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d'argument de publicité

Luxembourg, le 2023-07-05

Commission de Surveillance du Secteur Financier



OAKTREE

Oaktree (Lux.) III – Prospectus

Oaktree (Lux.) III

Investment company with variable capital

(Société d'investissement à capital variable)

A Part II UCI incorporated under Luxembourg law

Prospectus

June 2023



IMPORTANT NOTICE

This prospectus (the "**Prospectus**") has been prepared by the Company and is furnished to Prospective Investors for the purpose of providing certain information about an investment in the Company.

Unless otherwise indicated, capitalised terms used in this Prospectus are as defined in section 21, "Definitions".

By accepting delivery of this Prospectus, each Prospective Investor agrees not to use it for any purpose other than for considering an investment in the Company and not to reproduce, distribute or disclose this Prospectus, in whole or in part, to any person except for its advisers, who the Prospective Investor will procure will comply with these restrictions. Each Prospective Investor agrees to return this Prospectus promptly upon request and to procure that its advisers do the same.

Investment in the Company is not open to US Persons or other Prohibited Persons. The AIFM will, *inter alia*, reject any application for the subscription of Shares from, and refuse to issue any Shares and refuse to register the transfer of any Shares to, any person which is a US Person or other Prohibited Person and may compulsorily redeem the Shares held by any such person.

This Prospectus contains provisions applicable to all Sub-Funds (sections 1 to 21) and specific provisions relating to each Sub-Fund (Appendix I, "The Sub-Funds"). The general information and terms contained in sections 1 to 21 of this Prospectus are subject to and qualified in their entirety by reference to the terms set out in Appendix I, "The Sub-Funds", in respect of each Sub-Fund. In the event that there is an inconsistency between the information and terms contained in sections 1 to 21 of this Prospectus and the terms set out in Appendix I, "The Sub-Funds", for the relevant Sub-Fund, the terms set out in Appendix I, "The Sub-Funds", for the relevant Sub-Fund shall prevail. Copies of the entire Prospectus (relating to all Sub-Funds) and the other documents relating to the Company which are listed in section 14, "Information to Investors", are available as stated in such section below.

An investor will only be able to fully exercise its rights as a shareholder directly against the Company, including the right to participate in general meetings of Shareholders, if it is registered itself and in its own name in the Company's shareholder register kept for the Company by the Administrator. In cases where an investor invests in the Company through an intermediary investing into the Company in its own name but on behalf of the investor, it may not always be possible for the investor to exercise certain shareholder rights directly against the Company. Prospective Investors are advised to take advice on their rights prior to making any investment in the Company.

Nothing in this Prospectus should be taken as legal, tax, regulatory, financial, accounting, investment or other advice. Accordingly, Prospective Investors should conduct their own due diligence independent of any information or statements contained in this Prospectus, and should consult with their legal, tax, regulatory, financial, accounting and/or investment advisers, as appropriate, before deciding to make any investment in the Company.

To the fullest extent permitted by law, all liability including liability for negligence for statements, representations or warranties, expressed or implied as to the accuracy or completeness of information in this Prospectus is expressly disclaimed by the AIFM and by all other members of the Oaktree Group, except that the Company accepts any liability for fraud or fraudulent misrepresentation made by it in relation to the information in this Prospectus.

The information contained in this Prospectus has been compiled as at the date set forth on the first page (unless otherwise stated) and statements made in this Prospectus are based on the laws and practices in force in Luxembourg at such date (except where otherwise stated) and are subject to changes in such laws and practices.

Prospective Investors should read and consider the risk factors in section 8, "Risk Factors" and Appendix II, "Risk Factors", before making any investment in the Company.

Information about the distribution of the Shares is set out in section 16.4, "Global Distributor".

This Prospectus may be translated into languages other than the English language. To the extent that there is any inconsistency between the English-language Prospectus and a version in another language, the English-language Prospectus shall prevail, unless stipulated otherwise by the laws of any jurisdiction in which the Shares are sold.

Where this Prospectus refers to certain information or documents being made available at the registered office of the Company, this means that the relevant information or documents are available on days and periods when the Company is open for business.

When marketing Shares in any territory of the European Economic Area (other than Luxembourg) to professional investors that are domiciled or have a registered office in the European Economic Area, the AIFM intends to use the marketing passport made available under the AIFM Directive. Shares may only be marketed pursuant to such passport to "professional investors" (as defined in the AIFM Directive) in those territories of the European Economic Area in respect of which the passport has been obtained.

The Shares cannot be marketed to, offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in any Member State of the European Economic Area. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (**MiFID II**) or (ii) a customer within the meaning of Directive 2002/92/EC, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document under Regulation (EU) No 1286/2014 (the **PRIPs Regulation**) will be issued in relation to any Class of Shares.

Furthermore, the distribution of this Prospectus and the placing of the Shares in certain jurisdictions outside of the European Economic Area may be restricted by law. No representation or warranty is made to any Prospective Investor regarding the legality of an investment in the Company by such Prospective Investor in the jurisdiction(s) applicable to it and Prospective Investors should consult their legal advisors accordingly. This Prospectus does not constitute an offer or solicitation in any jurisdiction where such an offer or solicitation is not duly authorised, or in which the person making such offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make such an offer or solicitation. Prospective Investors should read the applicable notices set out in the attached "Offering Restrictions and Disclaimers" document for important additional information relating to the placement of Shares in certain jurisdictions which shall form part of this Prospectus.

The Shares have not been, and are not expected to be, registered under the securities laws of any jurisdiction outside of the European Economic Area and, accordingly, Investors will not be afforded any protections that would be provided by any such registration.



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**MAIN PARTIES**

BOARD OF DIRECTORS	Andrew Murray Peter Preisler Nicolas Puissant Christopher Edge
AIFM	LFE European Asset Management S.à r.l., identified for trade purposes (and referred hereinafter) as Oaktree Capital Management (Lux.) S.à r.l. 26A, boulevard Royal L-2449, Luxembourg Grand Duchy of Luxembourg Board of Managers of the AIFM Mr. Jean-Paul Gennari Mrs. Philippa Elder Mr. Andrew Murray Mr. Nicolas Puissant Mrs. Carolina Parisi Conducting Officers of the AIFM Endrit Prendi Carolina Parisi Nicolas Puissant
PORTFOLIO MANAGERS	Oaktree Capital Management, L.P. 333 South Grand Avenue 28th Floor Los Angeles CA 90071 USA (and/or such other member of the Oaktree Group which has been appointed by the AIFM as the Portfolio Manager of a Sub-Fund and which is named in Appendix I, "The Sub-Funds" for such Sub-Fund).
DEPOSITARY & ADMINISTRATOR	State Street Bank International GmbH, Luxembourg Branch. 49, Avenue J.F. Kennedy L-1855 Luxembourg
GLOBAL DISTRIBUTOR	Oaktree Capital Management (UK) LLP Verde 10 Bressenden Place London, SW1E 5DH United Kingdom
AUDITORS	Ernst & Young S.A. 35E, avenue John F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg
LEGAL ADVISOR	Allen & Overy, <i>société en commandite simple</i> 5, avenue J.F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg



1 structure of the fund

1.1 the company

The Company is structured as a Luxembourg public limited company (*société anonyme*) organised as an investment company with variable capital (a *société d'investissement à capital variable*) subject to Part II of the UCI Law.

The Company qualifies as an alternative investment fund in accordance with the AIFM Law. The Company has appointed Oaktree Capital Management (Lux.) S.à r.l. to act as its alternative investment fund manager (the "AIFM").

In accordance with Annex I of the AIFM Law, the AIFM may perform investment management activities (i.e. portfolio and risk management), administrative activities and duties (including, in particular, valuation and pricing), marketing and other activities related to the assets of the Company, if applicable. The details of the AIFM's rights and duties are set out in the AIFM Law and the AIFM Agreement.

In accordance with the AIFM Law and following the approval by the Luxembourg supervisory authority (*Commission de Surveillance du Secteur Financier*), the AIFM has delegated the performance of the portfolio management activities in respect of the Company to the Portfolio Manager(s) named for the relevant Sub-Fund in Appendix I, "The Sub-Funds" and has delegated the performance of the central administration agent, registrar and transfer agent and paying agent duties to the Administrator.

The Company is registered with the Luxembourg Trade and Companies Register (*Registre de Commerce et des Sociétés*) under number B 214.762. The Articles have been filed with the Luxembourg Trade and Companies Register and have been published in the *RESA* on 16 May 2017. Any amendment to the Articles will be announced to Investors as described in section 14, "Information to Investors" and shall become legally binding on all Investors following the general meeting of Shareholders at which such amendment is approved in accordance with Luxembourg law.

The Company was incorporated with an initial share capital of US\$ 40,000 divided into 400 Shares, all fully paid-up. The total share capital of the Company, after a period of 6 months following the date of its incorporation, shall be at least EUR 1,250,000 (or its equivalent in US dollars).

The Company has an umbrella structure and may consist of one or more Sub-Funds. The specific information concerning each Sub-Fund, including the name that each Sub-Fund shall be designated by and the Reference Currency in which the Net Asset Value of such Sub-Fund shall be expressed, is set out in Appendix I, "The Sub-Funds", for the relevant Sub-Fund.

Each Sub-Fund represents a portfolio containing different assets and liabilities. Under Luxembourg law the rights of Investors and creditors which arise from time to time in connection with the creation, operation or liquidation of a Sub-Fund are limited to the assets of that Sub-Fund. The assets of a Sub-Fund are exclusively available to satisfy the rights of Investors, and claims of creditors, in relation to that Sub-Fund and not any other Sub-Fund.

The Company may at any time establish new Sub-Funds as well as create and issue new Classes of Shares within any Sub-Fund, in which case and where necessary, Appendix I, "The Sub-Funds" for the relevant Sub-Fund shall be amended accordingly.

The Shares issued within each Sub-Fund may be Growth Shares or Distribution Shares as more fully explained in section 6, "Investment in the Sub-Funds", section 11, "Distribution Policy", and in Appendix I, "The Sub-Funds".

2 investment objective and investment policy

The overall investment objective of the Company is to invest its assets in securities and other assets in which a collective investment undertaking governed by Part II of the UCI Law is permitted to invest directly or indirectly via Subsidiaries with the aim of spreading investment risks and providing Investors with the results of professionally managed investment portfolios.

The investment objective and policy of the individual Sub-Funds are further described in Appendix I, "The Sub-Funds" and the investment activity in relation to the individual Sub-Funds will be conducted in accordance with the investment restrictions as set out in Appendix I, "The Sub-Funds" for the relevant Sub-Fund.

Collective Management of Assets

For the purpose of efficient management of the Company, the AIFM may elect to manage all or part of the assets of certain Sub-Funds in common. Assets so managed shall be referred to hereinafter as a "pool". Such pools are created solely for internal management purposes and do not constitute a separate legal entity. Therefore, they cannot be directly accessed by Investors. Each of the jointly managed Sub-Funds shall remain entitled to its own specific assets. The assets jointly managed in the pools may be divided and transferred to all the participating Sub-Funds at any time.

If the assets of several Sub-Funds are pooled in order to be managed jointly, a written record will be kept of that portion of the assets in the pool which is allocated to each of the Sub-Funds concerned, with reference to the Sub-Fund's original share in this pool. The rights of each participating Sub-Fund to the jointly managed assets shall be determined by such Sub-Fund's share of each relevant pool. Additional investments made for the jointly managed Sub-Funds shall be allocated to these Sub-Funds in an amount proportionate to their participation in such additional investments while assets which have been sold shall be deducted from each participating Sub-Fund's assets accordingly.

The strategies and investments of individual Sub-Funds may be speculative and entail substantial risks. There can be no assurance that the investment objectives of a Sub-Fund will be achieved. For further information, see section 8, "Risk Factors", Appendix II, "Risk Factors" and Appendix I, "The Sub-Funds", for the relevant Sub-Fund.

3 risk diversification

Each Sub-Fund shall be managed in accordance with the investment restrictions specified in Appendix I, "The Sub-Funds", for the relevant Sub-Fund and shall comply with the risk-spreading requirements of the UCI Law, provided that, for the avoidance of doubt, a Sub-Fund shall not be required to comply with any such risk diversification requirements, including specified for each Sub-Fund in Appendix I, "The Sub-Funds", during the six months period after it first commences its investment activities.



In particular, each Sub-Fund shall, unless otherwise provided in Appendix I, comply with the diversification rules set out under Circular CSSF 02/80, as may be amended or supplemented from time to time, relating to specific rules applicable to Luxembourg undertakings for collective investment ("UCIs") pursuing alternative investment strategies, in accordance to which each Sub-Fund may in principle not:

- invest more than 10% of its assets in non-listed transferable securities;
- acquire more than 10% of the securities of the same kind issued by the same issuer;
- invest more than 20% of its assets in securities issued by the same issuer.

In the event that the risk spreading requirements specified above are not complied with in respect of a Sub-Fund for reasons beyond the reasonable control of the AIFM (including, without limitation, as a result of the exercise of redemption rights by Investors), the AIFM must take such action as is necessary as a priority to comply with such requirements, taking due account of the interests of the Investors.

With respect to the protection of Investors in case of the correction of the consequences resulting from non-compliance with the investment restrictions specified for each Sub-Fund in Appendix I, "The Sub-Funds", the AIFM intends to comply with the principles and rules set out in CSSF Circular 02/77 of 27 November on the protection of investors in case of NAV calculation error and correction of the consequences resulting from non-compliance with the investment rules applicable to undertakings for collective investment, subject of a tolerance threshold of two percent (2%).

4 risk and liquidity management

4.1 risk management

The AIFM has established and maintains a permanent risk management function that will implement risk management policies and procedures designed to identify, measure, manage and monitor on an on-going basis material risks relevant to each Sub-Fund's investments and investment strategy (including, in particular, market, credit, liquidity, counterparty and operational risks) and their contribution to the overall risk of the Sub-Fund.

In addition, the AIFM's risk management process will ensure an independent review of the valuation policies and procedures as required by article 70 (3) of the AIFM Regulation.

The risk profile of each Sub-Fund will correspond to the size, portfolio and investment strategy as specified for such Sub-Fund in Appendix I, "The Sub-Funds".

The AIFM may, for the purpose of (i) hedging, (ii) efficient portfolio management and/or (iii) implementing its investment strategy, use financial derivative instruments, provided that the exposure to the underlying assets of such Sub-Fund arising from such financial derivatives does not exceed, in aggregate, any investment limits and investment restrictions specified in Appendix I, "The Sub-Funds" for such relevant Sub-Fund. When a transferable security or a money market instrument embeds a derivative instrument, such derivative instrument shall be taken into account when complying with the requirements of this paragraph.

The risk management function of the AIFM will supervise the compliance of these provisions in accordance with the requirements of applicable circulars or regulations issued by the CSSF or any other European authority authorised to issue related regulation or technical standards.

4.2 SFDR

The Portfolio Managers and the Sub-Portfolio Manager believe that long-term value will be enhanced by considering ESG risk when investing, promoting ESG awareness, and improving the ESG practices of their investments. As such, the Portfolio Managers and the Sub-Portfolio Manager (as applicable) take account of Sustainability Risks in their investment decisions on behalf of the Sub-Funds. However, none of the AIFM, the Portfolio Managers or the Sub-Portfolio Manager considers the adverse impacts of investment decisions on sustainability factors within the meaning of and in the manner prescribed by the SFDR, because they are mindful that the detailed underlying rules contained in the Regulatory Technical Standards merit a thorough evaluation, including to ascertain the availability of the data set required to be reported. The Portfolio Managers and the Sub-Portfolio Manager will continue to assess their position as the underlying rules are finalised and market practice develops in this area.

4.3 Integration of Sustainability Risks

Before any investment decisions are made on behalf of a Sub-Fund, the Portfolio Managers and/or the Sub-Portfolio Manager will identify the material risks associated with the proposed investment. These risks form part of the overall investment analysis. The Portfolio Managers and/or the Sub-Portfolio Manager will assess the identified risks alongside other relevant factors. Following their assessment, the Portfolio Managers and/or the Sub-Portfolio Manager make investment decisions having regard to the relevant Sub-Fund's investment policy and objectives, taking into account Sustainability Risks and the Oaktree Group' wider policies and procedures on responsible investing.

Sustainability Risk is potentially relevant to the Sub-Funds having regard to the types of investments that may be made in accordance with each Sub-Fund's investment policy and objectives. The Sub-Funds are exposed to potential Sustainability Risk as reflected in Appendix II (Risk Factors) of the Fund's prospectus. Notwithstanding the above, it is recognised that Sustainability Risk may not be relevant to certain non-core activities undertaken in relation to a particular Sub-Fund (for example, hedging) as specified in Appendix i headed "The Sub-Funds".

4.4 Taxonomy Regulation

The Taxonomy Regulation, in summary, is a detailed law setting out technical criteria for which types of economic activity can be regarded as environmentally sustainable and mandates disclosure whether the investments underlying this financial product take into account specific EU criteria for environmentally sustainable economic activities. The investments underlying this financial product do not take into account



the EU criteria for environmentally sustainable economic activities. The Taxonomy Regulation is complex and there remains uncertainty as to how it should be applied in practice.

Nevertheless, the Portfolio Managers and/or the Sub-Portfolio Manager make investment decisions having regard to the Sub-Fund's investment policy and objectives, taking into account Sustainability Risks and Oaktree Group's broader policies and procedures on responsible investing.

4.5 leverage and borrowing

The use of financial derivative instruments and borrowing from third parties may result in a Sub-Fund being leveraged. Leverage is monitored on a regular basis. The leverage for each Sub-Fund is not expected to exceed the levels set out for each Sub-Fund specified in Appendix I, "The Sub-Funds".

In accordance with the AIFM Directive, the AIFM will provide to the CSSF and Investors the level of leverage of the Company and each Sub-Fund both on a gross and on a commitment method basis in accordance with the gross method as set out in Article 7 and the commitment method as set out in Article 8 of the AIFM Regulation. Information will be provided at the registered office of the Company, as part of the Company's periodic reporting to Investors.

For the avoidance of doubt, each Investor acknowledges that its investment in a Sub-Fund is subordinated in all respects to any borrowings such Sub-Fund makes.

Subject to any limitations specified in Appendix I, "The Sub-Funds" for the relevant Sub-Fund, the Company and the AIFM may, on behalf of a Sub-Fund, give guarantees, indemnities, warranties, covenants and undertakings in favour of third parties in respect of any borrowing or hedging incurred by such Sub-Fund and may, in connection with any such borrowings and hedging and the giving of such guarantees, indemnities, warranties, covenants and undertakings, make, issue, accept, endorse and execute promissory notes, drafts, bills of exchange, guarantees and other instruments and evidences of indebtedness, grant any mortgage, charge, pledge, lien or other security interest over the assets of the Sub-Fund for such borrowings, liabilities incurred under such hedging, guarantees, indemnities, warranties, covenants and undertakings and take any corporate or other action (including, without limitation, the entry into of any document, the passing of any resolution or issuing of any certificate) or refrain from taking any action, in each case that is necessary or desirable to ensure that the Sub-Fund complies with the terms of any borrowing facility and/or finance document connected or ancillary thereto.

4.6 liquidity management

The AIFM shall:

- employ an appropriate liquidity management system and adopt procedures for each Sub-Fund which enable the AIFM to monitor the liquidity risk of the Sub-Funds;
- regularly conduct stress tests, under normal and exceptional liquidity conditions which enable it to assess the liquidity risk of the Sub-Funds, monitor the liquidity risk of the Sub-Funds accordingly and ensure compliance with Circular CSSF 20/752 relating to the ESMA Guidelines 34-39-897 on liquidity stress testing in UCITS and AIFs; and
- ensure that the investment strategy, liquidity profile and redemption policy of each Sub-Fund are all consistent.

5 valuation and calculation of the net asset value

- 5.1 In compliance with the provisions of the UCI Law and the AIFM Law, the independent valuation of the assets of the Company shall be carried out by the AIFM or, if so specified for a Sub-Fund in Appendix I, "The Sub-Funds", by an independent third party valuer appointed by the AIFM. Such valuation will be performed independently of the portfolio management function in accordance with the requirements of the AIFM Law.

The Net Asset Value of the Company shall be equal to the difference between the value of the Company's assets and its liabilities.

The Net Asset Value of a Sub-Fund, a Class of Shares, a series of Shares and a Share will be determined by the Administrator under the ultimate responsibility of the AIFM, in accordance with the rules set forth below and at such times as is set out in Appendix I, "Sub-Funds" for the relevant Sub-Fund and on the Valuation Date.

The Net Asset Value of a Sub-Fund shall be equal to the difference between the value of such a Sub-Fund's assets and its liabilities.

The Net Asset Value of a Class of Shares (or series thereof) shall be equal to the difference between the value of the relevant Sub-Fund's assets that are attributable to such Class of Shares (or series thereof) less the value of the relevant Sub-Fund's liabilities that are attributable to such Class of Shares (or series thereof). The Net Asset Value of a Share shall be equal to the Net Asset Value of the Class of Shares (or series thereof) of which the relevant Share is a part divided by the number of Shares in issue of such Class of Shares (or series thereof) at the relevant time.

The value of assets shall be determined as follows:

- a. The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received is deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is determined after making such discount as may be considered appropriate in such case to reflect the true value thereof.
- b. Securities listed and traded primarily on one or more recognised securities exchanges shall be valued at their last known prices as reported on the consolidated tape on the date of determination (or if the date of determination is not a business day, on the last business day immediately prior to such date of determination).



- c. Unlisted securities for which over-the-counter market quotations are readily available (including listed securities for which the primary market is believed to be the over-the-counter market) shall be valued at a price equal to the last reported price as supplied by recognised quotation services or broker-dealers.
- d. Restricted equity securities will be valued at an appropriate discount (as determined by the AIFM or the external valuer, if any, in its reasonable discretion) from their public market price.
- e. The liquidating value of futures, forward or options contracts not traded on exchanges or on other organised markets means their net liquidating value determined, pursuant to the policies established by the AIFM or the external valuer, if any, on a basis consistently applied for each different variety of contracts. The liquidating value of futures, forward or options contracts traded on exchanges or on other regulated markets are based upon the last available settlement prices of these contracts on exchanges and regulated markets on which the particular futures, forward or options contracts are traded by the Company; provided that if a futures, forward or options contract cannot be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contract is such value as the AIFM or the external valuer, if any, may deem fair and reasonable.
- f. Interest rate swaps are valued at their market value established by reference to the applicable interest rate curves. Index and financial-instruments-related swaps are valued at their market value established by reference to the applicable index or financial instrument. The valuation of the index or financial-instrument-related swap agreement is based upon the market value of such swap transaction established in good faith pursuant to procedures established by the AIFM or the external valuer, if any.
- g. Loans will be valued at a price equal to the last reported price as supplied by recognised quotation services or broker-dealers.
- h. All other non-publicly traded securities, other securities or instruments or investments for which reliable market quotations are not available, and securities, instruments or investments for which the AIFM or the external valuer, if any, determines in its absolute discretion that the foregoing valuation methods do not fairly represent the fair value of such securities, instruments or investments, will be valued by the AIFM or the external valuer, if any, either at their cost basis to the Sub-Fund or in good faith using methods the AIFM or the external valuer, if any, considers appropriate.

Any assets or liabilities not denominated in the relevant Reference Currency shall be converted into the relevant Reference Currency at the exchange rate available as on the date on which the calculation of the Net Asset Value of the Company, Sub-Fund or Class of Share is made. In addition, the Net Asset Value of any Alternate Currency Class and Alternate Currency Shares shall be converted into their relevant currencies from the relevant Reference Currency (and adjusted, where relevant, for any hedging gains or losses) (whether realised or calculated on a mark-to-market basis) at the exchange rate available on the date on which the calculation of such Net Asset Value is made.

- 5.2 The establishment expenses of the company and of each sub-fund will be amortised over a five-year period in equal instalments and the company may accrue administrative and other expenses of a regular or recurring nature based on an estimated amount rateably for yearly or other periods.
- 5.3 The AIFM and/or the company reserves the right to suspend the determination of the net asset value of the company, each sub-fund and any class of share under the circumstances set out under section 6.8 "suspension of calculation of the net asset value and of the issue, redemption and conversion of shares" below.
- 5.4 The actual price obtained by a sub-fund when purchasing or selling assets may be higher or lower than the mid-price used in calculating the net asset value of the sub-fund. As a result, the net asset value per share of a sub-fund may be diluted as a result of subscriptions for or redemptions of shares in the sub-fund at a price that does not reflect the actual price obtained in the underlying asset transactions undertaken on behalf of the sub-fund to accommodate the resulting inflows or outflows. This dilution can have a materially adverse effect on shareholders.
- 5.5 In order to mitigate the effects of this dilution, the company may adjust the net asset value per share upwards or downwards by a percentage estimated to reflect the actual prices and costs of the underlying transactions, up to the maximum set-forth in the appendix i, "the sub-funds" for the relevant sub-fund (known as the "swing factor"), if the net aggregate transactions in shares in the sub-fund on any particular valuation date exceed a threshold (known as the "swing threshold") that is pre-determined for the sub-fund by the company and reviewed periodically.
- 5.6 The board may decide at any time to increase the swing factor beyond the maximum level disclosed for each sub-fund in the relevant section in the event of exceptional market conditions or large cash flows requests. This decision will be duly justified, take into account the best interest of shareholders and be notified to the shareholders through the usual communication channels.
- 5.7 The net asset value will be adjusted upwards if there are net inflows on any particular valuation date in excess of the swing threshold, and downwards if there are net outflows in excess of the swing threshold. Any adjustment is not intended to address the specific circumstances of any individual or set of redemptions or subscriptions, and may vary from sub-fund to sub-fund and from time to time.
- 5.8 The net asset value will be adjusted by an amount which reflects (i) estimated fiscal charges, (ii) estimated dealing costs and (iii) estimated bid/offer spread of the underlying assets. The adjustment may be different for net inflows and net outflows to take account of peculiarities of particular markets and particular countries.
- 5.9 The list of sub-funds concerned by swing pricing, and the percentage of the swing factor, if any, is available upon request from the company.



6 investment in the sub-funds

6.1 general information about the shares

Each Sub-Fund may offer different Classes of Shares, as determined by the Company and specified in Appendix I, "The Sub-Funds" for the relevant Sub-Fund. Each Class of Shares whilst participating in the assets of the same Sub-Fund may have different characteristics and may in particular (i) have a different fee structure, (ii) be targeted at different types of Investors, (iii) may not be available in all jurisdictions where the Shares are sold, (iv) may be sold through different distribution channels, (v) may have different distribution policies, (vi) may be quoted in a different currency as compared to the Reference Currency of the relevant Sub-Fund in which it is issued and (vii) may aim to offer protection against certain currency fluctuations. However, no Shares shall be marketed to investors that do not qualify as "professional investors" (as defined in the AIFM Directive) in the territory of the Grand Duchy of Luxembourg.

The Classes of Shares in each Sub-Fund, together with the maximum Subscription Fees as well as the Reference Currency are set out in Appendix I, "The Sub-Funds" for the relevant Sub-Fund. In addition, certain other fees, charges and expenses shall be paid out of the assets of the Sub-Funds. For further information, see section 9, "Fees and Expenses".

Each Class of Shares may be issued in such number of series as the Company shall determine. In particular, each Investor may be issued with a separate series of the same Class of Shares.

The Shares in each Sub-Fund, which must be fully paid on the date of their issue, carry no preferential or pre-emptive rights. Each Share gives the right to one vote at each general meeting of the Shareholders and at the meeting of the Shareholders of each Class of Shares to which it relates, provided that no decisions shall be adopted if not carried by the Company.

Furthermore, within each Sub-Fund, Distributing Shares and Growth Shares may also be issued by the Company as further described in section 11, "Distribution Policy" and Appendix I, "The Sub-Funds".

Shares in any Sub-Fund are and will be issued in registered form only. The inscription of the Investor's name in the Company's shareholder register evidences its right of ownership of such Shares. The Investor shall receive a written confirmation of its shareholding, but no certificates shall be issued.

Fractions of registered Shares may be issued up to three decimal points, whether resulting from subscription or conversion of Shares. A holding of fractional Shares shall entitle the Shareholder to proportional rights in relation to such Shares provided that fractional shares shall have no voting rights. It may be the case that clearing institutions will be unable to process holdings of fractional Shares. Investors should verify whether that is the case.

Classes of Shares will generally be denominated in the Reference Currency of the Sub-Fund to which they relate (as specified in Appendix I, "Sub-Funds"). However, the Company may, at any time, issue Classes of Shares in any additional freely convertible currencies at an initial issue price to be determined by the Company (each an "Alternate Currency Class" and "Alternate Currency Shares" shall be construed accordingly). The Company may enter into forward currency contracts for, and at the expense of, an Alternate Currency Class in order to minimise the effect of price fluctuations in the relevant alternate currency. However, no assurance can be given that the hedging objective will be achieved. The Net Asset Value of the Shares of these Alternate Currency Classes may not develop in the same way as that of the Classes of Shares issued in the Reference Currency. In the case of Sub-Funds with Alternate Currency Classes, the currency hedging transactions for one Class of Shares may, in exceptional cases, adversely affect the Net Asset Value of the other Classes of Shares.

The Company may effect Share splits or consolidate Shares at any time acting in the interests of the Investors.

6.2 subscriptions of shares

Applications for the subscription of Shares shall be made pursuant to a subscription form in such form as the Company may require (the "**Subscription Form**"). Such duly completed and executed Subscription Form must be submitted to the Administrator.

The Company may, in its sole discretion, reject any Subscription Form in whole or in part for any reason and without giving reasons, provided that the Company will reject in full any applications for the subscription of Shares from, and refuse to issue any Shares to, any Prohibited Person and will reject in full any applications for the subscription of Shares where such subscription may, in the Company's absolute discretion, result in a Material Adverse Effect.

Each Investor will be required to agree, *inter alia*, to be bound by the terms of this Prospectus and the Articles and to represent and warrant, *inter alia*, that they are neither a US Person nor an ERISA Investor in their Subscription Form.

Shares will be offered for subscription at the initial offering price during the Initial Offering Period for such Shares as is specified in Appendix I, "The Sub-Funds", for the relevant Sub-Fund (the "**Initial Offering Price**") and, subsequently, at the Net Asset Value per Share of the relevant Class of Shares of the Sub-Fund, calculated in respect of the relevant Valuation Date (based on the method of calculating the "Net Asset Value" as described in section 5, "Valuation and Calculation of the Net Asset Value").

In addition, the Company may, in its sole and absolute discretion and if it is in the interests of the Investors, accept a contribution in kind as payment for a subscription of Shares, provided that the offered assets correspond to the investment policy and the investment restrictions of the relevant Sub-Fund and a valuation report relating to such contribution in kind is obtained by the AIFM from the Auditors. The Company may, at its sole discretion, reject fully or partially contributions in kind without giving reasons. All costs arising in relation to any contribution in kind (including, without limitation, the costs of the valuation report, broker fees, expenses, commissions etc.) shall be borne by the Investor making such contribution in kind.

