MBS where the pool is "to-be-announced", known as a "TBA". Pursuant to these TBAs, the investor agrees to purchase, for future delivery, Agency MBS with certain principal and interest terms and certain types of underlying collateral, but where the specific Agency MBS to be delivered will not be identified until shortly before the TBA settlement date. In the case of TBAs there is an additional risk that, when the actual terms of the underlying mortgage pool become known, the investor may be exposed to greater risk than anticipated.

Commercial Mortgage-Backed Securities. The collateral underlying CMBS generally consists of mortgage loans secured by income producing property, such as regional malls, other retail space, office buildings, industrial or warehouse properties, hotels, rental apartments, nursing homes, senior living centers and self-storage properties. Performance of a commercial mortgage loan depends primarily on the net income generated by the underlying mortgaged property. The market value of a commercial property similarly depends on its income-generating ability and on the capitalization rate (discount rate) applied to income to determine market value. As a result, income generation will affect both the likelihood of default and the severity of losses with respect to a commercial mortgage loan. The value of commercial real estate is also subject to a number of laws, and limitations on remedies imposed by bankruptcy laws and state laws regarding foreclosures and rights of redemption. Any decrease in income or value of the commercial real estate underlying such instruments could result in cash flow delays and losses on the related CMBS instruments.

Successful management and operation of the related business (including property management decisions, such as pricing, maintenance and capital improvements) will have a significant impact on performance of commercial mortgage loans. Issues such as tenant mix, success of tenant business, property location and condition, competition, increases in interest rates,

real estate taxes and other operational expenses, general or local economic conditions and/or specific industry segments, declines in real estate values, declines in rental or occupancy rates and civil disturbances, changes in governmental rules, regulations and fiscal policies, acts of God, social unrest and insurance coverage are among the factors that may impact both performance and market value. The value of commercial real estate is also subject to limitations on remedies imposed by bankruptcy laws and state laws regarding foreclosures and rights of redemption.

Property-specific issues with respect to the underlying mortgaged property, such as significant government regulation of a particular industry, reliance on franchise, management or operating agreements, transferability on purchase or foreclosure of related valuable assets such as liquor and other licenses and ease of conversion of a commercial property to an alternative use will impact both risk of loss and loss severity with respect to the underlying mortgage loan pool and the CMBS.

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

Certain of the commercial mortgage loans underlying CMBS may bear interest at adjustable rates based on LIBOR for one-month dollar deposits or other established interest indices. Accordingly, debt service for any such commercial mortgage loan will increase as interest rates rise. In contrast, rental and other income on the related mortgaged properties may not rise as significantly as interest rates. Accordingly, debt service coverage ratios of the underlying floating rate commercial mortgage loans and a borrower's ability to make all payments due on such floating rate commercial mortgage loans may or may not be adversely affected.

Mortgage loans on commercial properties often are structured so that a substantial portion of the loan principal is not amortized over the loan term but is payable at maturity, and repayment of the loan principal thus often depends upon the future availability of real estate financing from the existing or an alternative lender and/or upon the current value and salability of the real estate. Therefore, the unavailability of real estate financing may lead to default.

Mortgage loans backing CMBS may be secured in whole or in part by mortgaged properties that have no prior operating history available or otherwise lack historical financial figures and information. A mortgaged property may lack prior operating history or historical financial information because it is newly constructed, it is a recent acquisition by the related borrower or it is a single-tenant property that is subject to a triple net lease. In addition, a tenant's lease may contain confidentiality provisions that restrict the mortgage loan seller's access to or disclosure of such tenant's financial information. The underwritten net cash flows and underwritten net operating income for such mortgaged properties are derived principally from current rent rolls or tenant leases (or, in some cases, based on leases that are not yet in place or on tenants that may have signed a lease or lease amendment expanding its space but are not yet in occupancy and/or paying rent) and historical expenses, adjusted to account for inflation, significant occupancy increases and a market rate management fee. However, there can be no assurance that actual cash

flows from such mortgaged properties will meet such projected cash flows, income and expense levels or that those funds will be sufficient to meet the payment obligations of the related mortgage loans, thereby affecting CMBS.

