

Form ADV Part 2A: Firm Brochure

March 30, 2023

CASPIAN CAPITAL LP

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This brochure provides information about the qualifications and business practices of Caspian Capital LP. If you have any questions about the contents of this brochure, please contact us at 212-826-7548 and/or email legal@caspianlp.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about Caspian Capital LP also is available on the SEC’s website at <http://www.adviserinfo.sec.gov>.

Registration with the SEC or with any state securities authority does not imply any level of skill or training with respect to the investment advisory services that Caspian Capital LP provides.

Item 2 - Material Changes

This brochure dated March 2023 updates the brochure that was filed in March 2022 and does not contain material changes. This document should be reviewed in its entirety.

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Item 4 - Advisory Business

- A. Caspian Capital LP, formed in October 2010, is an investment advisory services firm specializing in alternative investment management. The principal owners of our firm are Adam S. Cohen and David N. Corleto (the “Principals”). The first Caspian fund was established in 1997 when Caspian was part of another institution.

We use the terms “Caspian,” “our,” “us,” and “we” in this brochure to refer to Caspian Capital LP and various affiliates and related entities that are also involved in conducting our business.

- B. Caspian specializes in offering investment management services to private investment funds and similar institutional accounts. Caspian also provides sub-advisory services on behalf of an open-end investment company registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”) and an investment company incorporated in Ireland. In providing our advisory services, our objective is to achieve capital appreciation over the long term by applying a flexible and opportunistic approach to investing which involves evaluating the current attractiveness of various asset classes, including bank loans, bonds, equities, speculative investments, and cash equivalents. We are permitted to trade and make investments in public and private debt and equity securities. Consistent with this opportunistic approach, however, there are no fixed limitations or diversification requirements as to specific asset classes in which we invest.

We use the term “Caspian Funds” in this brochure to refer to the private funds and dedicated investor funds that we sponsor, manage, and advise. We use the term “Managed Account” with respect to our sub-advisory agreement with the regulated investment company (“RIC Account”) and the investment company incorporated in Ireland (“UCITS Account”) and investment company incorporated in the Cayman Islands (“Cayman Account”) and Managed Account agreements with private funds not sponsored by Caspian. Also, we use the term “Client” when referring to our advisory relationships collectively.

- C. Caspian tailors its advisory services to the specified investment mandates of our Clients. Our Principals have sole discretion over the allocation of the assets of the Caspian Funds and adhere to the investment strategy set forth in the Caspian Funds’ private placement memoranda and the investment guidelines as may be agreed to for certain Caspian Funds and the Managed Account clients. Investors in some Caspian Funds can impose restrictions on investing in certain types of investments. In these cases, we are permitted to avoid investing in the restricted positions on behalf of the entire Caspian Fund or exclude the affected investors from participating in these positions and allocate profits and losses with respect to these positions separately from the rest of the Caspian Fund’s portfolio. These types of terms are all arranged on a case-by-case basis.
- D. We do not participate in wrap fee programs.

As of December 31, 2022, we advised or managed client assets in the amount of approximately \$4,794,675,000 (calculated as Regulated Assets Under Management), all of which are managed on a discretionary basis.

Item 5 - Fees and Compensation

- A. We generally receive compensation from each Client based on a percentage of value of the net assets we manage and, with the exception of the RIC Account, on performance achieved for the account of investors therein or the relevant Managed Account. Detailed information concerning our compensation and fees is contained in the private placement memorandum of each Caspian Fund and/or in the organizational documents of the Caspian Fund(s) and the Managed Account operational agreement (as applicable). Performance and management fees are waived for Caspian employees invested in Caspian Funds.
- B. We generally deduct the asset-based fee from Caspian Funds' accounts quarterly in advance. We generally deduct the performance-based compensation described above from Caspian Funds' accounts at the end of each calendar year or at the time of investor withdrawals. We invoice our Managed Account clients for quarterly or monthly management fees and, if applicable, annual performance compensation.
- C. Each Client, subject to its governing documents, generally bears its own investment and trading expenses; its organizational expenses; and its accounting and administrative expenses. Investment and trading expenses generally include brokerage commissions and spreads, custody charges, bank service fees, interest expenses, risk management expenses, expenses related to the purchase, monitoring, sale, settlement and transmittal of assets, research and market data expenses, fees of legal advisers and other consultants relating to investments and prospective investments, research expenses, and insurance premiums (including our professional liability insurance and cybersecurity insurance). Organizational expenses generally include the expenses of preparing organizational and offering documents as well as regulatory expenses and filing fees. Accounting and administrative expenses generally include the fees and expenses of third party administrators, independent auditors, tax expenses (including tax preparation and any expenses associated with FATCA/CRS compliance) and advice, as well as other costs of maintaining records and reporting to investors. The Clients also bear extraordinary expenses, such as litigation expenses. If an expense item relates to more than one Client, we allocate it equitably among all such Clients, based on relative investment size, account size or other appropriate criteria. Please also see Item 12, which discusses our brokerage practices.
- D. Caspian Funds generally do not permit withdrawals except as of the end of each quarter (or for certain limited strategies, month-end dates). If there is a withdrawal during a quarter for which the management fees were pre-paid or if a Managed Account agreement is terminated during a quarter, we will refund a pro rata portion of any fees paid at the beginning of the quarter.
- E. Neither Caspian nor any of the Principals or employees receive any transaction-based compensation for the sale of securities or other investment products.