Further information in relation to the issue of Shares is, where applicable, set out in Appendix I, "The Sub-Funds" for the relevant Sub-Fund. Subscription Forms must be received before the cut-off-time on the relevant Subscription Date as specified in Appendix I, "The Sub-Funds" for the relevant Sub-Fund. Subscription Forms received after the relevant cut-off-time on a Subscription Date will be deemed to have been received prior to the cut-off-time on the next following Subscription Date.

The Global Distributor or any Sub-Distributor may receive distribution fees out of the Management Fee of the relevant Sub-Fund ("**Distribution Fees**").

In addition, to the extent applicable, fees may be paid to Sub-Distributors in relation to subscriptions for Shares by Investors in a Sub-Fund ("**Subscription Fees**"). The maximum Subscription Fees payable in relation to a Sub-Fund shall be specified in Appendix I, "The Sub-Fund" for the relevant Sub-Fund. The Subscription Fees may, in the entire discretion of the Company, either be paid directly to the relevant Sub-Distributor by the Company or by the Company to the Global Distributor for onward payment to the relevant Sub-Distributor. Any Subscription Fees plus any other commissions (except for Distribution Fees), taxes or expenses payable in connection with a subscription shall be charged to, or borne by, the relevant Investor prior to any amounts being applied to fund the subscription for Shares.

Subscription monies shall be paid in the currency in which the relevant Shares are denominated or, if requested by the Investor but at its expense and at the sole discretion of the Depositary, in another freely convertible currency as described below. Payment shall be effected by bank transfer to the bank accounts of the Depositary, details of which are given on the Subscription Form. Payment must be received within the time period specified for the relevant Sub-Fund in Appendix I, "The Sub-Funds".

The issue of Shares shall be made upon or promptly following the receipt of the subscription price in cleared funds by the Depositary.

Investors may, at the discretion of the Depositary, pay the subscription monies for Shares in a freely convertible currency other than the currency in which the relevant Class of Shares is denominated. Such subscription monies which are received by the Depositary as cleared funds shall be automatically converted by the Depositary into the currency in which the relevant Shares are denominated. The proceeds of conversion from the currency of payment to the currency of denomination of the Shares less (i) fees and exchange commission and (ii) any Subscription Fee, other commissions (except for Distribution Fees), taxes and expenses shall be allocated to the purchase of Shares.

The minimum value or number of Shares which may be held by an Investor in a particular Class of Shares is set out in Appendix I, "The Sub-Funds" for the relevant Sub-Fund. Such minimum holding requirement may be waived in any particular case at the sole discretion of the Company, provided this complies with the principle of equal treatment.

6.3 transfers of shares

Shares are freely transferable provided that the Administrator shall not register the following transfers of Shares:

- a. any transfer to a Prohibited Person; and
- b. any transfer that may, in the absolute discretion of the Company, result in Material Adverse Effect

6.4 transfers of shares by german regulated entities

Shares that are directly or indirectly held by a German Regulated Entity and that are part of its premium reserve (*Sicherungsvermögen* as defined in Sec. 125 of the German Insurance Supervisory Act) or its assets that are subject to investment principles set out in Sec. 124 of the German Insurance Supervisory Act are freely transferable and any disposal does not require the approval of the other Shareholders or approval or registration of the Company or the AIFM, provided that the transferee qualifies as an institutional investor which term shall include, among others, insurance companies, social insurance institutions, pension funds, investment funds, foundations and credit institutions provided that Shares may not be transferred to a transferee which: (a) is a US Person; (b) does not satisfy the requirements for the relevant Class of Shares or (c) fails to provide such information as is necessary to verify its identity, and provided further that the transfer does not result in any legal, pecuniary, competitive, regulatory, tax or material administrative disadvantage to the Company (including, without limitation, the Company becoming subject to withholding tax imposed on a payment made to the Company on account of the Company's inability to comply with the reporting requirements imposed by FATCA or by the implementation of the OECD Action Plan on Base Erosion and Profit Shifting or otherwise), any Sub-Fund, the Oaktree Group or the Shareholders. "**German Regulated Entity**" means a German insurance company, German *Pensionskasse* or German pension fund (including a German *Pensionsfonds* or German *Versorgungswerk*) and any entity being subject (directly or through a reference) to the investment restrictions of the German Insurance Supervisory Act or an investment ordinance issued thereunder. The "**German Insurance Supervisory Act**" means the German insurance supervisory act (*Versicherungsaufsichtsgesetz*) as amended from time to time.

Upon the transfer of a Share that is directly or indirectly held by an Investor that is a German Regulated Entity, the transferee shall accept and become solely liable for all liabilities and obligations relating to such Share and the transferor shall be released from (and shall have no further liability for) such liabilities and obligations. Once the transferor has transferred its Shares, such transferor shall have no further liability of any nature under this Prospectus or in respect of the Company or any of its Sub-Funds in relation to the Shares it has transferred.

To the extent that, and as long as, Shares are part of a German Regulated Entity's premium reserve (*Sicherungsvermögen* as defined in Sec. 125 of the German Insurance Supervisory Act), and such German Regulated Entity is either in accordance with Sec. 128 of the German Insurance Supervisory Act under the legal obligation to appoint a trustee (*Treuhänder*) or is subject to such obligation on a voluntary basis, Shares held by such German Regulated Entity shall not be disposed of without the prior written consent of the relevant Investor's trustee or by the relevant Investor's trustee's authorised deputy. For purposes of this paragraph the term "disposal" includes, but is not limited to, any sale, exchange, transfer or assignment of the whole or a part of the Shares held by the German Regulated Entity.

6.5 general provisions relating to transfers of shares

The Investor (including, for the avoidance of doubt, any German Regulated Entity) proposing to transfer all or some of its Shares shall be required to notify the Company in writing not less than two weeks prior to such proposed transfer taking place (or such shorter period as the Company may agree) and shall furnish such information in relation to the proposed transfer and transferee as may be required by the Company. The transferring Investor shall bear all costs and expenses arising in connection with any such permitted transfer, including, without limitation, all legal fees arising in relation thereto. Any stamp duties or transfer taxes payable in relation to a transfer shall be charged to and borne by the transferee (unless the transferring Investor agrees to bear them).

The transferor and the transferee shall be required to duly complete and execute an instrument of transfer in the appropriate form and the transferee shall also be required to duly complete and execute a Subscription Form (and thereby agree, inter alia, to be bound by the terms of this Prospectus and of the Articles), in each case in respect of the Shares to be so transferred. The transferor and transferee shall deliver such documents to the Company and the Company shall promptly deliver such documents to the Administrator.



An instrument of transfer in the appropriate form and a Subscription Form shall be available from the Company or the Administrator on request by a transferor.

In accordance with the Articles and subject to the above formalities, any permitted transfer of Shares shall be entered into the register of Shareholders promptly.

In the event that a transfer is not registered on behalf of the Company in accordance with the above or if the transfer is in violation of the terms of this Prospectus or the Articles, such transfer shall not be valid or effective and the AIFM and the Company shall not recognise the same for any purpose.

6.6 redemptions of shares

The Company shall, in principle, redeem Shares on any Redemption Date specified as such in Appendix I, "The Sub-Funds", for the relevant Sub-Fund at the Net Asset Value per Share of the relevant Class of Shares of the Sub-Fund, calculated in respect of such Redemption Date (based on the method of calculating the "Net Asset Value" as described in section 5, "Valuation and Calculation of the Net Asset Value"). The right of Investors in a Sub-Fund to redeem their Shares in that Sub-Fund shall be subject to any specific limitations set out elsewhere in this Prospectus, including in Appendix I, "Sub-Funds" for the relevant Sub-Fund.

Whether and to what extent the redemption price is lower or higher than the subscription price paid will be determined by the Net Asset Value of the relevant Class of Shares on the relevant Redemption Date and the Net Asset Value (or the Initial Offering Price (if applicable)) of such Class of Shares on the relevant Subscription Date. The Investor shall also bear any redemption charges (as set out in Appendix I, "Sub-Funds" for the relevant Sub-Fund) and any expenses, costs and taxes that are applicable in respect of any such redemption out of any redemption proceeds.

Redemption applications must be submitted to the Administrator. Redemption applications must be received before the cut-off-time specified in Appendix I, "The Sub-Funds", for the relevant Sub-Fund. Applications received after the relevant cut-off-time for a Redemption Date shall be deemed to have been received prior to the cut-off-time on the next following Redemption Date.

An Investor may not withdraw its request for the redemption of its Shares except in the event of a suspension of the determination of the Net Asset Value of the Shares and, in such event, a withdrawal will be effective only if written notification is received by the Administrator before the termination of the period of suspension.

Notwithstanding the foregoing, some or all of the Shares subscribed for on the incorporation of the Company by the initial shareholder may be redeemed at their subscription price on or around the admission of third party Investors to the Company.

The Company may compulsorily redeem all or a portion of the Shares held by an Investor where:

- a. such Investor is or has become a Prohibited Person, provided that if the Investor has become a Prohibited Person as a result of ceasing to satisfy the requirements of the relevant Class of Shares (including, without limitation, any minimum holding requirement), such Shares may, at the discretion of the Board, be converted into another Class of Shares for which the Investor is eligible instead of being compulsorily redeemed (see section 6.7, "Conversions of Shares" below);
- b. such Investor does not supply information required under the Articles and/or their Subscription Forms to permit compliance with FATCA, including the IGA, or the Investor's ownership of Shares may otherwise prevent the Company from complying with FATCA; or
- c. such compulsory redemption is necessary to avoid a Material Adverse Effect (as determined by the Company in its absolute discretion).

Such compulsory redemptions shall be made at the Net Asset Value per Share that is being compulsorily redeemed as at the date on which such Share is compulsorily redeemed (based on the method of calculating the "Net Asset Value" as described in section 5, "Valuation and Calculation of the Net Asset Value") less any redemption charges, fees and expenses and any taxes that are applicable.

The liquidity policy governing each Sub-Fund is set out set out in Appendix I, "The Sub-Funds" for the relevant Sub-Fund.

In addition to suspending the redemption of Shares as provided for in the Articles and as set out under section 6.8, "Suspension of Calculation of the Net Asset Value and of the Issue, Redemption and Conversion of Shares", the Company may defer redemption applications and/or apply redemption gates to the extent provided for in Appendix I, "The Sub-Funds", for the relevant Sub-Fund. If the redemption of Shares is deferred, such Shares shall be redeemed at a Redemption Date subsequent to the Redemption Date on which the relevant redemption application was made, and in priority to the redemptions made in respect of subsequent Redemption Dates, at their Net Asset Values on such subsequent Redemption Date (based on the method of calculating the "Net Asset Value" as described in section 5, "Valuation and Calculation of the Net Asset Value"). Should the Company consider it necessary to use any such arrangement, Investors applying for or which have already applied to redeem all or a proportion of their Shares in the relevant Sub-Funds shall be promptly notified, in accordance with section 14 "Information to Investors", of the use of such arrangement and given the opportunity to withdraw their application for redemption.

Any redemption charges that are specified to be payable in respect of the relevant redemption in Appendix I, "The Sub-Funds", for the relevant Sub-Fund, and any expenses, costs and taxes which are applicable in respect of such redemption shall be deducted from the redemption price prior to its payment and shall, accordingly, be for the account of the relevant Investor.

Payment of the redemption price shall be made by means of remittance to a bank account in the currency in which the relevant Shares are denominated, provided that the Depository may upon request of the relevant Investor pay the redemption price in a currency that is not the currency in which the relevant Shares are denominated. In such event, the amount to be paid shall be the proceeds of conversion from the currency of denomination to the currency of payment less all fees and exchange commission (and any redemption charges, expenses, costs and taxes which are applicable in respect of such redemption) which are, for the avoidance of doubt, at the expense of the redeeming Investor.

The Company, in its sole discretion and with the consent of the relevant Investor, may decide to pay out the redemption price to any Investor "in-kind" by allocating to such Investor assets of the relevant Class of Shares equal in value as of the relevant Redemption Date to the Net Asset Value of the Shares to be redeemed, less any applicable fees and charges, provided that the Company determines that the redemption would not be detrimental to the remaining Investors and the redemption is effected in compliance with the conditions set forth by Luxembourg law. Any costs incurred in connection with redemptions in kind shall be borne by the relevant Investors. To the extent that the



Company makes in-kind payments in whole or in part, the Company will undertake its reasonable efforts, consistent with both applicable law and the terms of the in-kind assets being distributed, to distribute such in-kind assets to each redeeming Investor pro rata on the basis of the redeeming Investor's Shares of the relevant Class of Shares.

Upon payment of the redemption price as described above, the corresponding Share shall be redeemed and cancelled.

6.7 conversions of shares

Unless stated otherwise in Appendix I, "The Sub-Funds", for the relevant Sub-Fund, holders of a particular Class of Shares of a Sub-Fund may at any time apply to convert some or all of their Shares into Shares of another Class of Shares in the same or another Sub-Fund at their respective Net Asset Values (based on the method of calculating the "Net Asset Value" as described in section 5, "Valuation and Calculation of the Net Asset Value"), provided the Investor and its holding satisfy the requirements for the Class of Shares into which such Shares are converted. The Company may, in its sole discretion, accept or reject any such application in whole or in part for any reason and without giving reasons and may, in its absolute discretion treat any such conversion application as a redemption application in respect of the relevant Shares instead. In particular, where processing an application for the conversion of Shares would result in the relevant Investor's holding in a particular Class of Shares falling below the minimum holding requirement for that Class of Shares set out in Appendix I, "The Sub-Funds" for the relevant Sub-Fund, the Company may, without further notice to the Investor, treat such conversion application as though it were an application for the conversion of all Shares held by the Investor in that Class of Shares.

The fee charged for such conversions shall not exceed half of the maximum Subscription Fee applicable to the Class of Shares into which the Shares are converted unless otherwise stated in Appendix I, "The Sub-Funds" for the Sub-Fund into which the Shares are being converted.

Such conversion charges on Shares shall accrue to the Sub-Distributor (if any) which is engaged in the distribution of the Shares which are the subject of the conversion. Such Sub-Distributor may waive any such conversion charges in full or in part. Any such conversion charge shall be deducted from the amount to be applied to acquire the new Class of Shares prior to such acquisition being made. In particular, where Shares denominated in one currency are converted into Shares denominated in another currency, the fees and exchange commission incurred shall be taken into consideration and deducted.

Unless stated otherwise in Appendix I, "The Sub-Funds" for the relevant Sub-Fund, conversion applications must be duly completed, executed and received, and will only be accepted, in the same manner (including as to deadlines for acceptance) as for (i) redemptions of the Class of Shares which are to be redeemed for the purpose of effecting the conversion; and (ii) subscriptions for the Class of Shares which are to be acquired for the purpose of effecting conversion.

6.8 suspension of calculation of the net asset value and of the issue, redemption and conversion of shares

The Company may suspend the calculation of the Net Asset Value and/or the issue, redemption and conversion of Shares of a Sub-Fund:

- a. where a substantial proportion of the assets cannot be valued because a stock exchange or market is closed outside the normal public holidays, or when trading on such stock exchange or market is restricted or suspended; or
- b. where a substantial proportion of the assets is not freely accessible because a political, economic, military, monetary or other event beyond the control of the Company does not permit the disposal of the Sub-Fund's assets, or such disposal would be detrimental to the interests of Investors; or
- c. where a substantial proportion of the assets cannot be valued because disruption to the communications network or any other circumstance makes valuation impossible; or
- d. where a substantial proportion of the assets is not available for transactions because limitations on foreign exchange or other types of restrictions make asset transfers impracticable, or if for other reasons transactions cannot be effected at normal foreign exchange transaction rates; or
- e. during any period when the Company is unable to repatriate funds for the purpose of making payments on the redemption of Shares or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of Shares cannot in the opinion of the Company and/or AIFM be effected at normal rates of exchange; or
- f. in any other circumstance or circumstances beyond the control and responsibility of the Company and/or AIFM, where a failure to do so might result in the Company or its Investors incurring any liability to taxation or suffering other pecuniary disadvantages or other detriment which the Company or its Investors might not otherwise have suffered; or
- g. upon providing a notice convening a general meeting of Shareholders for the purpose of resolving on the winding-up of the Company or of the relevant Sub-Fund; or
- h. when for any other reason, the prices of any investments owned in respect of a Sub-Fund cannot be ascertained promptly or accurately (in which case the AIFM shall ascertain the price within the shortest timeframe practicable).

Investors applying for, or which have already applied for, the subscription, redemption or conversion of Shares in the relevant Sub-Fund shall be notified of the suspension as soon as is reasonably practicable. In addition, notice of the suspension shall be published as described in section 14, "Information to Investors" if, in the opinion of the Company, the suspension is likely to last for longer than one week.

Suspension of the calculation of the Net Asset Value of one Sub-Fund shall not affect the calculation of the Net Asset Value of the other Sub-Funds if none of the above conditions applies to such other Sub-Funds.



6.9 money laundering and terrorist financing prevention

Obligations have been imposed on all professionals of the financial sector by Luxembourg laws and regulations, (including, without limitation, the laws of 12 November 2004, as amended, and of 27 October 2010, relating to the fight against money-laundering and the financing of terrorism as well as the regulations and the circulars of the CSSF, including (but not limited to) CSSF Regulation N°12-02) (together the "**Luxembourg AML Laws**") to prevent undertakings for collective investment from being used for money laundering purposes.

Such obligations require a detailed verification of a Prospective Investor's identity. The Luxembourg AML Laws require such detailed verification procedures to be performed under the supervision and responsibility of the Administrator, which acts under the ultimate supervision of the AIFM and the Company. Such detailed identity verification requirements will be implemented in respect of all Prospective Investors which seek to subscribe for Shares and shall be carried out by the Administrator, the Global Distributor or any Sub-Distributor (if applicable) (provided that the Administrator will only delegate such obligations to a regulated financial institution located in a country recognised by the Administrator as having anti-money laundering regulations equivalent to those under Luxembourg law). In accordance with CSSF Regulation N°12-02, where the Shares of a Sub-Fund are subscribed by an intermediary on behalf of "others", enhanced due diligence measures must be applied. For the avoidance of doubt, the Company complies with all requirements set out in the various Luxembourg AML Laws applicable to it, including the application of high standards of diligence in the selection and on-going monitoring of the Sub-Funds' assets through a risks based approach.

The Administrator reserves the right to request such information as is necessary to verify the identity of a Prospective Investor. In the event of delay or failure by the applicant to provide such information, the Company, the AIFM or the Administrator may refuse to accept the application and none of the AIFM, the Company, the Administrator or any other person will be liable for any interest, costs or compensation.

In addition, no redemption or conversion of Shares shall be processed, and no redemption proceeds shall be paid out until the relevant anti-money laundering procedures have been completed.

The Company may in its sole discretion, reject any Subscription Form in whole or in part for any reason and without giving reasons in which event the application monies or any balance thereof will be returned without unnecessary delay to the applicant by transfer to the applicant's designated account or by post at the applicant's risk, provided nothing prevents such transfer under any Luxembourg anti-money laundering regulations. In such event, none of the AIFM, the Company, the Administrator or any other person will be liable for any interest, costs or compensation.

Any information provided in this context is collected for anti-money laundering compliance purposes only.

6.10 data protection

For information on how the Company and Oaktree processes your personal data and on your rights in accordance with Regulation 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, please refer to the Privacy Notice for Investors in Oaktree's Luxembourg Open-Ended Investment Funds which is available at <https://www.oaktreesicav.com/privacy-policy>.

6.11 late trading, market timing or frequent trading

The Company determines the price of the Shares on a forward basis. This means that it is not possible to know in advance the Net Asset Value per Class of Share at which Shares will be subscribed or redeemed (exclusive of any charges). Subscription applications have to be received and will be accepted for each Sub-Fund only in accordance with the deadlines set forth in Appendix 1 for each Sub-Fund.

The Company also does not permit practices related to "Market Timing" or "Frequent Trading" (i.e. methods through which an investor systematically subscribes and redeems or converts Shares within a short time period, by taking advantage of time differences and/or imperfections or deficiencies, including in the method of determination of the Net Asset Value). The Company therefore reserves the right to reject subscription and conversion applications from an Investor who they suspect of using such practices and to take, if appropriate, the necessary measures to protect the other Investors.

7 co-investment

The AIFM or Portfolio Managers may in their absolute discretion and on such terms as they may decide provide any person, including Investors, with opportunities to co-invest alongside a Sub-Fund. The terms of each investment acquired by any such co-investors shall not be preferable in any material way to the terms of the equivalent investment by the relevant Sub-Fund.

Each Investor agrees that, if it is offered a co-investment opportunity, it will rely solely on its own independent evaluation of the terms of such investment and the merits and risks involved, and acknowledges that members of the Oaktree Group will not make any investment recommendation to such Investor and will not have any liability to such Investor in connection with any information provided to it or any co-investment decision taken by it.

8 risk factors

An investment in a Sub-Fund is speculative and involves a high degree of risk. An investment should only be made after consultation with independent qualified sources of investment, legal and tax advice. In addition to the information set forth elsewhere in this Prospectus, Prospective Investors should consider the factors set forth in Appendix II, "Risk Factors".



9 fees and expenses

The Company will bear certain costs and expenses of the various Sub-Funds and by Class of Shares certain fees in such amounts and on such basis as is set out in Appendix I, "The Sub-Funds" for the relevant Sub-Fund.

The Company shall bear all of its establishment expenses and each Sub-Fund shall bear its own establishment expenses.

In addition, each Sub-Fund will bear the Management Fee, as specified in Appendix I, "The Sub-Funds" for the relevant Sub-Fund. The Portfolio Manager for such Sub-Fund will be entitled to be paid a Portfolio Management Fee and the Global Distributor or any Sub-Distributor may receive Distribution Fees, in each case out of the Management Fee of the relevant Sub-Fund.

In addition, to the extent applicable, Subscription Fees may be paid to Sub-Distributors in relation to subscriptions for Shares by Investors in a Sub-Fund up to the maximum specified in Appendix I, "The Sub-Fund" for the relevant Sub-Fund. The Subscription Fees may, in the entire discretion of the Board, either be paid directly to the relevant Sub-Distributor by the Company or to the Global Distributor for onward payment to the relevant Sub-Distributor. Any Subscription Fees plus any other commissions (except for Distribution Fees), taxes or expenses payable in connection with a subscription shall be charged to, or borne by, the relevant Investor prior to any amounts being applied to fund the subscription for Shares.

The Company will also pay fees to the AIFM, the Administrator and the Depositary in accordance with normal practice in Luxembourg (the "Service Fees").

In addition, the Portfolio Managers, the Sub-Portfolio Managers, the Global Distributor, any Sub-Distributor, the AIFM, the Board, the Administrator and the Depositary and their respective Affiliates shall also be entitled to reimbursement of reasonable out-of-pocket expenses to the extent such expenses are proper liabilities of the Company as described below.

In addition, the Company shall be responsible for all other costs and expenses, direct or indirect and of whatever kind, that are incurred by, or arise out of the operation and activities of or otherwise are related to, the Company other than the day-to-day expenses (including the costs of their respective employees, office accommodation and overheads) of the Portfolio Managers, the Sub-Portfolio Managers, the Global Distributor, any Sub-Distributor, the AIFM, the Board, the Administrator, the Depositary and their respective Affiliates which shall be for their respective accounts. Such costs and expenses of the Company shall include, without limitation: (a) fees payable to advisers, performance-related fees, out-of-pocket expenses of the AIFM, the Board, each Portfolio Manager, each Portfolio Sub-Manager, the Global Distributor, any Sub-Distributor (including any Subscription Fees), the Administrator and the Depositary and their respective Affiliates, as well as any other external professionals or agents engaged by or on behalf of the Company; (b) costs, fees, expenses and liabilities relating to the sourcing, developing, evaluating, negotiating, structuring, acquiring, holding, administering, monitoring, financing, refinancing, managing, restructuring, disposing and hedging of investments (and proposed but un consummated investments, as applicable) (including reasonable travel and related expenses associated therewith, which may include business or first class airfare and, in limited circumstances, private air travel (including reimbursement of the Portfolio Managers, the Sub-Portfolio Managers or their respective employees for use of aircraft owned or leased by them), in each case, consistent with the Oaktree Group's travel policies), including appraiser, retainer, finder, placement, adviser, consultant (including Senior Advisors (as defined in "Overlaps of the Sub-Funds with Other Oaktree Funds and Accounts and Other Conflicts of Interest")), custodian, sub-custodian, depositary, transfer agent, disbursal, brokerage, registration, legal and other similar costs, fees and expenses, in each case, to the extent that such costs, fees and expenses are not reimbursed by a portfolio company and any fees, costs and expenses relating to any borrowings as well as to any currency hedging, as applicable, and regardless whether such hedging is entered into at the level of investments or in respect of certain share classes; (c) Bloomberg fees, research and software expenses, and other expenses incurred in connection with data services providing price feeds, news feeds, securities and company information, company fundamental data, and "S&P Index Alerts" attributable to such investments; (d) costs, fees and expenses for other third party research, news, industry information, analytics and expert networks/research resources; (e) costs, fees and expenses for support services (including data processing, trading, settlement, client relations, accounting, legal and tax support and other services) outsourced to third party service providers; (f) legal, compliance (including, without limitation, compliance with the rules of any asset-regulatory organisation), custodial, depositary, trading, settlement, client relations, auditing, accounting and banking costs, fees and expenses, including for example costs, fees and expenses attributable to legal, compliance, trading, settlement, client relations, accounting, reporting and information management software and systems used in connection with a Sub-Fund and its activities as well as those associated with the preparation of financial statements, tax returns and the filing of various foreign tax withholding and treaty forms; (g) appraisal and valuation costs, fees and expenses, including costs, fees and expenses of independent appraisal or valuation services or third party vendor price quotations; (h) costs, fees and expenses related to organising persons, including any alternative investment vehicle, through or in which investments may be made; (i) costs, fees and expenses that are classified as extraordinary expenses under generally accepted accounting principles; (j) premiums and fees for insurance to benefit, directly or indirectly, such entities, the holders of interests therein, the AIFM, the Board, the Company, the Portfolio Managers, the Sub-Portfolio Managers, the Global Distributor, any Sub-Distributor, the Administrator and the Depositary and their respective Affiliates or their respective shareholders, partners, members, officers, directors, employees, and agents, with respect to liabilities to any person in connection with the affairs of such entities and for directors' and officers' liability insurance or other similar insurance policies, including errors and omissions insurance and financial institution bond insurance; (k) taxes and other governmental charges, fees and duties; (l) indemnification expenses and damages and other costs, fees and expenses relating to litigation or other matters that are the subject of the indemnification rights (including as set out in "Exclusion of Liability and Indemnification" below); (m) costs of reporting to regulatory and self-regulatory authorities in any jurisdiction in which the Company, a Sub-Fund, the Portfolio Managers, the Sub-Portfolio Managers, the Global Distributor, any Sub-Distributor, the AIFM, the Board, the Administrator and the Depositary and their respective Affiliates or other entity owned directly or indirectly by a Sub-Fund invests, is organised or is marketed or otherwise directly or indirectly conducts business related to the Company or its investments, including without limitation the U.S. Securities and Exchange Commission (the "SEC"), the U.S. Commodity Futures Trading Commission (the "CFTC"), the NFA, the U.S. Treasury, the U.S. Internal Revenue Service and other national, state, provincial or local regulatory or self-regulatory authorities in any country or territory (for example, Form PF and Form CPO PQR in the United States and filings related to the offering of Shares in particular jurisdictions), provided that the costs of the Oaktree Group's general compliance with the Advisers Act, such as preparation and updating of Form ADV, will be borne by the Oaktree Group; (n) costs, fees and expenses of reporting to, or on behalf of, Shareholders (including, without limitation, the cost of preparing, translating, printing and advertising and distributing this Prospectus, further explanatory sales documents and other marketing presentations, investor fact sheets and other periodic reports and statements, the cost of publishing the Net Asset Value of the Company, Sub-Funds, Classes of Shares and Shares and information related to the value of the Company and the Sub-Funds); (o) costs, fees and expenses of meetings of Shareholders; (p) any fees and expenses involved in registering the AIFM, the Board, the Company, the Portfolio Managers, the Sub-Portfolio Managers and/or their respective Affiliates with any



governmental agencies or stock exchanges in Luxembourg and in any other country (together with the cost of any proposed listing and maintaining any such listings); (q) costs, fees and expenses relating to the incurrence and repayment of indebtedness (together with any interest and other amounts payable thereon and fees and expenses related thereto) of the Company; (r) sales, leasing and brokerage commissions, development fees, loan servicing fees, custodial expenses and other costs, fees and expenses incurred in connection with investments; and (s) costs, fees and expenses of liquidation, winding up and dissolution of the Company and/or the Sub-Funds (as the case may be). The Company may also have to pay VAT due on certain of the costs set out above. Furthermore, unless expressly stated otherwise, references to caps or maximum amounts of fees (including the Management Fee) in Appendix I, "The Sub-Funds" for the relevant Sub-Fund do not include the amount of any such VAT which, if chargeable, could thus increase the total cost to the Company or Sub-Fund (as applicable) above the level of that cap or maximum amount.

To the extent that any fees and expenses are attributable solely to a particular Sub-Fund, such as fees payable to the Portfolio Manager in respect of that Sub-Fund, such fees and expenses will be allocated solely to such Sub-Fund.

Alternatively, if so set out in Appendix I, "The Sub-Funds" for the relevant Sub-Fund, also a fixed total expense ratio fee may be provided for, covering all of the abovementioned fees and expenses.

To the extent that fees and expenses are incurred by the Company for the benefit of all Sub-Funds, such fees and expenses will be allocated among such Sub-Funds pro rata in accordance with their relative Net Asset Values or split equally among Sub-Funds as the Company deems more appropriate, at its sole discretion. Otherwise, such costs and expenses will be allocated among the Sub-Funds in good faith and in a manner considered reasonable by the AIFM.

10 exclusion of liability and indemnification

10.1 general

To the extent permitted by Luxembourg law, none of the Covered Persons shall be liable to the Company or to any Shareholder for any act or omission of the Covered Person in connection with the conduct of the affairs and activities of the Company (including any Sub-Fund), and the Company shall and hereby does, to the fullest extent permitted by Luxembourg law, indemnify and hold harmless each Covered Person from and against any and all claims, demands, liabilities, costs, reasonable expenses, damages, losses, suits, proceedings and actions, whether judicial, administrative, investigative or otherwise, of whatever nature, known or unknown, liquidated or unliquidated ("**Claims**"), that may accrue to or be incurred by such Covered Person, or in which such Covered Person may become involved, as a party or otherwise, or with which such Covered Person may be threatened, relating to or arising out of the investment or other activities of the Company, or activities undertaken in connection with the Company, or otherwise relating to or arising out of this Prospectus, including amounts paid in satisfaction of judgments, in compromise or as fines or penalties, and reasonable counsel fees and expenses incurred in connection with the preparation for or defence or disposition of any investigation, action, suit, arbitration or other proceeding (a "**Proceeding**"), whether civil or criminal, except in each case to the extent that (i) it shall have been determined in a final non-appealable judgment by a court of competent jurisdiction that such Claims arose primarily from Disabling Conduct of such Covered Person or (ii) such Claims are among the employees of a Portfolio Manager or a Sub-Portfolio Manager or brought against a Portfolio Manager, a Sub-Portfolio Manager, the AIFM, the Directors or the Company by employees of such Portfolio Manager or a Sub-Portfolio Manager, in each case, solely relating to or arising out of the internal affairs of such Portfolio Manager or a Sub-Portfolio Manager, the AIFM, the Directors or the Company (all of such Claims, amounts and expenses referred to in section 10 of this Prospectus are referred to collectively as "**Damages**"). The termination of any Proceeding by settlement shall not, of itself, create a presumption that any Damages relating to such settlement or otherwise relating to such Proceeding arose primarily from Disabling Conduct of any Covered Person.