Bank Regulatory Capital Relief Obligations. Bank regulatory capital relief transactions allow banks to reinsure their on-balance sheet credit risk by selling notes, or creating special purpose vehicles which issue notes, that transfer a portion of the performance risk of loans on the bank's balance sheet to noteholders, thus reducing their capital requirements. Investors benefit from an alignment of interest with the originating banks in credit selection, servicing, and workouts. Assets included in regulatory capital relief transactions have historically outperformed other credit assets and outperformed other similar assets on banks' balance sheets. These notes are perceived as defensive in the face of a predicted economic downturn, as banks positively select reference credits for these deals to protect their ability to issue subsequent transactions and are generally adept at selecting and managing credits. However, in some instances the notes are obligations of banks, which entails credit risk not only to the assets included in the underlying portfolio, but to the issuing bank as well. As recent events associated with Silicon Valley Bank and Credit Suisse demonstrate, the solvency of the issuing bank in those transactions, and the market's perception of their solvency, will also contribute to the pricing and credit risks associated with these transactions.

Collateralized Debt Obligations and Collateralized Loan Obligations. CDO Securities in which clients may invest are backed by certain fixed income securities, such as asset-backed securities, other CDO Securities, corporate leveraged loans, credit default swaps and other derivatives. CDO Securities are instruments representing interests in pools, the underlying asset classes of which include bonds, debentures, syndicated loans, and private placement debt, and are limited-recourse obligations of the issuer thereof payable solely from the underlying securities in the portfolio of such issuer. CLO Securities in which clients may invest are backed by loans originated by third parties, and typically include an array of corporate loans, which are generally secured, although some may be unsecured. CLO Securities are also limited recourse obligations of the issuers thereof, payable solely from the underlying loans and other limited assets (such as cash reserve accounts) they may hold. CDO and CLO Securities are subject to various risks including credit, liquidity, interest rate, limited diversification, leverage and other risks.

Seer has also begun to provide its clients with CLO exposure in bank regulatory relief transactions, which allow banks to reinsure their on-balance sheet credit risk, thus reducing their capital requirements. Investors benefit from alignment of interest with the originating banks in credit selection, servicing, and workouts. Assets included in reg cap transactions have historically outperformed other credit assets and also outperformed other similar assets on banks' balance sheets.

Credit Default Swaps. A credit default swap is a contract which transfers credit risk in respect of a company or security. In essence, an institution which owns corporate debt instruments can purchase a limited form of default protection by entering into a credit default swap with a bank, broker-dealer or financial intermediary. Upon an event of default on the underlying obligation, the swap generally may be terminated in one of two ways: (i) by the purchaser of credit protection delivering the referenced instrument to the swap counterparty and receiving a payment of par value; or (ii) by the parties pairing off payments, with the purchaser of the protection

receiving a payment equal to the par value of the reference security less the price at which the reference security trades subsequent to default. The first way is the more common form of credit default swap termination.

In the manner described above, credit default swaps can be used to hedge a portion of the default risk on a single bond or a portfolio of bonds. Credit default swaps can be used to implement Seer Capital's view that a particular credit, or group of credits, will experience credit improvement. In the case of expected credit improvement, Seer Capital may sell on behalf of a client credit default protection, in which case its client will receive one or more payments to take on the credit risk. In such an instance, the obligation of the client to make payments upon the occurrence of a credit event creates leveraged exposure to the credit risk of the referenced entity. Seer Capital may also, on behalf of a client, purchase credit default protection even in the case in which it does not own the referenced instrument if, in the judgment of Seer Capital, there is a high likelihood of credit deterioration.