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

Caspian receives performance-based compensation from each of its Clients other than the RIC Account. There is a potential conflict of interest for Caspian in favoring Clients subject to performance compensation over the Clients that are not subject to performance compensation. However, Caspian's investment allocation policies preclude us from taking into account compensation when allocating limited investment opportunities. We believe that this potential allocation conflict is also mitigated in light of the limited, specialized investment mandates of the Clients that are not subject to performance-based compensation.

Item 7 - Types of Clients

With the exception of the RIC Account, UCITS Account and Cayman Account, all of our Clients are private investment funds. Caspian Funds' investors include a broad range of U.S. and non-U.S. institutions and high net worth individuals. We require investors in the Caspian Funds that are U.S. persons to be "accredited investors" and "qualified purchasers" (as defined in applicable federal securities laws and regulations). We also provide advisory services to a series of registered investment companies.

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

Caspian's investment objective is to create risk adjusted returns that achieve capital appreciation over the long term by applying a flexible and opportunistic approach to investing. Caspian invests in multiple asset classes including bank loans, bonds, equities, speculative investments and cash equivalents. We are permitted to trade and make investments in public and private debt and equity securities.

As a result of Caspian's investment objective, Caspian invests in a variety of securities but has historically focused on three trading strategies: (1) stressed/distressed situations, (2) capital structure arbitrage and (3) fundamental shorts. We may engage in other kinds of strategies where we believe the risk/reward parameters may be favorable for our clients. In addition, the diversification of the various strategies that we employ will vary depending on market conditions and opportunities. Each strategy employed involves the risk of capital loss that investors must be prepared to bear.

Generally, Caspian's investment approach is based on fundamental analysis, with valuation work and models focusing on, among other things, going concern and asset liquidation scenarios. Caspian opportunistically buys stressed/distressed positions of companies we believe have quality assets, high market share, strong free cash flow and/or a near-term catalyst. We continually look for relative pricing and valuation anomalies to drive our capital structure arbitrage opportunities. We also seek to establish short positions in companies whose business models expose them to significant cyclicalities or potential negative events with asymmetric risk/reward.

We are permitted to participate in credit committees at times, or take a board seat, but generally do not seek to take control of companies. We generate ideas through direct research of specific companies and sectors and through discussion with sell-side

broker/dealers and research analysts, other investment funds, restructuring lawyers and financial advisors. We investigate ideas from multiple angles and perspectives, looking up and down the capital structure and across industries at competitors, suppliers and/or customers.

Subject to limitations under the Investment Company Act (and the European Communities' Undertakings in Collective Investment in Transferable Securities), our Clients have the ability to invest in all securities in the capital structure of a company. We have significant experience in corporate credit, and we expect to invest (long and short) in credit instruments such as (i) first and second lien bank loans, and (ii) high yield, senior secured, junior secured, senior unsecured, junior unsecured, mezzanine, and subordinated corporate bonds. In addition, we expect to have exposure to equities (including common and preferred), options, warrants, swaps (including credit default swaps), other derivatives, and/or convertible bonds depending on our point of view on hedging relative value and overall portfolio risk. We tend to focus on asset heavy businesses.

Our investment strategies and the securities and other assets in which we invest give rise to a variety of risks, including the following. Investing in securities involves a risk of loss that investors should be prepared to bear. There can be no assurance that an investment program will be successful. The following does not purport to be a comprehensive summary of all of the risks associated with the investment strategies of Caspian. Although no summary can fully describe all of the risks associated with an investment in a Caspian Fund, the offering documents for each Caspian Fund contains a more complete description of the risks associated with an investment in such Caspian Fund and should be reviewed carefully.

Non-investment grade investments. Although we are permitted to invest in investment grade debt, our focus is non-investment grade investments. Our strategies often call for us to invest in debt of companies experiencing financial distress or stress, and our credit investments often are unsecured or subordinated. As a consequence of the nature of our strategies and our investments, there is a risk that we may lose some or all of the cost of almost every investment that we make. Our strategies and the success of our accounts depend upon our ability to gather all relevant information about each investment and to assess it accurately, not only at the time of investment but through our holding period until we dispose of the investment. Our expectations regarding the favorable outcome of any investment can be adversely affected by numerous factors beyond our control, including our receipt of incomplete or inaccurate data, our failure to assess it accurately and unpredictable changes in circumstances, including unforeseeable macro-economic circumstances unrelated to our analysis of the specific investment.

Bank Loans and Loan Participations. A portion of the Clients assets may be invested in distressed, stressed and par/near par bank loans. Bank loans are not traded on regulated exchanges, are not registered with the Securities and Exchange Commission ("SEC") or other governmental authorities and are not subject to the rules of any self-regulatory organization. Investments in bank loans may be in the form of assignment, participation, risk participation, or other derivative contracts. There are varying sources of statistical

default rate data for term bank loans and numerous methods for measuring default rates. The historical performance of the bank loan market is not necessarily indicative of its future performance.