Each of the Covered Persons shall also be indemnified against any tax liability in respect of tax on any profits allocated to any Investor, such indemnity to be satisfied in the first instance by the Investor concerned but if not so satisfied then out of the assets of the Company in which event the Company shall be subrogated to the rights of the Covered Person against such Investor.

Expenses reasonably incurred by a Covered Person in defence of any claim that may be subject to a right of indemnification hereunder may be advanced by the Company to such Covered Person prior to the final disposition thereof upon receipt of an undertaking by or on behalf of such Covered Person to repay such amount to the extent that it shall be determined ultimately that such Covered Person is not entitled to be indemnified hereunder.

The Company may agree to any compromise or settlement of any action for indemnification by a Covered Person, including the AIFM.

The AIFM may enter into any agreement or instrument as it may determine for the purpose of conferring the benefit of the exclusions of liability and the indemnities set out in this Prospectus on any Covered Person.

Furthermore, the Company shall, to the fullest extent permitted by Luxembourg law, indemnify and hold harmless the Administrator and the Depositary (together with certain other persons) in accordance with their respective agreements.

10.2 notices of claims, etc.

Promptly after receipt by a Covered Person of notice of the commencement of any Proceeding, such Covered Person shall, if a claim for indemnification in respect thereof is to be made against the Company, give written notice to the Company of the commencement of such Proceeding, provided that the failure of any Covered Person to give such notice as provided herein shall not relieve the Company of its obligations under section 10 of this Prospectus except to the extent that the Company is actually prejudiced by such failure to give such notice. If any such Proceeding is brought against a Covered Person (other than a derivative suit in right of the Company), the Company will be entitled to participate in and to assume the defence thereof to the extent that the Company may wish, with counsel reasonably satisfactory to such Covered Person. After notice from the Company to such Covered Person of the Company's election to assume the defence of such Proceeding, the Company will not be liable for expenses subsequently incurred by such Covered Person in connection with the defence thereof. The Company will not consent to entry of any judgment or enter into any settlement of such Proceeding that does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Covered Person of a release from all liability with respect to such Proceeding and the related Claim.

10.3 insufficient funds

If for any reason (other than the Disabling Conduct of a Covered Person or a Claim being among the employees of a Portfolio Manager or a Sub-Portfolio Manager or brought against a Portfolio Manager, a Sub-Portfolio Manager, the AIFM, the Directors or the Company by employees of such Portfolio Manager or such Sub-Portfolio Manager, in each case, solely relating to or arising out of the internal affairs of such Portfolio Manager or such Sub-Portfolio Manager or the AIFM, the Directors or the Company) the indemnification pursuant to section 10 of this Prospectus is unavailable to a Covered Person, or insufficient to hold it harmless, then the Company shall contribute to the amount paid or payable by such Covered Person as a result of such loss, claim, damage, liability or expense in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and the Covered Person on the other hand or, if such allocation is not permitted by applicable law or regulation, to reflect not only the relative benefits referred to above but also any other relevant equitable considerations.

10.4 survival of protection

The provisions of section 11 of this Prospectus shall continue to afford protection to each Covered Person regardless of whether such Covered Person remains in the position or capacity pursuant to which such Covered Person became entitled to indemnification under section 11 of this Prospectus and regardless of any subsequent amendment to this Prospectus, and no amendment to this Prospectus shall reduce or restrict the extent to which these indemnification provisions apply to actions taken or omissions made prior to the date of such amendment.

10.5 reserves

If the Board determines that it is appropriate or necessary to do so, the Board may cause the Company to establish reasonable reserves, escrow accounts or similar accounts to fund its obligations under this section 11 of this Prospectus.

10.6 rights cumulative

The right of any Covered Person to the indemnification provided herein shall be cumulative with, and in addition to, any and all rights to which such Covered Person may otherwise be entitled by contract or as a matter of law or equity and shall extend to such Covered Person's successors, assigns, heirs and legal representatives.

11 distribution policy

11.1 growth shares

No distribution is envisaged for Growth Shares of the Sub-Funds (see section 6, "Investment in the Sub-Funds") and the income and gains are generally expected to be reinvested by the Company (after deduction of general fees, costs and expenses). However, the Company may distribute within the limits provided by law from time to time, in whole or in part, net income and/or realised capital gains, after deduction of realised capital losses.

11.2 distribution shares

The annual general meeting of the Company will set the amount of the dividend to be distributed in relation to each Class of Shares and each Sub-Fund on the recommendation of the Board, within the framework of the legal limits and those of the Articles in this regard, it being understood that the Company may distribute interim dividends. It may be decided to distribute both realised and unrealised capital gains and other income.

Under no circumstances shall distributions be made if to do so would result in the net assets of all the Sub-Funds falling below EUR 1,250,000 (or its equivalent in US dollars) which is the legally required minimum capital as specified in the UCI Law. Notwithstanding the foregoing and for the avoidance of doubt, no distribution shall be made for which insufficient cash is available, which would render the Company insolvent or which, in the reasonable opinion of the Board or the AIFM, would or might leave the Company with insufficient funds to meet its actual or potential future liabilities or contingencies or to meet any claim under the indemnity as described in section 10 above.

Payment of dividends shall be made by means of remittance to a bank account in the currency in which the relevant Shares are denominated.

Dividends not claimed within five years of the payment date shall be forfeited and will revert to the relevant Sub-Fund of the Company. No interest shall be paid on a dividend declared.

Further details in relation to the distribution policy of each Class of Share may be set out in Appendix I, "The Sub-Funds" for the relevant Sub-Fund.

12 lifetime, liquidation and dissolution

The Company has been established for an unlimited duration.

Unless stated otherwise in Appendix I, "The Sub-Funds", the Sub-Funds have been established for an unlimited period. However, a resolution of the general meeting of Shareholders adopted in the manner required to amend the Articles, can dissolve the Company. If the Company is liquidated, the liquidation shall be carried out in accordance with Luxembourg law and the liquidator(s) named by the general meeting of Shareholders shall dispose of the Company's assets to settle all of the Company's claims and distribute the net liquidation proceeds to the Shareholders.

The dissolution of a Sub-Fund may be made:

- a. by the Board if the dissolution is deemed to be appropriate after due consideration of the interests of the Shareholders; or
- b. by the Board if the value of the assets of a Sub-Fund or any Class of Shares of a Sub-Fund has decreased to, or has not reached, an amount determined by the Board to be the minimum level needed for such Sub-Fund or Class of Shares to operate in an economically efficient manner; or
- c. by the Board in the event of a substantial change in the political, economic or monetary situation or if required by law or regulation; or
- d. by the Board in the event of a restructuring of the Company; or
- e. by a resolution proposed by the Board and passed by the general meeting of the Shareholders in the relevant Sub-Fund in question, in accordance with the quorum and majority requirements prescribed by Luxembourg law for decisions regarding amendments to the Articles.

Any decision by the Board to dissolve a Sub-Fund shall be published as specified in section 14 "Information to Investors".

Any liquidation and redemption proceeds that cannot be distributed to the Investors at the end of the liquidation process shall be deposited with the "*Caisse de Consignation*" in Luxembourg until the statutory period of limitation has elapsed.

13 meetings of shareholders

The annual general meeting of the Shareholders will be held at the registered office of the Company or at such other place in Luxembourg in each year within six (6) months after the accounting period end at a time indicated in the notice convening such annual general meeting.

Other general meetings for one or more of the Sub-Funds may be held at the place and date specified in the convening notice. Meetings of Shareholders of a specific Sub-Fund may only decide on issues which relate exclusively to that Sub-Fund.

Notices of such meetings of Shareholders shall be communicated to the Shareholders in accordance with Luxembourg law and the provisions of section 14, "Information to Investors".

The participation, quorum and majority required for any general meeting are those stipulated by Articles 450-1 and 450-3 of the Luxembourg Law of 10 August 1915 on commercial companies (as such law may be updated or replaced from time to time).

14 information to investors

Copies of the Articles and this Prospectus may be delivered without cost to Investors and Prospective Investors upon their request. Copies of the current versions of the following documents may be inspected free of charge by Investors and Prospective Investors at the registered office of the Company:

- a. the AIFM Agreement;
- b. each Portfolio Management Agreement;
- c. the Global Distribution Agreement;
- d. the Administration Agreement;
- e. the Depositary Agreement; and
- f. a summary of the AIFM's voting rights policy.

Any other information which the AIFM or the Company is under a mandatory obligation (i) to make available to Prospective Investors before they invest in the Company and (ii) to disclose (periodically or on a regular basis) to Investors shall be made available or disclosed at the registered office of the Company.

Net Asset Value

The latest Net Asset Value per share will be published on such dates as stated in Appendix I, "The Sub-Funds" for the relevant Sub-Fund at www.oaktreefunds.com and at www.fundinfo.com.

Accounts and Reports

Audited annual accounts shall be prepared in accordance with generally accepted accounting principles in Luxembourg (LuxGAAP) within six months following the end of the accounting period whilst unaudited semi-annual reports shall be made available in the same way within three months following the end of the accounting period to which they refer. The annual and semi-annual reports shall be prepared in

accordance with applicable law and made available at the registered office of the Company and at www.oaktreefunds.com and at www.fundinfo.com. The Company's annual accounting period ends on 31 December in each year or, in the case of its final accounting period, the date when the final accounts of the Company has been taken following its dissolution.

The accounting currency of the Company will be US dollars.

Such accounts shall be made available to Investors free of charge at the registered office of the Company and at www.oaktreefunds.com and at www.fundinfo.com.

Accounts, reports and statements relating to each Sub-Fund shall be made available to Investors in such Sub-Funds as described in Appendix I, "The Sub-Funds", for the relevant Sub-Fund.

Notices

Investors are reminded that certain methods of delivering notices to Investors require the Investor to have access to the internet and an electronic messaging system. In investing or soliciting an investment in the Company, Investors acknowledge the possible use of such communication methods and confirm that they have access to the internet and to an electronic messaging system for such purpose.

All notices to Investors shall be given and, if required, published as the Board and/or the AIFM shall determine, subject always to compliance with Luxembourg law.

Amendments to the Documents

The Articles may be amended from time to time in accordance with the quorum and majority requirements prescribed by Luxembourg law and the Articles.

This Prospectus, including the details of the Sub-Funds in Appendix I of this Prospectus and the investment objective, may be amended from time to time by the Board.

15 fair and preferential treatment

The Company or AIFM may enter into side letters or other agreements with individual Investors which have the effect of establishing rights under, or altering or supplementing the terms set out in Appendix I, "Sub-Funds" for the relevant Sub-Fund or otherwise granting preferential treatment to an Investor ("**Side Letters**"). Such rights may comprise, amongst other things, variations of the fees to be paid, a right to receive additional reporting and information, a right to be consulted in respect of certain Company or Sub-Fund matters, the right to nominate a member of any Investor advisory committee for the relevant Sub-Fund (as provided for in Appendix I, "The Sub-Funds" for the relevant Sub-Fund) and/or the right to be offered co-investment opportunities. Any rights established, or any terms that are set out in Appendix I, "Sub-Funds" for the relevant Sub-Fund which are altered or supplemented in a Side Letter shall govern with respect to such Investor notwithstanding any terms that are set out in Appendix I, "Sub-Funds" for the relevant Sub-Fund.

In the event that any terms that are more favourable than those set out in Appendix I, "Sub-Funds" for the relevant Sub-Fund are or have been offered to any existing Investor pursuant to any Side Letter, then the benefit of such terms shall be offered to any other Investor which holds Shares in the Company at the same time as the relevant Investor which, as at the Subscription Date on which they are or were acquired, have an aggregate subscription price at least equal to the aggregate subscription price paid by the relevant Investor for the Shares it holds, to the extent such terms are reasonably relevant to such other Investor and subject to the satisfaction by such other Investor of any other conditions on which such terms were offered.

If an Investor is given preferential treatment or the right to obtain preferential treatment, a description of that preferential treatment, the type of Investors which have obtained such preferential treatment and, where relevant, their legal or economic links with the AIFM, the Board, the Company or any other member of the Oaktree Group will be made available at the registered office of the Company as required by the AIFM Law.

For the avoidance of doubt, no Side Letters will be entered into (directly or indirectly) with any retail investors within the meaning of MiFID II (as defined below).

16 management and administration

16.1 aifm

The Company has appointed Oaktree Capital Management (Lux.) S.à r.l.¹ to act as its AIFM pursuant to an agreement effective as of 17 May 2017 (the "**AIFM Agreement**"). The AIFM was incorporated in Luxembourg on 22 June 2015 as a private limited liability company for an indefinite period and is registered at the Luxembourg Trade and Companies Register under number B 198.087. The AIFM has its registered office in Luxembourg, at 26A, boulevard Royal, L-2449, Grand Duchy of Luxembourg. Its entire issued share capital, on the date of this Prospectus, is EUR 922,000.- and is held in its entirety by Oaktree International Holdings LLC.

Oaktree International Holdings, LLC, an indirect subsidiary of OCG ("**OCG Group**") has sold 50% of the ordinary shares and the shares of each class of alphabet shares issued by the AIFM to BHAL Global Corporate Limited, a company incorporated in the United Kingdom, and an indirect subsidiary of Brookfield Asset Management Inc. (together with other Affiliates of Brookfield Asset Management Inc., the "**Brookfield Group**"). As a result, the OCG Group and the Brookfield Group (individually referred to as a "**Group**" and collectively the "**Groups**") each hold 50% of the share capital of the AIFM (the "**Acquisition**").

Pursuant to a shareholder agreement, both Groups have re-affirmed their commitment to preserving the information barrier described in "Overlaps of the Fund with Other Oaktree Funds and Accounts" below (such that AIFM personnel will not share OCG Group confidential information with the Brookfield Group or Brookfield Group confidential information with the OCG Group), thereby ensuring the independence of their respective management operations. The Groups also procure that every decision in relation to the conduct of "Oaktree-sponsored activities" will be subject to the prior approval of the manager appointed by Oaktree.

¹ Oaktree Capital Management (Lux.) S.à r.l. is a trade name of LFE European Asset Management S.à r.l., a company registered with the RCS under number B198087.

As a result of the Acquisition, the AIFM's corporate name has been changed into LFE European Asset Management S.à r.l.; however, for purposes of acting in respect of OCG Group funds, the AIFM will rely on using "Oaktree Capital Management (Lux.) S.à r.l." as a trade name.

In compliance with the provisions of the AIFM Law, the AIFM has granted a mandate in order to effectively conduct its day-to-day business to Mr Endrit Prendi, Ms Carolina Parisi and Mr Nicolas Puissant (the "*Dirigeants*").

The Dirigeants shall ensure that, at all times, the tasks of the AIFM and of the different service providers are performed in compliance with the UCI Law and the AIFM Law, the Articles and this Prospectus. The Dirigeants shall also ensure compliance of the AIFM with the investment policy and investment powers and restrictions and oversee the implementation thereof.

The Dirigeants will also report to the AIFM on a regular basis and, if necessary, will advise the AIFM of any significant breaches or issues of non-compliance with the investment policy and investment powers and restrictions.

In order to cover potential liability risks resulting from professional negligence, the AIFM has additional own funds as well as professional liability insurance coverage in place in accordance with the provisions of the AIFM Law and the AIFM Regulation.

The AIFM is authorised as an alternative investment manager in accordance with the AIFM Law. In addition to future Sub-Funds, the AIFM may also manage other undertakings for collective investment in the future.

Fair Treatment of Investors

The AIFM will establish procedures, arrangements and policies to ensure compliance with the principle of fair treatment of Investors, which impose among others the following obligations for the AIFM:

- a. to act in the best interests of the Company and the Investors;
- b. to execute investment decisions in accordance with the investment policy, strategy and objective and the risk profile of the relevant Sub-Funds;
- c. to take all reasonable measures to ensure that orders are executed to obtain the best possible result for the Company and the Investors, taking into account price, costs, speed, likelihood of execution and settlement, size, nature, or any other consideration relevant to the execution of the order;
- d. to avoid conflicts of interests and where they cannot be avoided to manage and monitor such conflicts of interest in accordance with its conflicts of interest policy in order to prevent them from adversely affecting the interest of the Company and the Investors;
- e. to prevent the interest of any group of Investors being placed above the interests of any other group of Investors;
- f. to ensure fair, correct and transparent pricing and valuation systems are used for the Sub-Funds; and
- g. to prevent undue costs being charged to the Sub-Funds and the Investors.

Exercise of Voting Rights

The AIFM has developed adequate and effective strategies for determining when and how any voting rights attached to any shares it holds on behalf of a Sub-Fund are to be exercised to the exclusive benefit of the Company and its Investors.

The strategy for the exercise of voting shall include but will not be limited to the following measures and procedures for:

- a. monitoring relevant corporate actions;
- b. ensuring that the exercise of voting rights is in accordance with the investment objectives and policy of the Company;
- c. preventing or managing any conflicts of interest arising from the exercise of voting rights.

The AIFM will not exercise any voting rights carried by any Shares or other instruments it holds in the Sub-Funds except where (a) it is specifically mandated by the Company to do so; and (ii) where it believes (in its sole and absolute discretion) that it is necessary to exercise such voting rights to protect the interests of the Investors. Details of the circumstances in which the AIFM has exercised such voting rights will be made available to Investors free of charge at the AIFM's registered office and/or upon request.

Best Execution

The AIFM acts in the best interest of the Company and the Investors when executing investment decisions. For that purpose, it will take all reasonable steps to obtain the best possible result for the Company and the Investors, taking into account price, costs, speed, likelihood of execution and settlement, order size and nature, or any other consideration relevant to the execution of the order (best execution) except in cases where taking into account the type of assets, the best execution is not relevant.

The AIFM shall execute orders in accordance with an execution policy available to Investors at the AIFM's registered office and/or upon request.

Remuneration

The AIFM has established a remuneration policy which shall be applicable to all identified staff members as specified in the AIFM Regulation and the ESMA Guidelines 2013/232 on sound remuneration policy under the AIFM Directive, as amended. Any relevant disclosures shall be made in the Company's financial statements, if applicable, in accordance with the AIFM Law.

Removal

The Company may remove the AIFM (i) upon giving six (6) months' prior written notice to the AIFM unless both parties otherwise agree in writing and (ii) at any time and with immediate effect if:

- a. required by applicable laws or a competent authority;
- b. any petition is pending to declare the AIFM or its respective parent company(ies) bankrupt or to make it subject to any proceeding contemplated by any bankruptcy law;
- c. any order is given, or resolution passed or petition presented for the winding-up of the AIFM or its respective parent company(ies) or for the appointment of a provisional liquidator to the AIFM or its respective parent company(ies), or any petition is pending for such appointment;

- d. any administration order is made or a petition for an administration order is presented in respect of the AIFM or its respective parent company(ies);
- e. any receiver or administrative receiver is appointed with respect to the AIFM or its respective parent company(ies), or any petition is pending for such appointment;
- f. any compromise or arrangement is entered into between the AIFM or its respective parent company(ies) and its/their creditors; and
- g. the AIFM has breached its obligations under the AIFM Agreement and, if such breach is capable of remedy, failing to remedy the breach within thirty (30) days starting on the day after receipt of written notice from the Board giving full details of the breach and requiring the AIFM to remedy the breach.

16.2 board of directors

The Directors, whose names are set out above, are responsible for the Company's management, control, administration and the determination of its overall investment objectives and policies.

16.3 portfolio managers

The Company is responsible for investing the Sub-Funds' assets. The Company has appointed the AIFM to implement the Sub-Funds' investment policy on a day-to-day basis.

In order to implement the investment policy of each Sub-Fund, the AIFM may delegate, under its permanent supervision and responsibility, the management of the assets of such Sub-Fund to Oaktree Capital Management, L.P. ("**Oaktree**") and/or other members of the Oaktree Group (such member(s) of the Oaktree Group so appointed being the "**Portfolio Manager(s)**" in respect of the relevant Sub-Fund).

Oaktree, a Delaware limited partnership was formed in April 1995 and is a leading global investment management firm headquartered in Los Angeles, California. As of December 31, 2020, Oaktree had over 950 employees throughout offices in 18 cities worldwide and approximately US\$148.0 billion in assets under management (including US\$27.2 billion attributable to Oaktree's 20% minority interest in DoubleLine Capital LP²) in assets in a wide range of investment strategies, including in distressed debt, corporate debt (including, high yield debt and senior loans), control investing (including power related opportunities), real estate, convertibles and listed equities.

Oaktree is registered with the SEC as an investment adviser under the United States Investment Advisers Act of 1940, as amended.

The current senior executives of Oaktree as of the date of this Prospectus are Howard Marks, Bruce Karsh, Jay Wintrob, John Frank and Sheldon Stone. The original founders formed Oaktree in April 1995 after having managed funds in the high yield bond, distressed debt, private equity and convertibles areas of TCW for approximately 10 years. The senior executives have led the investment of clients' funds in the consistent, risk controlled manner called for by Oaktree's philosophy, generally resulting in an impressive track record, reduced risk and highly satisfied clients.

Oaktree's asset management business is indirectly controlled by Oaktree Capital Group, LLC ("**OCG**") and Atlas OCM Holdings LLC ("**Atlas OCM**"). As of December 31, 2020, approximately 61.7% of Oaktree's business is owned Brookfield and the remaining approximately 38.3% is owned by current and former Oaktree executives and employees. Brookfield's ownership interest in Oaktree's business is held through OCG and Atlas OCM. The current and former Oaktree executives and employees hold their interests through a separate entity, Oaktree Capital Group Holdings, L.P. ("**OCGH**").

Each Portfolio Manager will enter into a portfolio management agreement (each a "**Portfolio Management Agreement**") under which such Portfolio Manager will be granted the discretion, on a day-to-day basis and subject to the overall control and ultimate responsibility of the AIFM, to purchase and sell securities and other assets and otherwise to manage the relevant Sub-Fund's portfolios. Such Portfolio Managers may also appoint, at their own expense and under their responsibility, one or more sub-portfolio managers pertaining to the Oaktree Group to assist with the management of the portfolio of assets held by a Sub-Fund or Sub-Funds (the "**Sub-Portfolio Managers**").

The Portfolio Managers for the Sub-Funds are indicated in Appendix I, "The Sub-Funds", provided that the AIFM may, at any time (subject to the prior approval of the CSSF), appoint a Portfolio Manager other than the one(s) named in Appendix I, "The Sub-Funds", or may terminate the appointment with any such Portfolio Manager(s). The Investors of such Sub-Fund will be informed of such an event and this Prospectus shall be modified accordingly.

16.4 global distributor

Pursuant to a global distribution agreement (the "**Global Distribution Agreement**"), the AIFM has expressly delegated to Oaktree Capital Management (UK) LLP (the "**Oaktree UK**") the marketing, distribution and promotion of Shares on a global basis (in such capacity, the "**Global Distributor**").

Oaktree UK is an Affiliate of Oaktree. It was incorporated as a limited liability partnership under the laws of England and Wales on 15 April 2011 and is authorised and regulated by the Financial Conduct Authority in the United Kingdom.

The Global Distributor may, with the approval of the AIFM, appoint one or more sub-distributors (each a "**Sub-Distributor**") for the purpose of assisting in the distribution of the Shares pursuant to a sub-distribution agreement. Where the Shares are subscribed through a Sub-Distributor acting on behalf of its clients, enhanced customer due diligence will be applied to such Sub-Distributor in accordance with applicable laws and regulations in order to ensure that the anti-money laundering obligations imposed by Luxembourg law or at least equivalent obligations are complied with.

² References to total "assets under management" or "AUM" represent assets managed by Oaktree and a proportionate amount (\$27.2 billion) of the AUM reported by DoubleLine Capital LP ("**DoubleLine**"), in which Oaktree owns a 20% minority interest. Oaktree's methodology for calculating AUM includes (i) the net asset value (NAV) of assets managed directly by Oaktree, (ii) the leverage on which management fees are charged, (iii) undrawn capital that Oaktree is entitled to call from investors in Oaktree funds pursuant to their capital commitments, (iv) for collateralized loan obligation vehicles ("**CLOs**"), the aggregate par value of collateral assets and principal cash, (v) for publicly-traded business development companies ("**BDCs**"), gross assets (including assets acquired with leverage), net of cash, and (vi) Oaktree's pro rata portion (20%) of the AUM reported by DoubleLine. Oaktree's definition of AUM is not based on the definitions of AUM that may be set forth in agreements governing the investment funds, vehicles or accounts that it managed and is not calculated pursuant to regulatory definitions.

The Global Distributor and any Sub-Distributor may not offer all of the Sub-Funds and/or Classes of Shares to their clients. It is recommended that Prospective Investors consult the Global Distributor or the Sub-Distributor (as applicable) for further details.

16.5 depositary

State Street Bank International GmbH, acting through its Luxembourg Branch acts as the depositary (the “**Depositary**”) for the Company and in doing so shall comply with the provisions of the AIFMD and the terms of the depositary agreement between the Company, the AIFM and the Depositary, as amended and restated from time to time (the “**Depositary Agreement**”).

The Depositary, State Street Bank International GmbH, is a limited liability company organized under the laws of Germany, having its registered office at Brienner Str. 59, 80333 München, Germany and registered with the commercial register court, Munich under number HRB 42872. It is a credit institution supervised by the European Central Bank (ECB), the German Federal Financial Services Supervisory Authority (BaFin) and the German Central Bank. State Street Bank International GmbH, Luxembourg Branch is authorised by the CSSF in Luxembourg to act as depositary of UCITS and AIFs.

The Depositary’s duties include, amongst others, the following:

- a. ensuring that the Company’s cash flows are properly monitored, and that all payments made by or on behalf of investors upon the subscription of Units in the Company have been received;
- b. safekeeping the assets of the Company, which includes (i) holding in custody all financial instruments that can be registered in a financial instrument account opened in the Depositary’s books and all financial instruments that can be physically delivered to the Depositary; and (ii) for other assets, verifying the ownership of such assets and maintaining records accordingly (the “**Safekeeping Function**”);
- c. ensuring that the sale, issue, re-purchase, redemption and cancellation of Shares in the Company (to the extent relevant) are carried out in accordance with applicable laws and the Articles;
- d. ensuring that the value of the Shares in the Fund is calculated in accordance with applicable laws and the Articles;
- e. carrying out the instructions of the AIFM, unless they conflict with applicable laws or the Articles;
- f. ensuring that in transactions involving the Company’s assets any consideration is remitted to the Company within the usual time limits; and
- g. ensuring that the Company’s income is applied in accordance with applicable laws and the Articles.

The duties and responsibilities of the Depositary in relation to the Company are set out in detail in the Depositary Agreement and, with the exception of performing such duties and responsibilities, the Depositary is not involved directly or indirectly with the business affairs, organisation, sponsorship or management of the Company and is not responsible for the preparation of this Prospectus and accepts no responsibility or liability for any information contained in this document other than the description in this Section.

The Depositary has full power to delegate the whole or any part of its safe-keeping functions. Information about the safe-keeping functions which have been delegated and the identification of the relevant delegates and sub-delegates are available at the registered office of the AIFM or at the following internet site: <https://www.statestreet.com/disclosures-and-disclaimers/lu/subcustodians>. The Depositary has entered into a written agreement delegating the performance of its Safekeeping Function in respect of certain assets to State Street Bank and Trust Company. The liability of the Depositary will not be affected by the fact that it has entrusted the Safekeeping Function to a third party, save where this liability is lawfully discharged to a delegate (such discharge will be notified to the Shareholders of the Company) or where the loss of financial instruments arises as a result of an external event beyond reasonable control of the Depositary as provided for under AIFM Directive. Where its liability has not been lawfully discharged, the Depositary will not be indemnified out of the assets of the Company for the loss of financial instruments.

The Company and the AIFM reserve the right to change the depositary arrangements described above by agreement with the Depositary and/or in their discretion to appoint replacement service providers to provide such depositary services.

16.6 administrator, registrar and transfer agent, paying agent and domiciliation agent

The duties of administration agent have been entrusted to State Street Bank International GmbH, acting through its Luxembourg Branch pursuant to the terms of an administration agreement between the Company, the AIFM and State Street Bank Luxembourg SCA newly called State Street Bank International GmbH, Luxembourg branch (the “**Administration Agreement**”).

State Street Bank International GmbH, Luxembourg Branch is authorised by the CSSF in Luxembourg to act as administration agent of UCITS and AIFs.

The Administrator is responsible for certain administrative duties required in respect of the Company by Luxembourg law, including units issue, redemption, transfer, accounting and valuation, in accordance with the Administration Agreement.

The Administrator shall not, in the absence of fraud, negligence or wilful default, be liable to the Company or to any Shareholder for any act or omission in the course of or in connection with the discharge by the Administrator of its duties. The Company has agreed to indemnify the Administrator or any persons appointed by it from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever (other than those resulting from the fraud, negligence or wilful default on the part of the Administrator), which may be imposed on, incurred by or asserted against the Administrator in performing its obligations or duties hereunder.

The Administrator will have no decision-making discretion relating to the Sub-Funds’ investments. The Administrator is a service provider to the Company and AIFM and is not responsible for the preparation of this Prospectus or the activities of the Company and therefore accepts no responsibility for the accuracy of any information contained in this Prospectus other than the description in this Section.

The Administration Agreement may be terminated by either the Company, the AIFM or the Administrator giving not less than three months’ notice or such shorter notices as the parties may agree in writing (or earlier on certain breaches of the Administration Agreement including the insolvency of any of them).

The Administrator is responsible for handling the processing of subscriptions for Shares and dealing with any transfers or redemptions of Shares, in each case in accordance with the Articles. The Administrator will furthermore accept transfers of funds, maintain the register of Shareholders, organize the mailing of statements, reports, notices and other documents to the Shareholders.

16.7 bellwether asset management, inc.

Bellwether Asset Management, Inc. (“Bellwether”), a privately held firm focusing on real estate asset management and support services, provides surveillance, reporting, analytics and other support services for real estate investments held by certain Oaktree-managed funds and accounts and is expected to be a service provider to the Company, its Sub-Fund and/or its portfolio companies and joint ventures. Oaktree believes that Bellwether’s support helps maximize efficiency within the real estate investment teams by allowing investment professionals to focus their efforts on areas that can drive value within a fund’s portfolio.

Bellwether was formed in 2013 and retained by Oaktree funds initially on an exclusive basis with the goal of improving and standardizing asset-level reporting and analytics used by us to monitor the operating performance of our real estate portfolios while maintaining the confidentiality of our information, maintaining controls over expenses incurred by the Other Oaktree Accounts to produce necessary reporting and ensuring accountability of the Bellwether team for the work they performed. Bellwether was retained by Other Oaktree Accounts consistent with authority established to retain third-party service providers generally and to incur costs and expenses associated therewith.

