

AG Twin Brook Manager, LLC

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March 31, 2023

Form ADV Part 2A: Firm Brochure

This brochure provides information about the qualifications and business practices of AG Twin Brook Manager, LLC. If you have any questions about the contents of this brochure, please contact our Chief Compliance Officer at (212) 692-2000. The information in this brochure has not been approved or verified by the U.S. Securities and Exchange Commission (“SEC”) or by any state securities authority.

AG Twin Brook Manager, LLC is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The verbal and written communications of an investment adviser provide you with information about which you determine to hire or retain an investment adviser. Additional information about AG Twin Brook Manager, LLC is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2—Material Changes

This brochure is dated March 31, 2023. It serves as an update to our brochure dated March 31, 2022. This brochure contains routine annual updates to the prior brochure, as well as certain other updates.

There are no material changes from our prior brochure to note as of the date of this filing.

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Item 4—Advisory Business

AG Twin Brook Manager, LLC (“Twin Brook” or the “Firm”) is a Delaware limited liability company, founded in 2019. Twin Brook is a wholly owned subsidiary of Angelo, Gordon & Co., L.P. which is a Delaware limited partnership (together with its affiliates, as applicable, including Twin Brook, “Angelo Gordon”). As of December 31, 2022, the Firm managed approximately \$297 million, all on a discretionary basis. This amount includes interests which one of the Firm’s clients holds in its other client, consistent with the master-feeder structure of the clients.

Relationship with Angelo, Gordon & Co., L.P.

Angelo Gordon is a privately held firm founded in 1988, specializing in global alternative (non-traditional) investments with an absolute return orientation. AG Partner Investments, L.P. is the majority owner of Angelo Gordon. Approximately 100 senior employees have an indirect minority interest in Angelo Gordon. Angelo Gordon is headquartered in New York with associated offices in Chicago, Los Angeles, San Francisco, Amsterdam, Milan, London, Frankfurt, Hong Kong, Tokyo, Seoul and Singapore. As discussed in more detail below, Angelo Gordon advises a variety of investment vehicles and accounts (“AG Accounts”).

Twin Brook has entered into a Resource Sharing Agreement (the “Resource Sharing Agreement”) with Angelo Gordon, pursuant to which Angelo Gordon will provide Twin Brook with experienced investment professionals and access to the resources of Angelo Gordon necessary or appropriate in connection with Twin Brook’s obligations to its clients (the “Clients”). Through the Resource Sharing Agreement, Twin Brook intends to capitalize on the significant deal origination, credit underwriting, due diligence, investment structuring, execution, portfolio management and monitoring experience of Angelo Gordon’s investment professionals.

Angelo Gordon’s Chicago-based direct lending investment team (the “Investment Team”) is responsible for identifying investment opportunities, conducting research and due diligence on prospective investments, structuring investments and monitoring and servicing investments. The Investment Team takes a bottom-up, cash-flow based fundamental research approach to investing and focuses primarily on corporate credit investment opportunities in the United States. The senior members of the Investment Team have been actively involved in the lower middle market for over 20 years and have built strong relationships with the middle market private equity sponsor community, along with most of the capital markets and senior management teams at many of the leading middle market finance companies.

Twin Brook’s investment committee (which consists of personnel provided to Twin Brook pursuant to the Resource Sharing Agreement) is comprised of six members who are, as a committee, responsible for approving investments. The extensive experience of the investment professionals serving on the investment committee includes expertise in privately originated and publicly traded leveraged credit, stressed and distressed debt, bankruptcy, mergers and acquisitions and private equity. This diverse skill set provides a range of perspectives in the evaluation of each investment opportunity.

Angelo Gordon personnel provided to Twin Brook through the Resource Sharing Agreement will devote such time and effort in conducting activities on behalf of Twin Brook's Clients as the Firm reasonably determines appropriate to fulfill its duties to the Clients under each Client's governing documents. However, such Angelo Gordon employees, including the Investment Team, now or could in the future serve, as officers, directors, members, or principals of entities that operate in the same or a related line of business as the Firm, or of investment funds, accounts, or investment vehicles managed by Angelo Gordon and/or its affiliates.

Twin Brook's Clients

Twin Brook's primary function is to act as the investment adviser to a privately offered business development company, AG Twin Brook BDC, Inc. (the "Company"), a Delaware corporation. As the Company's investment adviser, Twin Brook manages the day-to-day operations of the Company and provides the Company with investment advice and related management services. In addition to advising the Company, Twin Brook also advises the Company's feeder fund, AG Twin Brook BDC Holdings, Ltd. (the "Feeder Fund").

The Company was established to capitalize upon investment opportunities available in middle market direct lending. The Company is an externally managed, non-diversified closed-end investment management company that has elected to be treated as a business development company (a "BDC") under the Investment Company Act of 1940, as amended (the "1940 Act"). The Feeder Fund is a Cayman Islands exempted company that will, and is required by its governing documents to, invest all or substantially all of its investable assets in the common stock issued by the Company.

Because each of the Clients is a pooled fund, investment objectives and restrictions are set forth in each Client's governing documents (including any advisory agreements, investment guidelines or offering memoranda). In some cases, consistent with the governing documents, a Client's guidelines, objectives and restrictions can be amended to provide or remove limitations on how the Firm manages the Client's account, with the agreement of the Client's board of directors, general partner or equivalent governing body (which can include the Firm or its affiliates or their respective personnel). However, it is not expected that any particular investor in a Client will be permitted to impose or alter the limitations set forth in the Client's governing and offering documents.

Advice to a Client fund is not tailored to the individualized needs of any underlying investor. Investors will be subject to the various risks described in the governing and offering documents and should determine whether the fund meets their investment objectives and risk tolerance prior to investing. Any discussions the Firm has with current or prospective investors in a Client are not intended as advice to that investor, including advice that such an investor or prospect should take any particular action with respect to a fund. Investors should be aware that an investment in a fund does not, in and of itself, create an advisory relationship between the investor and the Firm.

Additionally, investors who receive this brochure (whether or not through the Firm) should be aware that, this brochure is intended solely to provide disclosure required of registered investment advisers pursuant to Form ADV adopted under the Investment Advisers Act of 1940,

as amended (the “Advisers Act”). As such, the information in this brochure can differ in many respects from the information provided in a Client’s governing or offering documents. To the extent that there is any conflict between discussions herein and similar or related discussions in the relevant governing or offering documents, the governing or offering documents are controlling. As a result, investors should carefully review the description of the services, fees, investor suitability standards, and other terms applicable to each of the Clients in the relevant offering memorandum.

Copies of the offering memoranda are available by contacting (212) 692-2000.

Item 5—Fees and Compensation

Twin Brook receives a base management fee (the “Base Management Fee”) and an incentive fee (the “Incentive Fee” and, together with the Base Management Fee, “Advisory Fees”) for its advisory services. Pursuant to an administration agreement (the “Administration Agreement”), Angelo Gordon serves as the Company’s administrator and is reimbursed by the Company for its allocable portion of certain administrative expenses. Investors bear the fees and expenses indirectly as a part of their investment in a Client and could also be subject to other expenses in connection with their investment. The fees paid to the Firm, and other relevant expenses, are summarized below and more detailed descriptions are provided in the relevant governing and offering documents.