Bank loan participations and risk participations involve certain risks in addition to those associated with direct ownership of such loans. A bank loan participant has no contractual relationship with the borrower of the underlying bank loan. As a result, the participant is generally dependent upon the grantor of the participation to enforce its rights and obligations under the loan agreement in the event of a default. Bank loan participants often times also have limited or no rights to object to amendments or modifications of the terms of loan agreements or to otherwise vote with other lenders. In addition, a bank loan participant may be subject to the credit risk of the lender who grants the participation as well as the borrower, since a bank loan participant is dependent upon the lender to pay over to the participant its share of any payments of principal and interest received on the underlying loan.

It is possible that the Clients directly may acquire participation interests in loans to companies originated by other third parties, subject to the satisfaction of certain tax-related and other investment restrictions. Such loan participations may relate to loans made to companies that are experiencing significant financial or business difficulties, including companies involved in bankruptcy or other reorganization or liquidation proceedings.

Highly Volatile Markets. The prices of certain assets in Client accounts are highly volatile. Price movements of such assets are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets. Such intervention often is intended directly to influence prices and may, together with other factors, cause all such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations. The Partnership also is subject to the risk of the failure of any of the exchanges on which its positions trade or of their clearinghouses.

Currency. A portion of a Client's assets may be invested in securities denominated in various currencies and in other financial instruments, the price of which is determined with reference to such currencies. The Client, however, values its investments and other assets in U.S. dollars. To the extent unhedged, the value of the Client's net assets will fluctuate with U.S. dollar exchange rates as well as with price changes of the Client's investments in the various local markets and currencies. Caspian may not be required to hedge such currency risk and there can be no assurance that hedging transactions, even if undertaken, would be effective. In particular, Caspian may seek to offset the risks associated with such exposure, in part, through foreign exchange transactions. The markets in which foreign exchange transactions are affected are highly volatile, highly specialized and highly technical. Significant changes, including changes in liquidity and prices, can occur in such markets within very short periods of time, often within minutes. Foreign exchange trading risks include, but are not limited to, exchange rate risk, interest rate risk and potential

interference by foreign governments through regulation of local exchange markets, foreign investment, or transactions in foreign currency.

Counterparty Risk. Clients depend on the services of custodians, counterparties, administrators, and other agents to carry out certain transactions on behalf of the Clients. The terms of these contracts are often customized and complex, and many of these arrangements occur in markets or relate to products that are not subject to regulatory oversight.

Clients are subject to the risk that the counterparty to one or more of these contracts defaults, either voluntarily or involuntarily, on its performance under the contract. Any such default may occur suddenly and without notice to Caspian. Moreover, if a counterparty defaults, Caspian may be unable to take action to cover a Client's exposure, either because it lacks contractual recourse or because market conditions make it difficult to take effective action. This inability could occur in times of market stress, which is when defaults are most likely to occur.

In the event of the insolvency of a custodian, counterparty or any other party that is holding assets of a Client as collateral, such Client might not be able to recover equivalent assets in full as it will rank among the custodian's or counterparty's unsecured creditors in relation to the assets held as collateral. In addition, a Client's cash held with a custodian or counterparty generally will not be segregated from the custodian's or counterparty's own cash, and Clients may therefore rank as an unsecured creditor in relation thereto.

The consolidation and elimination of counterparties has increased the concentration of counterparty risk and decreased the universe of potential counterparties, and Clients are generally not restricted from dealing with any particular counterparty or from concentrating any or all of its transactions with one counterparty. In addition, counterparties have generally reacted to recent market volatility by tightening their underwriting standards and increasing their margin requirements for all categories of financing, which has the result of decreasing the overall amount of leverage available and increasing the costs of borrowing.

Bankruptcy Claims. Caspian Funds may purchase creditor claims subsequent to the commencement of a bankruptcy case. Bankruptcy claims are usually illiquid and generally do not pay interest, and there can be no guarantee that the debtor will ever be able to satisfy the obligation on the bankruptcy claim. The markets in bankruptcy claims are not generally regulated under U.S. Federal securities laws. Because bankruptcy claims are frequently unsecured, holders of such claims may have a lower priority in terms of payment than certain other creditors in a bankruptcy proceeding. Under judicial decisions, the purchase of a bankruptcy claim may be disallowed by the bankruptcy court if the court determines that the purchaser had taken unfair advantage of an unsophisticated seller, which might result in the rescission of the transaction (presumably at the original purchase price) or forfeiture by the purchaser.

Inflation. In response to recent economic events, including the global financial crisis and the COVID-19 global pandemic, countries around the world have significantly loosened monetary policy and injected trillions of dollars into the global economy in an effort to

prevent more severe economic turbulence. This level of support has given rise to significant increases in government spending globally and in many instances significant increases to the amount of debt issued by governments in the international bond markets. The United States and other countries have experienced disruptions throughout the supply chain. Current and future disruption in supply of goods, combined with loose monetary policy and unprecedented levels of government spending, may materially increase inflation of the U.S. dollar and other currencies in the coming years. Inflation and rapid fluctuations in inflation rates have had in the past, and in the future may have, negative effects on economies and financial markets, which may consequently have a materially adverse impact on a Client's investment performance.

Illiquidity. We make investments in securities or other assets that are not readily marketable or that may cease to be readily marketable after we make our investment. During market dislocations, these types of investments often experience extreme price volatility, which may make it difficult for us to realize the full intrinsic value of such investments if we were forced to sell them.