Following Bellwether’s initial formation and development, Oaktree continued to look for ways to improve our process for making real estate investments and managing those investments through disposition. This led to Bellwether developing additional services that it could provide to our funds and growing its employee base and the scope of its internal expertise to support the expanded service offerings. It is expected that the Sub-Funds and certain Other Oaktree Accounts investing in real estate will use Bellwether for reporting, data collection and management, analytics, research and related portfolio surveillance services. Bellwether may also perform additional services historically performed by Oaktree’s borrowers or operating partners, servicers, brokers or other third-party vendors, or, in some cases, services performed by Oaktree’s asset management team or more junior members of Oaktree’s investment teams. While Oaktree will retain all decision-making responsibilities, it may delegate execution responsibility to Bellwether, as it would with any third-party asset manager or servicer responsible for particular portfolio assets. In such cases, the Bellwether analysts handling such responsibilities will be monitored by Oaktree investment professionals and act within guidelines or parameters set by Oaktree. The decision to buy, sell, finance, invest additional capital or refinance a portfolio asset will always remain with Oaktree.

In addition to surveillance, monitoring and reporting, Bellwether is expected to support Oaktree personnel by providing all or substantially all of the asset management services required by the Company and its Sub-Funds, assisting and managing cash flow modeling and reforecasting for assets or a full portfolio, assisting with underwriting and due diligence analytics and support prior to the time an investment is made by the the relevant Sub-Fund, assisting with general transaction management and support in connection with approving and closing investments, assisting with arranging or maintaining financing (or refinancing) for assets, assisting with client reporting, assisting with accounting and tax services relating to investments and investment holding structures below the Sub-Funds and provide workout capabilities. The use of Bellwether’s capabilities may be expanded in preparation for a potential market dislocation and the number of Bellwether senior asset management professionals may be adjusted based on the assets in (or expected to be in) the relevant Sub-Funds’ portfolio at any time. Bellwether may also help monitor construction activities at development properties as a specialized piece of its broader surveillance functions. In addition, the Company may engage Bellwether to work in support of Oaktree personnel or third-party service providers on investment sales processes, transaction structuring or legal matters related to making or exiting investments, market research, accounting, appraisal, valuation services and construction monitoring. The foregoing list is intended to provide a sense of the general types of services that may be performed by Bellwether. However, it will not remain fixed and should be expected to change over time as determined by Oaktree in its sole discretion. The Company will continue to review the investment processes for our real estate portfolios, including the relevant Sub-Fund’s portfolio, from time to time and in connection with such reviews may expand Bellwether’s role (or the roles of other service providers) in the future.

In addition to the services described above, certain employees of Bellwether may help Oaktree source real estate lending opportunities for the Sub-Funds, the expense of which will be borne by the relevant Sub-Fund. Bellwether may also be retained by the Company as a special servicer in connection with potential or actual non-performing loans and foreclosures. Oaktree and Bellwether may from time to time agree to expand the scope of services that Bellwether provides to the Company and its Sub-Funds or to Other Oaktree Accounts.

By investing in the Sub-Funds, Limited Partners will be deemed to have agreed that Oaktree can select Bellwether to provide, at the relevant Sub-Fund’s expense, the services described herein as well as other services that Oaktree may determine in the future (without further consent). Other Oaktree Accounts have been Bellwether’s primary or exclusive source of revenue since its founding. Bellwether may be engaged exclusively by the Company and Other Oaktree Accounts or may continue seeking to expand its business with non-Oaktree clients. Oaktree may hire Bellwether employees or Bellwether may hire Oaktree employees, consistent with the evolving practice described above around seeking the most efficient manner in which to provide the support required for the real estate investment activities of the relevant Sub-Fund and Other Oaktree Accounts. In the event that an Oaktree employee whose compensation was previously born by Oaktree becomes employed by Bellwether, that individual’s compensation will be paid by Bellwether and may therefore be borne, in whole or in part, indirectly by the relevant Sub-Fund and/or Other Oaktree Accounts using Bellwether’s services though the fees charged by Bellwether to the Sub-Fund and/or such Other Oaktree Accounts. In addition, certain Bellwether employees may make use of Oaktree office space or Oaktree employees may make use of Bellwether office space, whether on a temporary, periodic or long-term basis.

While Oaktree believes that its relationship with Bellwether enhances the services Oaktree can offer to the Company and its Sub-Funds and Other Oaktree Accounts in a cost-efficient manner, the relationship may present conflicts of interest in the decision making process of whether to perform work within Oaktree or to use Bellwether, and there may be conflicts of interest among the Company and its Sub-Funds and Other Oaktree Accounts driven by the fact that Bellwether performs services for Other Oaktree Accounts in addition to the Company.

Bellwether is owned by its senior management and Oaktree does not participate in the profits or losses realized by Bellwether (though certain Other Oaktree Accounts may have the right to share in a portion of the profits generated by Bellwether from services provided to non-Oaktree clients via rebates or offsets to costs incurred by such Other Oaktree Accounts). Costs, fees and expenses relating to the services provided by Bellwether are borne by the Sub-Funds and accounts to which such services are provided. Any costs, fees and expenses allocated to the Company will be treated as a Company expense borne by the Company (whether paid by the Company directly, by a portfolio company or venture, or by Oaktree and subsequently reimbursed by the Company). While such costs, fees and expenses are believed by Oaktree to be reasonable and generally at or below market rates for the relevant third-party services provided, the extensive relationship with Bellwether and the specialized nature of its services (many of which have been customized specifically to meet the needs of Oaktree and its funds in ways that other providers may not offer) may result in such costs, fees and expenses not always being comparable to those charged for such services by other third parties. Although Oaktree will generally endeavor to select what we believe to

be the most cost-effective vendor for any third-party services to be provided to the Company and its Sub-Fund after weighing all factors that we deem relevant, including price, quality of service and the ability of such service provider to meet Oaktree's specific requirements, Oaktree will be under no obligation to evaluate alternative providers or to compare pricing for Bellwether's services. Amounts paid to Bellwether or its employees in connection with their services to the Company and its Sub-Fund or Other Oaktree Accounts (including any amounts paid in connection with particular transactions or investments) will not reduce the Management Fee paid by the Sub-Fund. However, because the fees paid by Oaktree-managed funds or their portfolio companies and joint ventures have generally supported all or substantially all of Bellwether's operating budget, Oaktree may be involved in compensation discussions for certain Bellwether employees or have approval rights for Bellwether's budget or significant expenditures that could affect the fees charged by Bellwether to the Company and its Sub-Fund or Other Oaktree Accounts.

Oaktree expects the Company's overall share of costs, fees and expenses related to Bellwether's engagement will vary based on the particular scope of services provided to the Company and its Sub-Fund and Other Oaktree Accounts by Bellwether over time and that the Company's economic arrangements with Bellwether will develop over time based on negotiations between Bellwether and Oaktree addressing particular services and the broader scope of the relationship.

In addition, employees of Bellwether who source lending opportunities for the Company and its Sub-Fund will generally receive a success fee upon the closing of each loan they source based on a percentage of the principal amount of the loan. Such fees will be borne by the Company in addition to the asset management fees described above. The amount of such success fees will depend on the number, size and type of lending opportunities sourced by such individuals. The Company may also enter into similar loan sourcing arrangements with consultants who are not employees of Bellwether. It is also expected that Other Oaktree Accounts may have different fees or costs associated with the services they receive from Bellwether due to the fact that such funds engaged Bellwether earlier than the Company when Bellwether's business outlook, Oaktree's use of its services or the overall relationship between Bellwether and Oaktree were different. By making a decision to invest in the Sub-Fund, Limited Partners will be deemed to have consented to Oaktree's authority to negotiate with Bellwether as to its costs, fees, expenses and services applicable to the Sub-Fund.

16.8 victoria asset management (formerly known as sabal financial europe, llc)

Victoria Asset Management ("VicAsset") is an international diversified financial services firm focusing on providing services to certain Oaktree investment teams and is expected to be a service provider to the Company and its Sub-Fund, Other Oaktree Accounts and/or their respective portfolio companies and joint ventures.

Oaktree wholly owns VicAsset, and we believe using VicAsset allows Oaktree investment professionals to improve their efficiency and to focus their efforts on tasks that have a greater impact on creating value within a fund's portfolio. For example, VicAsset may assist with: loan servicing; managing workouts and foreclosures; asset management services (including for real estate equity investments); sourcing, originating and underwriting permitted investments; assisting with tax and legal structuring; negotiating and managing leverage applied to permitted investments; investment reporting, data generation and analysis; and other similar tasks.

While Oaktree may in some cases outsource limited decision-making responsibilities to VicAsset (as it would with any asset manager or servicer responsible for particular portfolio assets), the VicAsset professionals handling such responsibilities will be monitored by our investment professionals and will act under the guidance of our investment professionals. The ultimate investment decision to buy, sell or refinance a permitted investment will always remain with Oaktree. In addition, VicAsset is expected to sub-lease office space from Oaktree and certain VicAsset employees may make use of Oaktree office space or Oaktree employees may make use of VicAsset office space, whether on a temporary, periodic or long-term basis.

Oaktree believes that its ownership of VicAsset enables it to offer an integrated team of capital and asset managers who can underwrite, fund and service loan portfolios and other investments, as well as source attractive investment opportunities, often with significant flexibility to tailor the transaction to the needs of the counterparty, which improves Oaktree's ability to source and manage investments on behalf of the Company and Other Oaktree Accounts. We believe that Oaktree's ownership of VicAsset promotes increased focus and attention from VicAsset that may not be available from a third party and helps to align interests and offer customized services to a degree that may not be possible with a third party provider.

Nevertheless, Oaktree's ownership of VicAsset presents certain potential conflicts of interest, several of which are discussed in the two subsequent paragraphs.

The Company and Other Oaktree Accounts will pay VicAsset for its services in the form of a fee that takes into account costs incurred by VicAsset but also provides VicAsset with a profit. Oaktree, as an owner of VicAsset, will share in any profit generated by the fees paid to VicAsset. However, Oaktree will rebate (through an offset to its management fee or, if necessary, the carried interest distributions) Oaktree's share of any net income of VicAsset attributable to any fees paid by the Company or such Other Oaktree Accounts to the extent that such net income is actually received by Oaktree (as determined by the relevant advisor or general partner in good faith). However, net income that remains within VicAsset (as determined by the relevant advisor or general partner in good faith), including income used to fund or expand its operations or establish reserves for future expenses, will not be considered to have been received by Oaktree. Any fees paid to VicAsset will not reduce the Management Fee paid by the relevant Sub-Fund. Additionally, Oaktree expects that certain employees of VicAsset will be eligible to earn commissions, incentive fees, a promote or other similar fees in connection with their work on certain permitted investments and that these payments will be borne, directly or indirectly, by the Company. Any such fees paid to VicAsset employees will not reduce the Management Fee paid by the relevant Sub-Fund.

While VicAsset currently provides services exclusively to Oaktree-managed funds and their joint venture partners, it also has the ability to provide services to third parties and may engage in its own real estate investment activities, including origination of real estate loans. While such investments are generally not expected to be appropriate for the Sub-Funds, in certain cases they may be. Oaktree, as an owner of VicAsset, will benefit from the profits generated by any third party business and may also provide the capital used by VicAsset to make investments that are not appropriate for the relevant Sub-Fund or the Other Oaktree Accounts (thereby realizing any returns on any such investment). Finally, Oaktree may benefit from a sale of its equity interests in VicAsset, if and when that were to occur. Any such sale proceeds would belong exclusively to Oaktree and any other equity owners of VicAsset at the time of the sale and would not be shared with the Company.

17 conflicts of interest

17.1 the aifm

The AIFM is required to take all reasonable steps to identify any conflicts of interest that arise in the course of its management of the Company between, among other things, (i) the Oaktree Group and/or (ii) the interests of the Company and the Investors. The AIFM has established and maintains effective organisational and administrative arrangements to identify, prevent, manage and monitor conflicts of interest in order to prevent them from adversely affecting the interests of the Company and its Investors.

Such procedures include, but are not limited to preventing or controlling the exchange of certain information between Affiliates of the AIFM, ensuring that any voting rights attached to the Sub-Funds' assets are exercised in the sole interests of the Company and the Investors, ensuring that any investment activities on behalf of the Sub-Funds are executed in accordance with the highest ethical standards and in the interests of the Company and the Investors, and identifying, preventing, managing and monitoring conflicts of interest. Further information on how conflicts are managed can be found below in sections 8, "Risk Factors" and 17.3, "Overlaps of the Sub-Funds with Other Oaktree Funds and Accounts and Other Conflicts of Interest" and Appendix II, "Risk Factors".

17.2 inducements

To the extent permitted under applicable law, third parties may be remunerated or compensated in monetary form for distribution activities performed in relation to the Sub-Funds on terms the AIFM or the Global Distributor has agreed with such parties. Such remuneration or compensation, if applicable, is generally expressed as a percentage of the subscription price paid by Investors. With reference to their transactions, Investors may receive further details of such remuneration or compensation arrangements or any amount received by or shared with such parties on request. Each Portfolio Manager, whether it receives a service from another party or performs a service for the benefit of another party, may also receive benefits from or grant benefits to these other parties in monetary or other form (including, but not limited to, soft dollar commissions, rebates or any other advantages). Such benefits, in monetary or other form, shall be paid only if it is in the best interests of the Company, the relevant Sub-Funds and the Shareholders to do so and such benefits shall be disclosed to the AIFM. The AIFM, the Global Distributor and each Portfolio Manager shall take reasonable steps to ensure that such benefits are not likely to conflict with any duty that such persons are subject to under any relevant legal or regulatory provision.

17.3 overlaps of the sub-funds with other oaktree funds and accounts and other conflicts of interest

General

The functions and duties which the AIFM, the Directors, the Portfolio Manager and any other member of the Oaktree Group undertake on behalf of the Company or a Sub-Fund shall not be exclusive and any of them may perform similar functions and duties for others and without limitation may act as directors, alternative investment fund manager, portfolio manager or investment adviser for, of or to other funds and accounts. In particular, Investors acknowledge and agree that the Oaktree Group currently manages and may in the future manage other funds and accounts (the "**Other Oaktree Funds**") that invest in, and in some cases, have priority ahead of the Sub-Funds with respect to, securities or obligations eligible for purchase by the Sub-Funds which could give rise to the potential for conflicts of interest. While the Oaktree Group will seek to manage such potential conflicts of interest in good faith, there may be situations in which the interests of a Sub-Fund with respect to a particular investment or other matter conflict with the interests of one or more Other Oaktree Funds and/or the Oaktree Group. Moreover, such conflicts may arise in situations where an Other Oaktree Fund has invested in the securities of an issuer but, due to changed circumstances, the investment opportunities with respect to such issuer subsequently fall within the investment focus of a Sub-Fund or where the Sub-Fund makes an investment in the same portfolio issuer in which an Other Oaktree Fund has an investment at a different level of such portfolio issuer's capital structure (or vice versa). Such changed circumstances might include, among others: a fall in the prices of the securities of the issuer to distressed levels; a decline in the issuer's business or financial condition; workouts or other restructurings relating to an issuer's capital structure; or consideration by the issuer of strategic alternatives or other fundamental changes. Subject to the provisions of this Prospectus, on any matter involving a conflict of interest, the Oaktree Group will be guided by its obligations (set forth in the governing documents) to the Sub-Funds as well as to the Other Oaktree Funds and will manage such conflict in good faith and seek to ensure that the interests of the Company and all affected Other Oaktree Funds are represented. However, if necessary to resolve such conflict, the Oaktree Group reserves the right to cause the Sub-Funds to take such steps as may be necessary to minimise or eliminate the conflict, even if (subject to applicable law) that would require a Sub-Fund to (a) forego an investment opportunity or reduce or divest investments that, in the absence of such conflict, it would have made or continued to hold or (b) otherwise take action that may have the effect of benefiting an Other Oaktree Fund (or another member of the Oaktree Group) and therefore may not be in the best interests of the Company or the Investors.

The above shall also apply in relation to overlaps between two or more Sub-Funds *mutatis mutandis*.

Allocation of Investment Opportunities

As mentioned above, the overlapping objectives of the Sub-Funds and certain Other Oaktree Funds may give rise to conflicts of interest relating to the allocation of investment opportunities, especially where there is a limited number of securities or obligations available for allocation across the accounts. Generally, where an Other Oaktree Fund has an investment strategy or objective that overlaps with those of a Sub-Fund, investment opportunities that fall within such common objectives or guidelines will be allocated pro rata between the Sub-Fund and such Other Oaktree Fund on the basis of available capital, as well as a number of other factors, including the "Investment Allocation Considerations" described below. There can be no assurance in the case of overlapping investment opportunities that the return on a Sub-Fund's investment will be equivalent to or better than the returns obtained by the Other Oaktree Funds participating in such investments. Moreover, the amount of management fees charged by a Sub-Fund may differ from that charged by an Other Oaktree Fund, which may create an incentive for the Oaktree Group to allocate a greater percentage of an investment to the Sub-Fund or such Other Oaktree Fund, as the case may be. In addition, certain Other Oaktree Funds also pay the Oaktree Group performance-based compensation, which could also create an incentive for the Oaktree Group to favour such Other Oaktree Fund over a Sub-Fund.

While the Oaktree Group's typical allocation policy is to keep all accounts falling within a particular strategy lock-step at the same target investment amount, some accounts may have a higher or lower target allocation. Moreover, given the limited number of investments available to a Sub-Fund and the Sub-Funds' intent to hold fewer, more concentrated positions within a given strategy, the Sub-Funds may,

subject to the discretion of the portfolio manager(s) of such strategy, be allocated a substantially larger target of any particular investment than an Other Oaktree Fund investing in the same strategy. In such event, the Sub-Fund and such Other Oaktree Fund will receive, based on available capital, their portions of the investment until the target investment of such Other Oaktree Fund has been met; thereafter, any additional securities available for purchase will be allocated to the Sub-Fund until the Sub-Fund has met its target allocation. While the Oaktree Group will seek to assign the optimal allocations between the Sub-Funds and Other Oaktree Funds investing in the same strategy, there is no guarantee that the Sub-Fund will be able to receive their full target allocations, or that the particular allocations determined and administered by the Oaktree Group will generate positive investment returns.

As a general matter and except as otherwise set out below or in Appendix I, "The Sub-Funds" in respect of each Sub-Fund, as between a closed-end fund or account that is in its investment period and an open-end fund or account (which typically does not have a limit on total size) or two or more open-end funds or accounts, each with the same investment focus, investment opportunities will generally be allocated between them based on the Oaktree Group's reasonable assessment of the amounts available for investment by each fund or account, and sales of an investment will generally be allocated pro rata between them on the basis of their respective investments held (disregarding for this purpose the age of the funds or which of them is in a liquidation period).

The foregoing allocations for both investments and sales may be overridden if the Oaktree Group in good faith deems a different allocation to be prudent or equitable in light of (a) the size, nature, and type of investment or sale opportunity, (b) principles of diversification of assets, (c) the investment guidelines and limitations governing any of such funds or accounts including client instructions with respect to a specific investment and compressed ramp-up periods that are characteristic of certain investment vehicles, (d) available capital, (e) the magnitude of the investment, (f) redemption/withdrawal requests received by such funds or accounts, (g) a determination by the Oaktree Group that the investment or sale opportunity is inappropriate, in whole or in part, for one or more funds or accounts, (h) applicable transfer or assignment provisions, (i) proximity of a fund or account to the end of its specified term, (j) the investment focus of the funds or accounts, (k) applicable contractual obligations and/or (l) such other factors as the Oaktree Group may reasonably deem relevant (all of the foregoing factors being hereinafter referred to as the "**Investment Allocation Considerations**"). In some cases, the Oaktree Group's observation and application of the Investment Allocation Considerations may affect adversely the price paid or received by a Sub-Fund, or the size of the position purchased or sold by a Sub-Fund.

The classification of an investment opportunity as appropriate or inappropriate for a Sub-Fund or any of the Other Oaktree Funds will be made by the Oaktree Group, in good faith, at the time of purchase and will govern in this regard. This determination frequently will be subjective in nature. Consequently, an investment that the Oaktree Group determined was appropriate (or more appropriate) for a Sub-Fund (or that the Oaktree Group determined was appropriate (or more appropriate) for any of the Other Oaktree Funds) may ultimately prove to have been more appropriate for one of the Other Oaktree Funds (or for a Sub-Fund). Furthermore, the decision as to whether a Sub-Fund or any of the Other Oaktree Funds should make a particular follow-on investment, or whether the follow-on investment will be shared in the same proportion as the original investment, may differ from the decision regarding the initial purchase due to a changed determination on this issue by the Oaktree Group. Where potential overlaps with any of the Other Oaktree Funds do exist, such opportunities will be allocated by the Oaktree Group, in good faith, after taking into consideration the investment focus of each affected fund or account and the Investment Allocation Considerations.

The above shall also apply to the allocation of investment opportunities between two or more Sub-Funds which may share investment opportunities *mutatis mutandis*.

Non-Parallel Purchases or Sales between the Fund and Other Oaktree Funds

The overlapping investments held by the Sub-Funds and the Other Oaktree Funds may give rise to conflicts of interest relating to the purchase or sale of such investments. For example, if an Other Oaktree Fund declines to purchase an investment, a Sub-Fund may purchase such investment at its discretion, with the allocation going solely to the Sub-Fund. In addition, if a Sub-Fund determines that an investment in its portfolio should be reduced or sold in its entirety, the Other Oaktree Funds holding the same investments may not be obligated to reduce or sell (subject to certain exceptions). Similarly, if an Other Oaktree Fund decides to reduce or sell an investment that is also held by a Sub-Fund, the Sub-Fund will not be obligated to reduce or sell such investments.

Investments in Different Parts of the Capital Structure

The Oaktree Group anticipates that a Sub-Fund may make an investment in securities of a company or securitisation in which an Other Oaktree Fund holds an investment in a different level of the capital structure. In such circumstances, the applicable funds may have conflicting interests that the Oaktree Group will seek to manage. Generally speaking, the Oaktree Group expects that the Sub-Fund will make investments that potentially conflict with the interests of an Other Oaktree Fund only when, at the time of investment by the Sub-Fund, the Oaktree Group believes that (a) such investment is in the best interests of the Sub-Fund and (b)(i) the possibility of actual adversity between the Sub-Funds and the Other Oaktree Funds is remote, (ii) either the potential investment by a Sub-Fund or the investment of such Other Oaktree Fund is not large enough to control any actions taken by the collective holders of securities of such company or asset, or (iii) in light of the particular circumstances, the Oaktree Group believes that such investment is appropriate for the Sub-Fund, notwithstanding the potential for conflict. In those circumstances where a Sub-Fund and an Other Oaktree Fund hold investments in different classes of a company's debt or equity, the Oaktree Group may also, to the fullest extent permitted by applicable law, take steps to reduce the potential for adversity between the Sub-Fund and the Other Oaktree Fund, including causing the Sub-Fund to take certain actions that, in the absence of such conflict, it would not take, such as (A) remaining passive in a restructuring or similar situations (including electing not to vote or voting pro rata with other security holders), (B) investing in the same or similar classes of securities as the Other Oaktree Fund in order to align their interests, (C) divesting investments or (D) otherwise taking an action designed to reduce adversity. Any such step could have the effect of benefiting an Other Oaktree Fund (or the Oaktree Group) and therefore may not have been in the best interests of, and may have been adverse to the Sub-Fund. A similar standard generally will apply if any Other Oaktree Fund makes an investment in a company or asset in which the Sub-Fund holds an investment in a different class of such company's debt or equity securities or assets.

The above shall also apply to investments made in different parts of the capital structure by two or more Sub-Funds *mutatis mutandis*.

Separate Accounts and Related Entities

To accommodate the needs of particular investors who, due to legal, tax, regulatory or internal investment policy or guideline considerations, cannot appropriately invest directly in a Sub-Fund, the Oaktree Group may establish one or more separate accounts or related entities at any time in connection with the organisation or management of the Sub-Fund. Such separate accounts or related entities may invest in securities eligible for purchase by the Sub-Fund, and the allocation of investments between any such separate accounts or related entities and the Sub-Fund generally will be pro rata based on available capital as described above.

Subsequent Funds

The Oaktree Group may organise subsequent funds and may manage accounts with objectives substantially similar to those of a Sub-Fund. If a subsequent fund or account is created, the allocation of investments between it and a Sub-Fund will be pursuant to the process described above.

Other Oaktree Funds and Other Oaktree-Managed Investment Strategies

The Oaktree Group currently manage or may in the future manage a large number of Other Oaktree Funds and other investment strategies. The Other Oaktree Funds currently include (a) the "High Yield Bond Funds and Accounts", which are organised to invest in high yield fixed income securities and/or debt; (b) the "Convertible Funds and Accounts", which are organised to invest in convertibles consisting of bonds, debentures, notes, preferred stock or other securities convertible or exchangeable into common stock or other equity securities; (c) the "Distressed Debt Funds", which are organised to invest in debt or other obligations of distressed companies and other "stressed" companies; (d) the "Strategic Credit Funds and Accounts", which are organised to invest primarily in credit opportunities that are inefficiently priced because the company or its owners are perceived to be experiencing financial stress or are otherwise unable to efficiently access the capital markets; (e) "Global Principal Funds" and "Special Situations Funds", which are organised primarily to obtain control or significant influence over companies that have an element of distress, dislocation or dysfunction and are believed to be undervalued; (f) the "European Principal Funds", which are organised primarily to make control and significant influence investments outside the United States, primarily in Europe; (g) the "Asia Principal Fund", which is organised primarily to make control and significant influence investments outside the United States, primarily in Asia and the Pacific region; (h) the "Power Opportunities Funds", which are organised to make control and significant influence investments primarily in companies in the power industry and related areas that focus largely on providing equipment, software and services used in the marketing, distribution, transmission, trading or consumption of power and similar services; (i) the "Infrastructure Funds", which are organised to make investments in infrastructure opportunities, focused primarily on the energy, transportation and environmental services sectors in North America; (j) the "Emerging Markets Equity Funds and Accounts", which are organised to focus primarily on publicly traded securities in emerging markets worldwide and in developed markets in Asia and the Pacific region; (k) the "Emerging Markets Opportunities Funds and Accounts", which are organised to invest opportunistically in stressed, distressed and other value oriented investments in the emerging markets; (l) the "Emerging Markets Debt Total Return Fund and Accounts", which are organised to invest on a global basis in emerging market instruments that offer the potential for substantial total return, with a focus on credit oriented investments that Oaktree believes have a low likelihood of default; (m) the "Real Estate Opportunities Funds", which are organised to invest in real estate, real estate related debt and corporate securities, distressed mortgages and properties and other real estate related investments; (n) the "Real Estate Debt Funds and Accounts", which are organised to invest in performing real-estate related debt, including commercial mortgage-backed securities; (o) the "Real Estate Value Add Funds and Accounts", which are organised to invest in well-located, high-quality commercial real estate that generates strong current cash flows and offers the potential for appreciation through moderate leasing and repositioning strategies; (p) the "Mezzanine Funds", which are organised to invest primarily in mezzanine debt and equity investments, as well as in second lien and senior secured bank loans; (q) the "Middle Market Senior Loan Fund", which is organised to invest primarily in middle market senior loans on a leveraged basis; (r) the "Middle-Market Direct Lending Funds", which are organised primarily to invest in directly originated senior secured first lien and unitranche loans to middle-market companies in North America; (s) the "Value Opportunities Fund", which is organised primarily to invest in readily tradable distressed debt securities, distressed debt and other value-oriented investments, but which has the ability to make real estate related investments; (t) the "Value Equity Fund", which is organised to invest with a long bias on an unleveraged basis in a concentrated portfolio of stressed, post reorganisation and value equities in developed markets; (u) the "Senior Loan Funds and Accounts", which are organised to invest primarily in bank loans and other senior debt obligations of companies; (v) the "Enhanced Income Funds", which are organised primarily to make investment in bank loans and other senior debt obligations of companies on a leveraged basis; and (w) the "European Private Debt Funds", which are organised primarily to invest in current cash yield instruments in the European lending market.

Because the investment focus of certain of the Other Oaktree Funds and the Oaktree Group's other investment strategies overlap with the investment focus of a particular Sub-Fund, not all investment opportunities suitable for such Sub-Fund will be allocated to the Sub-Fund. In addition, there is no assurance that future developments will not create additional potential conflicts of interest. In the event that a situation arises in the future where the interests of the Sub-Fund with respect to a particular investment conflict with the interests of one or more Other Oaktree Funds or the Oaktree Group-managed investment strategies, the Oaktree Group will in good faith seek to manage such conflicts of interest in a manner consistent with the procedures described herein.

Investment in the OAR Fund

In order to facilitate exposure to certain types of investments, a Sub-Fund may (unless otherwise specified in Appendix I, "The Sub-Funds") invest as a limited partner in the Oaktree Absolute Return Income Fund (the "OAR Fund"), an open-end Cayman Islands commingled investment fund managed by Oaktree that invests in a variety of assets and asset classes, including but not limited to global government bonds; government and agency mortgage backed securities; commercial and residential mortgage backed securities; high yield bonds; senior loans; emerging markets debt; collateralized loan obligations and other securitized products; U.S. federal, state, and local government and governmental agency debt; and derivative products.

The relevant Sub-Fund's investments in the OAR Fund may be made alongside Other Oaktree Accounts that also invest in OAR Fund. Oaktree may receive fees or other benefits as the general partner or investment manager of the OAR Fund or as manager or advisor of Other Oaktree Accounts participating in the OAR Fund. The relevant Sub-Fund will be reliant on the manager of the OAR Fund to the extent of its investment therein, and the actions of the manager of the OAR Fund affect the returns to the relevant Sub-Fund. The relevant Sub-Fund is also expected to rely on the manager of the OAR Fund to act in the best interests of the OAR Fund. If the manager of the OAR Fund were to act in a manner that was not in the best interests of the OAR Fund (i.e., gross negligence, with reckless disregard or in bad faith), this could adversely impact the overall performance of the relevant Sub-Fund's investments. In addition, the Shareholders in the relevant Sub-Fund may have conflicting investment, tax and other interests with the other investors in the OAR Fund with respect to their investments in the OAR Fund. The conflicting interests of the Shareholders with respect to other investors in the OAR Fund may relate to or arise from, among other things, the nature of investments made by the OAR Fund, the structuring of the acquisition of investments and the timing of disposition of investments by the OAR Fund. As a consequence, conflicts of interest may arise in connection with decisions made by the manager of the OAR Fund, including with respect to the nature or structuring of investments, which may be more beneficial for one investor than for another investor, especially with respect to investors' individual tax situations. In selecting and structuring investments appropriate for the OAR Fund, the manager of the OAR Fund will consider the investment and tax objectives of the OAR Fund and its investors as a whole, not the investment, tax or other objectives of any investor individually.

The relevant Sub-Fund will generally be excluded from voting in the OAR Fund, including any vote to remove and replace Oaktree entities as general partner, investment advisor or other parties in the OAR Fund.