Company Base Management Fee

Twin Brook receives a Base Management Fee from the Company, quarterly in arrears, that is calculated as a percentage of the average value of the Company’s gross assets (excluding cash and cash equivalents) at the end of the two most recently completed calendar quarters, adjusted for any share issuances or repurchases during the current calendar quarter. The rate of the Base Management Fee will depend on whether the Company has reached particular milestones, as described below. First, prior to the occurrence of an initial public offering of the Company’s common stock that results in an unaffiliated public float of at least the lower of (i) \$60 million and (ii) 17.5% of the aggregate capital commitments received by the Company prior to the date of such initial public offering (a “Qualified IPO”), the Base Management Fee is calculated at an annual rate of 0.60% of the Company’s gross assets, excluding cash and cash equivalents. Second, upon the occurrence of a Qualified IPO, the Base Management Fee will be calculated at an annual rate of 1.25% of the Company’s gross assets, excluding cash and cash equivalents. The Base Management Fee for any partial month or quarter will be appropriately pro-rated.

Company Incentive Fee

Additionally, the Firm is eligible to receive an Incentive Fee that consists of two parts: (i) an incentive fee based on income (the “Income Fee”) and (ii) an incentive fee based on capital gains (the “Capital Gains Fee”). Each of these is summarized below and described in greater precision and detail in the governing and offering documents:

The Income Fee (at a rate of 16.75%) is calculated and payable quarterly in arrears based on the difference between the Company’s income accrued (excluding capital gains or losses

(whether or not realized)) during the relevant calendar quarter and the Company's operating expenses for such quarter ("Pre-Incentive Fee Net Investment Income"). The Income Fee is subject to a specified "Hurdle Amount" and a "catch up" feature and will be appropriately pro-rated when applied to any period of less than three months (i.e., in the Company's initial quarter or in the event of mid-quarter termination) and adjusted for share issuances or repurchases during a quarter.

The Capital Gains Fee is determined and payable in arrears as of the end of each fiscal year (or upon termination) in an amount equaling 16.75% of the Company's realized capital gains (net of realized and unrealized capital losses/depreciation) on a cumulative basis through the end of the fiscal year, less the aggregate amount of any previously paid Capital Gains Fees.

No Feeder Fund Management and Incentive Fees

No separate management fee or incentive fees will be paid by the Feeder Fund to Twin Brook. However, because the Feeder Fund invests in the Company, investors in the Feeder Fund bear their indirect proportionate share of the management fees and incentive fees the Company pays to Twin Brook.

Other Expenses

In addition to Advisory Fees, Clients are generally responsible for (and investors bear) other costs and expenses set forth in the Client's governing and offering documents and other relevant agreements (e.g., the investment advisory agreement). Other costs and expenses often include, among others; (i) legal, accounting, custodial and administration expenses (including reimbursement payments made by the Company to Angelo Gordon under the Administration Agreement) associated with the organization and operation of Clients; and (ii) the conduct of the investment and trading program including deal sourcing expenses, which can include costs related to advertising, research, as well as costs incurred to attend or sponsor networking and other similar events hosted by both for-profit and not-for-profit organizations, which can include organizations affiliated with current or prospective investors.

As set forth in more detail in the Clients' governing and offering documents and in addition to the Advisory Fees, Clients will be subject to brokerage commissions, transaction fees, and other related costs and expenses, including but not limited to, charges imposed by custodians, brokers, lenders and other third parties such as fees charged by auditors, attorneys, administrators or custodians, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Such charges, fees and commissions are in addition to Twin Brook's fees. Twin Brook does not receive any portion of these commissions, fees, and costs. The factors that Twin Brook considers when selecting brokers or dealers for Client transactions are further described in *Item 12—Brokerage Practices* herein.

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

The Firm manages assets for the Clients. Twin Brook structures any performance or incentive fee arrangement subject to applicable law. Twin Brook's Incentive Fees are further described in Item 5 – Fees and Compensation.

Performance or Incentive-based fee arrangements could create an incentive for Twin Brook to pursue investments on behalf of the Company that are relatively more risky than it would if there were only an asset-based management fee. Additionally, the Capital Gains Fee is based on recognized capital gains. Because the Firm determines when to sell a holding, it will control the timing of the recognition of capital gains. The Firm could have an incentive to liquidate (or refrain from liquidating) an investment in order to increase the Capital Gains Fee, even if such action were not in the long-term interest of the Company at that time. Moreover, because the Income Fee is computed and paid on income that includes interest income that has been accrued but not yet received, the Firm has an incentive to favor debt financings that provide for deferred interest, rather than current cash payments of interest. The Firm also has an incentive to invest in deferred interest securities in order to continue to earn the Income Fee if the issuers of the deferred interest securities are not able to make actual cash payments. These risks are exacerbated by the fact that the Firm is not obligated to reimburse the Company for incentive fees it receives, even if there are subsequent losses or accrued payments of deferred interest are not actually received. The Company's board (the "Board" or "Board of Directors") monitors the mix and performance of investments and seeks to satisfy that Twin Brook is acting in the Company's interests and that the fee structure appropriately incentivizes Twin Brook to do so.

Side-by-side management refers to the practice of managing one or more accounts that have differing fee structures. Given the nature and structure of Twin Brook's Clients (i.e., the Company pursues its investment objective directly while the Feeder Fund invests substantially all of its assets only in the Company), the conflicts generally associated with side-by-side management, including an adviser's incentive to favor higher fee-paying accounts over other accounts in the allocation of investment opportunities, are not present for Twin Brook itself.

However, because AG Accounts include accounts with a variety of different fee structures and/or in which Firm personnel invest in different ratios, there are AG Accounts in which Angelo Gordon and its personnel could have pecuniary interests different from its interest in Twin Brook's Clients. To the extent that a particular investment opportunity is suitable for both the Company and other AG Accounts, such investment opportunity will typically be allocated among the Company and the other accounts pursuant to the overarching Angelo Gordon allocation policies in a manner deemed to be fair and equitable over time, which does not favor one client or group of clients taking into consideration such factors as legal, regulatory and tax considerations, availability of capital for investment by the account, liquidity concerns and such other factors as Angelo Gordon deems under the particular circumstances to be relevant in making its investment allocation determination.

Because investment decisions and allocations are based on a variety of factors and require the application of judgment, it is not the case that each opportunity will be allocated equally among accounts or that the Company will participate in every opportunity which might

be beneficial or consistent with its investment strategy. When Twin Brook and Angelo Gordon determine that it would be appropriate for the Company and one or more other investment accounts, respectively, to participate in an investment opportunity, they will generally seek to have all accounts participate on an equitable basis. Situations may occur where the Company could be disadvantaged because of the investment activities conducted by Angelo Gordon, Twin Brook and their affiliates for other investment accounts. For example, where multiple vehicles have the same investment objective or an overlapping investment objective, those with larger expected borrowing capacity are expected to generally be able to acquire a relatively greater proportion of each investment. Accordingly, application of the allocation methodology can result in a priority for certain investment vehicles or accounts. In addition, because the decision to pursue an investment opportunity and whether an investment is suitable for the Company lies within Twin Brook's discretion, it is possible that the Company will not be given the opportunity to participate in certain investments made by other Angelo Gordon accounts to the extent consistent with the 1940 Act and the Company's co-investment exemptive order. The Firm will evaluate a variety of factors, as it determines are relevant in determining whether a particular investment opportunity or strategy is appropriate and feasible for the Company or the relevant investment vehicle or account at a particular time.