Credit default swaps have been an area of regulatory focus and litigation both inside and outside the United States and, in the U.S., clearing requirements were part of the Dodd-Frank Act. The CFTC imposed its first clearing mandate on December 13, 2012 affecting certain interest rate and credit default swaps, and the CFTC and the SEC may introduce clearing requirements for other derivatives in the future. The impact of these changes to the credit default swap market on Seer Capital's ability to implement its credit derivatives trading strategy remains unclear. As certain credit default swaps transition to clearing houses, the products will become more standardized, which may have positive and negative consequences for Seer Capital and its clients. It is possible that implementation of these measures will increase liquidity as swap execution facilities and derivative contract markets display their trades publicly in real time, which may reduce Seer Capital's cost of executing credit default swaps. The publication of this information may also present opportunities for Seer Capital as more information about transactions in the market place may make it easier to identify trading opportunities. However, it is also possible that the new costs may adversely affect credit default swap liquidity. It may also become prohibitively expensive for Seer Capital to obtain tailored derivative products to hedge particular risks in its portfolio due to higher collateral requirements on bilateral transactions as a result of the new regulations. Trading costs associated with clearing houses, such as limited cross-margining of different products that trade through the same clearing house, and other new fees that do not exist in the over-the-counter market may also increase Seer Capital's costs of obtaining credit default swap protection. As credit default swaps become restricted to exchange listed products, it may also become more difficult for Seer Capital to express an investment view as well as it would using customizable derivatives available in the over-the-counter markets. The credit default swap market is rapidly evolving, and it may be some time before the impact of the costs and expenses associated with the new rules on derivatives trading are understood.

High-Yield Securities. In addition to CMBS and collateralized loan obligations (backed by loans secured by commercial real estate assets), client portfolios may invest in a variety of high-yield securities issued by trusts or investment vehicles which hold commercial real estate loans or securities backed by commercial real estate. Such high-yield securities are not exchange traded and, as a result, these financial instruments trade in the over-the-counter marketplace, which is less transparent and has wider bid/ask spreads than the exchange-traded marketplace. In addition, it may be more difficult to hedge the risks associated with such investments when compared with

investments in bonds of issuers that have publicly-traded equity securities. Also, the market for credit spreads is often inefficient and illiquid, making it difficult to accurately calculate discounting spreads for valuing these financial instruments. High-yield securities face ongoing uncertainties and exposure to adverse business, financial or economic conditions which could lead to the issuer's inability to meet timely interest and principal payments. High-yield securities are generally more volatile and may or may not be subordinated to certain other outstanding securities and obligations of the issuer, which may have a senior interest in substantially all of the issuer's assets.

Synthetic Assets. Client portfolios may be exposed to the risk of structured finance securities, debt securities and loans, or may attempt to hedge risks of other investments, synthetically through products such as credit default swaps and total return swaps, credit-linked notes, structured notes, trust certificates and other derivative instruments (each, a "Synthetic Asset"). A Synthetic Asset could take many forms, including a credit derivative transaction that references a structured finance security, debt security and loan or a credit derivative transaction that references a portfolio or index of corporate reference entities or a portfolio or index of reference obligations consisting of structured finance securities, debt securities, bonds or other financial instruments (each, a "Reference Obligation"). Exposure to such Reference Obligations through Synthetic Assets presents risks in addition to those resulting from direct purchases of the assets referenced. The client will have a contractual relationship only with the Synthetic Asset counterparty, and not with the issuer(s) (the "Reference Entity") of the Reference Obligations unless a credit event occurs with respect to any such Reference Obligation, physical settlement applies and the synthetic asset counterparty delivers the Reference Obligation to the client portfolio. Other than in the event of such delivery, the client generally will have no right directly to enforce compliance by the Reference Entity with the terms of any such Reference Obligation and the client will not have any rights of set-off against the Reference Entity. In addition, the client generally will not have any voting or other consensual rights of ownership with respect to the Reference Obligation. The client also will not directly benefit from any collateral supporting the Reference Obligation and will not have the benefit of the remedies that would normally be available to a holder of such Reference Obligation. The client portfolio will be subject to the credit risk of the synthetic asset counterparty, as well as that of the Reference Entity, as well as the documentation risk associated with these instruments.

In the event of the insolvency of the Synthetic Asset counterparty, the client will be treated as a general creditor of such counterparty, and will not have any claim of title with respect to the Reference Obligation. Consequently, the client will be subject to the credit risk of the Synthetic Asset counterparty, as well as that of the Reference Entity. As a result, concentrations of Synthetic Assets entered into with any one synthetic asset counterparty will subject such Synthetic Assets to an additional degree of risk with respect to defaults by such Synthetic Asset counterparty as well as by the respective Reference Entities.

While Seer Capital expects that returns on a Synthetic Asset may reflect those of each related Reference Obligation, as a result of the terms of the Synthetic Asset and the assumption of the credit risk of the Synthetic Asset counterparty, a Synthetic Asset may have a different expected return, a different (and potentially greater) probability of default and different expected loss and recovery characteristics following a default.