The relevant Sub-Fund will generally not bear any ordinary course fund-level operating expenses of the OAR Fund (e.g. fund administration costs, annual audit costs) either by Management Fee offset or otherwise, as determined by Oaktree in its sole discretion; *provided* that Oaktree shall retain the discretion to allocate transaction and related expenses to the relevant Sub-Fund for its share of the underlying securities and assets held by the OAR Fund.

If, during any period in which any of the relevant Sub-Fund assets are held in the OAR Fund, the Sub-Fund pays or bears any management fee payable to Oaktree in respect of its interest in the OAR Fund, then, during such period either (a) such fee will reduce on a dollar-for-dollar basis the Management Fee (but not below zero) or (b) the management fee base shall be deemed to exclude the portion of management fee base attributable to the Sub-Fund's interest in the OAR Fund; *provided* that the choice between (a) and (b) shall be made in Oaktree's sole discretion. Oaktree shall determine in its reasonable discretion the portion of the relevant Sub-Fund interests to be invested in the OAR Fund.

The OAR Fund is intended to be a daily liquidity fund and the OAR Fund generally will accept requests for the redemption of all or a portion of any limited partner interests on each business day. While Oaktree intends to manage the OAR Fund's portfolio in order to have sufficient liquidity to meet redemption requests, there can be no assurance that, at all times, the OAR Fund will have sufficient liquidity in its portfolio to meet such requests on a timely basis, or be able to do so without needing to sell investments of the OAR Fund at prices less favorable than the manager of the OAR Fund might otherwise have been able to obtain. As a result, the OAR Fund may not be able to meet the liquidity demands of the relevant Sub-Fund.

Oaktree may acquire confidential or material non-public information or be restricted from initiating transactions in certain securities by virtue of Oaktree's activities for Other Oaktree Accounts, and such restrictions may result in the relevant Sub-Fund being unable to take certain actions in its own best interest (which may include not being able to initiate a transaction that it otherwise might have initiated and not being able to sell an investment that it otherwise might have sold). Additionally, Oaktree may in some instances seek to avoid the receipt of material, non-public information about the issuers of loans and other investments (including from the issuer itself), and Oaktree's decision not to receive such material, non-public information may disadvantage the OAR Fund. The relevant Sub-Fund will be subject to these risks without receiving any benefit from the activities of Oaktree or Other Oaktree Funds giving rise to these restrictions.

Conflicts Relating to Oaktree CLOs

A Sub-Fund may invest in asset-backed securities, which may include participations and interests in Oaktree CLOs (including any refinancing thereof and purchases on the secondary market). In the event that a Sub-Fund makes investments in Oaktree CLOs, a conflict of interest may arise in that such investments may be subject to certain additional fees payable to the Oaktree Group as collateral manager of such Oaktree CLOs.

The above shall also apply to investments made by two or more Sub-Funds *mutatis mutandis*.

Conflicts relating to Expenses

Senior Advisors. The Oaktree Group may from time to time retain consultants or transition former employees to consultant status to provide assistance with deal sourcing, industry insight or due diligence, offer financial and structuring advice and perform other services for the Company, the Sub-Funds, Other Oaktree Funds or their respective portfolio companies ("**Senior Advisors**"). Such services may be provided on an exclusive basis. The Sub-Fund's share of any retainers, success fees or other fees charged by Senior Advisors ("**Senior Advisor Fees**") will be treated as a Sub-Fund expense borne by the Sub-Fund (whether paid by the Sub-Fund directly or by the relevant Portfolio Manager and subsequently reimbursed by the Sub-Fund). While such Senior Advisor Fees are believed by the Portfolio Managers to be reasonable and generally at market rates for the relevant services provided, because of the exclusive arrangements, Senior Advisor Fees may not always be comparable to costs, fees and expenses charged for such services by other third parties. In addition to such fees, the Sub-Funds will also generally bear their respective shares of any travel costs or other out-of-pocket expenses incurred by Senior Advisors in connection with the provision of their services. Office, accounting, network, administration and other support benefits may be provided by the Oaktree Group to Senior Advisors without charge. Amounts received by Senior Advisors in connection with their services, including any amounts paid in connection with particular transactions or investments, will not reduce the Management Fee paid by the relevant Sub-Fund.

In addition, Senior Advisors may invest directly in the Sub-Funds as Investors.

With respect to former employees of the Oaktree Group who become Senior Advisors, the fees and expenses associated with retaining such Senior Advisors will be considered a Company's expense only if the former employee is permanently terminating their employment with the Oaktree Group. Services provided by these Senior Advisors may include, without limitation, providing services directly to the Sub-Funds' portfolio companies or an individual portfolio company, whether as an employee or service provider of such portfolio company, and will otherwise conform to the description of the role of Senior Advisors above.

Outsourcing. Services that the Oaktree Group has historically performed in-house for Other Oaktree Funds may for certain reasons, including efficiency considerations, be outsourced in whole or in part to third parties in the discretion of the Company, the AIFM and/or the Portfolio Manager(s) in connection with the operation of the Company or the Sub-Funds. Such outsourced services may include, without limitation, accounting, tax, compliance, trade settlement, information technology or legal services. Outsourcing may not occur uniformly for all Oaktree-managed funds and accounts and, accordingly, certain costs may be incurred by the Company or the Sub-Funds through the use of third-party service providers that are not incurred for comparable services used by Other Oaktree Funds. The decision by the Oaktree Group to perform particular services in-house for the Company or the Sub-Funds will not preclude a later decision to outsource such services, or any additional services, in whole or in part to third parties. The costs, fees or expenses of any such third-party service providers will be treated as Company or, as the case may be, Sub-Fund expenses borne by the Company or, as the case may be, the relevant Sub-Fund.

Moreover, certain advisors and other service providers (including, without limitation, accountants, administrators, lenders, bankers, brokers, attorneys, consultants, investment or commercial banking firms, developers or property managers and certain other advisors and agents) to the Sub-Funds, the Oaktree Group, certain entities in which the Sub-Funds have an investment, or Affiliates of such advisors or service providers, may also provide goods or services to or have business, personal, political, financial or other relationships with the Oaktree Group, Other Oaktree Funds or their portfolio companies. Such advisors or service providers (or their employees) may be investors in Other Oaktree Funds, the Oaktree Group and/or their respective Affiliates, sources of investment opportunities, co-investors or commercial counterparties or entities in which the Oaktree Group and/or Other Oaktree Funds have an investment, and payments by the Sub-Funds and/or such portfolio companies may indirectly benefit the Oaktree Group and/or such Other Oaktree Funds. Additionally, certain employees of the Oaktree Group may have family members or relatives employed by advisors and service providers. These service providers and their Affiliates may contract or enter into any custodial, financial, banking, advising or brokerage, placement agency or other arrangement or transaction with the Sub-Funds, the Oaktree Group or any Investor or any issuer in which the Company has made an investment. These relationships may influence the Board or Oaktree in deciding whether to select or recommend such a service provider to perform services for the Funds or an issuer (the cost of which will generally be borne directly or indirectly by the Company).

Advisors and service providers often charge different rates or have different arrangements for specific types of services. For example, the fee for a particular type of service may vary based on the complexity of the matter as well as the expertise required and demands placed on the service provider. Therefore, to the extent the types of services used by the Company or the Sub-Funds and portfolio companies are different from those used by the Oaktree Group, Other Oaktree Funds, their portfolio companies or their respective Affiliates, any of the foregoing may pay different amounts or rates than those paid by the Company or the Sub-Funds with respect to any particular advisor or service provider.

17.4 conflicts relating to acquisition by brookfield asset management.

On September 30, 2019, Brookfield Asset Management Inc. (“Brookfield”) completed the acquisition of up to 62% of the business of Oaktree Capital Group, LLC, an indirect controlling parent of Oaktree, which together with certain related transactions results in Brookfield owning a majority economic interest in Oaktree’s business. Brookfield is a leading global alternative asset manager with over \$350 billion in assets under management. It is expected that both Brookfield and Oaktree will continue to operate their respective investment businesses largely independently, with each remaining under its current brand and led by its existing management and investment teams, and Brookfield and Oaktree managing their investment operations independently of each other pursuant to an information barrier. Specifically, Oaktree and Brookfield have agreed to post-closing governance terms under which Oaktree’s current management will maintain actual control and management of Oaktree as a registered investment adviser during an initial period of up to seven years following the closing of the acquisition (or ending earlier if certain conditions are triggered). After this initial period, Brookfield will have the right to appoint a majority of Oaktree’s board of directors and assume control of Oaktree’s business if it chooses to do so. As a result, Oaktree and Brookfield do not believe that this acquisition constitutes an assignment of Oaktree’s current portfolio management agreement with the AIFM under the Advisers Act during this initial period. The Shareholders shall be deemed to have consented to the “assignment” (as defined for purposes of Section 202(a)(1) of the Advisers Act) of the Portfolio Management Agreement as the result of any indirect transfer of control to Brookfield or its successor or Affiliates.

So long as the information barrier remains in place or there is no coordination or consultation in respect of investment decisions between Brookfield and Oaktree (in each case, as determined by the Board in its discretion based on the relevant facts and circumstances applicable to each situation), Brookfield, the funds and accounts managed by Brookfield (collectively, “Brookfield Accounts”), and their respective portfolio companies will not be treated as “Affiliates” of Oaktree or the Company for purposes of this Prospectus, nor for purposes of Oaktree’s identification and management of conflicts of interest (e.g., allocation of investment opportunities, transactions or services with the Company and/or Other Oaktree Funds). For the avoidance of doubt, any investments in the same or related assets between Brookfield or its Affiliates or portfolio companies and Oaktree or its Affiliates or portfolio companies in the ordinary course of business shall not be deemed “coordination or consultation” so long as each of Brookfield and Oaktree makes an independent investment decision with respect to such assets.

There is (and in the future will continue to be) overlap in investment strategies and investments pursued by Oaktree and Brookfield. Nevertheless, Oaktree does not expect to coordinate or consult with Brookfield with respect to investment activities and/or decisions. While this absence of coordination and consultation, and the information barrier described above, will in some respects serve to mitigate conflicts of interests between Oaktree and Brookfield, these same factors also will give rise to certain conflicts and risks in connection with Brookfield’s and Oaktree’s investment activities, and make it more difficult to mitigate, ameliorate or avoid such situations. For example, because neither Brookfield nor Oaktree are expected to coordinate or consult with the other about investment activities and/or decisions made by the other, and neither Brookfield nor Oaktree is expected to be subject to any internal approvals over its investment activities and decisions by any person who would have knowledge and/or decision-making control of the investment decisions of the other, it is expected that Brookfield will pursue investment opportunities for Brookfield Accounts which are suitable for the Company or Other Oaktree Funds, but which are not made available to the Company or such Other Oaktree Funds. Brookfield and the Company may also compete for the same investment opportunities. Such competition may adversely impact the purchase price of investments. Brookfield will have no obligation to, and generally will not, share investment opportunities that may be suitable for the Company with Oaktree, and Oaktree and the Company will have no rights with respect to any such opportunities. In addition, Brookfield will not be restricted from forming or establishing new Brookfield Accounts, such as additional funds or successor funds, some of which may directly compete with the Company for investment opportunities. Any such Brookfield fund or other Brookfield Account will be permitted to make investments of the type that are suitable for the Company without the consent of the Company or Oaktree. The Company and Brookfield Accounts may purchase or sell an investment from each other. Brookfield and Oaktree will seek to ensure that any such transaction is executed on an arm’s length basis and subject to approvals, if any, that may be required from a regulatory or other perspective. In addition, from time to time Brookfield Accounts are expected to hold an interest in an investment (or potential investment), or subsequently purchase (or sell) an interest in an investment. In such situations, Brookfield Accounts could benefit from the Company’s activities. Conversely, the Company could be adversely impacted by Brookfield’s activities. In addition, as a result of different investment objectives and views, it is expected that Brookfield will manage certain of its funds’ interests in a way that is different from the Company (including, for example, by investing in different portions of an issuer’s capital structure, short selling securities, voting securities in a different manner, and/or selling its interests at different times than the Company), which could adversely impact the Company’s interests. Brookfield and its affiliates are also expected to take positions, give advice and provide recommendations that are different, and potentially contrary to those which are taken by, given to or provided to the Company, and hold interests that potentially are adverse to those of the Company. The Company and any such Brookfield Account will have divergent interests, including the possibility that the interest of the Company is subordinated to or otherwise adversely affected by virtue of such Brookfield Account’s involvement and actions related to the applicable investment, which could adversely impact the Company’s interests.

Brookfield and Oaktree are likely to be deemed to be affiliates for purposes of certain laws and regulations, notwithstanding their operational independence and information barrier. As such, Brookfield and Oaktree likely will need to aggregate certain investment holdings, including holdings of the Company, for certain securities law purposes (including securities law reporting, short-swing transactions and time or volume restrictions under Rule 144) and other regulatory purposes (including (i) public utility companies and public utility holding companies; (ii) bank holding companies; (iii) owners of broadcast licenses, airlines, railroads, water carriers and trucking concerns; (iv) casinos and gaming businesses; and (v) public service companies (such as those providing gas, electric or telephone services)). Consequently, Brookfield’s activities could result in earlier disclosure of the Company’s investments and restrictions on transactions by the Company, affect the prices of the Company’s investments or the ability of the Company to dispose of its investments, subject the Company to penalties or other regulatory remedy (including disgorgement of profits), or otherwise create conflicts of interests for the Company. In conducting any of the activities described herein, Brookfield will be acting for its own account or on behalf of Brookfield Accounts and act in its or their own interest, without regard to the interests of the Company.

The potential conflicts of interest described herein may be magnified as a result of the lack of information sharing and coordination between Brookfield and Oaktree. The Company's investment team is not expected to be aware of, and will not have the ability to manage, such conflicts. This will be the case even if it is aware of Brookfield's investment activities through public information.

Brookfield and Oaktree may decide at any time, and without notice to Shareholders, to remove or modify the information barrier between Brookfield and Oaktree. In the event that the information barrier is removed or modified, it would be expected that Brookfield and Oaktree will adopt certain protocols designed to address potential conflicts and other considerations relating to the management of their investment activities in a different framework.

Breaches (including inadvertent breaches) of the information barrier and related internal controls by Brookfield and/or Oaktree could result in significant consequences to Oaktree (and Brookfield) as well as have a significant adverse impact on the Company, including (among others) potential regulatory investigations and claims for securities laws violations in connection with the Company's investment activities. These events could have adverse effects on Oaktree's reputation, result in the imposition of regulatory or financial sanctions, negatively impact Oaktree's ability to provide investment management services to the Company, and result in negative financial impact to the Company's investments.

Brookfield will not have any obligation or other duty to make available for the benefit of the Company any information regarding the activities, strategies or views of Brookfield or any Brookfield Accounts. Furthermore, to the extent that the information barrier is removed or otherwise ineffective and Oaktree has the ability to access analysis, models and/or information developed by Brookfield and its personnel, Oaktree will not be under any obligation or other duty to access such information or effect transactions on behalf of the Company or any Other Oaktree Fund in accordance with such analysis and models, and in fact may be restricted by securities laws from doing so. The Company may make investment decisions that differ from those it would have made if Oaktree or the Board had pursued such information, which may be disadvantageous to the Company.

Brookfield or an affiliate thereof may be retained by Oaktree to provide a variety of different non-investment management services to the Company or its portfolio companies that would otherwise be provided by an independent third-party. Such persons may provide such services at different rates than those charged to the Company or its affiliates than it will charge to the Brookfield funds. While Oaktree will determine in good faith what rates and expenses it believes are acceptable for the services being provided to the Company, there can be no assurances that the rates and expenses charged to the Company will not be greater than those that would be charged in alternative circumstances. In addition, Oaktree may be retained by Brookfield or a portfolio company thereof to perform services that it also provides to the Company. The rates charged by Oaktree for such services to Brookfield are expected to be different than those charged to the Company, and the rates charged to Brookfield may be less than the rates charged to the Company.

These conflicts do not purport to be a complete list or explanation of all actual or potential conflicts that may arise as a result of the Oaktree acquisition by Brookfield, and additional conflicts not yet known by Brookfield or Oaktree may arise in the future and that conflicts will not necessarily be resolved in favor of the Company's interests. Because of the extensive scope of both Brookfield's and Oaktree's activities and the complexities involved in combining certain aspects of existing businesses, the policies and procedures to identify and resolve such conflicts of interest will continue to be developed over time.

17.5 oaktree-related securitizations and other oaktree activities.

Each Sub-Fund, may invest in (a) collateralized loan obligations for which Oaktree or its affiliate serves as collateral manager, (b) securitizations originated or sponsored by Oaktree or other Oaktree-managed or Oaktree-advised funds and accounts (collectively, including Oaktree, "Other Oaktree Accounts") and (c) any other securitizations in which Other Oaktree Accounts may be involved or hold interests (including any refinancings thereof and purchases on the secondary market) (clauses (a) through (c) collectively, "Oaktree-Related Securitizations").

Each Sub-Fund may also invest in other securitizations and asset-backed securities of any kind (collectively with Oaktree-Related Securitizations, "Securitizations").

Each Sub-Fund's investments in Securitizations may be made alongside Other Oaktree Accounts at the same or different times and/or on different terms than Other Oaktree Accounts. Other Oaktree Accounts may be sponsoring such Securitizations and retaining an interest in the equity and/or debt tranches thereof or participating separately as purchasers (like each Sub-Fund) in such Securitizations. Oaktree may receive fees or other benefits as collateral manager, sponsor or other party in an Oaktree-Related Securitization or as manager or advisor of Other Oaktree Accounts participating in such Oaktree-Related Securitization.

Each Sub-Fund may invest in the same or different tranches of the same Securitization as Other Oaktree Accounts or otherwise at different levels of the capital structure. In such circumstances, a Sub-Fund and Other Oaktree Accounts may have conflicting interests. Generally speaking, Oaktree expects that a Sub-Fund will make investments that potentially conflict with the interests of an Other Oaktree Account only when, at the time of investment by a Sub-Fund, Oaktree believes that (a) such investment is in the best interests of the relevant Sub-Fund and (b)(i) the possibility of actual adversity between the relevant Sub-Fund and the Other Oaktree Account is remote, or (ii) in light of the particular circumstances, Oaktree believes that such investment is appropriate for the relevant Sub-Fund, notwithstanding the potential for conflict. Investments by a Sub-Fund and Other Oaktree Accounts in the same or different tranches may be potentially adverse to each other's interests. On any matter involving a conflict of interest, Oaktree will be guided by its fiduciary duties to the relevant Sub-Fund as well as its fiduciary duties to the Other Oaktree Accounts, as applicable, which may include conflicting fiduciary duties in its capacity as collateral manager, sponsor or collateral manager of an Oaktree-Related Securitization. In each case, Oaktree will seek to act for the relevant Sub-Fund in the Sub-Fund's best interest while acting for Other Oaktree Accounts in such Other Oaktree Accounts' best interests, even where these respective best interests conflict. An investment by a Sub-Fund may be a minority investment and/or may be in a non-controlling tranche of interests. An Other Oaktree Account may control the tranche in which a Sub-Fund invests or may hold interests in different tranche that controls decisions for the entire Securitization; in such case, decisions made for such Other Oaktree Account in such Other Oaktree Account's best interest may be directly adverse to the relevant Sub-Fund's best interest (including decisions that result in forced redemptions or refinancings, amendments to Securitization terms, rights to direct remedies and other actions or determinations). Accordingly, Oaktree may take action, give direction or vote on behalf of the relevant Sub-Fund in a manner that is consistent, different or opposite from the action, direction or vote it may take in connection with the investments in the same or different tranches of the same Securitization by Other Oaktree Accounts. Moreover, the same investment team, and potentially the same investment professional, may be responsible for directing such votes on behalf of the relevant Sub-Fund and Other Oaktree Accounts.

If, during any period in which any Sub-Fund assets are held in an Oaktree-Managed CLO, the relevant Sub-Fund pays or bears any fee payable to Oaktree in respect of any such Oaktree-Managed CLO (an "Oaktree-Managed CLO Fee"), then, during such period either (a) the Sub-Fund's share of such fee will reduce on a dollar-for-dollar basis the Management Fee (but not below zero) or (b) the basis against which the Management Fee is charged will be deemed to exclude the portion attributable to such Oaktree-Managed CLO; provided that the choice

between (a) and (b) shall be made in Oaktree's sole discretion. Oaktree shall determine in its reasonable discretion whether any tranche(s) of any such Oaktree-Managed CLO held as part of the assets of the Sub-Fund, and therefore whether the Sub-Fund (through such investment), bears any such Oaktree-Managed CLO Fee. An "Oaktree-Managed CLO" is any collateralized loan obligation for which Oaktree serves as collateral manager.

Oaktree may acquire confidential or material non-public information or be restricted from initiating transactions in certain securities by virtue of Oaktree's activities for Other Oaktree Accounts, and such restrictions may result in a Sub-Fund being unable to take certain actions in its own best interest (which may include not being able to initiate a transaction that it otherwise might have initiated and not being able to sell an investment that it otherwise might have sold). Additionally, Oaktree may in some instances seek to avoid the receipt of material, non-public information about the issuers of loans and other investments (including from the issuer itself), and Oaktree's decision not to receive such material, non-public information may disadvantage a Securitization vehicle in which a Sub-Fund invests. The relevant Sub-Fund will be subject to these risks without receiving any benefit from the activities of Oaktree or Other Oaktree Accounts giving rise to these restrictions.

The Company will generally be excluded from voting to remove and replace Oaktree entities as collateral manager, servicer or other parties in certain Oaktree-Related Securitizations.

18 supremacy of sub-fund appendix

The information and terms contained in sections 1 to 21 of this Prospectus are subject to and qualified in their entirety by reference to the terms set out in Appendix I, "The Sub-Funds" in respect of each Sub-Fund. Notwithstanding anything to the contrary herein, in the event there is an inconsistency between the information and terms contained in sections 1 to 21 of this Prospectus and the terms set out in Appendix I, "The Sub-Funds" for the relevant Sub-Fund, the terms set out in Appendix I for the relevant Sub-Fund shall prevail.

19 governing law and jurisdiction

Investors are legally bound by the Articles, the terms of their Subscription Form and the terms of this Prospectus.

The relationship between the Investors and the Company shall be governed and construed in all respects in accordance with the laws of the Grand Duchy of Luxembourg. Any dispute or controversy between an investor and the Company shall be submitted to the exclusive jurisdiction of the Courts of Luxembourg City.

In as far as applicable, the recognition and enforcement of a judgment given by the courts of an EU Member state within the scope of Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (recast) ("**Regulation 1215/2012**") will be refused by the Luxembourg courts if on the application of (i) any interested party (in case of recognition) or (ii) the person against whom enforcement is sought (in case of enforcement), the Luxembourg courts find that any of the circumstances set out in articles 45 or 46 of Regulation 1215/2012 exist. No re-examination of the merits of any claim resulting in such foreign judgment would be made, save for the examination of the compliance of such judgment with Luxembourg public order (*ordre public*).

20 tax matters

Taxation in Luxembourg

The following section is a short summary of certain important Luxembourg taxation principles that may be or become relevant with respect to the Company.

This section does not purport to be a complete summary of tax law and practice currently applicable in Luxembourg and does not contain any statement with respect to the tax treatment of an investment in the Company under the law of any other jurisdiction. Furthermore, this section does not address the taxation of the Company in any other jurisdiction or the taxation of any legal entity, partnership or undertakings for collective investments, whether with or without legal personality, in which the Company may hold an interest.

Prospective Investors must consult their own professional tax advisers in respect of the possible tax consequences of subscribing for, buying, holding, redeeming, converting or transferring shares under the laws of their country of citizenship, residence, domicile or incorporation.

The following summary is based on laws, regulations and practice currently applicable in the Grand Duchy of Luxembourg at the date of this Prospectus and is subject to changes therein, possibly with retroactive effect.

20.1 taxation of the company

Under current Luxembourg law and administrative practice, the Company is not liable to any Luxembourg corporate income tax, municipal business tax or net wealth tax. In addition, no Luxembourg withholding tax should apply on dividends (if any) paid by the Company.

However, the Company is liable to an annual subscription tax (*taxe d'abonnement*) in Luxembourg calculated, in accordance with Article 174 of the UCI Law, at the rate of 0.05% of the NAV of the Company (or any of its Sub-Funds). This tax is payable quarterly on the basis of the NAV of the Company (or any of its Sub-Funds), calculated at the end of the quarter to which the tax relates. This rate is reduced to 0.01%, e.g., for Sub-Funds or classes of shares reserved to one or more institutional investors. The value of assets represented by units and shares held in other undertakings for collective investments is however exempt from the subscription tax provided such units or shares have already been subject to this tax. Moreover, according to Article 175 of the UCI Law, the Company may benefit from an annual tax exemption if (i) its Shares are listed or dealt in on at least one stock exchange or another regulated market, operating regularly and recognised and open to the public; and (ii) provided that its exclusive object is to replicate the performance of one or more indices. If several classes of securities exist within the Company or any of its Sub-Funds, the exemption only applies to classes fulfilling the condition of sub-point (i).

No stamp duty or other tax is payable in Luxembourg on the issue of Shares in the Company, except a one-off flat registration duty of EUR 75 to be paid upon the Company's incorporation and upon future modifications (if any) of the Articles.

Dividends and interest, if any, received by the Company from investments may be subject to taxes and/or withholding taxes in the countries concerned at varying rates, such taxes or withholding taxes usually not being recoverable. The Company, or any subsidiary asset-holding structure through which it holds investments, may be liable for certain other foreign taxes.

20.2 taxation of the investors

Under present Luxembourg law and administrative practice and subject to any amendment thereof and subject to (a) and (b) below, the Investors are not liable to any taxation in Luxembourg in relation to the holding, redemption or transfer of the Shares.

- a. Investors that are domiciled, resident or have a permanent establishment in Luxembourg are potentially subject to a number of Luxembourg taxes. However, the mere holding of Shares in the Company should not, without more, comprise a Luxembourg permanent establishment of an Investor with no other connection with Luxembourg.
- b. Luxembourg gift tax may be payable, in the event that a gift is made pursuant to a notarial deed signed before a Luxembourg notary or registered in Luxembourg.

20.3 information provision

Investors should assume that information about their status and investment in the Company will be disclosed to the Luxembourg tax authorities and that such information will be sent by the Luxembourg tax authorities to the Investor's home tax authorities (and possibly other tax authorities, including the United States) under one of a number of regimes. Currently that information sharing could be realised, notably, under the Luxembourg's implementation of FATCA or the Luxembourg law dated 18 December 2015 concerning the automatic exchange of information on financial accounts and tax matters and implementing the EU Directive 2014/107/EU (i.e. implementing the common reporting standards).

The AIFM shall use reasonable endeavours to provide each Investor (at such Investor's expense if the AIFM so determines) with such information or assistance reasonably requested by such Investor to enable it to obtain any available reliefs from taxation and to prepare tax returns in respect of their profits from the Company or to assist such Investor to obtain the benefit of any tax credits against tax deducted or withheld on sums received from the Company. In addition, the Company may disclose any such information provided pursuant to this section 20.3 to any person to whom such information is required or requested to be disclosed by any tax authority or other governmental agency and to any person where the Directors consider such disclosure to be necessary or desirable in order to permit the Company to comply with FATCA and CRS.

21 definitions

- "Acquisition"** as defined under section 17.1 of this Prospectus
- "Administration Agreement"** the agreement between the AIFM, the Company and the Administrator as administrator, registrar and transfer agent, paying agent and domiciliation agent of the Company, as such agreement may be amended, restated or replaced from time to time
- "Administrator"** State Street Bank International GmbH, Luxembourg Branch, in its capacity as the Company's central administration agent, registrar and transfer agent, corporate and paying agent and domiciliation agent as the context so requires or such other person as may subsequently be appointed in such capacities
- "Affiliate"**
- (a) if that person is a body corporate:
 - (i) any body corporate that directly or indirectly controls, or is controlled by, that person, or together with that person is under the common control of another body corporate; or
 - (ii) any limited partnership whose general partner is a body corporate and an Affiliate within the preceding part of this definition; or
 - (b) if that person is a limited partnership, the general partner thereof and its Affiliates within the meaning of paragraph (a) of this definition;
 - (c) if the person concerned is a natural person, a spouse, civil partner or lineal ascendant or lineal descendant of such person, the trustees of any trust established principally for the benefit of any of the foregoing, or any body corporate, partnership or other unincorporated association directly or indirectly controlled by any of the foregoing,

provided that any portfolio companies of any Other Oaktree Funds shall not be treated as an Affiliate of any member of the Oaktree Group. For the above purposes a person has "control" of another if that person and that person's Affiliate alone or together have the power to secure by means of the holding of shares or other interests or the possession of voting power in, or

by virtue of any power contained in the constitutional documents of, that or any other person, that the affairs of such other person are conducted in accordance with the wishes of the first mentioned person.

In construing (a)(ii) and (b) above, any reference to the general partner of a limited partnership shall, where such general partner is itself a limited partnership be read as a reference to the general partner of that limited partnership unless that is also a limited partnership in which case each such limited partnership shall be looked through until one reaches a general partner that is a body corporate.