The overarching Angelo Gordon allocation policy and procedures (the "Allocation Policy") is described in further detail in Item 12—Brokerage Practices, and certain related conflicts are described in Item 10 – Other Financial Industry Activities and Affiliations and Item 11 – Code of Ethics, Participation or Interest in Client Transactions, Personal Trading, below.

The Company's business and affairs are managed under the direction of the Board of Directors. The Company's Board consists of five members, three of whom are not "interested persons" of the Company, Twin Brook or their respective affiliates as defined in Section 2(a)(19) of the 1940 Act. We refer to these individuals as "Independent Directors." The Independent Directors compose a majority of the Board. The Board elects the Company's officers, who serve at the discretion of the Board. The responsibilities of the Board include quarterly determinations of fair value of the Company's assets, corporate governance activities, oversight of the Company's financing arrangements and oversight of the Company's investment activities.

Item 7—Types of Clients

Twin Brook provides investors the opportunity to invest in the Company, either directly or through the Feeder Fund.

Requirements for opening or maintaining an investment, including qualification and suitability requirements are described in each Client's offering and governing documents, but generally impose a \$1 million investment minimum for investors in the Company and the Feeder Fund. The Firm reserves the right to adjust these minimums as it deems appropriate in light of the overall facts and circumstances.

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

The Firm's investment philosophy combines fundamental in-depth research and a conservative valuation approach with a diversification strategy intended to seek reduced downside risk. The Investment Team is the cornerstone of all investment activities.

The Company seeks to invest principally in privately originated senior secured loans to U.S. middle market companies, which Twin Brook believes have consistent capital needs and have not only been underserved in recent years by traditional providers of capital such as banks and the public debt markets, but also for a variety of reasons could prefer working with experienced non-bank lenders. The Company's origination strategy focuses on the middle market private equity community. This financing is expected to be utilized for a variety of purposes, including to fund organic growth, acquisitions, recapitalizations, management buyouts and leveraged buyouts for companies with revenue generally under \$500 million.

Investing in loans and securities of the type associated with the Clients' investment strategy involves a significant degree of risk that Clients and investors should be prepared to bear. The discussion below describes the primary risks associated with the Firm's investment activities on behalf of the Company (which the Feeder Fund bears through its investment in the Company). However, it is not possible to identify all of the risks associated with investing, and the particular risks applicable to a Client will depend on a variety of factors, which are not always predictable in advance. Moreover, the discussion in this Item 8 is not intended to be a comprehensive summary of all of the risks associated with the investment strategies of Twin Brook. Rather, the following are only certain risks to which investors in the Clients are subject.

While the Firm seeks to manage the Company's assets in a manner that is appropriate to the return potential for the Company's strategy, it is often not possible or desirable to fully mitigate risks. Any investment includes the risk of loss and there can be no guarantee that a particular level of return will be achieved. Additionally, investors should understand that the Company principally invests, directly or indirectly, in loans and securities in accordance with requirements applicable to BDCs under the 1940 Act and, as such, the Company's assets are not intended, and should not be expected to be broadly diversified. Neither the Company nor the Feeder Fund is intended to provide a complete investment program for any investor.

Investors are responsible for understanding the Company's investment activities, so that they can (if they so choose) appropriately diversify their own assets to guard against the risk of loss of their investment in the Company or the Feeder Fund, which could include the loss of all capital invested. As the following is intended only as a summary of the principal risks associated with the Company's investment activities generally, it is important to consult the relevant governing and offering documents for a more complete and specific discussion of the risks associated with an investment in the Company or the Feeder Fund and should consult their own legal, tax and financial advisers before investing.

All investments involve risk but the Company's investments are expected to be relatively more risky as a result of its investment objective and strategy. There can be no assurance that an investment program will be successful or that investments purchased by the Company will increase in value or be profitable. Investing involves a risk of loss, including potential loss of the

entire investment, that investors should be prepared to bear. The Firm's investment strategies also carry some degree of legal, tax and regulatory risk.

Clients and investors should be aware that political, social and economic uncertainty creates and exacerbates risks and could impact the Firm's investment strategies, processes and methods of analysis. See, "Political, Social and Economic Uncertainty Creates and Exacerbates Risks," below. As a result, each of the risks discussed in Item 8 of this brochure and the information in Item 11 of this brochure (as well as similar discussions in Client offering documents) is subject to these *Political, Social and Economic Uncertainty Risks*, and should be reviewed and analyzed in light of these risks and uncertainties.

General Investment Risk

All investments risk the loss of capital. There can be no assurance that the Company's investment program will be successful or that investments purchased by the Company will increase in value. There can be no assurance that the Firm's assessment of the short-term or long-term prospects of investments held or to be acquired by the Company will prove accurate or that the Company will achieve its investment objective. Past performance of the Firm or Angelo Gordon is not indicative of future performance of the Company.

Inability to Achieve Investment Objective or Produce Returns

Because the Company invests primarily in senior secured debt, senior secured stretch and unitranche facilities, second lien loans, mezzanine and mezzanine-related loans, equity investments and select other subordinated investments, it is intended for long term investors capable of understanding and accepting the risks associated with its investment objective and strategy. The Company depends on the Firm to identify and select appropriate investment opportunities, and to cause the Company to acquire those investments. There can be no assurance that the Company will achieve its investment or performance objectives or that the Firm will be successful in identifying a sufficient number of suitable investment opportunities to fully deploy the Company's committed capital or that investors will receive favorable (or any) returns.

Reliance on Angelo Gordon's Investment Professionals

The success of the Company's investment program will depend in large part upon the skill and expertise of certain of the investment professionals who are made available to Twin Brook pursuant to the Resource Sharing Agreement. Although the Firm believes that the success of the Clients is not dependent upon any particular investment professional(s), there can be no assurance that any of these investment professionals will continue to be associated with the Firm or involved in advising the Company. In addition, Angelo Gordon's professionals are actively involved in managing the investment activities of other funds advised by Angelo Gordon and its affiliates. Thus, the members of the professional staff of the Firm will have demands on their time for the investment, monitoring and other functions of other AG Accounts.

There can be no guarantee that Twin Brook will be able to replicate the historical results achieved by Angelo Gordon. Twin Brook's primary focus in making investments for the Company will sometimes differ from those of AG Accounts. Moreover, investment returns

achieved by the Company could be substantially lower than the returns achieved by AG Accounts with similar strategies in prior periods, particularly to the extent that all or a portion of the prior results were achieved in particular market conditions which might not be repeated. Current or future market volatility and social, political, and regulatory uncertainty could have a significant adverse impact on future performance.

Dependence on Information Systems and Potential Systems Failures

The Firm is highly dependent on its communications and information systems, which are provided by Angelo Gordon under the Resource Sharing Agreement and shared with Angelo Gordon. System failures, breaches or cyber-attacks could significantly disrupt the Firm's business, which could have a material adverse effect on the results of operations and cash flows of the Company. In particular, system breaches are evolving and include, but are not limited to, malicious software, attempts to gain unauthorized access to data, and other electronic security breaches that could result in disruptions of communications and information systems, unauthorized release of confidential or proprietary information and damage or corruption of data. These events could lead to higher operating costs from remedial actions, loss of business and potential liability.