Equity Interests. Seer Capital invests a portion of its clients' capital in both publicly and privately held equity interests. Such publicly held equity interests are typically limited to companies linked to the mortgage market, such as mortgage servicers and mortgage REITs, whereas privately held equity interests to date have been in smaller ventures in the consumer credit space (including a non-QM mortgage originator) which, while "live" and offering their products, are still in their early stages of development. Investments in mortgage REITs are subject to a number of risks, including volatility in the value of their underlying assets and the broader equity markets, as are the private investments, which by their nature are highly speculative.

Liquidity Risk. In December 2014, a number of Federal agencies finalized the rules regarding credit risk retention called for by the Dodd-Frank Act. These rules, which require the sponsor of asset backed securities (which includes RMBS, CMBS and CMOs) to retain no less than 5% of the credit risk being securitized, have come into force and are likely to make it more difficult for certain issuers of Securitized Products to continue to issue new securitizations.

Intellectual Property Rights. Seer Capital purchases, from time to time for its clients, investments in instruments that entitle the holders thereof to receive payments that depend on the cash-flow from loans and facilities or other investments made to acquire patents, copyrights, or trademarks, or to finance the production, marketing and distribution of films, television programs and other media products, as well as other instruments which are dependent upon royalty streams to realize their value. To the extent the assets underlying any such investment produce lower revenues or higher expenses than projected when any such investment is made, clients may be exposed to losses.

Non-Performing Nature of Debt. Certain debt instruments purchased by Seer Capital for clients are non-performing and possibly in default. Furthermore, the obligor or relevant guarantor may also be in bankruptcy or liquidation. There can be no assurance as to the amount and timing of payments, if any, with respect to the debt instruments.

ITEM 9
DISCIPLINARY INFORMATION

To the best of our knowledge, there are no legal or disciplinary events that are material to our clients' evaluation of Seer Capital's advisory business or the integrity of Seer Capital's management.

ITEM 10

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Seer Capital Partners GP LLC and Seer Capital Opportunities GP LLC, both Delaware USA limited liability companies, serve as the general partner for certain of the offshore and U.S.-based private investment vehicles managed by Seer Capital. Each of Seer Capital Partners GP LLC, Seer Capital Opportunities GP LLC and Seer Capital Commercial Real Estate Debt SB LLC are controlled by Philip Weingord and are entitled to receive the incentive allocation or carried interest applicable to the vehicle for which it serves as general partner.

Richard D'Albert, Chris Schoen, and Terry Lanson, each an employee of Seer Capital, also serve on the boards of our private investment vehicles.

The Seer Capital Partners Master Fund LP owns approximately 64% of the outstanding preferred and common stock issued by HomeXpress Mortgage Corp., a California-based mortgage originator formed in 2015, which sells a portion of mortgages it originates to one or more clients of Seer Capital. The remaining balance of preferred and common stock of the company is owned by other clients of Seer Capital.

The Seer Capital Partners Master Fund LP and the Seer Capital Opportunities Master Fund own 100% of Locam S.p.A, an Italian-based loan servicer that specializes in the evaluation, acquisition and collection of non-performing loans. Locam is a Relying Advisor of Seer Capital.

Seer Capital and its management persons are not registered as broker-dealers and do not have any application pending to register with the SEC as a broker-dealer or registered representative of a broker-dealer.

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

A. Code of Ethics.

As an investment adviser, Seer Capital stands in a position of trust and confidence with respect to its clients. Accordingly, Seer Capital has a fiduciary duty to place the interests of its clients before the interests of the Firm and its employees. In order to assist the Firm and its employees in meeting its obligations as a fiduciary, the Firm has adopted a Code of Ethics (the “Code”). The Code incorporates the following general principles which all employees are expected to uphold:

- Seer Capital and its employees must at all times place the interests of its clients first.
- All personal securities transactions must be conducted in a manner consistent with the Code and avoid any actual or potential conflicts of interest or any abuse of an employee’s position of trust and responsibility.
- Employees must not take any inappropriate advantage of their positions at the firm.
- Information concerning the identity and financial circumstances of clients and their investors must be kept confidential.
- Independence in the investment decision-making process must be maintained at all times.