Valuation. Investors in the Caspian Funds purchase and redeem interests in these funds based on a determination of the fair value of the assets and liabilities of these funds. In addition, our management fees and incentive compensation with respect to Caspian Funds are determined by reference to these valuations. We may make investments that are difficult to value due to the absence of quoted prices for identical assets or liabilities in an active market. Investors can be adversely affected if we are not able to realize the value that we ascribe to an investment upon the sale of the security or asset.

Competition. The success of our investments may depend on our ability to identify or exploit opportunities more efficiently than other market participants. Our ability to do so may be adversely affected as a result of the highly competitive nature of the asset management industry.

Short sales. Our strategies may call for short sales not only for hedging purposes but also to exploit situations in which we believe an investment has been overvalued by market participants. If our assessment is incorrect, there is a risk that we could incur a potentially unlimited amount of loss from the short sale.

Leverage. We generally have the discretion to use borrowing and other forms of leverage in our strategies. While the use of leverage can amplify the profit on successful investments, it can also amplify the losses incurred on unsuccessful investments.

Caspian Fund structure, limited liquidity and transparency. An investor's investment in multi-investor Caspian Funds is subject to the structure and terms of the fund. Liquidity and transparency with respect to certain Caspian Funds are much more restricted than would be the case for a separate account held by a custodian in the name and for the personal account of the investor in its own name.

Conflicts of interest. As described elsewhere in this brochure, we are subject to various actual and potential conflicts of interest as a result of our management of multiple accounts,

the nature of our compensation arrangements, and the use of a fund structure. The existence of these conflicts of interest have the potential to influence the independence of our judgment.

Cybersecurity. The computer systems, networks and devices used by Caspian, our service providers and the Clients 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, systems, networks and/or devices could be breached. A Client and its investors may be negatively impacted as a result of a cybersecurity breach.

Cybersecurity breaches can include unauthorized access to systems, networks and/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 or functionality. Cybersecurity breaches may cause (i) disruptions and impact business operations, potentially resulting in financial losses to a Client, (ii) interference with our ability to calculate the value of an investment, (iii) impediments to trading, (iv) the inability to transact business, (v) violations of applicable privacy and other laws, (vi) regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs, as well as (vii) 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 transactions; governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions and parties. In addition, substantial costs may be incurred by these entities in order to prevent any cybersecurity breaches in the future.

Coronavirus Risks. In December 2019, the virus SARS-CoV-2, which causes the coronavirus disease known as COVID-19, was first identified in the human population. 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. Such disruptions continue to be felt, as many countries and U.S. states struggle to contain the virus and its variants. The short-term and long-term impact of COVID-19 on the operations of Caspian and the performance of a Fund is difficult to predict. Any potential impact on such operations and performance will depend to a large extent on future developments and actions taken by authorities and other entities to contain COVID-19 and its economic impact. These potential impacts, while uncertain, could adversely affect the performance of a fund.

Global Economic Conditions. Various sectors of the global financial markets may experience extended periods of adverse conditions, including as a result of the ongoing COVID-19 pandemic. These conditions often result in reduced liquidity, greater volatility, general widening of credit spreads and a lack of price transparency. These difficult global market conditions may adversely affect the market values of equity, debt, and other financial assets. These or similar types of adverse conditions could have a material effect on general economic conditions, consumer and business confidence and market liquidity and thus adversely affect Clients.

In addition, the prices of many of the securities and other investment instruments in which the Clients invest are highly volatile and market movements are difficult to predict. Investment analyses and decisions may frequently be required to be undertaken on an expedited basis to take advantage of investment opportunities. In such cases, the information available at the time of making an investment decision may be limited, incomplete or erroneous, and therefore no assurance can be given that all circumstances that may adversely affect an investment will be known. Depending upon the investment strategies employed and market conditions, Clients may be adversely affected by unforeseen events involving such matters as political crises, military actions, terrorist attacks, natural disasters, changes in currency exchange rates or interest rates, regulatory intervention or general market conditions creating illiquidity or pricing anomalies or value impairment.

Political Risks. The political systems of many countries in the emerging markets have recently been undergoing a variety of transitions. The developing political systems of emerging markets countries are susceptible to civil and ethnic unrest and wars, popular dissatisfaction with privatization efforts, abrupt changes in political and economic power, and changes in government institutions and policies, any of which could adversely affect private investors. The process of political development is ongoing, and investors should bear in mind that the final outcome is unpredictable. Actions in the future of one or more of the governments of the countries in the emerging markets could have a significant effect on the economy of such country, which could in turn adversely affect private sector companies, market conditions, and prices and yields of securities in the Clients' portfolios. Political and economic instability in emerging markets could adversely affect the Clients' investments. Economic or diplomatic sanctions may be in place, or may be imposed in or with respect to, certain countries in which Clients invest, or in which portfolio companies do business, which is likely to limit the liquidity of the affected investments or negatively impact the value of the Clients' investments. Clients may be subject to the risk of possibility of expropriation or confiscatory taxation with respect to investments in certain countries. Restrictions imposed or actions taken by foreign governments could include exchange controls, seizure or nationalization of foreign deposits or securities accounts and adoption of other governmental restrictions that could adversely affect the prices of securities held by Clients or the ability to repatriate profits on investments or even the capital invested, which could adversely impact Clients. Investments are speculative and involve the potential loss by an investor of the entire amount invested.