Interest Rate Risk

The Company will primarily invest in instruments with adjustable rates. Interest rate changes can affect the value of a debt instrument indirectly (especially in the case of fixed rate securities) and directly (especially in the case of instruments whose rates are adjustable). In general, rising interest rates will negatively impact the price of a fixed rate debt instrument and falling interest rates will have a positive effect on price. Interest rate sensitivity is generally more pronounced and less predictable in instruments with uncertain payment or prepayment schedules.

Phase Out of LIBOR as a Benchmark Rate

Although the Company does not intend to lend at rates based on the London Interbank Offered Rate ("LIBOR") going forward, the Company may purchase loans on the secondary market that continue to use LIBOR. While many LIBOR rates were phased out at the end of 2021, a selection of widely used U.S.-dollar LIBOR rates will continue to be published until June 2023. On July 29, 2021, the U.S. Federal Reserve System, in conjunction with the Alternative Reference Rates Committee, a steering committee comprised of large U.S. financial institutions, formally recommended replacing U.S.-dollar LIBOR with SOFR, a new index calculated by short-term repurchase agreements, backed by Treasury securities. Further, on March 15, 2022, the Consolidation Appropriations Act of 2022, which includes the Adjustable Interest Rate (LIBOR) Act ("LIBOR Act"), was signed into law in the U.S. This legislation establishes a uniform benchmark replacement process for financial contracts that mature after June 30, 2023, which do not contain clearly defined or practicable fallback provisions. CME Term SOFR is a forward-looking term rate based on SOFR that, when added to a spread adjustment, is recommended by the Alternative Reference Rates Committee as a LIBOR replacement in certain cash products. CME Term SOFR, plus the statutory spread adjustment, has also been selected by the Board of Governors of the Federal Reserve as the benchmark replacement applicable to many

products that will transition away from LIBOR automatically under the LIBOR Act. The legislation also creates a safe harbor that shields lenders from litigation if they choose to utilize a replacement rate recommended by the Board of Governors of the Federal Reserve. Although the transition process away from LIBOR has become increasingly well-defined (e.g. the LIBOR Act now provides a uniform benchmark replacement for LIBOR-based instruments in the U.S.), the transition process may involve, among other things, increased volatility or illiquidity in markets for instruments that currently rely on LIBOR and may result in a reduction in the value of certain instruments held by the Company.

Credit Risk

The Company's performance and returns could be affected by the default or perceived credit impairment of its investments and by general or sector specific credit spread widening. Credit risks associated with the investments include (among others): (i) the possibility that earnings of the obligor are insufficient to meet its debt service obligations; (ii) the obligor's assets declining in value; and (iii) the declining creditworthiness, default and potential for insolvency of the obligor during periods of rising interest rates and economic downturn. An economic downturn and/or rising interest rates could severely disrupt the market for the investments and adversely affect the value of the investments and the ability of the obligors thereof to repay principal and interest. In turn, this could have a material adverse effect on the Company's business, financial condition, results of operations and net asset value. In the event of a default by a borrower, the Company will bear a risk of loss of principal and accrued interest on that investment. Any such investment could become defaulted for a variety of reasons, including non-payment of principal or interest, as well as breaches of contractual covenants. A defaulted investment could become subject to workout negotiations or be restructured by, for example, reducing the interest rate, writing-down the principal, and/or changing its terms and conditions. Any such process could be extensive and protracted over time, and therefore result in substantial uncertainty with respect to the ultimate recovery on the defaulted investment. In addition, significant costs might be imposed on the lender, further affecting the value of the investment. The liquidity in such defaulted investments can also be limited and, where a defaulted investment is sold, it is unlikely that the proceeds from the sale will be equal to the amount of unpaid principal and interest owed on that investment. This would have a material adverse effect on the net asset value of the Company's portfolio, and, by extension, its business, financial condition, results of operations and net asset value. In the case of secured loans, restructuring can be an expensive and lengthy process which could have a material negative effect on the Company's anticipated return on the restructured loan. By way of example, it would not be unusual for any costs of enforcement to be paid out in full before the repayment of interest and principal. This would substantially reduce the Company's anticipated return on the restructured loan.

Counterparty Risk

To the extent that contracts for investment will be entered into between the Company and a market counterparty as principal (and not as agent), the Company is exposed to the risk that the market counterparty will, in an insolvency or similar event, be unable to meet its contractual obligations to the Clients. There could be a limited number of potential counterparties for certain investments, which could significantly impair the Firm's ability to reduce the Company's

exposure to counterparty risk. In addition, difficulty reaching an agreement with any single counterparty could limit or eliminate the Company's ability to execute such investments altogether. Because certain purchases, sales, hedging, financing arrangements and other instruments in which the Company will engage involve instruments that are not traded on an exchange but are instead traded between counterparties based on contractual relationships, the Company is subject to the risk that a counterparty will not perform its obligations under the related contracts. Although the Company intends to pursue remedies under any such contracts, there can be no assurance that a counterparty will not default and that the Company will not sustain a loss on a transaction as a result.

Political, Social and Economic Uncertainty Exacerbates Risks

Social, political, economic and other conditions and events (such as natural disasters, epidemics and pandemics, terrorism, armed conflicts and social unrest) will occur that create uncertainty and have significant impacts on issuers, industries, governments and other systems, including the financial markets, to which the Company and the issuers in which it invests are exposed. As global systems, economies and financial markets are increasingly interconnected, events that once had only local impact are now more likely to have regional or even global effects. Events that occur in one country, region or financial market will, more frequently, adversely impact issuers in other countries, regions or markets, including in established markets such as the United States. These impacts can be exacerbated by failures of governments and societies to adequately respond to an emerging event or threat.

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

Public Health Emergency Risk

COVID-19 is expected to continue to have, and other public health emergencies may have a materially adverse impact on our financial condition and results of operations.

The global impact of the novel coronavirus (“COVID-19”) outbreak continues to evolve. Precautionary measures have created significant disruption in the global public and private markets, supply chains and economic activity and have had a particularly adverse impact on transportation, hospitality, tourism, entertainment and other industries. It is expected that many countries will continue to encounter issues with respect to the distribution, uptake and efficacy of COVID-19 vaccines and treatments. The full impact of the pandemic, including a global, regional or other economic recession (which some financial experts opine have already arrived), is still uncertain and difficult to assess.

Any public health emergency, including any outbreak of COVID-19, SARS, Monkeypox, H1N1/09 flu, avian flu, other coronavirus, Ebola or other existing or new epidemic diseases, or the threat thereof, could negatively impact the Company and its portfolio companies and could meaningfully affect the Company’s ability to fulfill its investment objectives. In particular, recipients should note that the performance information presented herein should not be relied upon. Certain updated valuations used to calculate the performance of the Company and other Angelo Gordon products may be lower than those reflected herein and in certain cases, materially so. Accordingly, correspondingly qualified considerations should be attached to the valuation and performance information included herein.