"AIFM Agreement"	the agreement between the Company and the AIFM pursuant to which the Company has appointed the AIFM to act as alternative investment fund manager in respect of the Company, as such agreement may be amended, restated or replaced from time to time
"AIFM"	Oaktree Capital Management (Lux.) S.à r.l. in its capacity as alternative investment fund manager of the Company, or such other person who is for the time being the alternative investment fund manager of the Company
"AIFM Directive"	Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers, as may be amended from time to time
"AIFM Law"	the Luxembourg law of 12 July 2013 on alternative investment fund managers, as may be amended from time to time
"AIFM Regulation"	EU Regulation No 231/2013 of 19 December 2012 supplementing AIFM Directive with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision, as may be amended from time to time
"Alternate Currency Class"	as defined under section 6.1 of this Prospectus and "Alternate Currency Shares" shall be construed accordingly
"Articles"	the articles of incorporation of the Company, as may be amended from time to time
"AUD"	the lawful currency of Australia
"Auditors"	Ernst & Young S.A. or such other auditors who may be subsequently appointed
"Board" or "Board of Directors"	the board of Directors of the Company
"BRL"	the lawful currency of Brazil
"Brookfield Group"	as defined under section 17.1 of this Prospectus
"CFTC"	the U.S. Commodity Futures Trading Commission
"CHF"	the lawful currency of Switzerland
"Class of Shares"	a class of the Shares and "Classes of Shares" shall be construed accordingly
"Code"	the United States Internal Revenue Code of 1986, as amended
"Company"	Oaktree (Lux.) III
"Contracts to Purchase Debt Instruments on a "When-Issued" Basis"	contracts under which a Sub-Fund may acquire the right to purchase debt instruments which are expected to be issued in exchange for, or in connection with, debt instruments already in issue on their issue for a fixed price prior to their issue; if the "when-issued securities" are not issued as expected, a seller is not obliged to deliver any securities
"Covered Person"	the AIFM, the Board, the Portfolio Managers, the Sub-Portfolio Managers, the Global Distributor, any Sub-Distributor and each of their respective Affiliates, current and former

shareholders, officers, directors, employees, partners, members, managers and agents; and any other person designated by the Board or the AIFM as a Covered Person who serves at the request of the Board or the AIFM, the Portfolio Managers or the Sub-Portfolio Managers on behalf of the Company as an officer, director, employee or general partner of any other person in which the Company has an investment (or any Affiliate of such person), or on creditors' committees or similar committees formed to protect the rights of a class of security holders in bankruptcy, moratorium, insolvency, reorganisations or similar proceedings, whether judicial or extrajudicial, and ad hoc committees (whether or not created in anticipation of a bankruptcy, moratorium, insolvency or similar proceeding)

"CSSF"	the Luxembourg supervisory authority of the financial sector (<i>Commission de Surveillance du Secteur Financier</i>)
"CSSF Regulation N°12-02"	CSSF Regulation N°12-02 of 14 December 2012 on the fight against money laundering and terrorist financing, as amended from time to time
"Depository"	State Street International Bank GmbH, Luxembourg Branch, acting in its capacity as depository of the Company, or such other credit institution within the meaning of the Luxembourg law dated 5 April 1993 relating to the financial sector, as amended, as may subsequently be appointed as depository of the Company
"Depository Agreement"	the agreement between the AIFM, the Company and the Depository pursuant to which the Depository has been appointed to provide depository services in respect of the Company, as such agreement may be amended, restated or replaced from time to time
"Director"	each member of the Board of Directors
"Disabling Conduct"	with respect to any Covered Person, (i) fraud, (ii) wilful misconduct, (iii) gross negligence in the operation of the Company or (iv) a breach of the Articles or this Prospectus, provided that in the case of clauses (iii) and (iv) such conduct has resulted in a material adverse effect on the assets of the Company
"Distribution Fees"	distribution fees payable to the Global Distributor or any Sub-Distributor out of the Management Fee of the relevant Sub-Fund
"ERISA"	the United States Employee Retirement Income Security Act of 1974, as amended
"ERISA Investor"	an Investor: (a) which is an employee benefit plan subject to part 4 of Subtitle B of Title I of ERISA; (b) which is a "plan" within the meaning of Section 4975(e)(1) of the Code and which is subject to the prohibited transaction rules under Section 4975 of the Code; (c) which is another entity whose assets include assets of one or more employee benefit plans or plans described at (a) or (b) above
"ESG"	Environmental, social and governance
"€ or EUR or Euro"	the single currency of participating member states of the European Union
"Europe"	the Member States of the European Union from time to time, together with Norway, Switzerland and the UK's Crown Dependencies
"FATCA"	Sections 1471 to 1474 of the Code, as amended (and any amended or successor versions thereof), and any current or future regulations or official interpretations thereof promulgated thereunder, or any voluntary agreements entered into with the US tax authority in connection therewith, or any similar or related non-US laws that corresponds to Sections 1471 to 1474 of the Code, whether pursuant to IGA or otherwise
"FFI"	foreign financial institution as described under section 8 of this Prospectus

"Foreign Currency Forward Contract"	a negotiated agreement between the contracting parties to exchange specified amounts of currencies at specified future time at a specified rate. The rate can be higher or lower than the spot rate between the currencies that are the subject of the contract
"Forward Contract"	a contract with a bank or other foreign currency broker or dealer to purchase or to sell foreign currencies at a future date
"GBP"	the lawful currency of the United Kingdom
"Global Distribution Agreement"	the agreement entered into between the Company, AIFM and the Global Distributor pursuant to which the AIFM has expressly delegated the marketing, distribution and promotion of Shares on a global basis to the Global Distributor, as such agreement may be amended, restated or replaced from time to time
"Global Distributor"	Oaktree Capital Management (UK) LLP as appointed by the AIFM for the marketing, distribution and promotion of Shares on a global basis, or such other person who is for the time being appointed the global distributor in respect of the Shares
"Group" or "Groups"	as defined under section 17.1 of this Prospectus.
"IGA"	the intergovernmental agreement between Luxembourg and the United States, as amended from time to time
"Initial Offering Period"	the period during which a Class of Shares is offered for subscription at its Initial Offering Price as set out in Appendix I, "The Sub-Funds" for the relevant Sub-Fund
"Initial Offering Price"	as defined in section 6.2 of this Prospectus
"Investment Allocation Considerations"	as defined in section 17.3 of this Prospectus
"Investor"	any person (unless such person is engaged in the management of the Company) who has signed and returned a Subscription Form; for the avoidance of doubt, the "Investor" shall include, where appropriate, a Shareholder
"Management Fee"	the management fees payable by each Sub-Fund, as specified in Appendix I, "The Sub-Funds" for such Sub-Fund
"Material Adverse Effect"	any legal, pecuniary, competitive, regulatory, tax or material administrative disadvantage to the Company (including, without limitation, the Company becoming subject to withholding tax imposed on a payment made to the Company on account of the Company's inability to comply with the reporting requirements imposed by FATCA or by the implementation of OECD Action Plan on Base Erosion and Profit Shifting or otherwise), any Sub-Fund, the Oaktree Group or the Shareholders, as determined by the Board or the AIFM in its absolute discretion
"Net Asset Value"	the net asset value of the Company, a Sub-Fund, a Class of Shares or a Share (as relevant) calculated in accordance with section 5, "Valuation and Calculation of the Net Asset Value" and any relevant terms set out in Appendix I, "The Sub-Funds" for the relevant Sub-Fund
"Oaktree"	Oaktree Capital Management, L.P.
"Oaktree Group"	Oaktree and its Affiliates
"Oaktree UK"	Oaktree Capital Management (UK) LLP
"OCG"	Oaktree Capital Group, LLC
"OECD"	Organisation for Economic Co-operation and Development

"Other Costs and Fees"		costs and fees as described under section 9 of this Prospectus
"Other Funds"	Oaktree	the other funds and accounts which members of the Oaktree Group currently manage or advise and may in the future manage or advise
"Pool"		as defined in section 2 of this Prospectus
"Portfolio Management Agreement"		the agreement entered into between the Company, the AIFM and the relevant Portfolio Manager under which such Portfolio Manager will be granted the discretion, on a day-to-day basis and subject to the overall control and ultimate responsibility of the AIFM, to purchase and sell securities and otherwise to manage the relevant Sub-Fund's investment portfolios
"Portfolio Management Fee"		the fee payable to the relevant Portfolio Manager of each Sub-Fund, out of the Management Fee payable in respect of such Sub-Fund
"Portfolio Manager"		a portfolio manager to which the AIFM delegates the performance of the portfolio management activities in respect of the Company, as named for the relevant Sub-Fund in Appendix I, "The Sub-Funds"
"Prohibited Person"		any person which, in the absolute discretion of the Company or the AIFM, (i) is a US Person; (ii) is an ERISA Investor; (iii) does not satisfy the requirements for the relevant Class of Shares (including, without limitation, any minimum holding requirement); (iv) fails to provide such information as is necessary to verify its identity; or (v) otherwise fails to comply with any obligations associated with the holding of any of its Shares as set out this Prospectus, the Articles, its Subscription Form or as required by applicable law or regulation
"Prospective Investor"		a prospective investor in the Company
"Prospectus"		this prospectus, as relating to the Company
"Redemption Date"		the date(s) on which Shares in a Sub-Fund may be redeemed as specified in Appendix I, "The Sub-Funds", for the relevant Sub-Fund
"Reference Currency"		the currency in which the Net Asset Value of a Sub-Fund shall be expressed, as specified in Appendix I, "The Sub-Funds", for the relevant Sub-Fund
"RESA"		the Luxembourg <i>Recueil Electronique des Sociétés et Associations</i>
"SEC"		the U.S. Securities and Exchange Commission
"Service Fees"		as defined in section 9 of this Prospectus
"SFDR"		Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector
"Shareholder"		the shareholders of the Company
"Shares"		the shares in the Company
"Side Letter"		side letters or other agreements as may be entered into with individual Investors which have the effect of establishing rights under, or altering or supplementing the terms set out in Appendix I, "Sub-Funds" for the relevant Sub-Fund as defined under section 15 of this Prospectus
"Sub-Distributor"		as defined in section 16.4 of this Prospectus
"Sub-Fund"		a sub-fund constituting part of the umbrella structure of the Company as set out in Appendix I, "The Sub-Funds" and "Sub-Funds" shall be construed appropriately

"Sub-Portfolio Manager"	as defined in section 16.3 of this Prospectus and, where applicable, as named for the relevant Sub-Fund in Appendix I, "The Sub-Funds"
"Subscription Date"	in respect of a Sub-Fund, the date upon which Shares are offered for subscription, as set out in Appendix I, "The Sub-Funds", for the relevant Sub-Fund
"Subscription Fees"	as defined in section 6.2 of this Prospectus
"Subscription Form"	as defined in section 6.2 of this Prospectus
"Subscription Price"	the subscription price payable by an Investor in respect of its Shares
"Subsidiary"	<p>means any company or entity in which the Company has more than a 50% ownership interest and provided that:</p> <ol style="list-style-type: none"> 1.1 the sole purpose shall be directly or indirectly to own investments acquired in accordance with the investment objective and investment policy of the Company; 1.2 the Company will assure, at any time that it can control the investments made through the Subsidiary; 1.3 the securities of the Subsidiary will be issued in registered form; 1.4 it has the right to appoint or remove a majority of the members of the administrative, management or supervisory body of another undertaking; 1.5 the accounts of the Subsidiary are audited by the Company's auditor's group and accounts of the Company, the Subsidiaries will be consolidated and therefore the accounts of the Company will list the investments held via these entities
"Sustainability Risk"	an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment and potentially a total loss of its value and therefore an impact on the Net Asset Value of the concerned Sub-fund
"Swing Factor"	as defined in section 5.4 of this Prospectus and, if applicable in respect of a given Sub-Fund, as then set out in set out in Appendix I, "Sub-Funds" for the relevant Sub-Fund
"Taxonomy Regulation"	Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088
"UCI Law"	the Luxembourg law of 17 December 2010 on undertakings for collective investment, as amended from time to time;
"US\$", "USD" or "US dollars"	the lawful currency of the United States of America
"US Person"	as defined in Regulation S of the United States Securities Act of 1933, as amended
"Valuation Date"	the date on which the Net Asset Value of a Sub-Fund and Class of Share will be determined by the Administrator (under the ultimate responsibility of the AIFM) as is set out in Appendix I, "Sub-Funds" for the relevant Sub-Fund
"VAT"	value added tax or similar sales taxes

appendix i – the sub-funds

1. oaktree (lux.) iii – oaktree global credit fund

The following provisions contain specific terms which relate to the Oaktree (Lux.) III – Oaktree Global Credit Fund.

In the event of an inconsistency between the terms set out in this Appendix I and the information and terms contained in the general part of this Prospectus above, the terms set out in this Appendix I shall prevail in respect of the Sub-Fund (as defined below).

STRUCTURE OF THE SUB-FUND

Name	Oaktree (Lux.) III – Oaktree Global Credit Fund (referred to hereafter as the " Sub-Fund ").
Term	The Sub-Fund has been established for an unlimited duration.
Reference Currency	The Reference Currency of the Sub-Fund is US dollars.

INVESTMENT POLICY

Portfolio Manager The Portfolio Manager of the Sub-Fund is Oaktree. Oaktree has entered into a Portfolio Management Agreement with the AIFM and the Company in relation to the Sub-Fund. Such Portfolio Management Agreement is available for inspection at the registered office of the Company.

Investment Objective The Sub-Fund's investment objective is to earn attractive total return and current income while limiting volatility through diversification. The Sub-Fund will generally invest globally in a concentrated subset of securities across the Oaktree Group's liquid credit platform of high yield bonds, senior loans, convertibles, real estate debt securities structured credit and emerging markets debt (although the Sub-Fund may invest in new strategies also). The Sub-Fund seeks to add value through three sources: (1) allocation to credit strategies not easily accessed and requiring specialisation; (2) security selection through bottom-up, fundamental credit research; and (3) rotation among strategies based on the Portfolio Manager's assessment of relative value.

There can be no assurance that the Sub-Fund will realise its objectives on its investment portfolio or with respect to any individual investment or that the Sub-Fund will not experience losses, which could be substantial.

Investment Strategy Security selection is accomplished by the Oaktree Group's portfolio managers of the credit strategies represented in the Sub-Fund. Securities are selected for the Oaktree Group's credit strategies through bottom-up fundamental analysis, in accordance with the Oaktree Group's unifying investment philosophy, which consists of six tenets: risk control, consistency, market inefficiency, specialisation, bottom-up analysis and disavowal of market timing.

The Sub-Fund generally invests in a concentrated subset of securities recommended by each strategy's portfolio manager(s) based upon input from the Oaktree Group's research analysts. Concentrated security selection approaches may vary by strategy portfolio manager to allow for maximum flexibility, but generally fall into four categories: barbell, fundamental emphasis, technical emphasis or balanced. The approximate number of holdings in the Sub-Fund is expected to be 10-40 per strategy or 200 for the portfolio; however, the total number of holdings may change over time commensurate with the size of the Sub-Fund.

Without prejudice to the investment restrictions as described below, the Sub-Fund may generally invest in all types of assets and engage in all types of transactions that the Portfolio Manager determines appropriate in pursuing the Sub-Fund's investment objective and investment strategy.

The Portfolio Manager's asset allocation process is led by Bruce Karsh, the Oaktree Group's co-Founder and Chief Investment Officer. Mr Karsh leads twice-monthly meetings of the Portfolio Manager's multi-strategy investment committee, which includes the strategy portfolio managers and professionals in the areas of investment risk, portfolio construction and product management. The Portfolio Manager has set a baseline strategy allocation for the Sub-Fund and will adjust strategy weightings above or below this allocation based on the Portfolio Manager's analysis of fundamental, valuation, technical and other factors. Both qualitative and quantitative inputs are considered in the Portfolio Manager's relative value assessment. Ultimately, each strategy in the Sub-Fund's portfolio

is scored based on these measures, which provide a uniform means for comparison when making reallocation decisions.

The allocation of the Sub-Fund's assets will change over time, sometimes rapidly, based on the Portfolio Manager's relative value assessment. Active portfolio and risk management are designed to ensure optimal portfolio positioning, including diversity of industries and issuers, as well as strategies. The Sub-Fund's strategy and portfolio allocations, performance attribution, risk sensitivities and characteristics are monitored by the Portfolio Manager on a daily basis. Stress testing and scenario analysis is also performed.

In order to implement the Investment Strategy, investments may be made directly or indirectly via Subsidiaries.

Hedging

The Portfolio Manager expects to use its commercially reasonable endeavours to implement an appropriate hedging strategy (as determined by the Portfolio Manager in its absolute discretion) to hedge by means of forward foreign exchange transactions or asset swaps or other derivatives:

- (a) the Net Asset Value of any Alternate Currency Class (except as set out in the table below), calculated in the Reference Currency, against the currency of such Alternate Currency Class (and, accordingly, for the avoidance of doubt, the Net Asset Value of the Shares of these Alternate Currency Classes may not develop in the same way as that of the Classes of Shares issued in the Reference Currency and the currency hedging transactions entered into in relation to such Alternate Currency Class Shares may, in exceptional cases, adversely affect the Net Asset Value of the other Classes of Shares);
- (b) any investments made in currencies other than the Reference Currency, against the Reference Currency.

Investment Restrictions

No more than 20% of the net assets of the Sub-Fund may be invested in instruments (including obligations) of any one issuer, provided that such limit shall not apply in respect of instruments (including obligations) issued or guaranteed by a member state of the OECD or their local authorities or public international bodies with EU, regional or worldwide scope. Without prejudice to the foregoing, but in derogation of Circular CSSF 02/80 on the specific rules applicable to Luxembourg undertakings for collective investment pursuing alternative investment strategies, the Sub-Fund may:

- acquire up to 100% of the instruments of the same kind issued by the same issuer;
- invest all its assets in instruments which are not admitted to official listing on a stock exchange or dealt in on another regulated market, which operates regularly and is recognised and open to the public.

RISK AND LIQUIDITY MANAGEMENT

Risk Management

The Risk Management Policy which will be applied in respect of the Sub-Fund is available for inspection free of charge at the offices of the Company.

Leverage and Borrowing

The Sub-Fund may incur borrowing up to 10% of its Net Asset Value and then only on a temporary basis for cash management purposes and/or in connection with satisfying redemption requests. Borrowings may be made under a facility agreement entered into with any financial institution and/or any member of the Oaktree Group, provided that, in the case of borrowings made from the Oaktree Group, the AIFM is satisfied that the terms of such facility agreement are on an arm's length basis.

The leverage exposure of the Sub-Fund will not exceed 225% of the Net Asset Value of the Sub-Fund measured using the gross method and will not exceed 200% of the Net Asset Value of the Sub-Fund using the commitment method.

Liquidity Management

The Liquidity Policy which will be applied in respect of the Sub-Fund is available for inspection free of charge at the offices of the Company. For the avoidance of doubt, the Sub-Fund may hold liquid assets in such currencies in which investments are made or in which redemption proceeds are paid out.

CALCULATION OF NET ASSET VALUE

Valuation Dates

The Net Asset Value of the Sub-Fund and each Class of Shares of the Sub-Fund shall be calculated on each Business Day (as defined below) in accordance with the method of calculating the Net Asset

Value described in section 5, "Valuation and Calculation of the Net Asset Value", of this Prospectus (each such day, a "**Valuation Date**").

A "**Business Day**" for the purposes of the Sub-Fund shall be any day on which banks are open for business in Luxembourg and New York.

The Net Asset Value of the Sub-Fund and of each Class of Shares and of each Ordinary Share of the Sub-Fund on each Valuation Date shall be made available to Sub-Fund Investors on the same basis as described in section 14, "Information to Investors", of the Prospectus.

INVESTMENT IN THE SUB-FUND

Share Classes The Sub-Fund currently offers the Classes of Shares specified in the table below to Prospective Investors in the Sub-Fund.

(Investors in the Sub-Fund shall be referred to in this Appendix as the "**Sub-Fund Investors**" and Prospective Investors in the Sub-Fund shall be referred to in this Appendix as "**Prospective Sub-Fund Investors**").

Minimum Holding The minimum amount of each Class of Shares that a Sub-Fund Investor may hold is specified in the Reference Currency in the table below under "Minimum Holding", provided that the Board reserves the right to permit holdings of lesser amounts in its absolute discretion. For Alternate Currency Shares, the Minimum Holding shall be calculated by converting the Minimum Holding specified in the table below in respect of that Class of Shares into the currency in which such Alternate Currency Shares are denominated at the exchange rate available as at the applicable Valuation Date or Redemption Date (as applicable).

Subscription Process Shares in the Sub-Fund are offered for subscription on any Business Day (each a "**Subscription Date**"). Prospective or existing Sub-Fund Investors wishing to acquire Shares in the Sub-Fund must provide the Administrator with a duly completed and executed Subscription Form. Such a Subscription Form must be received by the Administrator by 15:00 hours (Luxembourg time) on a Subscription Date. The Administrator shall determine, in its absolute discretion, whether such a Subscription Form has been received prior to such cut-off time and any Subscription Forms received after such time will be deemed to have been received on the next following Subscription Date.

Notwithstanding anything to the contrary herein, the Company may, in its sole discretion, reject any Subscription Form in whole or in part for any reason and without giving reasons, provided that the Company will reject in full any applications for the subscription of Shares from, and refuse to issue any Shares to, any Prohibited Person and will reject in full any applications for the subscription of Shares where such subscription may, in the Company's absolute discretion, result in a Material Adverse Effect.

The date on which a Sub-Fund Investor's duly completed and executed Subscription Form is received (or is deemed to have been received) by the Administrator as determined in accordance with this paragraph is referred to herein as that Sub-Investor's Subscription Date.

Subscription Price The Subscription Price payable by Sub-Fund Investors will be calculated by reference to the relevant Subscription Date. If that Subscription Date is on 1 September 2017 (the "**Initial Offering Period**"), the Subscription Price will be US\$100 per Ordinary Share (the "**Initial Offering Price**"). If the Subscription Date is after the end of the Initial Offering Period, the Subscription Price will be the Net Asset Value per Share of the relevant Class of Shares as calculated as at close of business in Luxembourg on that Subscription Date, as may be adjusted.

The Subscription Price payable by Sub-Fund Investors for each Alternate Currency Share shall be the price payable for each such Share in the Reference Currency and converted into the Alternate Currency in which such Alternate Currency Share is denominated by reference to the exchange rate available on the date on which such Alternate Currency Share is issued to the Sub-Fund Investor (as described in "Payment of Subscription Price plus any Sales Expenses" below). As the exchange rate between the Reference Currency and the relevant Alternate Currency may differ between the date on which the Sub-Fund Investor makes its subscription payment and the date on which such Alternate Currency Shares are issued, the Sub-Fund Investor may be issued with more or fewer Alternate Currency Shares than it would have been issued with had the exchange rate not so differed. These differences in exchange rates may also affect the impact any Sales Expenses (as defined below) which are payable by the Sub-Fund Investor have on the relevant subscription.

Subscription Fees/Taxes etc. The maximum Subscription Fee which may be payable in relation to each Class of Shares is specified in the table below. Any Subscription Fee may, in the entire discretion of the Board, either

be paid directly to the relevant Sub-Distributor by the Company or by the Company to the Global Distributor for onward payment to the relevant Sub-Distributor.

Any Subscription Fees plus any other commissions (except for Distribution Fees), taxes or expenses payable by the Company, the AIFM or any other member of the Oaktree Group in connection with the subscription for Shares by the Sub-Fund Investor (together, the "**Sales Expenses**") shall be deducted from subscription amounts paid by a Sub-Fund Investor to the Company and, accordingly, charged to, or borne by, the relevant Investor prior to any amounts being applied to fund the subscription for Shares. For the avoidance of doubt, no Shares shall be issued to a Sub-Fund Investor in respect of amounts paid to the Company which are required to fund Sales Expenses attributable to that Sub-Fund Investor and its subscription for Shares.

Payment of Subscription Price plus any Sales Expenses Prospective or existing Sub-Fund Investors wishing to acquire Shares in the Sub-Fund must pay their Subscription Price plus an amount equal to any Sales Expenses (if applicable) to the bank account specified in its Subscription Form, to be received in cleared funds on the third Business Day following its Subscription Date. The relevant Shares will be issued upon or promptly following the receipt of such amount in cleared funds.

Distribution Policy The Classes of Shares which are "Distribution Shares" are those specified with a suffix "inc" in the table below (each a "**Class of Distribution Shares**").

As at the last Business Day of each period as defined in the section "**Distribution Frequency**" of the table below, for each Class of Distribution Shares, an amount equal to the Gross Investment Income (as defined below) attributable to such Class of Distribution Shares shall be distributed to the Sub-Fund Investors holding such Distribution Shares pro rata to the number of Distribution Shares of such Class of Distribution Shares that each such Sub-Fund Investor holds at the end of such period, so that any accrued expenses as determined by the Board of Directors in its discretion for such period shall reduce the capital accordingly.

The Classes of Shares which are "Growth Shares" are those specified with a suffix "acc" in the table below (each a "**Class of Growth Shares**"). No distributions shall be made in respect of Growth Shares.

"**Gross Investment Income**" means all interest, dividend and similar income accrued by the Sub-Fund for the relevant period, as determined by the Board (without, for the avoidance of doubt, deducting any accrued expenses for the period including any reserves established by the Board).

Redemptions of Shares Shares may be redeemed by a Sub-Fund Investor providing a duly completed and executed redemption application to the Administrator by 15:00 hours (Luxembourg time) on the date that is 7 calendar days prior to a Redemption Date.

The "**Redemption Dates**" for the Sub-Fund shall be, on a rolling basis, every Tuesday, or the next Business Day if such Tuesday is not a Business Day.

Upon receiving redemption applications from Sub-Fund Investors which, in aggregate, are equal to 5% or more of the Net Asset Value of the Sub-Fund in respect of any Redemption Date (the "**Redemption Limit**"), the Board, having regard to the fair and equal treatment of the Sub-Fund Investors:

- a. shall not be bound to redeem Shares on such Redemption Date in excess of the Redemption Limit (notwithstanding that, as a result, a particular Sub-Fund Investor may hold less than the Minimum Holding (see above) of such Class of Shares); and
- b. may defer redemption applications received in respect of such Redemption Date (the "**First Redemption Date**") exceeding the Redemption Limit to the next Redemption Date. All valid redemption applications may be scaled down pro rata with respect to such First Redemption Date so that not more than 5% of the Net Asset Value of the Sub-Fund shall be redeemed on such First Redemption Date. To the extent that any redemption application is not given full effect on such First Redemption Date by virtue of the aforementioned power, it shall be treated with respect to the unsatisfied balance thereof as if a further application had been made by the Sub-Fund Investor in respect of the next Redemption Date and, if necessary, subsequent Redemption Dates, until such redemption application shall have been satisfied in full. With respect to any redemption application received in respect of the First Redemption Date, to the extent that subsequent redemption applications shall be received in respect of following Redemption Dates, such later redemption applications shall be postponed in priority to the satisfaction of pending redemption applications relating to the earlier Redemption Dates, but subject thereto shall be dealt with as set out in the preceding sentence.

In addition, the Board may suspend redemption applications if it has to liquidate a material part of the portfolio of the relevant Sub-Fund in order to satisfy such redemption applications. The Board

shall liquidate such investments as soon as reasonably practicable and process the redemption applications forthwith. Receipt of the sale proceeds by the Company however may be delayed and the amount ultimately received may not necessarily reflect the Net Asset Value of the Shares to be redeemed made at the time of the relevant transactions because of possible fluctuations in the currency values and difficulties in repatriating funds from certain jurisdictions.

Except as otherwise permitted by the terms of this Prospectus, payment of the redemption price of the Shares by the Company shall be made within three Business Days following the Redemption Date at which the relevant Shares are redeemed.

No redemption fees shall be payable in respect of redemptions of Shares in the Sub-Fund.

Conversions of Shares

A Sub-Fund Investor may apply to convert all or a proportion of its Shares into Shares of a different Class of Shares issued in respect of this Sub-Fund or into a Class of Shares issued in respect of a different Sub-Fund by providing a duly completed and executed conversion application to the Administrator.

In case of a conversion into Shares of a different Class of Shares issued in respect of this Sub-Fund, the conversion application must be provided by 15:00 hours (Luxembourg time) on a Business Day. Provided a Sub-Fund Investor's duly completed conversion application is received (or is deemed to have been received) by the Administrator by 15:00 hours (Luxembourg time) on a Business Day (as determined by the Administrator in its absolute discretion) the relevant Shares shall be converted on that Business Day. A Sub-Fund Investor may apply to convert all or a proportion of its Shares into a Class of Shares issued in respect of a different Sub-Fund on any Business Day (the "Conversion Date"). In case of a conversion into a Shares of a different Sub-Fund, the conversion application must be provided by 15:00 hours (Luxembourg time) 10 Business Days prior to the Conversion Date. Provided a Sub-Fund Investor's duly completed conversion application is received (or is deemed to have been received) by the Administrator by 15:00 hours (Luxembourg time) 10 Business Days prior to the Conversion Date (as determined by the Administrator in its absolute discretion) the relevant Shares shall be converted on the relevant Conversion Date. If the two relevant Classes of Shares are denominated in different currencies, any necessary amounts shall be exchanged into the relevant currencies by reference to the exchange rate available on the date on which the conversion takes place.

Swing Pricing

The maximum Swing Factor is set at 2%.

The AIFM can set a threshold (net capital flows that needs to be exceeded) to apply the adjustment to the Net Asset Value.

RISK FACTORS

Risks

Sub-Fund Investors should read, be aware of and consider section 9, "Risk Factors" of the Prospectus "Risk Factors" and all the risk factors set out therein prior to investing in the Sub-Fund as well as the additional risk factors set out in Appendix II.

Special Tax Information

The Sub-Fund does not anticipate acquiring any debt instruments and rights and/or securities or operating its business in a manner that may cause the Sub-Fund to be deemed, for U.S. federal income tax purposes, to be engaged in a U.S. trade or business or otherwise subject to U.S. net income tax. However, due to the complexity of the tax rules it is not possible to guarantee that no such taxation may occur. Such taxation may adversely affect the Sub-Fund's income.

CFTC Information

The Portfolio Manager is registered with the CFTC as a commodity pool operator ("CPO") and a commodity trading advisor ("CTA"). However, the Portfolio Manager intends to rely on an exemption from registration under section 4.13(a)(3) of the regulations of the CFTC with respect to the Sub-Fund, on the basis that, among other things, (a) the pool's trading in commodity interest positions (including both hedging and speculative positions, and positions in security futures) is limited so that either (1) no more than 5% of the liquidation value of the pool's portfolio is used as initial margin, premiums and required minimum security deposits to establish such positions, or (2) the aggregate net notional value of the pool's trading in such positions does not exceed 100% of the pool's liquidation value and (b) interests in the pool are exempt from registration under the securities act and, unless the Portfolio Manager determines otherwise in its sole discretion and subject to applicable regulatory requirements, are offered and sold without marketing to the public in the United States. Therefore, notwithstanding the fact that the Portfolio Manager is registered with the CFTC as a CPO and a CTA, unlike a registered CPO, the Portfolio Manager will not be required to provide prospective investors with a CFTC compliant disclosure document, nor will the Portfolio Manager be required to provide Investors with periodic account statements or certified annual reports that satisfy the requirements of CFTC rules applicable to registered CPOs. Accordingly, this Prospectus has not been reviewed or approved by the CFTC and it is not anticipated that such review

or approval will occur. As an alternative to the above-mentioned exemption or another exemption from registration as a CPO, the Portfolio Manager, as a registered CPO and CTA, may avail itself of certain disclosure, reporting and record-keeping relief under CFTC Rule 4.7, or rely on another exemption.

FEES

Management Fee	The Sub-Fund will bear the Management Fee in an amount equal to the percentages specified in the table below under "Maximum Management Fee" for the relevant Classes of Shares of the Net Asset Value of each such Class of Ordinary Share. The Management Fee shall accrue daily and be payable in arrears on a monthly basis. The Portfolio Manager may, upon request of the Company, provide all or part of the services described in the applicable Portfolio Management Agreement and this Offering Memorandum directly to a Subsidiary. For the avoidance of doubt, the management fees for such services would in such case be due and payable by the relevant Subsidiary and will reduce on a dollar-for-dollar basis the Management Fee that would otherwise have been due and payable by the Sub-Fund.
Service Fees	Service Fees payable in respect of the Sub-Fund shall not exceed 0.25% of the Net Asset Value of the Sub-Fund per Accounting Period.
Performance Fee	No person shall be entitled to be paid a performance fee in respect of the Sub-Fund.