Russian Invasion of Ukraine. On February 21, 2022, Russian President Vladimir Putin ordered the Russian military to invade two regions in eastern Ukraine (the Donetsk People's Republic and Luhansk People's Republic regions). The following day, the United States, United Kingdom and European Union announced sanctions against Russia. On February 24, 2022, President Putin commenced a full-scale invasion of Russia's pre-positioned forces into Ukraine, including Russia's forces pre-positioned in Belarus. In response, the United States, United Kingdom, and European Union imposed further sanctions designed to target the Russian financial system, and thereafter a number of countries have banned Russian planes from their airspace. The U.S. and allied countries have recently taken steps to prevent certain Russian banks from accessing international payment systems and implemented sanctions on certain Russian exports, including oil and natural gas. Additionally, the U.S. and allied countries have issued sanctions on certain foreign individuals and national leaders who have supported Russia's invasion of the Ukraine, restricting such persons from particular transactions in the U.S. and allied countries. Further sanctions may be forthcoming. Russia's invasion of Ukraine, related cyberattacks, the displacement of persons both within Ukraine and to neighboring countries and the increasing international sanctions could have a negative impact on various economies and business activity globally (including in the countries in which the Caspian Funds invest), and therefore could adversely affect the performance of the Caspian Funds' investments. Furthermore, given the ongoing and evolving nature of the conflict and its ongoing escalation (such as Russia's decision to place its nuclear forces on high alert and the possibility of significant cyberwarfare against military and civilian targets globally), it is difficult to predict the conflict's ultimate impact on global economic and market conditions, and, as a result, the situation presents material uncertainty and risk with respect to the Caspian Funds and the performance of their investments or operations, and the ability of the Caspian Funds to achieve their investment objectives.

European Instability. Recent events, including the invasion of Ukraine by Russia, have interjected uncertainty into global financial markets, especially European markets. It is possible that any fallout from the Ukrainian conflict will have effects on other European countries as such countries address cross-border refugee movements and other potential threats. A number of countries including the United States and certain European nations have imposed sanctions on Russia and businesses affiliated with that country. The long-term impact of these sanctions remains unclear, although they may prove to limit potential investment opportunities and may impair cash flow that is material to an investment if third parties doing business with a company underlying an investment are sanctioned parties. The regulatory framework of sanctions is often complex and at times counter-intuitive, and transactions involving sanctioned parties can result in increased compliance expenses.

Force majeure events. As discussed above, certain force majeure events (meaning those events beyond the control of the party claiming that the event has occurred, including unexplainable occurrences (acts of God), fire, flood, earthquakes, war, terrorism, outbreaks of infectious disease, pandemics and labor strikes) may negatively affect the economy, infrastructure and livelihood of people throughout the world. They may also adversely affect the ability of Clients, counterparties of the foregoing or other persons or entities to perform their respective obligations. In addition, there are increased risks relating to

Caspian's reliance on computer programs and systems if Caspian's personnel are required to work remotely for extended periods of time as a result of events such as the outbreak of infectious disease or other adverse public health developments or natural disasters, including an increased risk of cyber-attacks and unauthorized access to Caspian's computer systems. Repeated or prolonged service interruptions resulting from a force majeure event may cause substantial litigation or significant penalties for regulatory or contractual non-compliance, though in some cases, agreements may be terminable if a force majeure event is so catastrophic as to render it incapable of remedy within a reasonable, pre-agreed time period. The occurrence of a force majeure event may, directly or indirectly, have a material adverse effect on the Clients and/or investments of the Clients and the cost of repairing or replacing damaged assets resulting from such a force majeure event could be considerable.

The private placement memoranda for the Clients (and in certain cases, the operating agreements) contain a discussion of various risk considerations that is more extensive in scope and depth than the foregoing summary.

Item 9 - Disciplinary Information

There have been no legal or disciplinary events involving Caspian, its general partner or any of our Principals or executive officers.

Item 10 - Other Financial Industry Activities and Affiliations

Relationship with the Caspian Funds

We manage each of the Caspian Funds either as the general partner (in the case of Caspian Funds formed as partnerships) or by designating Principals of our firm to serve on the board of directors (in the case of Caspian Funds formed as corporations). Most of the Caspian Funds do not have independent management, and most do not have boards of directors that consist solely of independent directors. As a result of our sponsorship of and control over the Caspian Funds, the terms of the Caspian Funds are not necessarily negotiated at arms-length.

Multiple Clients

Since we have more than one Client, our personnel cannot devote their exclusive attention to any single Client.

On occasion, the interests of one Client may conflict with those of another. For example, certain Caspian Funds have similar investment mandates. As a result, it is sometimes necessary for us to allocate limited opportunities among them rather than allocating the entire opportunity to any one Client. Caspian affiliates have equity investments in certain Caspian Funds. These investments can theoretically pose a conflict of interest in that we may be motivated to allocate time, attention and investment opportunities to Clients in which we are invested at the expense of the other Clients. We have adopted policies and procedures that require us to allocate investment opportunities in a fair and equitable manner. See Item 12.B.

Some advisory Clients of Caspian may be registered under the Investment Company Act. Such registered advisory Clients are subject to restrictions on transactions with certain affiliates, including Caspian and its Clients. For this reason, Caspian could be limited in effecting certain transactions that might otherwise benefit a Client to the extent that such transactions constitute prohibited joint transactions under the Investment Company Act.