The extent of the impact of any public health emergency on the Company’s and its portfolio companies’ operational and financial performance will depend on many factors, including but not limited to the duration and scope of such public health emergency, the extent of any related travel advisories and voluntary or mandatory government restrictions implemented, the impact of such public health emergency on overall supply and demand, goods and services, investor liquidity, consumer confidence and spending levels, the extent of government support and levels of economic activity, the impact of labor market interruptions and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. For this reason, valuations in this environment are subject to heightened uncertainty and subject to numerous subjective judgments, any or all of which could turn out to be incorrect with the benefit of hindsight. Furthermore, traditional valuation approaches that have been used historically may need to be modified in order to effectively capture fair value in the midst of significant volatility or market dislocation. The effects of a public health emergency may negatively impact the value and performance of the Company’s portfolio companies, the Company’s ability to source, manage and divest investments (including but not limited to circumstances where potential transactions are already signed but not closed) and the Company’s ability to achieve its investment objectives, all of which could result in significant losses to the Company.

In connection with the impacts of any such future public health crisis, the Company is expected to incur heightened legal expenses which could similarly have an adverse impact to the Company’s returns. For example, but not by limitation, the Company or portfolio companies may be subject to heightened litigation and its resulting costs, which costs may be significant and

are expected to be borne by the Company and/or its portfolio companies. There is also a heightened risk of cyber and other security vulnerabilities during the current public health emergency and any future one, which could result in adverse effects to the Company or the portfolio companies in the form of economic harm, data loss or other negative outcomes.

Potential Material and Adverse Effects of Market Conditions on Debt and Equity Capital Markets

From time to time, capital markets may experience periods of disruption and instability. For example, from 2008 to 2009, the global capital markets were unstable as evidenced by the lack of liquidity in the debt capital markets, significant write-offs in the financial services sector, the repricing of credit risk in the broadly syndicated credit market and the failure of major financial institutions. Despite actions of the U.S. federal government and various foreign governments, these events contributed to worsening general economic conditions that materially and adversely impacted the broader financial and credit markets and reduced the availability of debt and equity capital for the market as a whole and financial services firms in particular. While market conditions have improved from the beginning of the disruption, there have been recent periods of volatility and there can be no assurance that adverse market conditions will not repeat themselves in the future. If these adverse and volatile market conditions continue, the Company and other companies in the financial services sector may have to access, if available, alternative markets for debt and equity capital in order to grow. Equity capital may be particularly difficult to raise during periods of adverse or volatile market conditions because, subject to some limited exceptions, as the Company is generally not able to issue additional shares of common stock at a price less than its net asset value per share without first obtaining approval for such issuance from the Company's stockholders and Independent Directors.

Moreover, the re-appearance of market conditions similar to those experienced from 2008 through 2009 for any substantial length of time could make it difficult for the Company to borrow money or to extend the maturity of or refinance any indebtedness the Company may have under similar terms and any failure to do so could have a material adverse effect on the business. The debt capital that will be available to the Company in the future, if any, may be at a higher cost and on less favorable terms and conditions than what the Company currently experiences. If the Company is unable to raise or refinance debt, it may be limited in its ability to make new commitments or to fund existing commitments to the Company's portfolio companies.

Given the extreme volatility and dislocation in the capital markets over the past several years, many BDCs have faced, and may in the future face, a challenging environment in which to raise or access capital. In addition, significant changes in the capital markets, including the extreme volatility and disruption over the past several years, has had, and may in the future have, a negative effect on the valuations of the Company's investments and on the potential for liquidity events involving these investments. While most of the Company's investments are not publicly traded, applicable accounting standards require the Company to assume as part of the valuation process that our investments are sold in a principal market to market participants (even if the Company plans on holding an investment through its maturity). As a result, volatility in the capital markets can adversely affect the Company's investment valuations. Further, the illiquidity of the Company's investments may make it difficult for the Company to sell such investments to access capital if required. As a result, the Company could realize significantly less

than the value at which the Company has recorded its investments if the Company were required to sell its investments for liquidity purposes. In addition, a prolonged period of market illiquidity may cause the Company to reduce the volume of loans and debt securities it originates and/or funds and could adversely affect the value of the Company's portfolio investments, which could have a material and adverse effect on the Company's business, financial condition, results of operations and cash flows. An inability to raise or access capital could have a material adverse impact on the Company's business, financial condition or results of operations.

Potential impact of failure of the U.S. federal government to manage its fiscal matters or to raise or further suspend the debt ceiling, and changes in the amount of federal debt, may negatively impact the economic environment and adversely impact our results of operations.

The U.S. federal government has established a limit on the level of federal debt that the U.S. federal government can have outstanding, often referred to as the debt ceiling. The U.S. Congress has authority to raise or suspend the debt ceiling and to approve the funding of U.S. federal government operations within the debt ceiling, and has done both frequently in the past, often on a relatively short-term basis. On January 19, 2023, the U.S. reached its borrowing limit and currently faces risk of defaulting on its debt. Generally, if effective legislation to manage the level of federal debt is not enacted and the debt ceiling is reached in any given year, the federal government may suspend its investments for certain government accounts, among other available options, in order to prioritize payments on its obligations. It is anticipated that the U.S. federal government will be able to fund its operations through approximately mid-2023. However, contention among policymakers, among other factors, may hinder the enactment of policies to further increase the borrowing limit or address its debt balance timely. A failure by the U.S. Congress to raise the debt limit would increase the risk of default by the U.S. on its obligations, the risk of a lowering of the U.S. federal government's credit rating, and the risk of other economic dislocations. Such a failure, or the perceived risk of such a failure, could consequently have a material adverse effect on the financial markets and economic conditions in the U.S. and globally. If economic conditions severely deteriorate as a result of U.S. federal government fiscal gridlock, our operations, or those of our portfolio companies, could be affected, which may adversely impact our financial condition and results of operations.

Potential Impact of Economic Recessions or Downturns

Our portfolio companies may be susceptible to economic downturns or recessions and may be unable to repay our loans during these periods. Therefore, during these periods our non-performing assets may increase and the value of our portfolio may decrease if we are required to write down the values of our investments. Adverse economic conditions may also decrease the value of collateral securing some of our loans and the value of our equity investments. Economic slowdowns or recessions could lead to financial losses in our portfolio and a decrease in revenues, net income and assets. Unfavorable economic conditions also could increase our funding costs or limit our access to capital. These events could prevent us from increasing investments and harm our operating results.

A portfolio company's failure to satisfy financial or operating covenants imposed by us or other lenders could lead to defaults and, potentially, acceleration of the time when the loans are due and foreclosure on the portfolio company's assets representing collateral for its

obligations. This could trigger cross defaults under other agreements and jeopardize our portfolio company's ability to meet its obligations under the debt that we hold and the value of any equity securities we own. We may incur expenses to the extent necessary to seek recovery upon default or to negotiate new terms with a defaulting portfolio company.

In response to a recession, economic slowdown or financial market instability, governments and regulators may choose to intervene by implementing austerity measures and reforms, as seen in the 2007-2008 global financial crisis. There is no guarantee a government or regulatory intervention will have the desired effect and any such intervention may result in social unrest, limit future growth and economic recovery or have unintended consequences. Additionally, such interventions have sometimes been unclear in scope and application, resulting in confusion and uncertainty which in itself has been detrimental to the efficient functioning of financial markets. It is impossible to predict with certainty what temporary or permanent governmental restrictions may be imposed on the markets in the future and/or the effect of such restrictions on Twin Brook's ability to implement the Company's investment objective, the European or global economy or the global securities market. Instability in the global financial markets or government intervention may increase the volatility of the Company and hence the risk of loss to the value of an investment in us.