INFORMATION TO SUB-FUND INVESTORS

Documents available for inspection	for All information and agreements that there is a mandatory obligation (i) to make available to Prospective Sub-Fund Investors before they invest in the Sub-Fund and (ii) to disclose periodically or on a regular basis to Sub-Fund Investors shall be made available or disclosed at the registered office of the Company.
Accounting Date	The Company's accounting date shall be 31 December in each year (the " Accounting Date ").
Accounting Period	The Company's accounting period shall in principle end on (and include) 31 December in each year (the " Accounting Period ").
Accounts	Annual accounts in respect of the Sub-Fund shall be prepared in respect of each Accounting Period in accordance with generally accepted accounting principles in Luxembourg (LuxGAAP) in the Reference Currency. Also, semi-annual accounts shall be prepared in accordance with the same standards. Such accounts shall be made available to Sub-Fund Investors at the registered office of the Company and at www.oaktreefunds.com and at www.fundinfo.com , within six calendar months following the Sub-Fund's Accounting Date for the annual accounts and within three months for the semi-annual accounts following the end of the accounting period to which they refer.
Monthly Statements	Monthly statements in respect of the performance of the Sub-Fund shall be made available to the Sub-Fund Investors at the registered office of the Company and at www.oaktreefunds.com and at www.fundinfo.com as soon as is reasonably practicable following the end of the month to which they relate. Information in relation to the Sub-Fund which the AIFM or the Company is under a mandatory obligation to disclose periodically to Sub-Fund Investors shall be contained in the accounts or monthly statements.

classes of shares of the sub-fund

Sub-Fund (<i>Reference Currency</i>)	Share Class	Minimum Holding (in the relevant Class of Shares currency)	Maximum Subscription Fee	Maximum Management Fee (per annum)	Performance Fee
Oaktree Global Credit Fund (<i>USD</i>)	A	50,000	Up to 3%	1.20%	nil
	E	125,000	nil	0.75%	nil
	F	3,000,000	nil	0.40%	nil
	I	3,000,000	nil	0.65%	nil
	J	125,000	nil	0.70%	nil
	P	125,000	nil	0.95%	nil
	R	NA	Up to 3%	1.40%	nil
	S	50,000,000	nil	0.40%	nil
	Z	NA	nil	nil	nil

These Classes of Shares may, at any time, be issued in any additional freely convertible currency and/or as Distribution Shares or Growth Shares.

This Summary of the Classes of Shares of the Sub-Fund should not be relied upon as a substitute for reading the Prospectus in full. Furthermore, for the complete overview of available Classes of Shares, please refer to the draft Subscription Form.

The table below illustrates how the Classes of Shares designations and suffixes work together to indicate the characteristics of a Class of Shares.

Share Class Designation	Hedging Policy Suffix	Share Class Currency Suffix	Distribution Policy Suffix
A			
E			1
F			
I	Unhedged No Suffix	Share Currency Relevant	Growth shares <i>acc</i>
J	+ <i>Or</i>	+ three letter currency abbreviation	+ <i>Or</i>
P	Portfolio Hedged <i>h</i>	e.g. EUR/ USD	Distributing <i>inc</i> Shares
R			
S			
Z			

class of shares designations

The Class of Shares designations are as follows:

A	Institutional Investors who meet the Minimum Holding. A Shares are accessible through certain intermediaries which have entered into a distribution agreement with the Global Distributor or a Sub-Distributor (if applicable). Institutional Investors must demonstrate that they qualify as Institutional Investors by providing sufficient evidence of their status.
E	Investors, i.e. financial intermediaries investing in their name but on behalf of retail investors on the basis of discretionary mandates which: a. According to regulatory requirements are not allowed to accept and keep trail commissions (in the European Union this will include financial intermediaries providing discretionary portfolio management or investment advice on an independent basis); b. Are rendering non-independent advice and which according to individual fee arrangements with their clients are not allowed to accept and keep trail commissions; or c. Are providing restricted investment advice within the meaning of the UK Retail Distribution Review (RDR).
F	“Day one” Institutional Investors until such time as subscriptions totalling the amount specified for the relevant Sub-Fund (determined by the Board) have been received from Institutional Investors subscribing to the F Shares (subject to the discretion of the Company to determine otherwise), calculated on a per Sub-Fund basis and not aggregated across F Shares in all Sub-Funds. When subscriptions totalling such specified amount have been received for F Shares, F Shares will be closed to subscriptions from new and existing Institutional Investors. Acceptance by the Company of subscriptions in F Shares may be conditional upon the execution of a separate agreement between the Institutional Investor and the Portfolio Manager or one of its affiliate, at the Company’s discretion. Institutional Investors must demonstrate that they qualify as Institutional Investors by providing sufficient evidence of their status.
I	Institutional Investors at the Company’s discretion. Investors must demonstrate that they qualify as Institutional Investors by providing sufficient evidence of their status. Class I shares may not be purchased or held through fee-charging platforms or intermediaries. Should an existing investor’s account become liable to bear a platform or financial intermediation fee, the Company may enforce a conversion into another Share Class in which such investor is entitled to hold Shares, which may have a higher Global Management Fee. Insofar as financial intermediaries and/or nominees hold Shares for the account of their clients, the minimum investment requirement must be met at the level of the client. If one or more redemptions by an Institutional Investor result in it holding less than the minimum investment amount, the Company may enforce a conversion into another Share Class in which such Institutional Investor is entitled to hold Shares, which may have a higher Global Management Fee.
J	Institutional Investors at the Company’s discretion. Investors must demonstrate that they qualify as Institutional Investors by providing sufficient evidence of their status.
P	Institutional Investors who meet the Minimum Holding. P Shares are accessible through certain platforms or dealing facilities providers which have entered into a distribution agreement with the Global Distributor or a Sub-Distributor (if applicable). Institutional Investors must demonstrate that they qualify as Institutional Investors by providing sufficient evidence of their status.
R	Professional investors within the meaning of MiFID II.
S	Class S Shares will be offered to Institutional Investors until such time as subscriptions totalling the amount specified for the relevant Sub-Fund (determined by the Board) have been received from Institutional Investors subscribing to the S Shares (subject to the discretion of the Company to determine otherwise), calculated on a per Sub-Fund basis and not aggregated across S Shares in all Sub-Funds. When subscriptions totalling such specified amount have been received for S Shares, S Shares will be closed to subscriptions from new and existing Institutional Investors. Acceptance by the Company of subscriptions in S Shares may be conditional upon the execution of separate agreement between the Institutional Investor and the Portfolio Manager or an affiliate at the Company’s discretion. Institutional Investors must demonstrate that they qualify as Institutional Investors by providing sufficient evidence of their status.
Z	Institutional Investors that have concluded an asset management or other similar agreement, or that invest through a financial intermediary that has signed a cooperation agreement, at the Company’s discretion. Investors must demonstrate that they qualify as Institutional Investors by providing sufficient evidence of their status. A management fee will be payable under the relevant asset management, cooperation or other similar agreement. If such agreement is terminated, the Company will enforce a conversion into another Share Class in which such investor is entitled to hold Shares, which may have a higher Global Management Fee.

For the avoidance of doubt, investments made in the Sub-Fund can be aggregated in respect of the following types of Investors for the purposes of determining the eligibility of such Investors as regards the applicable Minimum Holding: (i) Investors that are Affiliates, (ii) investors that are Affiliates and investing indirectly via the same and/or different nominees, and/or (iii) non-affiliated investors investing indirectly via the same nominee.

classes of shares suffixes

The Classes of Shares suffixes are as follows:

<i>acc</i>	Growth shares. There will be no dividends paid in respect of growth Classes of Shares.
<i>inc</i>	Distributing shares. Distributing shares distribute substantially all income earned by such shares over a distribution period after the deduction of any fees and expenses attributable to such shares.
<i>h</i>	Hedged shares. Hedged shares are issued in one or more alternative currencies at the Board's discretion. The relevant Sub-Fund will hedge the Sub-Fund's Reference Currency to the hedged share class currency (without reference to the currency exposures of the Sub-Fund's portfolio). Hedged Classes of Shares will bear the specific costs resulting from the currency hedging.

2. oaktree (lux.) iii – oaktree focussed global credit fund

The following provisions contain specific terms which relate to the Oaktree (Lux.) III – Oaktree Focussed Global Credit Fund.

In the event of an inconsistency between the terms set out in this Appendix I and the information and terms contained in the general part of this Prospectus above, the terms set out in this Appendix I shall prevail in respect of the Sub-Fund (as defined below).

STRUCTURE OF THE SUB-FUND

Name	Oaktree (Lux.) III – Oaktree Focussed Global Credit Fund (referred to hereafter as the " Sub-Fund ").
Term	The Sub-Fund has been established for an unlimited duration.
Reference Currency	The Reference Currency of the Sub-Fund is GBP.

INVESTMENT POLICY

Portfolio Manager The Portfolio Manager of the Sub-Fund is Oaktree. Oaktree has entered into a Portfolio Management Agreement with the AIFM and the Company in relation to the Sub-Fund. Such Portfolio Management Agreement is available for inspection at the registered office of the Company.

Investment Objective The Sub-Fund's investment objective is to earn attractive total return and current income while limiting volatility through diversification. The Sub-Fund will generally invest globally in a concentrated subset of securities across the Oaktree Group's liquid credit platform of high yield bonds, senior loans, convertibles, real estate debt securities structured credit and emerging markets debt (although the Sub-Fund may invest in new strategies also). The Sub-Fund seeks to add value through three sources: (1) allocation to credit strategies not easily accessed and requiring specialisation; (2) security selection through bottom-up, fundamental credit research; and (3) rotation among strategies based on the Portfolio Manager's assessment of relative value.

There can be no assurance that the Sub-Fund will realise its objectives on its investment portfolio or with respect to any individual investment or that the Sub-Fund will not experience losses, which could be substantial.

Investment Strategy Security selection is accomplished by the Oaktree Group's experts of the credit strategies represented in the Sub-Fund. Securities are selected for the Oaktree Group's credit strategies through bottom-up fundamental analysis, in accordance with the Oaktree Group's unifying investment philosophy, which consists of six tenets: risk control, consistency, market inefficiency, specialisation, bottom-up analysis and disavowal of market timing.

The Sub-Fund generally invests in a concentrated subset of securities recommended by each strategy's expert(s) based upon input from the Oaktree Group's research analysts. Concentrated security selection approaches may vary by strategy expert to allow for maximum flexibility, but generally fall into four categories: barbell, fundamental emphasis, technical emphasis or balanced.

Without prejudice to the investment restrictions as described below, the Sub-Fund will mainly invest in assets such as, but not limited to, high yield bonds, senior loans, convertibles, real estate debt securities, structured credit and emerging markets debt. Investments may include commercial mortgage backed securities ("CMBS") for which the collateral is commercial mortgages and CLOs for which the collateral is broadly syndicated loans, as well as other mortgage backed securities ("MBS") and asset-backed securities ("ABS") for which the collateral can vary and may include residential mortgages, airplanes, automobile loans or containers. The structured credit investments made by the Sub-Fund will typically have relatively high current income, low interest rate sensitivity, and attractive loan-to-value characteristics.

When evaluating the quality of a structured credit investment, the Portfolio Manager will evaluate the investment's entire collateral pool, which may be a single asset or a pool of assets. In particular, the Portfolio Manager will take into account the following factors for the purposes of that evaluation:

- the manager in the case of CLOs or the sponsor in the case of CMBS;
- current ratings;
- levels of collateralization;
- value of each underlying asset; and
- any impairment that the structure may have experienced.

In addition, each structured credit investment will be run through a number of stress tests which consist of stressing the underlying collateral for defaults and losses, delayed payments, ratings downgrades and price volatility. Through these stress tests, the Portfolio Manager is able to determine the probability of loss given the level of subordination of the particular tranche it is intended to invest in. This process is repeated often throughout the time the investment is held by the Sub-Fund to ensure changes in value or changes to the collateral pool are constantly monitored.

The Portfolio Manager's asset allocation process is led by Bruce Karsh, the Oaktree Group's co-Founder and Chief Investment Officer. Mr Karsh leads twice-monthly meetings of the Portfolio Manager's multi-strategy investment committee, which includes the strategy experts and professionals in the areas of investment risk, portfolio construction and product management. The Portfolio Manager has set a baseline strategy allocation for the Sub-Fund and will adjust strategy weightings above or below this allocation based on the Portfolio Manager's analysis of fundamental, valuation, technical and other factors. Both qualitative and quantitative inputs are considered in the Portfolio Manager's relative value assessment. Ultimately, each strategy in the Sub-Fund's portfolio is scored based on these measures, which provide a uniform means for comparison when making reallocation decisions.

The allocation of the Sub-Fund's assets will change over time, sometimes rapidly, based on the Portfolio Manager's relative value assessment. Active portfolio and risk management are designed to ensure optimal portfolio positioning, including diversity of industries and issuers, as well as strategies. The Sub-Fund's strategy and portfolio allocations, performance attribution, risk sensitivities and characteristics are monitored by the Portfolio Manager on a daily basis. Stress testing and scenario analysis is also performed.

In order to implement the Investment Strategy, investments may be made directly or indirectly via Subsidiaries. For the avoidance of doubt, the Sub-Fund shall not invest as a limited partner in the OAR Fund.

Hedging

The Portfolio Manager expects to use its commercially reasonable endeavours to implement an appropriate hedging strategy (as determined by the Portfolio Manager in its absolute discretion) to hedge by means of forward foreign exchange transactions or asset swaps or other derivatives:

- (a) the Net Asset Value of any Alternate Currency Class (except as set out in the table below), calculated in the Reference Currency, against the currency of such Alternate Currency Class (and, accordingly, for the avoidance of doubt, the Net Asset Value of the Shares of these Alternate Currency Classes may not develop in the same way as that of the Classes of Shares issued in the Reference Currency and the currency hedging transactions entered into in relation to such Alternate Currency Class Shares may, in exceptional cases, adversely affect the Net Asset Value of the other Classes of Shares);
- (b) any investments made in currencies other than the Reference Currency, against the Reference Currency.

Investment Restrictions

In derogation of the diversification rules referred to under section 3, "Risk Diversification", of this Prospectus the Sub-Fund may:

- invest no more than 5% of the net assets of the Sub-Fund in instruments (including obligations) of any one issuer, provided that such limit shall not apply in respect of instruments (including obligations) issued or guaranteed by a member state of the OECD or their local authorities or public international bodies with EU, regional or worldwide scope;
- acquire up to 100% of the instruments of the same kind issued by the same issuer;
- invest all its assets in instruments which are not admitted to official listing on a stock exchange or dealt in on another regulated market, which operates regularly and is recognised and open to the public.

The Sub-Fund will not invest more than 60% of its net assets in asset-backed securities ("ABS") and mortgage backed securities ("MBS").

Initial ramp-up period

The investment restrictions stated above may not be complied during a transitional period of six months from the date of the Sub-Fund's first investment, provided that the Board and the Portfolio Manager will endeavour to ensure, at all times, an appropriate level of diversification of risk within the portfolio of the Sub-Fund.

RISK AND LIQUIDITY MANAGEMENT

Risk Management The Risk Management Policy which will be applied in respect of the Sub-Fund is available for inspection free of charge at the offices of the Company. Taking into account the Sub-Fund's investment strategy, the Risk Management Policy and the AIFM's risk and liquidity management systems include procedures to verify and ensure (as applicable):

- the periodic monitoring and evaluation of the evolution of loan quality, through *inter alia* regular review of the loans' data (credit ratings, yield or price trends, etc.);
- the periodic monitoring of appropriate diversification regarding borrowers, by *inter alia* monitoring issuer and issuer group concentration (including borrower correlation risks and risk related to connected groups of borrowers) for all assets including loans;
- the mitigation of loan maturity transformation; and
- in case of secured loans and with respect to collateral and loan collection/recovery, (i) the procedures of the Portfolio Manager to monitor and assess the existence, quality and valuation of collateral, if any, until the loan's maturity date, and (ii) enforcement of collateral arrangements, where applicable, and loan collection/recovery.

Leverage and Borrowing The Sub-Fund may incur borrowing up to 10% of its Net Asset Value and then only on a temporary basis for cash management purposes and/or in connection with satisfying redemption requests. Borrowings may be made under a facility agreement entered into with any financial institution and/or any member of the Oaktree Group, provided that, in the case of borrowings made from the Oaktree Group, the AIFM is satisfied that the terms of such facility agreement are on an arm's length basis.

The leverage exposure of the Sub-Fund will not exceed 225% of the Net Asset Value of the Sub-Fund measured using the gross method and will not exceed 200% of the Net Asset Value of the Sub-Fund using the commitment method.

Liquidity Management The Liquidity Policy which will be applied in respect of the Sub-Fund is available for inspection free of charge at the offices of the Company. For the avoidance of doubt, the Sub-Fund may hold liquid assets in such currencies in which investments are made or in which redemption proceeds are paid out.

CALCULATION OF NET ASSET VALUE

Valuation Dates The Net Asset Value of the Sub-Fund and each Class of Shares of the Sub-Fund shall be calculated on each Business Day (as defined below) in accordance with the method of calculating the Net Asset Value described in section 5, "Valuation and Calculation of the Net Asset Value", of this Prospectus (each such day, a "**Valuation Date**"). A "**Business Day**" for the purposes of the Sub-Fund shall be any day on which banks are open for business in Luxembourg and New York.

The Net Asset Value of the Sub-Fund and of each Class of Shares and of each Ordinary Share of the Sub-Fund on each Valuation Date shall be made available to Sub-Fund Investors on the same basis as described in section 15, "Information to Investors", of the Prospectus.

INVESTMENT IN THE SUB-FUND

Share Classes The Sub-Fund currently offers the Classes of Shares specified in the table below to Prospective Investors in the Sub-Fund.

(Investors in the Sub-Fund shall be referred to in this Appendix as the "**Sub-Fund Investors**" and Prospective Investors in the Sub-Fund shall be referred to in this Appendix as "**Prospective Sub-Fund Investors**").

Minimum Holding The minimum amount of each Class of Shares that a Sub-Fund Investor may hold is specified in the Reference Currency in the table below under "Minimum Holding", provided that the Board reserves the right to permit holdings of lesser amounts in its absolute discretion. For Alternate Currency Shares, the Minimum Holding shall be calculated by converting the Minimum Holding specified in the table below in respect of that Class of Shares into the currency in which such Alternate Currency Shares are denominated at the exchange rate available as at the applicable Valuation Date or Redemption Date (as applicable).

Subscription Process Shares in the Sub-Fund are offered for subscription on the first Wednesday of every month, or the next Business Day if any such Wednesday is not a Business Day (each a "**Subscription Date**"). Prospective or existing Sub-Fund Investors wishing to acquire Shares in the Sub-Fund must provide the Administrator with a duly completed and executed Subscription Form. Such a Subscription Form must be received by the Administrator by 15:00 hours (Luxembourg time) on a Subscription Date.

The Administrator shall determine, in its absolute discretion, whether such a Subscription Form has been received prior to such cut-off time and any Subscription Forms received after such time will be deemed to have been received on the next following Subscription Date.

Notwithstanding anything to the contrary herein, the Company may, in its sole discretion, reject any Subscription Form in whole or in part for any reason and without giving reasons, provided that the Company will reject in full any applications for the subscription of Shares from, and refuse to issue any Shares to, any Prohibited Person and will reject in full any applications for the subscription of Shares where such subscription may, in the Company's absolute discretion, result in a Material Adverse Effect.

The date on which a Sub-Fund Investor's duly completed and executed Subscription Form is received (or is deemed to have been received) by the Administrator as determined in accordance with this paragraph is referred to herein as that Sub-Investor's Subscription Date.

Subscription Price

The Subscription Price payable by Sub-Fund Investors will be calculated by reference to the relevant Subscription Date. If that Subscription Date is on 14 June 2021 (the "**Initial Offering Period**"), the Subscription Price will be GBP£100 per Ordinary Share (the "**Initial Offering Price**"). If the Subscription Date is after the end of the Initial Offering Period, the Subscription Price will be the Net Asset Value per Share of the relevant Class of Shares as calculated as at close of business in Luxembourg on that Subscription Date, as may be adjusted.

The Subscription Price payable by Sub-Fund Investors for each Alternate Currency Share shall be the price payable for each such Share in the Reference Currency and converted into the Alternate Currency in which such Alternate Currency Share is denominated by reference to the exchange rate available on the date on which such Alternate Currency Share is issued to the Sub-Fund Investor (as described in "Payment of Subscription Price plus any Sales Expenses" below). As the exchange rate between the Reference Currency and the relevant Alternate Currency may differ between the date on which the Sub-Fund Investor makes its subscription payment and the date on which such Alternate Currency Shares are issued, the Sub-Fund Investor may be issued with more or fewer Alternate Currency Shares than it would have been issued with had the exchange rate not so differed. These differences in exchange rates may also affect the impact any Sales Expenses (as defined below) which are payable by the Sub-Fund Investor have on the relevant subscription.

Subscription Fees/Taxes etc.

The maximum Subscription Fee which may be payable in relation to each Class of Shares is specified in the table below. Any Subscription Fee may, in the entire discretion of the Board, either be paid directly to the relevant Sub-Distributor by the Company or by the Company to the Global Distributor for onward payment to the relevant Sub-Distributor.

Any Subscription Fees plus any other commissions (except for Distribution Fees), taxes or expenses payable by the Company, the AIFM or any other member of the Oaktree Group in connection with the subscription for Shares by the Sub-Fund Investor (together, the "**Sales Expenses**") shall be deducted from subscription amounts paid by a Sub-Fund Investor to the Company and, accordingly, charged to, or borne by, the relevant Investor prior to any amounts being applied to fund the subscription for Shares. For the avoidance of doubt, no Shares shall be issued to a Sub-Fund Investor in respect of amounts paid to the Company which are required to fund Sales Expenses attributable to that Sub-Fund Investor and its subscription for Shares.

Payment of Subscription Price plus any Sales Expenses

Prospective or existing Sub-Fund Investors wishing to acquire Shares in the Sub-Fund must pay their Subscription Price plus an amount equal to any Sales Expenses (if applicable) to the bank account specified in its Subscription Form, to be received in cleared funds on the third Business Day following its Subscription Date. The relevant Shares will be issued upon or promptly following the receipt of such amount in cleared funds.

Distribution Policy

The Classes of Shares which are "Distribution Shares" are those specified with a suffix "inc" in the table below (each a "**Class of Distribution Shares**").

As at the last Business Day of each period as defined in the section "**Distribution Frequency**" of the table below, for each Class of Distribution Shares, an amount equal to the Gross Investment Income (as defined below) attributable to such Class of Distribution Shares shall be distributed to the Sub-Fund Investors holding such Distribution Shares pro rata to the number of Distribution Shares of such Class of Distribution Shares that each such Sub-Fund Investor holds at the end of such period, so that any accrued expenses as determined by the Board of Directors in its discretion for such period shall reduce the capital accordingly.

The Classes of Shares which are "Growth Shares" are those specified with a suffix "acc" in the table below (each a "Class of Growth Shares"). No distributions shall be made in respect of Growth Shares.

"Gross Investment Income" means all interest, dividend and similar income accrued by the Sub-Fund for the relevant period, as determined by the Board (without, for the avoidance of doubt, deducting any accrued expenses for the period including any reserves established by the Board).

Redemptions of Shares

Shares may be redeemed by a Sub-Fund Investor providing a duly completed and executed redemption application to the Administrator by 15:00 hours (Luxembourg time) on a Redemption Date.

The "Redemption Dates" for the Sub-Fund shall be on the first Wednesday of every month, or the next Business Day if any such Wednesday is not a Business Day.

Upon receiving redemption applications from Sub-Fund Investors which, in aggregate, are equal to 5% or more of the Net Asset Value of the Sub-Fund in respect of any Redemption Date (the "Redemption Limit"), the Board, having regard to the fair and equal treatment of the Sub-Fund Investors:

- a. shall not be bound to redeem Shares on such Redemption Date in excess of the Redemption Limit (notwithstanding that, as a result, a particular Sub-Fund Investor may hold less than the Minimum Holding (see above) of such Class of Shares); and
- b. may defer redemption applications received in respect of such Redemption Date (the "First Redemption Date") exceeding the Redemption Limit to the next Redemption Date. All valid redemption applications may be scaled down pro rata with respect to such First Redemption Date so that not more than 5% of the Net Asset Value of the Sub-Fund shall be redeemed on such First Redemption Date. To the extent that any redemption application is not given full effect on such First Redemption Date by virtue of the aforementioned power, it shall be treated with respect to the unsatisfied balance thereof as if a further application had been made by the Sub-Fund Investor in respect of the next Redemption Date and, if necessary, subsequent Redemption Dates, until such redemption application shall have been satisfied in full. With respect to any redemption application received in respect of the First Redemption Date, to the extent that subsequent redemption applications shall be received in respect of following Redemption Dates, such later redemption applications shall be postponed in priority to the satisfaction of pending redemption applications relating to the earlier Redemption Dates, but subject thereto shall be dealt with as set out in the preceding sentence.

In addition, the Board may suspend redemption applications if it has to liquidate a material part of the portfolio of the relevant Sub-Fund in order to satisfy such redemption applications. The Board shall liquidate such investments as soon as reasonably practicable and process the redemption applications forthwith. Receipt of the sale proceeds by the Company however may be delayed and the amount ultimately received may not necessarily reflect the Net Asset Value of the Shares to be redeemed made at the time of the relevant transactions because of possible fluctuations in the currency values and difficulties in repatriating funds from certain jurisdictions.

Except as otherwise permitted by the terms of this Prospectus, payment of the redemption price of the Shares by the Company shall be made within 20 Business Days following the Redemption Date at which the relevant Shares are redeemed.

No redemption fees shall be payable in respect of redemptions of Shares in the Sub-Fund.

Conversions of Shares

A Sub-Fund Investor may apply to convert all or a proportion of its Shares into Shares of a different Class of Shares issued in respect of this Sub-Fund or into a Class of Shares issued in respect of a different Sub-Fund by providing a duly completed and executed conversion application to the Administrator.

In case of a conversion into Shares of a different Class of Shares issued in respect of this Sub-Fund, the conversion application must be provided by 15:00 hours (Luxembourg time) on a Business Day. Provided a Sub-Fund Investor's duly completed conversion application is received (or is deemed to have been received) by the Administrator by 15:00 hours (Luxembourg time) on a Business Day (as determined by the Administrator in its absolute discretion) the relevant Shares shall be converted on that Business Day. A Sub-Fund Investor may apply to convert all or a proportion of its Shares into a Class of Shares issued in respect of a different Sub-Fund on any Business Day (the "Conversion Date"). In case of a conversion into a Shares of a different Sub-Fund, the conversion application must be provided by 15:00 hours (Luxembourg time) 10 Business Days prior to the Conversion Date. Provided a Sub-Fund Investor's duly completed conversion application is received

(or is deemed to have been received) by the Administrator by 15:00 hours (Luxembourg time) 10 Business Days prior to the Conversion Date (as determined by the Administrator in its absolute discretion) the relevant Shares shall be converted on the relevant Conversion Date. If the two relevant Classes of Shares are denominated in different currencies, any necessary amounts shall be exchanged into the relevant currencies by reference to the exchange rate available on the date on which the conversion takes place.

Swing Pricing

The maximum Swing Factor is set at 2%.

The AIFM can set a threshold (net capital flows that needs to be exceeded) to apply the adjustment to the Net Asset Value.

RISK FACTORS

Risks

Sub-Fund Investors should read, be aware of and consider section 9, "Risk Factors" of the Prospectus "Risk Factors" and all the risk factors set out therein prior to investing in the Sub-Fund as well as the additional risk factors set out in Appendix II.

Special Tax Information

The Sub-Fund does not anticipate acquiring any debt instruments and rights and/or securities or operating its business in a manner that may cause the Sub-Fund to be deemed, for U.S. federal income tax purposes, to be engaged in a U.S. trade or business or otherwise subject to U.S. net income tax. However, due to the complexity of the tax rules it is not possible to guarantee that no such taxation may occur. Such taxation may adversely affect the Sub-Fund's income.

CFTC Information

The Portfolio Manager is registered with the CFTC as a commodity pool operator ("CPO") and a commodity trading advisor ("CTA"). However, the Portfolio Manager intends to rely on an exemption from registration under section 4.13(a)(3) of the regulations of the CFTC with respect to the Sub-Fund, on the basis that, among other things, (a) the pool's trading in commodity interest positions (including both hedging and speculative positions, and positions in security futures) is limited so that either (1) no more than 5% of the liquidation value of the pool's portfolio is used as initial margin, premiums and required minimum security deposits to establish such positions, or (2) the aggregate net notional value of the pool's trading in such positions does not exceed 100% of the pool's liquidation value and (b) interests in the pool are exempt from registration under the securities act and, unless the Portfolio Manager determines otherwise in its sole discretion and subject to applicable regulatory requirements, are offered and sold without marketing to the public in the United States. Therefore, notwithstanding the fact that the Portfolio Manager is registered with the CFTC as a CPO and a CTA, unlike a registered CPO, the Portfolio Manager will not be required to provide prospective investors with a CFTC compliant disclosure document, nor will the Portfolio Manager be required to provide Investors with periodic account statements or certified annual reports that satisfy the requirements of CFTC rules applicable to registered CPOs. Accordingly, this Prospectus has not been reviewed or approved by the CFTC and it is not anticipated that such review or approval will occur. As an alternative to the above-mentioned exemption or another exemption from registration as a CPO, the Portfolio Manager, as a registered CPO and CTA, may avail itself of certain disclosure, reporting and record-keeping relief under CFTC Rule 4.7, or rely on another exemption.

FEES

Management Fee

The Sub-Fund will bear the Management Fee in an amount equal to the percentages specified in the table below under "Maximum Management Fee" for the relevant Classes of Shares of the Net Asset Value of each such Class of Ordinary Share. The Management Fee shall accrue daily and be payable in arrears on a monthly basis. The Portfolio Manager may, upon request of the Company, provide all or part of the services described in the applicable Portfolio Management Agreement and this Offering Memorandum directly to a Subsidiary. For the avoidance of doubt, the management fees for such services would in such case be due and payable by the relevant Subsidiary and will reduce on a dollar-for-dollar basis the Management Fee that would otherwise have been due and payable by the Sub-Fund.

Service Fees

Service Fees payable in respect of the Sub-Fund shall not exceed 0.25% of the Net Asset Value of the Sub-Fund per Accounting Period.

Performance Fee

No person shall be entitled to be paid a performance fee in respect of the Sub-Fund.

INFORMATION TO SUB-FUND INVESTORS

Documents available for inspection

for All information and agreements that there is a mandatory obligation (i) to make available to Prospective Sub-Fund Investors before they invest in the Sub-Fund and (ii) to disclose periodically

or on a regular basis to Sub-Fund Investors shall be made available or disclosed at the registered office of the Company.

Accounting Date	The Company's accounting date shall be 31 December in each year (the " Accounting Date ").
Accounting Period	The Company's accounting period shall in principle end on (and include) 31 December in each year (the " Accounting Period ").
Accounts	Annual accounts in respect of the Sub-Fund shall be prepared in respect of each Accounting Period in accordance with generally accepted accounting principles in Luxembourg (LuxGAAP) in the Reference Currency. Also, semi-annual accounts shall be prepared in accordance with the same standards. Such accounts shall be made available to Sub-Fund Investors at the registered office of the Company and at www.oaktreefunds.com and at www.fundinfo.com , within six calendar months following the Sub-Fund's Accounting Date for the annual accounts and within three months for the semi-annual accounts following the end of the accounting period to which they refer.
Monthly Statements	<p>Monthly statements in respect of the performance of the Sub-Fund shall be made available to the Sub-Fund Investors at the registered office of the Company and at www.oaktreefunds.com and at www.fundinfo.com as soon as is reasonably practicable following the end of the month to which they relate.</p> <p>Information in relation to the Sub-Fund which the AIFM or the Company is under a mandatory obligation to disclose periodically to Sub-Fund Investors shall be contained in the accounts or monthly statements.</p>

classes of shares of the sub-fund

Sub-Fund (<i>Reference Currency</i>)	Share Class	Minimum Holding (in the relevant Class of Shares currency)	Maximum Subscription Fee	Maximum Management Fee (per annum)	Performance Fee
Oaktree Focussed Credit Fund (<i>GBP</i>)	Global O	50,000,000	nil	0.40%	nil

These Classes of Shares may, at any time, be issued in any additional freely convertible currency and/or as Distribution Shares or Growth Shares.