Situations may occur in which we conclude that it is in the best interests of one Client to purchase an investment (for example, when a Caspian Fund has received new capital from investors) and in the best interests of another Client to sell the same investment (for example, when a Caspian Fund must raise cash to fund investor redemption requests). In these circumstances and solely to the extent permitted by law and the operating agreements, we may determine that both Clients will benefit by crossing the position privately rather than by effecting independent purchase and sale transactions in the secondary market. In general, while we seek to effect any cross trades at a price and on terms that we believe are arms-length and fair, there may be no opportunity for any investor in a Caspian Fund to consent to or receive notification of these cross trades unless required by law.

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

Caspian has adopted a Code of Ethics (the “Code”), which sets forth standards of business and personal conduct for partners, directors and officers of Caspian and Caspian employees (collectively hereinafter defined as “Covered Persons”) and addresses conflicts that arise from personal trading by such Covered Persons. The Code is predicated on the basic principle that employees of Caspian will adhere to high ethical standards and fiduciary principles, and must:

- Place Clients’ interests first;
- Engage in personal securities transactions consistent with the Code and avoid any actual, potential or apparent conflict of interest or any abuse of position of trust and responsibility;
- Keep security holdings and financial circumstances of Clients confidential; and
- Adhere to the principal that fairness and independence in the investment decision-making process is of paramount importance.

The Code places restrictions on personal trades by employees, including that employees pre-clear with compliance most types of personal securities transactions, except “Exempted Securities” as defined under the Code, and that they disclose their personal securities holdings and transactions to Caspian on a periodic basis. Employees authorize brokerage firms and other investment account providers to feed their account statements directly onto Caspian’s compliance software provider platform. Such statements are periodically reviewed.

Exceptions to these policies and procedures may, from time to time, be granted where Caspian believes that the expected activity likely would not compromise Client interests. Employee violation of Caspian’s Code can result in remedial measures including

disgorgement of profits (if any), and depending upon the facts or circumstances, more severe actions up to and including monetary fines and termination of employment.

In addition to the personal trading policy, the Code is comprised of several other policies and procedures that are designed to eliminate or reduce potential conflicts of interest, including prohibitions against market manipulation, deceptive practices, front running or scalping, bribery and similar illegal conduct. Caspian prohibits the misuse of material non-public information (“inside information”) and maintains a restricted list of securities that may not be purchased or sold by its employees for their own accounts or for Client accounts because of the actual or possible possession of inside information. Caspian also has a gifts & entertainment policy which covers the acceptance of gifts or entertainment from service providers and other parties, as well as providing gifts or entertainment to certain prospective and existing investors in Caspian Funds in accordance with the federal pay-to-play rules.

Caspian’s Code is available for review and will be provided to any Client upon request.

See Item 10 for information concerning the possibility of cross-trades between accounts.

Item 12 - Brokerage Practices

A. In placing orders for the purchase and sale of securities for Clients, Caspian’s policy is to seek the best execution of orders, which means that it seeks to ensure that the Client’s total cost or proceeds is the most favorable under the circumstances. Caspian does not adhere to any rigid formulas in making its selection of broker-dealers to effectuate securities transactions on behalf of its Clients, but weighs a combination of qualitative and quantitative factors or criteria which may include the following:

- a broker’s reliability, reputation and integrity;
- a broker’s experience in the industry;
- financial stability, liquidity and or ability to commit capital;
- efficiency in executing and clearing transactions (e.g., ability to prospect for and provide liquidity and block trades, while avoiding unwanted market impact);
- competitive commission rates, markups and other fees and spreads and general responsiveness to our firm; and
- the size of the order.

The applicability and importance of specific criteria will vary depending upon the nature of the transaction, the asset class, the market in which it is affected, and the extent to which it is possible to select from among multiple brokers or dealers capable of effecting the transaction.

We have not entered into any soft dollar agreements or understandings with brokers or others although we accept research materials from various broker dealers free of

charge. We do not consider referrals in selecting broker-dealers, nor do we permit Clients or investors to direct brokerage. Our brokerage policy enables us to pay higher prices for the purchase of securities from or accept lower prices for the sale of securities to or pay higher commissions to brokerage firms that provide us with investment and research information. Since commission rates in the U.S. as well as in certain other jurisdictions are negotiable, selecting brokers on the basis of considerations that are not limited to applicable commission rates may at times result in higher transaction costs than would otherwise be obtainable. Research products and services furnished by brokers may include written information and analyses concerning specific securities, companies or sectors; market, financial and economic studies and forecasts; statistics and pricing or appraisal services; discussions with research personnel; and invitations to attend conferences or meetings with management or industry consultants. In the event that Caspian utilizes “soft dollars,” it will do so solely to pay for products or services that qualify for the safe harbor within the meaning of Section 28(e). Using Client transactions to obtain research and other benefits creates incentives that may result in conflicts of interest between an adviser and its Clients. The availability of these benefits may influence the adviser to select one broker rather than another to perform services for Clients, based on its interest in receiving the products and services instead of on our Clients’ interest in receiving the best execution prices. Obtaining these benefits may cause our Clients to pay higher fees than those charged by other broker-dealers.