Potential Impact of Inflation

The Federal Reserve has raised, and has indicated its intent to continue raising, certain benchmark interest rates in an effort to combat inflation. The Company as well as our portfolio companies will be impacted by inflation. Recent inflationary pressures have increased the costs of labor, energy and raw materials, have adversely affected consumer spending and economic growth, and may adversely affect our portfolio companies' operations. If such portfolio companies are unable to pass any increases in their costs of operations along to their customers, it could adversely affect their operating results and impact their ability to pay interest and principal on our loans, particularly if interest rates rise in response to inflation. In addition, any projected future decreases in our portfolio companies' operating results due to inflation could adversely impact the fair value of those investments. Any decreases in the fair value of our investments could result in future realized or unrealized losses and therefore reduce our net assets resulting from operations.

While the U.S. and other developed economies have begun to experience higher-than-normal inflation rates, it remains uncertain whether substantial inflation in the U.S. and other developed economies will be sustained over an extended period of time or have a significant effect on the U.S. or other economies. Inflation may affect the Company's investments adversely in a number of ways, including those noted above. During periods of rising inflation, interest and dividend rates of any instruments the Company or entities related to portfolio investments may have issued could increase, which would tend to reduce returns to investors in the Company. Inflationary expectations or periods of rising inflation could also be accompanied by the rising prices of commodities which are critical to the operation of portfolio companies as noted above. Portfolio companies may have fixed income streams and, therefore, be unable to pay their debts when they become due. The market value of such investments may decline in value in times of higher inflation rates. Some of the Company's portfolio investments may have income linked to inflation through contractual rights or other means. However, as inflation may affect both

income and expenses, any increase in income may not be sufficient to cover increases in expenses. Governmental efforts to curb inflation often have negative effects on the level of economic activity. In an attempt to stabilize inflation, certain countries have imposed wage and price controls at times. Past governmental efforts to curb inflation have also involved more drastic economic measures that have had a materially adverse effect on the level of economic activity in the countries where such measures were employed. There can be no assurance that continued and more wide-spread inflation in the U.S. and/or other economies will not become a serious problem in the future and have a material adverse impact on the Company's returns.

Potential Impact of Global Climate Change

Climate change creates physical and financial risk and some of our portfolio companies may be adversely affected by climate change. There is increasing concern that a gradual rise in global average temperatures due to increased concentration of carbon dioxide and other greenhouse gases in the atmosphere will cause significant changes in weather patterns around the globe, an increase in the frequency, severity, and duration of extreme weather conditions and natural disasters, and water scarcity and poor water quality. These events could adversely impact our portfolio companies and, more generally, disrupt the operation of supply chains, increase production costs and impose capacity restraints globally. These events could also compound adverse economic conditions and impact consumer confidence and governmental budgets. As a result, the effects of climate change could have a long-term adverse impact on our portfolio companies and the results of our operations.

Potential Impact of Corporate Social Responsibility

Our business faces increasing public scrutiny related to environmental, social and governance ("ESG") activities. We risk damage to our brand and reputation if we fail to act responsibly in a number of areas, such as environmental stewardship, corporate governance and transparency and considering ESG factors in our investment processes. Adverse incidents with respect to ESG activities could impact the value of our brand, the cost of our operations and relationships with investors, all of which could adversely affect our business and results of operations. Regional and investor-specific sentiment may differ in what constitutes a material positive or negative ESG factor. There is no guarantee that our ESG practices will uniformly fit every investor's definition of best practices for all ESG considerations across geographies and investor types. Additionally, new regulatory initiatives related to ESG could adversely affect our business.

Potential Illiquidity of Investments

The market value of investments will fluctuate with, among other things, changes in market rates of interest, general economic conditions, economic conditions in particular industries, the condition of financial markets and the financial condition of the issuers of the investments. In addition, the lack of an established, liquid secondary market for some the Company's investments could have an adverse effect on the market value of those investments and on the Company's ability to dispose of them. Because the Company generally invests in private companies, substantially all of the Company's investments are likely to be subject to legal and other restrictions on resale or are otherwise be less liquid than publicly traded

securities. Investments that are illiquid or which have limited liquidity are more difficult to sell if the need arises. Therefore, should the Company need to liquidate all or a portion of its portfolio quickly, there is a possibility that significantly less value will be realized than if the Company could conduct an orderly sale or as compared to the fair or carrying value recorded for the investments. Also, investments constituting a control position will be subject to additional transfer restrictions under federal securities and other laws by virtue of such control position which will further contribute to illiquidity. Therefore, no assurance can be given that, the Company will be able to dispose of any such investment at the prevailing market price.

The foregoing risks do not purport to be a complete explanation of all the risks associated with Twin Brook's management of the Client accounts. Clients or investors should review the terms of the management agreement and/or the final confidential offering memoranda for additional discussion of the risks that impact a Client.

Item 9—Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to an evaluation of Twin Brook or the integrity of its management.

Twin Brook has no information applicable to this Item.

Item 10—Other Financial Industry Activities and Affiliations

Absent specific authority, Twin Brook does not exercise any discretionary authority with respect to an investor's decision to invest in the Clients. A full list of Twin Brook's affiliates with whom it has relevant relationships is provided in Schedule D, Section 7.B(1) of Part 1A of the Firm's Form ADV, available on the SEC's website at www.adviserinfo.sec.gov or upon request from our Chief Compliance Officer at (212) 692-2000. Except as described herein, the Firm does not believe that there are presently relationships with, or conflicts related to, these affiliates that are material to the Firm or its Clients.

From time to time, advisory personnel of Angelo Gordon could serve on a portfolio company's board of directors or otherwise act to influence the management of portfolio companies.

Except as described below, we do not believe that our relationships with these entities cause a conflict of interest with Clients.

Angelo, Gordon & Co., L.P.

As noted above, Twin Brook relies on the personnel and resources of Angelo Gordon to provide investment advice to Clients. These personnel and resources are provided pursuant to a Resource Sharing Agreement, which can be terminated by either party upon 60 days' prior written notice.

Angelo Gordon has conflicts of interest with respect to the allocation of time, personnel, and resources to Twin Brook. To mitigate this conflict, the Resource Sharing Agreement

requires that Angelo Gordon personnel provided to Twin Brook devote such time and effort in conducting activities on behalf of Twin Brook's Clients as is reasonably required to fulfill the Firm's duties to the Clients under each Client's governing documents. However, Angelo Gordon employees, including the Investment Team and others provided to Twin Brook through the Resource Sharing Agreement, now or could in the future serve, as officers, directors, members, or principals of entities that operate in the same or a related line of business as the Company, or of investment funds, accounts, or investment vehicles managed by Angelo Gordon or serve on a portfolio company's board of directors or otherwise act to influence the management of portfolio companies.

Please see Item 11 for further discussions of conflicts of interest that arise in connection with Twin Brook's relationship with Angelo Gordon and the AG Accounts.