Seer Capital believes that these general principles not only help it fulfill its fiduciary obligations, but also protect the Firm’s reputation and instill in its employees the Firm’s commitment to honesty, integrity and professionalism. A copy of the Code will be made available to any client or prospective client upon request directed to the address or telephone number listed on the cover page of this brochure.

B. Participation and Interest in Client Transactions.

Cross Trades. Seer Capital may determine that it would be in the best interests of its clients to transfer a security from one client to another for tax purposes, liquidity purposes or to reduce transaction costs that may arise in an open market transaction. If Seer Capital decides to engage in such a cross trade, Seer Capital will determine that the trade is in the best interests of both of the clients involved and will take steps to ensure that the transaction is consistent with the duty to obtain best execution for each of those clients. In accordance with the Firm’s compliance manual, the Compliance Officer will approve all cross-trades before their execution.

A cross transaction generally occurs with the assistance of a broker-dealer who executes and books the transaction at the then-prevailing mid-market price. Alternatively, a cross transaction between two fund clients may occur simply by having Seer Capital instruct the custodian for the funds to book the transaction at the price determined by Seer Capital’s valuation

procedures (i.e., an “internal cross”). If Seer Capital effects an internal cross, Seer Capital is not permitted to receive any fee in connection with the completion of the transaction.

Principal Transactions. To the extent that cross trades may be viewed as principal transactions due to the ownership interest in a client by Seer Capital or its personnel, Seer Capital will comply with the requirements of Section 206(3) of the Advisers Act, including that any such transactions will be considered on behalf of investors in such a client and approved or disapproved by the Compliance Officer. The Compliance Officer, in consultation with outside counsel, will determine whether or not the trade would constitute a principal transaction and, if so, will determine how to ensure that all required notice and consent requirements are satisfied. The Compliance Officer will then inform the senior portfolio managers whether and when to proceed with the trade.

C. Personal Trading.

Employee Trading. The Code, Seer Capital’s compliance manual and Seer Capital’s Restricted List also address personal trading by Seer Capital’s employees. Seer Capital’s employees are:

- prohibited from trading securities (or related derivative instruments) for clients or for their own personal accounts that appear on the Firm’s “Restricted List” of companies without first obtaining the approval of the Chief Compliance Officer;
- prohibited from trading securities (or related derivative instruments) for clients or for their own personal accounts for which they possess material non-public information; and
- prohibited from trading any other securities (or related derivative instruments) for their own personal accounts without prior approval from the Chief Compliance Officer that they also trade on behalf of clients or that are held by any clients managed by the Firm;

Seer Capital “Access Persons” are also required to: (1) submit to the Chief Compliance Officer, or a designee, initial and annual reports disclosing all personal securities holdings; (2) submit to the Chief Compliance Officer, or a designee, quarterly reports disclosing all personal securities transactions; (3) obtain pre-approval before making any personal investments in any IPO, private placement, or securities listed on the firm’s “Grey List,” which is maintained to track securities that are being actively considered for investment; and (4) report any violations of the Code promptly to the Chief Compliance Officer.

Potential Conflicts of Interest. Seer Capital, its affiliates, its personnel, and/or friends and family of its personnel may invest in or possess interests in its private investment vehicles and may own investments that are also held by Seer Capital’s clients. These investments by Seer Capital, its affiliates, its personnel and/or friends and family of its personnel create the potential for

conflicts of interest. The Code, Seer Capital's compliance manual and other controls are designed to mitigate these potential conflicts.

Clients may obtain a copy of the Code from Seer Capital by contacting Seer Capital at the address shown on the cover page of this Brochure.

ITEM 12 BROKERAGE PRACTICES

Best Execution. In placing orders to purchase and sell securities for clients, Seer Capital considers a number of factors in selecting appropriate broker-dealers, including execution capability, availability of securities in inventory, commission rates, financial responsibility, the value of research provided and responsiveness. Seer Capital seeks to fairly evaluate the overall quality and costs of a broker-dealer's execution services, including factors other than prices, commissions and other expenses paid in connection with account transactions. The factors considered in selecting and approving brokers-dealers that may be used to execute trades for client accounts include, but are not limited to:

- Quality of execution - accurate and timely execution, clearance and error/dispute resolution;
- Availability of securities in inventory, in particular for securities traded on a principal basis in the OTC markets such as fixed income and derivatives markets;
- Reputation, financial strength and stability;
- Block trading and block positioning capabilities;
- Willingness to execute difficult transactions;
- Willingness and ability to commit capital;
- Access to underwritten offerings and secondary markets;
- Ongoing reliability;
- Overall costs of a trade (i.e., net price paid or received) including commissions, mark-ups, mark-downs or spreads in the context of Seer Capital's knowledge of negotiated commission rates currently available and other current transaction costs;
- Nature of the security and the available market makers;
- Desired timing of the transaction and size of trade;
- Confidentiality of trading activity; and
- Market intelligence regarding trading activity

Soft Dollars. Seer Capital does not currently have any formal soft dollar arrangements but may receive research from certain broker-dealers. Seer Capital has not negotiated "execution only" commission rates.

Brokerage for Client Referrals. From time to time, brokers (including prime brokers) may assist the private investment vehicles in raising additional funds from investors, and representatives of Seer Capital may speak at conferences and programs sponsored by such brokers for investors interested in investing in hedge funds. Through such "capital introduction" events, prospective investors in the private investment vehicles would have the opportunity to meet with representatives of Seer Capital. Currently, neither Seer Capital nor its private investment vehicles compensate any broker for organizing such events or for any investments ultimately made by prospective investors attending such events, nor do they anticipate doing so in the future. The private investment vehicles may accept subscriptions from investors who also provide services to the private investment vehicles, including brokers and their affiliates. Relationships such as these could be viewed as creating a conflict of interest that potentially could affect Seer Capital's ability to seek best execution. While any relationship with brokers may influence Seer Capital in deciding

whether to use such broker in connection with brokerage, financing and other activities of the private investment vehicles, Seer Capital will not commit to allocate a particular amount of brokerage to a broker in any such situation.

Allocation of Investment Opportunities. Seer Capital is committed to allocating investment opportunities on a fair and equitable basis. Where an investment opportunity is suitable for two or more clients, Seer Capital allocates such investment opportunity equitably in order to ensure that clients have equal access to the same quality and quantity of investment opportunities, at all times putting the interests of investors first. Seer Capital endeavors to ensure that its allocations are based solely on its list of prime determinants driving the allocation process and that all clients are treated as fairly and equitably as possible in each instance and over a period of time.

Aggregation of Trades. Aggregation describes a procedure whereby Seer Capital may combine 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 Seer Capital 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. Seer Capital is not required to aggregate client trades; however, it will generally do so, subject to best execution.

Trade Errors. Seer Capital endeavors to detect trade errors prior to settlement and correct them in an expeditious manner. Trade errors that do not result in transactions in client accounts (such as transactions that result in loss of an investment opportunity) will not be viewed as trade errors. Seer Capital generally will reimburse losses suffered by a client as a result of a trade error caused by Seer Capital's gross negligence or willful misconduct. It is the policy of Seer Capital to ensure that each error is corrected in an expeditious manner in accordance with internal procedures.

ITEM 13

REVIEW OF ACCOUNTS

A. Frequency and Nature of Review of Client Accounts or Financial Plans.

Seer Capital performs periodic reviews, typically weekly or monthly, of investment positions held by its clients. Such reviews are conducted by the members of Seer Capital's Investment Committee, portfolio managers, research analysts and operations personnel. Members of the Investment Committee include the three Co-Chief Investment Officers and the senior Portfolio Managers of Seer Capital.

B. Factors Prompting Review of Client Accounts Other than a Periodic Review.

Significant changes in market volatility, the value of the client's portfolio or the performance of investment positions are examples of various factors that may prompt additional review of client accounts as deemed necessary by Seer Capital's Investment Committee.

C. Content and Frequency of Account Reports to Clients.

Investors in Seer Capital-managed private investment vehicles receive a periodic statement prepared by each vehicle's administrator documenting the performance of their investment, which may include commentary prepared by Seer Capital. Seer Capital's separate account clients receive a monthly statement prepared by each client's custodian or administrator documenting the performance of their investment. Seer Capital also provides certain investors in its managed private investment vehicles or investors in separate accounts managed by the Firm with information on a more frequent and detailed basis in multiple formats. Seer Capital-managed private investment vehicles issue audited financial statements concerning their respective fund investments within 120 days of the end of each vehicle's fiscal year. Seer Capital-managed private investment vehicles issue investor tax reports concerning their respective fund investments annually.