B. Trade Allocations - Policies and Procedures

Our Clients can have similar investment strategies. As a result, our Clients tend to participate in the same investment opportunities. For each investment opportunity, we place one aggregate order, which is then allocated among our Clients’ accounts on a pro rata basis. When a transaction is suitable for more than one Client, we will generally attempt to allocate purchase and sale opportunities on a fair, equitable and consistent basis. We may consider some or all of the following factors in making allocation decisions among our Clients: the investment objectives, policies, contractual and legal restrictions, risk tolerance, time horizon, tax sensitivity, desired capitalization range, nature and size of the account, suitability, tolerance for portfolio turnover, availability of cash or buying power, account “ramp-ups,” and whether the Client or particular investors are eligible to participate in a trade pursuant to applicable compliance regulations or Client specific policies or restrictions.

Allocations aim to ensure that over time no Client (or group of Clients) is systematically favored over any other Client (or group of Clients). Subject to suitability factors outlined above, allocation methodologies are generally made pro rata based on the capital amount in each account (“Pro Rata”). There are exceptions to this policy. For example, if the Pro Rata allocation results in a cash position that is different from the desired cash level, or if the position would be inconsistent with the investment objectives of one or more accounts, we may deviate from the Pro

Rata formula. We may also deviate from this policy in order to address liquidity concerns and other practical limitations associated with partial fills or small allocations by allocating to participating accounts a minimum number of shares or bonds. Notwithstanding the above, securities may not be allocated Pro Rata or otherwise as described above in the case of a transaction involving so few shares or bonds such that normal allocations among Client accounts would be impracticable or result in a nonconforming allocation for one or more particular Clients (e.g., when securities only trade in larger blocks or minimum lots). In such cases, we will use our best efforts to allocate amounts fairly, and we will regularly document all deviations from standard allocation guidelines and practices in writing.

Caspian may offer one or more investors or co-investment vehicles (“Co-Investment Vehicles”) the opportunity to co-invest with Clients in particular investments. Caspian may, for example, offer such co-investment opportunities when the size of the opportunity exceeds the amount of capital that we believe should be invested by our Clients or when an investment opportunity exceeds the available investment capital of Clients for which the investment is appropriate.

Caspian is not required to offer co-investment opportunities to any fund investor or Co-Investment Vehicles and no fund investor or Co-Investment Vehicles will be entitled (or obligated) to participate in such an opportunity by reason of being an investor in one or more of the Clients or Co-Investment Vehicles. Caspian’s decision to offer (or not offer) co-investment opportunities to any fund investor or Co-Investment Vehicle investor will be made in Caspian’s sole discretion unless otherwise specified in applicable agreements. Caspian may also offer co-investment opportunities to fund investors, Co-Investment Vehicle investors and/or other third-party investors based on factors such as, but not limited to, the nature of the opportunity, speed of execution required, tax considerations, such persons’ familiarity with, capability and history of making similar investments, such person’s prior expressions of interest in making similar investments, and other factors deemed by Caspian to be relevant.

To the extent that Caspian offers a co-investment opportunity in a security to one or more investors or Co-Investment Vehicles, Caspian is not required to offer subsequent additional co-investment opportunities in that security to such co-investors unless otherwise specified in applicable agreements. Caspian may extend additional co-investment opportunities in such securities in its sole discretion.

Investment management services provided by Caspian to Co-Investment Vehicles that have investment objectives, programs or strategies that are similar to those of other Clients could result in significant overlapping positions among the funds and any such Co-Investment Vehicles.

Item 13 - Review of Accounts

- A. The Risk Committee’s Portfolio Subcommittee reviews all of our Caspian Fund portfolios and analyzes their performance on a regular basis, but no less than

monthly. Where applicable, these reviews include an assessment of profit and loss reports with respect to our Clients' investment positions.

- B. Aside from our regular reviews described above, we may choose to review a Client account if there are significant profit and loss changes or a severe dislocation in the financial markets.
- C. We provide investors in the Caspian Funds with written monthly reports that contain information about the fund in which they have invested. Our administrator also provides each investor in our funds with the investor's own individual monthly capital account statements. We also provide them with written annual reports that contain audited financial statements and tax information. Upon request, our investors may receive intra-monthly emails containing estimated account performance details. We are also available for in-person meetings with any requesting investor to review portfolio or other fund related matters subject to confidentiality obligations contained in the relevant Client documents. Upon investors' request, we provide information to risk aggregating service firms retained by them.

We provide the Managed Account clients with such reporting as has been agreed with them in the advisory agreement.

Item 14 - Client Referrals and Other Compensation

Caspian pays third parties cash compensation for investor referrals in amounts based upon a portion of the advisory fee earned by Caspian with respect to investors in Caspian Funds introduced by the third party. Such arrangements will be disclosed to investors in Caspian Funds in accordance with applicable law. The fact that Caspian may share with third parties a portion of the compensation that Caspian receives for investment advisory services will not result in any investor in a Caspian Fund being charged advisory fees at a rate in excess of, or less than, the rate of advisory fees customarily charged by Caspian to investors in Caspian Funds for similar services, nor will Caspian charge any investor in a Caspian Fund any other amount for the purpose of offsetting costs associated with such referrals. We do not receive any economic benefit from third parties for providing advisory services to our Clients.

Item 15 - Custody

Due to our access to Caspian Funds' funds and securities as general partner or manager of the Caspian Funds, and our authority to deduct fees and other expenses from these Clients' accounts, we are deemed to have constructive custody of Caspian Funds' funds and securities within the meaning of Rule 206(4)-2 of the Investment Advisers Act of 1940, as amended (the "Custody Rule").