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

Twin Brook has adopted the Angelo Gordon Code of Ethics (the "Code") designed to address conflicts which can arise in the context of personal trading and other activities by Twin Brook personnel. The Code and related policies establish guidelines for professional conduct and personal trading procedures, including certain pre-clearance and reporting obligations on such activities. The Code includes provisions relating to personal trading, directorships and outside affiliations, handling of non-public information, prohibition on insider trading, gifts and entertainment and limitations on political contributions.

With respect to personal trading, the Code outlines several procedures designed to eliminate conflicts of interest surrounding personal investment transactions of Angelo Gordon employees and their related persons, which includes but is not limited to, the following: (i) pre-clearance of certain personal investment transactions; (ii) a prohibition against knowingly executing a purchase or short sale in a single-name security; (iii) a prohibition against purchasing initial coin offerings or privately-issued securities, including investments in private funds, without pre-clearance; and (iv) reporting of all covered accounts. Consistent with the Code, Twin Brook personnel can from time to time purchase or sell, or hold, directly or indirectly, positions for their personal accounts in the same securities or securities or assets that are senior to or subordinate to securities that also may be held, or have been or will be purchased or sold for the accounts of Clients.

In addition, a Joint Code of Ethics (the "Joint Code") has been adopted by the Company and the Firm in compliance with Rule 17j-1 under the 1940 Act. The purpose of the Joint Code is to establish standards and procedures for the detection and prevention of activities by which persons having knowledge of the investments and investment intentions of the Company could abuse their fiduciary duty to the Company, and otherwise to deal with the types of conflict of interest situations to which Rule 17j-1 is addressed.

Personnel subject to the Code and/or the Joint Code are required to acknowledge the terms of the Code and/or the Joint Code annually. If you would like to receive a copy of the Firm's Code of Ethics or the Joint Code, please contact (212) 692-2000.

Twin Brook and its employees are not permitted to trade for Clients or themselves, to recommend that others trade, in securities of a company while in possession of material, non-public information (“MNPI”) or to disclose MNPI to any person not entitled to receive it. By reason of its various investment activities, the Firm could have access to MNPI or be restricted from effecting transactions in certain investments that might have otherwise been initiated. The Firm has designed and implemented policies and procedures reasonably designed to limit those situations; however, there can be no assurance that such policies and procedures will prevent restrictions from occurring.

Conflicts related to Angelo Gordon

Various conflicts of interest arise from the current and future activities of Twin Brook and Angelo Gordon. The following briefly summarizes some of these conflicts, but is not intended to be an exhaustive list of all such conflicts.

Angelo Gordon, its affiliates, its partners and employees (collectively, “Angelo Gordon Affiliates”) engage in other businesses and furnish investment management and advisory services and other types of services to others, including serving as investment manager, sponsor or general partner of, or in an equivalent role for, other collective investment vehicles or managed accounts (*i.e.*, AG Accounts, as defined above). Consequently, Angelo Gordon employees who are provided to Twin Brook pursuant to the Resource Sharing Arrangement including the Company’s portfolio managers, serve, or could in the future serve, as officers, directors, members, or principals of entities that operate in the same or a related line of business as the Company, or of other AG Accounts.

Other AG Accounts (including some that are managed by the same portfolio managers as the Company) can and, at times, will: (i) acquire interests in, provide financing to or otherwise deal in securities or other investments of issuers that would be suitable investments for the Company; (ii) have investment policies that are the same as or similar to those of the Company (while others will have different investment policies); and/or (iii) subject to 1940 Act restrictions, own securities or other instruments of the same class or type as those held or which could be acquired by the Company or that are senior or junior to (or *pari passu* with) those held or which could be held by the Company.

There is no assurance that accounts with similar strategies or investment objectives will hold the same investments or perform in a similar manner. The Firm has, as discussed herein, a variety of incentives, financial or otherwise, to favor certain accounts or vehicles over others (*e.g.*, accounts which pay a performance-based fee or in which Angelo Gordon Affiliates have invested). This and other future activities of Angelo Gordon Affiliates could give rise to additional conflicts of interest.

To the extent that a particular investment opportunity is suitable for the Company and for other AG Accounts, the investment opportunity will typically be allocated pursuant to Angelo Gordon’s Allocation Policy. The Allocation Policy, as described below, is intended reasonably to assure that opportunities are allocated fairly and equitably over time, without unduly favoring any client or group of clients. Allocations of any particular opportunity are subject to a variety of legal, regulatory and tax considerations, the availability of capital for investment by eligible

account, liquidity considerations and such other factors as the Firm deems under the particular circumstances to be relevant. Subject to these considerations, when the Firm determines that it would be appropriate for the Company and one or more AG Accounts to participate in an investment opportunity, the Firm will generally seek to have all accounts participate on an equitable basis to the extent consistent with the 1940 Act and the Company's co-investment exemptive order. Nonetheless, situations could occur where the Company is disadvantaged because of the investment activities conducted on behalf of other AG Accounts.

Angelo Gordon Affiliates will also face conflicts of interest with respect to allocations of expenses among the Clients, other AG Accounts, and the Firm. When the Clients co-invest alongside other AG Accounts in an investment, it is expected that the fees and expenses incurred in connection with such investment will be allocated pro rata to the participating AG Accounts based on their investment size. However, if the transaction is abandoned or otherwise ultimately not consummated, fees and expenses incurred in connection with the "broken deal" will be allocated among the AG Accounts that were considering the investment based on the expected participation levels at that time. This determination is necessarily subjective, especially when a transaction is terminated at a particularly early stage. Angelo Gordon Affiliates will also face conflicts of interests in determining how to allocate costs and expenses incurred for the benefit of more than one AG Account and Angelo Gordon itself and thus, indirectly, the Firm itself (*e.g.*, expenses incurred in obtaining, developing, or maintaining technology systems and other software and expenses of firm-wide insurance policies). The aggregate costs of these items are allocated across the applicable AG Accounts (and, as applicable, the Firm) in a manner the Firm determines to be reasonable and fair to all parties.

Additionally, the differing investment programs and projected investment horizons of the Company and AG Accounts could result in an AG Account taking positions in securities that conflict with positions in such securities taken by the Company, including variations in timing of transactions, or the simultaneous holding by other AG Accounts and the Company of long and short positions relating to the same security. Angelo Gordon Affiliates will, from time to time, have relationships, which can be ongoing, with issuers whose securities or assets are held by or are being considered for the Company.

Due to their various activities, the Firm or an Angelo Gordon Affiliate could come into possession of confidential information or material, non-public information or be otherwise restricted from effecting transactions for the Company that otherwise might have been beneficial to the Company. At times, the Firm or an Angelo Gordon Affiliate, in an effort to avoid such restrictions, could elect not to receive information, even if it would have been advantageous to the Company to do so, that other market participants or counterparties have received or are eligible to receive.

Co-Investments

Where an investment is appropriate for the Company and one or more AG Accounts, the Firm can consider co-investing with AG Accounts. Any such investments will be subject to regulatory limitations, the Allocation Policy and (in some cases) approvals by the Company's Independent Directors. The Firm can offer no assurance, however, that it will be able to obtain such approvals or develop opportunities that comply with such limitations.

Item 12—Brokerage Practices

Where consistent with the Company's investment mandate, Twin Brook has the authority to determine, without specific consent, the price and amount of securities or instruments to be bought and sold, the time and manner of purchase or sale and the broker-dealer or counterparty through which a transaction is executed. Generally, there are no restrictions or limitations on Twin Brook's authority. In exercising its discretion, Twin Brook seeks to obtain best execution of securities transactions for the Company.