ITEM 14
CLIENT REFERRALS AND OTHER COMPENSATION

A. Economic Benefits for Providing Services to Clients.

Seer Capital does not receive economic benefits from any person that is not a client for providing investment advice or other advisory services to Seer Capital's clients.

B. Compensation to Non-Supervised Persons for Client Referrals.

Seer Capital, in certain circumstances, may utilize third-party placement agents which would receive compensation, which may be borne either by Seer Capital or by the end investor, for referring investors to the private investment vehicles or separate accounts managed or advised by Seer Capital. Any such arrangement will be disclosed to each applicable investor who is referred to Seer Capital by a third-party placement agent.

ITEM 15 CUSTODY

Seer Capital is deemed to have custody or possession of client funds or securities, as such assets are held in accounts with unaffiliated custodians, prime broker(s) and other broker-dealers, and Seer Capital is authorized to exercise discretion over such accounts.

Investors in our private investment vehicles are not required to and do not receive account statements from the custodians, prime brokers or other broker-dealers with whom the private investment vehicles maintain accounts. Instead, the private investment vehicles are: (i) subject to annual audit (as defined in rule 1-02(d) of Regulation S-X) by an independent public accountant registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board (the “PCAOB”); (ii) audited financial statements are delivered to investors in the pooled investment vehicles within 120 days of each vehicle’s fiscal year-end; and (iii) in the event of a liquidation, Seer Capital will obtain a final liquidation audit of the private investment vehicle’s financial statements in accordance with generally accepted accounting principles and will distribute the financial statements to investors promptly after completion of the audit.

Separate account clients receive monthly account statements directly from a qualified custodian for the accounts over which Seer Capital is authorized to exercise discretion. Some of these accounts are subject to an annual surprise examination by an independent accountant in order to comply with the SEC’s rule on the custody of client assets.

Clients are urged to review account statements in detail and to compare the account statements they receive from the qualified custodian with any account statements they may receive from Seer Capital or its private investment vehicles.

ITEM 16

INVESTMENT DISCRETION

With respect to its private investment vehicles, Seer Capital has broad investment discretion and authority that is subject to the limitations set forth in the governing documents and Memoranda of its vehicles, copies of which are provided to investors in the vehicles. While certain of the vehicles do not require Seer Capital to diversify investments or limit the amount of leverage employed, other vehicles may provide for certain diversification requirements or limits on the use of leverage.

With respect to separate accounts, Seer Capital generally has broad discretionary authority to determine the type and amount of securities to be bought or sold, with such authority limited, if at all, by clients on a contractual basis. Any limitations in such authority are set forth in the investment management agreement between Seer Capital and the relevant separate account client.

ITEM 17

VOTING CLIENT SECURITIES

As a fiduciary with proxy voting authority, Seer Capital has a duty to monitor corporate events and to vote proxies, as well as a duty to cast votes in the best interest of clients and not subrogate client interests to its own interests. Rule 206(4)-6 under the Advisers Act (the “Proxy Voting Rule”) places specific requirements on registered investment advisers with proxy voting authority. Because Seer Capital has discretionary authority over the securities held by its clients, Seer Capital is viewed as having proxy voting authority. Accordingly, Seer Capital is subject to the Proxy Voting Rule. In light of Seer Capital’s emphasis on fixed income, it is likely that proxy voting will be rare, and accordingly Seer Capital’s Chief Compliance Officer must pre-approve all proxy votes. Seer Capital’s policies and procedures are reasonably designed to ensure that it votes proxies in the best interest of its clients and address how it will resolve any conflict of interest that may arise when voting proxies.

Clients may obtain information from Seer Capital about how it voted their securities and may obtain a copy of its proxy voting policies and procedures upon request by contacting Seer Capital at the address shown on the cover page of this Brochure.

ITEM 18
FINANCIAL INFORMATION

A. Balance Sheet.

This item is not applicable as Seer Capital does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

B. Financial Conditions Likely to Impair Ability to Meet Contractual Commitments to Clients.

Seer Capital is not aware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to its clients.

C. Bankruptcy Filings.

Seer Capital has never been the subject of a bankruptcy petition at any time.