We utilize the services of unrelated financial institutions or other qualified custodians (as defined in the Custody Rule) to hold all funds and securities of the Caspian Funds, with the exception of certain privately offered securities. We also ensure that the qualified

custodian maintains such funds and securities in accounts that contain only Clients' funds and securities, under our name as agent or trustee for the relevant Clients.

All of Caspian Funds are pooled investment vehicles. Accordingly, we comply with the periodic reporting requirements of the Custody Rule by arranging for annual financial statements, which are prepared in accordance with generally accepted accounting principles and are audited by an independent auditor that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, to be delivered to each investor in the Caspian Funds within 120 days of the end of the fiscal year of the fund.

Our Managed Account clients establish accounts with their own qualified custodians, and neither Caspian nor its affiliates has authority to deduct fees or other expenses from the Managed Account clients' assets. Our Managed Account clients receive account statements directly from their qualified custodians. We urge our Managed Account clients to carefully review the statements received from the qualified custodians and compare them to the reports we send.

Item 16 - Investment Discretion

In connection with discretionary authority over our Client accounts, we have the authority to determine, without obtaining specific Client consent, which securities to buy or sell and the amount of securities to buy or sell, the broker through which we effect trades, and the commission rates at which we effect trades. In exercising this authority, we adhere to the investment strategy and program set forth in each of the Caspian Funds' private placement memoranda and the governing documents of our Clients, including the operating agreements with our Managed Account clients and operating documents of certain Caspian Funds. Our authority is subject to investment limitations and guidelines contained in these documents.

Each investor in the Caspian Funds is required to complete our subscription documents (or an equivalent document) to acquire an interest in the fund, which, among other things, confirms that the investor has reviewed the relevant disclosure document describing the scope of our authority and the inability of any investor to direct our trading activities.

Prior to providing investment advice to a Managed Account, the Managed Account appoints Caspian as agent for the portfolio that we manage. The advisory agreement gives us discretionary authority to buy or sell assets in the amounts and at the prices that we determine.

Item 17 - Voting Client Securities

- A. Because Clients have delegated the power to vote their securities to our firm, we have implemented proxy voting policies and procedures in accordance with securities laws and our fiduciary obligations to our Clients. We always strive to vote Client proxies in a manner consistent with the Clients' best interests and that seeks to protect or enhance shareholder returns. Our policies are designed to

prevent our officers, directors and employees from being influenced by outside sources whose interests conflict with our Clients' interests.

We have retained Broadridge Investor Communication Solutions, Inc. ("Broadridge"), an unaffiliated third-party proxy voting research service that also provides voting guidelines and recommendations through an arrangement with Glass, Lewis & Co LLC ("GL"), to assist us in researching and voting proxies. While we ultimately make all voting decisions, we generally expect to vote in accordance with GL recommendations. Caspian retains the right to depart from GL's recommendation on any given vote, provided that the details of the vote and the rationale for the departure are documented. In such cases, or when GL does not issue a recommendation, Caspian will use its best judgment to vote such proxies on behalf of its affected Clients.

We have reviewed and approved GL's proxy voting guidelines and we believe that the guidelines accurately reflect our objective standards in voting practices.

As part of the annual review of Caspian's compliance program, Caspian will assess and document the overall adequacy of this proxy voting program and the services provided by Broadridge and any other proxy advisory firms utilized in accordance with internal policy and procedure.

Potential Conflicts of Interest

While we always seek to effect proxy voting in the best interests of our Clients, there may be instances where voting Client proxies present an actual or a perceived conflict of interest between our firm or employees and our Clients. Some examples in which potential conflicts of interest may include situations:

- where Caspian manages assets or provides other financial services or products to, or otherwise has a direct business relationship with, a company whose management is soliciting proxies;
- where a Caspian representative serves on the board of directors of a public company soliciting proxies;
- where Caspian has a business relationship with the proponent of a non-management proxy proposal; or
- where Caspian or its employee involved in casting proxy ballots may have a personal interest in the outcome of a particular matter before shareholders.

As noted above, Caspian generally votes proxies in accordance with recommendations provided by a third-party service provider (GL) pursuant to pre-determined policies, thus minimizing the likelihood of conflict affecting Caspian's vote.

Recordkeeping

Caspian or Broadridge maintain records of (i) all proxy statements and materials received on behalf of Clients; (ii) all proxy votes that are made on behalf of the Clients; (iii) all documents that were material to a proxy vote; (iv) all written requests from Clients regarding voting history; and (v) all responses (written and oral) to Clients' requests.

Upon request, any of our Clients or any of the investors in Caspian Funds can obtain (i) a copy of our proxy voting policies and procedures and (ii) information concerning proxy voting on its behalf.

- B. In some situations, we may not have the authority to vote on certain Clients' securities. In these cases, Clients may request information concerning the reason why we do not have the authority to vote on Clients' securities.

Item 18 - Financial Information

- A. We do not require nor do we solicit prepayment of more than \$1,200 in fees per Client, six months or more in advance.
- B. We are not aware of any financial condition that is likely to impair our ability to meet our contractual commitments to our Clients.
- C. Our firm has never been the subject of a bankruptcy petition.