In the course of selecting such brokers, dealers, banks and financial intermediaries to effect transactions for and with Clients, and consistent with its duty to seek best execution, Twin Brook can agree to cause the Company to pay commissions, fees and other charges that Twin Brook believes are reasonable under the circumstances (without obligation to select the broker or dealer offering the lowest commission rate). In making these decisions, Firm personnel consider a variety of relevant factors, in light of the circumstances surrounding the transaction or the Firm's general duty to the Company, as described below.

Based on the applicable investment strategy, a limited universe of dealers are in a position to sell investments to or purchase investments from the Company. Accordingly, in many cases, Twin Brook will have no or limited practical ability to select a dealer. Where only one dealer is available to deal in an investment, that dealer is viewed by Twin Brook as providing "best execution." However, when the Firm is in a position to select from a range of brokers and dealers, the Firm considers relevant factors such as: the ability to achieve prompt and reliable executions; the efficiency with which transactions are effected; the financial strength, integrity and stability of the broker; service as a prime broker; the quality, comprehensiveness and frequency of available research services considered to be of value; and the competitiveness of transaction costs. Thus even when a range of brokers and dealers is available, transaction cost is not the sole factor used by Twin Brook to evaluate best execution.

Commercial banks and dealers that act as principals to effect fixed income trades (including bank debt) and earn a mark- up, not a commission, on such trades. Banks and dealers can provide published research to the Firm and such research can be used by the Firm in connection with advising a variety of accounts. Such research is generally provided free of charge and is not available for sale. Research services can also be provided by brokers including written information and analyses concerning specific securities, companies or sectors; market, financial and economic studies and forecasts; statistics and pricing or appraisal services, as well as discussions with research personnel. The Firm has an incentive to select or recommend brokers and dealers based on an interest in receiving research or other products or services rather than the Company's interest in receiving favorable execution. Firm employees will sometimes, subject to the Firm's Code of Ethics/Gifts and Entertainment Policies, receive gifts and gratuities from broker-dealers or other persons with whom the Firm does business. This could include tickets to sporting events, meals and other entertainment, transportation, attendance at seminars or other educational training or informational events, logo items and other items of small value, gifts associated with life events such as birthdays or weddings, and gifts of substantial value. It is the Firm's policy that gifts or entertainment of substantial value be pre-approved.

Certain fixed income instruments such as bank debt or trade claims can be subject to settlement periods/closings in excess of the securities standard of trade date plus three days. Settlements/closings can range from ten to sixty days, or longer in the case of distressed, non-US transactions and special situation trades.

It is the policy of Twin Brook to resolve trade errors in a manner which will put the Company in such a position as if the error had not occurred. Subject to applicable documentation, Twin Brook is responsible for its own errors and not the errors of other persons, including third party broker-dealers and custodians. In cases when an error is attributable to a broker-dealer or other third party, the Firm takes reasonable steps to recover the amount of losses resulting from a third- party trading error.

Angelo Gordon has established an advisory committee to oversee, among other things, the brokerage practices of Angelo Gordon (the “Risk Committee”). The Risk Committee, chaired by Angelo Gordon’s Co-Chief Investment Officers/Co-CEOs, is comprised of members of senior management of Angelo Gordon and generally meets at least quarterly. The Risk Committee provides oversight for Angelo Gordon’s trading and funding activity with banks and broker-dealers and also conducts periodic reviews of the level of activity with each bank/broker-dealer.

Item 13—Review of Accounts

Frequency and Nature of Review.

Responsibility for managing the Company’s accounts is spread among the Firm’s personnel available through the Resource Sharing Arrangement who the Firm determines are suited and skilled to act on behalf of the Company in managing the relevant asset class. These professionals review and monitor the Company’s accounts on a daily basis. On an ongoing basis, these professionals review current market prices of securities and instruments held by the Company, review relevant financial markets and are involved in all major portfolio decisions. All Client accounts are also regularly reviewed by the Firm’s Co-Chief Investment Officers and the Risk and Compliance groups in light of trading activity, Client guidelines and objectives, allocations and best execution and to provide instructions or guidance concerning Client transactions.

Content and Frequency of Regular Account Reports.

Investors receive reports as described in the Client’s governing and offering documents. In addition, the Firm can provide any, some or all of the investors with a commentary on each month’s or quarter’s performance in monthly or quarterly letters. Generally, investors in Clients are provided with audited financial statements in compliance with the requirements of applicable law.

Item 14—Client Referrals and Other Compensation

At this time, Twin Brook does not pay third parties cash compensation or other compensation. Should the Firm enter into such arrangements in the future, they will be disclosed to Clients in accordance with applicable law.

Item 15—Custody

The Company's assets are held in accordance with requirements applicable to BDCs under the 1940 Act and, consequently, the Firm is not subject to the Rule 206(4)-2 under the Advisers Act (the "Adviser Custody Rule").

To the extent required by the Adviser Custody Rule, the Feeder Fund's assets (i.e., cash, short term investments and interests in the Company) are maintained with a qualified custodian. Where, as is the case with the Feeder Fund, Twin Brook or an affiliate acts as general partner, or the equivalent, of a client, Twin Brook is deemed to have custody for purposes of the Adviser Custody Rule. To comply with the Adviser Custody Rule, Twin Brook assures that, among other things, the Feeder Fund is subject to an annual audit conducted by an independent public accounting firm in accordance with GAAP. The Feeder Fund's financial statements are distributed to investors within 120 days of the Feeder Fund's fiscal year end. Investors who fail to receive audited financial statements timely, or have any questions about those financial statements, should contact our Chief Compliance Officer at (212)-692-2000.

Item 16—Investment Discretion

Twin Brook's investment advisory agreement with the Company grants Twin Brook full discretionary authority to select the identity and amount of securities to be bought or sold, subject to the Company's investment objectives, policies, guidelines and restrictions and any limitations imposed by the 1940 Act or other applicable law. The Company's governing and offering documents describe in more detail any limits on the types of securities, issuers or industries in the portfolio or the types of investment techniques that can be used in managing the portfolio. As noted above, the Feeder Fund significantly limits the Firm's discretion by requiring that substantially all of the Feeder Fund's assets be invested in the Company.

Item 17—Voting Client Securities

Twin Brook's authority to vote proxies or corporate actions on behalf of the Company is set forth in its investment management agreement and the proxy voting policies and procedures applied in voting the Company's proxies, as well as a discussion of related conflicts of interest, is provided to investors in the Company's governing documents. Generally, Twin Brook votes the Company's proxies or corporate actions based on what it considers to be in the best financial interest of the Company. To avoid conflicts associated with proxies solicited by the Company to the Feeder Fund as an investor, the Feeder Fund will pass through to its shareholders the right to vote on any matter submitted for a vote by the Company to its stockholders. To receive a copy of the Firm's proxy policy or information as to how proxies were voted, contact Ms. Noreen Feldmann at (212) 692-0259. Proxy voting information is also filed by the Company on an annual basis on Form N-PX which is available through the SEC's EDGAR system.

Item 18—Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Twin Brook's financial condition. The Firm has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients and has not been the subject of a bankruptcy proceeding at any time during the past ten years.