This Summary of the Classes of Shares of the Sub-Fund should not be relied upon as a substitute for reading the Prospectus in full. Furthermore, for the complete overview of available Classes of Shares, please refer to the draft Subscription Form.

The table below illustrates how the Classes of Shares designations and suffixes work together to indicate the characteristics of a Class of Shares.

Share Class Designation	Hedging Policy Suffix	Share Class Currency Suffix	Distribution Policy Suffix
O	Unhedged No Suffix <i>Or</i> Portfolio Hedged <i>h</i>	Share Currency Relevant three letter currency abbreviation e.g. GBP	Growth shares <i>acc</i> <i>Or</i> Distributing <i>inc</i> Shares

class of shares designations

The Class of Shares designations are as follows:

O	Institutional Investors at the Company's discretion and in all cases qualifying as "professional investors" within the meaning of MiFID II. Investors must demonstrate that they qualify as Institutional Investors by providing sufficient evidence of their status.
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For the avoidance of doubt, investments made in the Sub-Fund can be aggregated in respect of the following types of Investors for the purposes of determining the eligibility of such Investors as regards the applicable Minimum Holding: (i) Investors that are Affiliates, (ii) investors that are Affiliates and investing indirectly via the same and/or different nominees, and/or (iii) non-affiliated investors investing indirectly via the same nominee.

classes of shares suffixes

The Classes of Shares suffixes are as follows:

<i>acc</i>	Growth shares. There will be no dividends paid in respect of growth Classes of Shares.
<i>inc</i>	Distributing shares. Distributing shares distribute substantially all income earned by such shares over a distribution period after the deduction of any fees and expenses attributable to such shares.
<i>h</i>	<p>Hedged shares. Hedged shares are issued in one or more alternative currencies at the Board's discretion. The relevant Sub-Fund will hedge the Sub-Fund's Reference Currency to the hedged share class currency (without reference to the currency exposures of the Sub-Fund's portfolio).</p> <p>Hedged Classes of Shares will bear the specific costs resulting from the currency hedging.</p>

appendix ii – risk factors

General

The Sub-Funds will invest in and trade securities, obligations, other financial instruments and other assets using strategies and investment techniques that entail substantial inherent risks, including risks arising from the volatility of the global equity, currency and fixed income markets; sovereign, political and macroeconomic risks; the risks of leverage; the potential illiquidity of derivative instruments and other portfolio investments; and the risk of loss from counterparty defaults. Although the relevant Portfolio Managers will attempt to manage these risks through careful research and investment selection as well as on-going monitoring of investments, there can be no assurance that the securities and other instruments purchased by a Sub-Fund will increase in value or that the Sub-Fund will not incur significant losses. Furthermore, the nature of a Sub-Fund's investments potentially may result in the Sub-Fund incurring significant fees and expenses, such as legal, financial advisory and consulting fees and expenses. Past performance of Other Oaktree Funds is not necessarily indicative of future results that may be obtained by a Sub-Fund.

Prospective Investors should review the entire Prospectus and carefully consider the risks involved in an investment in a Sub-Fund, including those discussed below. The following is not intended to describe all possible risks of an investment in a Sub-Fund. In addition, different or new risks not addressed below may arise in the future. Any such risk could have a material adverse effect on Investors.

Investors that are subject to fiduciary obligations will be asked to represent that their respective investments in the Sub-Funds are being made by them as fiduciaries. In addition, all Investors will be asked to represent that they are investing in reliance on their own tax, legal, and financial advisers and not on any advice or recommendation of the Company, the AIFM, the Board, Oaktree or any other member of the Oaktree Group.

No Assurance of Investment Performance

An investment in a Sub-Fund is speculative with no certainty of return. The value of Shares can fluctuate and may go down as well as up, and an investor may get back less than it invests into a Sub-Fund.

A Sub-Fund's investment portfolio may involve a high degree of business and financial risk, which can result in substantial losses, including the loss of an investor's entire investment in the Sub-Fund. There can be no assurance that the Portfolio Managers will be able to (a) successfully identify, make and realise upon any particular investment or (b) achieve desired spreads and yields to maturity (or that such performance will be commensurate with the risks associated with an investment in the Sub-Funds). Accordingly, actual realised returns will depend on, among other factors, future operating results, pace of deployment, refinancing, whether such interests are held to maturity, value of the underlying assets, foreclosures, market conditions, legal and contractual restrictions, any related transaction costs, and the timing and manner of sale, and there can be no assurance that any such performance will be achieved or that losses will be avoided.

Unspecified Use of Proceeds

The proceeds of the offering of the Shares will be used to make investments that, as of the date of this Prospectus, have not been selected by the relevant Portfolio Managers, and Investors will not have an opportunity to evaluate for themselves the relevant economic, financial and other information regarding investments by the Sub-Fund. No assurance can be given that the Sub-Fund will be successful in obtaining suitable investments or that, if the investments are made, the objectives of the Sub-Fund will be achieved.

Passive Investment; Dependence on Managers

The Shares are generally passive investments. Investors are precluded from participating in the Company's management and must rely on the Company, the AIFM, the Board, the relevant Portfolio Manager and, if relevant, any other member of the Oaktree Group to manage and conduct the affairs of the Company. The success of a Sub-Fund's investment strategy will be dependent upon the management, skill and acumen of the Company, the AIFM, the Board, the relevant Portfolio Manager and, if relevant, any other member of the Oaktree Group. Subjective decisions made by the AIFM, the Board, the Company and the Portfolio Manager may cause the Sub-Funds to incur losses or to miss profit opportunities on which they would otherwise have capitalised. Investors will have no direct rights against third parties engaged by the Company, the Board, the AIFM or the relevant Portfolio Manager and, if relevant, any other member of the Oaktree Group in respect of the Sub-Funds. There can be no assurance that the current directors, managers, members or employees of the AIFM, the Board and the Portfolio Manager will continue to be engaged by, respectively, the AIFM, the Company and the Portfolio Manager. The loss of such persons and such other professionals could have a material adverse effect on the Sub-Funds.

Broad Discretionary Power to Choose Investments and Strategies; Possible Future Activities

The relevant Portfolio Manager has broad discretionary power to decide what investments a Sub-Fund will make and what strategies it will use. While the relevant Portfolio Manager currently intends to use the strategies herein, it is not obliged to do so except as set forth in the section titled "Investment Restrictions" in Appendix I, "The Sub-Funds" for each Sub-Fund, and the Sub-Fund may employ other investment techniques and invest in other instruments that the relevant Portfolio Manager believes will help achieve the Sub-Fund's Investment Objective, whether or not such investment techniques or instruments are specifically described herein. Consistent with its investment objectives but subject always to the foregoing, the Sub-Fund may invest in financial instruments of any and all types which exist now or are hereafter created. Such investments may entail risks not described in this Prospectus. Consistent with its investment objective, a Sub-Fund may invest in financial instruments and other assets of any and all types which exist now or are hereafter created. Such investments may entail risks not described herein, any of which may adversely affect the Sub-Fund.

In addition, Oaktree may expand the range of services that it provides over time. Except as provided herein, Oaktree will not be restricted in the scope of its business or in the performance of any such services (whether now offered or undertaken in the future) even if such activities could give rise to conflicts of interest, and whether or not such conflicts are described herein. Oaktree has, and will continue to develop, relationships with a significant number of companies, financial sponsors and their senior managers, including relationships with clients who may hold or may have held investments similar to those intended to be made by a Sub-Fund. These clients may themselves represent appropriate investment opportunities for a Sub-Fund or may compete with a Sub-Fund for investment opportunities.

Potential for Insufficient Investment Opportunities

The relevant Portfolio Manager may not be able to identify and obtain a sufficient number of investment opportunities to invest the full amount of capital that may be committed to a particular Sub-Fund. Even if sufficient investment opportunities are identified, they may be allocated first to Other Oaktree Funds.

Competition for Investment Opportunities

The Sub-Funds operate in a highly competitive market for investment opportunities. The Sub-Funds will compete for investments with various other investors, such as other public and private funds, commercial and investment banks, and commercial finance companies. Other Oaktree Funds may have investment objectives that overlap with a Sub-Fund, which may create competition for investment opportunities. Some competitors may have a lower cost of funds and access to funding sources that are not available to a Sub-Fund, and may have higher risk tolerances or different risk assessments, which could allow them to consider a wider variety of investments and establish more relationships. The competitive pressures could impair a Sub-Fund's business, financial condition and results of operations. As a result of this competition, the Sub-Funds may not be able to take advantage of attractive investment opportunities.

Investment Environment and Current Market Conditions

Many factors affect the appeal and availability of investments in companies and the securities and obligations that are the focus of a Sub-Fund. The success of a Sub-Fund's activities could be materially adversely affected by general economic and market conditions, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of the Sub-Fund's investments), trade barriers and currency exchange controls, and national and international political, environmental and socioeconomic circumstances (including wars, terrorist acts or security operations) in respect of the countries in which the Sub-Fund may invest, as well as by numerous other factors outside the control of the Board, the AIFM, the relevant Portfolio Manager, and any other member of the Oaktree Group. These factors may affect the level and volatility of securities prices and the liquidity of a Sub-Fund's investments, which could impair the Sub-Fund's profitability or result in losses. In addition, general fluctuations in the market prices of securities and interest rates may affect a Sub-Fund's investment opportunities and the value of the Sub-Fund's investments.

The Oaktree Group's financial condition may be adversely affected by a significant general economic downturn and it may be subject to legal, regulatory, reputational and other unforeseen risks that could have a material adverse effect on the Oaktree Group's business and operations and thereby could impact a Sub-Fund. Moreover, a recession, slowdown and/or sustained downturn in the U.S. or global economy (or any particular segment thereof) or weakening of credit markets will adversely affect a Sub-Fund's profitability, impede the ability of a Sub-Fund's portfolio companies to perform under or refinance their existing obligations, and impair a Sub-Fund's ability to effectively exit investments on favourable terms. Any of the foregoing events could result in substantial or total losses to a Sub-Fund in respect of certain investments, which losses will likely be exacerbated by the presence of leverage in a particular portfolio company's capital structure.

In addition, economic problems in a single country are increasingly affecting other markets and economies. A continuation of this trend could adversely affect global economic conditions and world markets and, in turn, could adversely affect a Sub-Fund's performance. The economies of particular countries may differ favourably or unfavourably from one another in such respects as growth of gross domestic product, rate of inflation, currency depreciation, capital reinvestment, resource self-sufficiency and balance of payments position. Governments of certain countries have exercised and continue to exercise substantial influence over many aspects of the private sector, including owning or controlling such countries' large companies.

Coronavirus and Public Health Emergencies and Other Geopolitical Risks

An unstable geopolitical climate and continued threats of terrorism could have a material adverse effect on general economic conditions, market conditions and market liquidity. Additionally, a serious pandemic or a natural disaster could severely disrupt global, national and/or regional economies. No assurance can be given as to the effect of these events on the value of the Company and its Sub-Funds' investments.

Without limiting the foregoing, as of March 2020, there is an outbreak of a novel and highly contagious form of coronavirus ("COVID-19"), which the World Health Organization has declared to constitute a pandemic. The outbreak of COVID-19 has resulted in numerous deaths, adversely impacted global commercial activity and contributed to significant volatility in certain equity and debt markets. The global impact of the outbreak is rapidly evolving, and many countries have reacted by instituting quarantines, prohibitions on travel and the closure of offices, businesses, schools, retail stores and other public venues for unknown durations. Businesses are also implementing similar precautionary measures. Such measures, as well as the general uncertainty surrounding the dangers and impact of COVID-19, are creating significant disruption in supply chains and economic activity and are having a particularly adverse impact on transportation, oil-related, hospitality, tourism, entertainment and other industries. While governmental agencies and private sector participants seek to mitigate the adverse effects of COVID-19 with such measures, the timing and efficacy of such measures is uncertain. As COVID-19 continues to spread, the potential impacts, including a global, regional or other economic recession, are increasingly uncertain and difficult to assess.

Any public health emergency, including the continued spread of COVID-19 or any outbreak of other existing or new epidemic or pandemic diseases, or the threat thereof, could have a significant adverse impact on the Company and its Sub-Funds, their investments, and could adversely affect the Fund's ability to fulfill their investment objectives.

The extent of the impact of any public health emergency on the Company and its Sub-Funds' operational and financial performance will depend on many factors, including the duration and scope of such public health emergency, the scale and efficacy of government stimulus measures, the extent of any related travel advisories and restrictions implemented, the impact of such public health emergency on overall supply and demand, goods and services, investor liquidity, consumer confidence and levels of economic activity 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. The effects of a public health emergency may materially and adversely impact (a) the value and performance of the Sub-Funds' investments or (b) the Sub-Funds' ability to source, manage and divest investments and the Sub-Funds' ability to achieve their investment objectives, all of which could result in significant losses to the Sub-Funds. The foregoing market conditions may cause the Sub-Funds to write down assets materially as the fair market value of their investments may be reduced in light of a potential or actual economic decline or recession, decline in or lack of consumer confidence or uncertain and volatile market conditions that are difficult to assess or predict. In addition, the operations of the Sub-Funds and Oaktree may be significantly impacted, or even temporarily or permanently halted, as a result of government quarantine measures, voluntary and precautionary restrictions on travel or meetings and other factors related to a public health emergency, including its potential adverse impact on the health of any such entity's personnel.

Sustainability Risk

While Sustainability Risks are only some of the many factors the Portfolio Managers and the Sub-Portfolio Manager will consider in making an investment, there is no guarantee that the Portfolio Managers and the Sub-Portfolio Manager will (a) implement or make investments that create positive sustainability impact while it seeks to enhance long-term shareholder value and achieving financial returns and/or (b) will successfully identify and mitigate all material sustainability risks. To the extent that the Portfolio Managers and the Sub-Portfolio Manager engage with underlying investments on sustainability-related practices, potential enhancements and risk mitigants, such steps may not achieve the desired financial results, or the market or society may not view any such changes as desirable. Successful engagement on the part of the Portfolio Managers and the Sub-Portfolio Manager will depend on their skill in properly identifying and analysing material sustainability

and other factors (which may involve qualitative and subjective judgements) and their related value, and there can be no assurance that the strategy or techniques employed will be successful. Considering sustainability qualities when evaluating an investment may result in the selection or exclusion of certain investments based on the Portfolio Managers' and the Sub-Portfolio Manager's view of certain sustainability-related and other factors and carries the risk that the relevant Sub-Fund may underperform compared to other funds that do not take sustainability-related factors into account. In assessing a particular investment, the Portfolio Managers and the Sub-Portfolio Manager may be dependent upon information and data obtained through third parties that may be incomplete, inaccurate or unavailable. Such data gaps could result in the incorrect assessment of a sustainability practice and/or related sustainability risks and opportunities. Sustainability-related practices differ by region, industry and issue and are evolving accordingly, and an investment's sustainability-related practices or the Portfolio Manager's and the Sub-Portfolio Manager's assessment of such practices may change over time. Similarly, new sustainability requirements imposed by jurisdictions in which the Portfolio Managers and the Sub-Portfolio Manager do business and/or in which the relevant Sub-Fund is marketed may result in additional compliance costs, disclosure obligations or other implications or restrictions on the Sub-Fund or on the Portfolio Managers and the Sub-Portfolio Manager. Under such requirements, the Portfolio Managers and the Sub-Portfolio Manager may be required to classify themselves or the relevant Sub-Fund against certain criteria, some of which can be open to subjective interpretation. The Portfolio Managers' and the Sub-Portfolio Manager's view on the appropriate classification may develop over time, including in response to statutory or regulatory guidance or changes in industry approach to classification. A change to the relevant classification may require further actions to be taken, for example it may require further disclosures by the Portfolio Managers and the Sub-Portfolio Manager or the Sub-Fund or it may require new processes to be set up to capture data about the Sub-Fund or its investments, which may lead to additional cost.

Illiquidity of Shares

Participation in a Sub-Fund generally will constitute an illiquid investment. As more particularly described elsewhere in this Prospectus, Investors may withdraw from the Sub-Fund by way of a redemption of its Shares, provided that such redemption may only take place on a Redemption Date and is subject to certain other restrictions which are described elsewhere in this Prospectus. Shares in any Sub-Fund are also subject to certain restrictions on transfer. Furthermore, a significant portion of the assets of the relevant Sub-Fund may consist indirectly of securities that are thinly-traded, securities for which no market exists and/or securities which are restricted as to their transferability under applicable securities laws.

Possible Adverse Effects of Substantial Redemptions

In the event that there are substantial redemptions of the Shares in a Sub-Fund within a limited period of time, the Sub-Fund may find it difficult to adjust its asset allocation and trading strategies to the suddenly reduced amount of assets under management. Under such circumstances, in order to provide funds to pay redemptions, the Sub-Fund may be required to liquidate positions at an inappropriate time or on unfavourable terms, resulting in a lower Net Asset Value of the Sub-Fund for the remaining Sub-Fund Investors and a lower Redemption Price for the redeeming Sub-Fund Investors. On an on-going basis, irrespective of the period over which substantial redemptions occur, it may be more difficult for the Sub-Fund to generate additional profits operating on a smaller asset base and, as a result of liquidating assets to fund redemptions, the Sub-Fund may be left with a much less liquid portfolio. In addition, such redemptions may materially adversely affect the liquidity position of the Sub-Fund, including its ability to satisfy contractual payment obligations and make other uses of cash.

Transaction Costs; High Portfolio Turnover

Because each Sub-Fund will have a diversified portfolio, it will acquire more securities and/or other assets than a more concentrated fund and may likewise engage in more purchase transactions. Although it is not the intention of the Company, the AIFM or the Portfolio Manager, the Sub-Fund may engage in frequent trading and have a high portfolio turnover in order to provide for redemptions by Investors. The more trades the Sub-Fund does, the higher the transaction costs and certain other expenses involved in the Sub-Fund's operations (including, inter alia, assignment and documentation fees and legal expenses). These costs are borne by the Sub-Fund regardless of the profitability of the Sub-Fund's investment and trading activities. In addition, a high portfolio turnover may increase the recognition of short-term, rather than long-term, capital gains.

Potential Lack of Diversification

Except as set forth in section 3, "Risk Diversification" as well as the section titled "Investment Restrictions" in Appendix I, "The Sub-Funds" for each Sub-Fund, the Portfolio Manager is not under any other obligation to diversify a Sub-Fund's investments, whether by reference to the amount invested or the industries or geographical areas in which investee companies operate. The Portfolio Manager may allocate capital among investments as it determines in its sole discretion, subject to the goal of maximising the returns for the Sub-Fund, and Investors will have no assurances with respect to the diversification or geographic concentration of the investment program. This lack of diversification will expose the Sub-Fund to losses disproportionate to market declines in general if there are disproportionately greater adverse price movements in the particular investments, and the Sub-Fund's investment portfolio may be subject to more rapid changes in value than would be the case if the Sub-Fund were required to maintain a wide diversification among companies, industries and types of securities. To the extent the Sub-Fund holds investments concentrated in a particular issuer, security, asset class or geographic region, the Sub-Fund will be more susceptible than a more widely diversified investment partnership to the negative consequences of a single corporate, economic, political or regulatory event. Unfavourable performance by any number of investments could substantially adversely affect the aggregate returns realised by Investors in the Sub-Fund.

Concentration of Investments

A Sub-Fund's portfolio may be concentrated at various points in time, including, for example, with respect to the number of investments included in the portfolio, the nature of such investments and the geographies or industry sectors represented by the companies in which the Sub-Fund invests. Accordingly, the performance of a particular strategy or even one investment may substantially impact, potentially negatively, the return of a Sub-Fund's investments as a whole. Furthermore, positive performance of investments reflecting one strategy may be offset by negative performance of another strategy.

In addition, a Sub-Fund may invest in the same or similar products via multiple strategies, which could lead to significant concentration in the Sub-Fund's portfolio and increase the risks attendant with such investments.

Allocation of Personnel

The Company, the AIFM, the relevant Portfolio Manager and other members of the Oaktree Group and their Affiliates will devote such time as they deem necessary to conduct the business affairs of the Company and the Sub-Funds in an appropriate manner. However, investment personnel will work on matters related to Other Oaktree Funds and other strategies managed or advised by members of the Oaktree Group. Conflicts may arise in the allocation of personnel among the Sub-Funds and such other Oaktree funds and strategies.

Potential Conflicts of Interest

The Oaktree Group currently manages and will manage other funds and accounts which present the possibility of overlapping investments, and thus the potential for conflicts of interest. (See section 17.3 "Overlaps of the Sub-Funds with Other Oaktree Funds and Accounts and Other Conflicts of Interest".) Many of the investments targeted by a Sub-Fund may be appropriate for certain Other Oaktree Funds, and in retrospect or at different points in the market cycle, investments that were made by a Sub-Fund may seem more appropriate for an Other Oaktree Fund, and vice versa. Investors will have no ability to challenge such allocation so long as it was made in good faith in accordance with the procedures discussed in section 17.3 "Overlaps of the Sub-Funds with Other Oaktree Funds and Accounts and Other Conflicts of Interest". Such procedures give Oaktree broad authority to allocate investment opportunities, notwithstanding the potential conflicts of interest that may exist. For example, management fees, carried interest or incentive fees and liquidity provisions may differ significantly between the Company and the Other Oaktree Funds, creating an economic incentive for the Oaktree Group to allocate investments that may be appropriate for a lower fee or more liquid strategy to a higher fee or less liquid strategy.

In addition, a Sub-Fund may make investments in different parts of the capital structure of companies in which Other Oaktree Funds already hold an investment. Generally speaking, the Oaktree Group expects that the Sub-Funds will make such investments only when, at the time of investment, the Oaktree Group believes such investment is in the best interests of the relevant Sub-Fund and either the possibility of actual adversity is remote, the relevant Sub-Fund's investment is small and non-controlling or the Oaktree Group believes that such investment is appropriate for the relevant Sub-Fund in light of the particular circumstances, notwithstanding the potential for conflict. If any conflict were to arise, however, the Oaktree Group will be permitted to take certain actions that, in the absence of such conflict, it would not take, such as causing the relevant Sub-Fund to remain passive, investing in the same class of securities to align interests, divesting investments or taking other actions to reduce adversity, which may have the effect of benefiting certain Other Oaktree Funds, and not the Sub-Funds. If a Sub-Fund remains passive in the event of a conflict, it must rely on other investors holding the same types of securities or obligations to advocate on behalf of its class. The Oaktree Group will have no obligation to advise these other holders of any potential claims they may have of which the Oaktree Group may be aware or to consider their interests when advocating on behalf of the Other Oaktree Funds that hold investments in lower parts of the capital structure.

In addition, there are potential conflicts of interests between the interests of the Investors, on the one hand, and the business interests of the Oaktree Group, on the other hand. Potential conflicts of interests may include, but are not limited to, the fact that members of the Oaktree Group will be the AIFM, the Company and the Portfolio Manager. If any matter arises that the AIFM determines in its good faith judgment constitutes an actual conflict of interest, the AIFM may take such actions as may be necessary or appropriate to prevent or reduce the conflict.

By acquiring Shares, each Investor will be deemed to have acknowledged the existence of any such actual or potential conflict of interest and, to the fullest extent permitted by applicable law, to have waived any claim with respect to any liability arising from the existence of any such conflict of interest.

In May 2007, OCG, the indirect parent of the AIFM, the Company, Oaktree and other members of the Oaktree Group, became a "publicly traded partnership" within the meaning of section 7704(b) of the Code. As a result, at least 90% of OCG's gross income for every taxable year must consist of "qualifying income" as defined in section 7704 of the Code in order for OCG to avoid being treated as a corporation for U.S. federal income tax purposes. Qualifying income generally includes dividends, interest, capital gains from the sale or other disposition of stocks and securities and certain other forms of investment income. While investments made by funds employing strategies similar to a Sub-Fund's strategies have generally met this qualifying income requirement, it is possible that the relevant Portfolio Manager may cause the Sub-Fund to make investments through non-U.S. or U.S. corporations subject to corporate income tax or otherwise utilise structures that are less efficient than structures that would have been used in the absence of the need to comply with the qualifying income requirement. This may adversely affect the relevant Portfolio Manager's ability to operate solely to maximise the Sub-Fund's cash flow.

Valuation Risk

A Sub-Fund's assets may sometimes be difficult to value objectively and the true value may not be recognised until assets are sold, in particular in case of illiquid market conditions.

Business and Regulatory Risks of Alternative Asset Funds and Managers

Legal, tax and regulatory changes could occur that may adversely affect the Company and the Sub-Funds at any time. The legal, tax and regulatory environment for funds that invest in alternative investments is evolving, and changes in the regulation and market perception of such funds, including changes to existing laws and regulations and increased criticism of the private equity and alternative asset industry by some politicians, regulators and market commentators, may adversely affect the ability of a Sub-Fund to pursue its investment strategy, its ability to obtain leverage and financing and the value of investments held by the Sub-Fund. In recent years, market disruptions and the dramatic increase in the capital allocated to alternative investment strategies have led to increased governmental as well as self-regulatory scrutiny of the alternative investment fund industry in general, and certain legislation proposing greater regulation of the industry periodically is considered by the governing bodies of both U.S. and non-U.S. jurisdictions. It is impossible to predict what, if any, changes may be instituted with respect to the regulations applicable to the Company, its Sub-Funds, the Board, the AIFM, a Portfolio Manager and any other member of the Oaktree Group, the markets in which they trade and invest or the counterparties with which they do business, or what effect such legislation or regulations might have. There can be no assurance that the Company, its Sub-Funds, the Board, the AIFM, a Portfolio Manager and any other member of the Oaktree Group will be able, for financial reasons or otherwise, to comply with future laws and regulations, and any regulations that restrict the ability of a Sub-Fund to implement its investment strategy could have a material adverse impact on the Sub-Fund's portfolio. The effect of any future regulatory change on the Company and the Sub-Funds could be substantial and adverse, and to the extent that a Sub-Fund or a Sub-Fund's investments are or may become subject to regulation by various agencies in the United States or other countries, the costs of compliance will be borne by the Sub-Fund.

As a registered investment advisor under the U.S. Investment Advisers Act of 1940, as amended (the "**Advisers Act**"), Oaktree is required to comply with a variety of periodic reporting and compliance related obligations under applicable federal and state securities laws (including the obligation of Oaktree and its Affiliates to make regulatory filings with respect to the Fund and its activities under the Advisers Act (including Form PF)). Following the Dodd-Frank Wall Street Reform and Consumer Protection Act in 2010 (the "**Dodd-Frank Act**"), the SEC has particularly scrutinised the private equity industry, conducting a number of examinations and bringing a number of enforcement actions against the industry. In light of the heightened regulatory environment in which Oaktree operates and the ever increasing regulatory burdens applicable to private investment funds and their investment advisors, it has become increasingly expensive and time consuming for Oaktree and its Affiliates to comply with such regulatory reporting and compliance related obligations. Any further increases in the regulatory burdens applicable to private investment funds generally or the Company, the Sub-Funds, the Board, the AIFM, a Portfolio Manager or any other member of the Oaktree Group in particular may result in increased expenses associated with the activities of the Sub-

Funds and additional resources of Oaktree being devoted to such regulatory reporting and compliance related obligations, which may reduce overall returns for Investors or have an adverse effect on the ability of the Sub-Funds to effectively achieve their investment objective.

The Dodd-Frank Act significantly revises and expands the rulemaking, supervisory and enforcement authority of federal bank, securities and commodity regulators, and imposes a number of restrictions on the relationship and activities of banking organisations with private equity and hedge funds and other provisions that will affect the alternative asset management industry, either directly or indirectly. While the CFTC and the federal banking agencies have implemented many of the provisions of the Dodd-Frank Act, a number of significant rulemakings have yet to be finalised, and the SEC's implementation efforts are still on-going. While the impact of the full implementation of the Dodd-Frank Act is gradually becoming clearer, uncertainties remain as to how regulators will exercise their expanded powers and the full extent to which their rulemaking, supervisory, or enforcement actions will adversely affect the Sub-Funds and/or Oaktree.

In addition, the Dodd-Frank Act has imposed and will impose increased recordkeeping and reporting obligations on the Company and/or Oaktree with respect to the Sub-Funds. The primary recordkeeping and reporting provisions of the Dodd-Frank Act that are applicable to Oaktree with respect to the Sub-Funds and are subject to inspection by the SEC and the CFTC include: (a) assets under management and use of leverage (including off-balance-sheet leverage); (b) counterparty credit risk exposure; (c) trading and investment positions; (d) valuation policies and practices; (e) type of assets held; (f) side arrangements or side letters; (g) trading practices; and (h) certain other information. No assurance can be given that the mandated disclosure of records or reports to the SEC, the CFTC or other governmental entities will not have a significant negative impact on the Sub-Funds, Oaktree or any Investor. In addition, the new recordkeeping and reporting requirements and enhanced SEC and/or CFTC scrutiny and audit may increase the compliance, administrative, and other operational costs of the Sub-Funds.

Furthermore, the securities and swaps markets are subject to comprehensive statutes and regulations. The SEC, the CFTC, other regulators and self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies, and retain the right to suspend or limit trading in securities, which could expose a Sub-Fund to losses. The regulation of derivatives transactions and funds that engage in such transactions is an evolving area of law and is subject to modification by government and judicial action. The effect of any future regulatory change on a Sub-Fund could be substantial and adverse. In particular, the regulatory and tax environment for derivative instruments is evolving, and changes in the regulation or taxation of derivative instruments may adversely affect the value of derivative instruments entered into by a Sub-Fund and the ability of a Sub-Fund to pursue its investment strategies. There can be no assurance that new legislation or regulation, including changes to existing laws and regulations, will not have a material negative impact on the investment performance of the Sub-Funds.

The SEC and various other U.S. federal, state and local agencies have been conducting inquiries into, and bringing enforcement and other proceedings regarding trading and other practices against, advisors, expert networks, industry and political consultants, sponsors and distributors of investment companies and investment funds, including proceedings regarding the role of placement agents, finders and other similar private equity service providers in the context of investments by public pension plans and other similar entities. The Company, a Sub-Fund, the Board, the AIFM, a Portfolio Manager, any other member of the Oaktree Group or their respective Affiliates may receive requests for information or subpoenas from the SEC and other state, federal and non-U.S. regulators from time to time in connection with such inquiries and proceedings and otherwise in the ordinary course of business. These requests may relate to a broad range of matters, including specific practices of the Board, the AIFM, a Portfolio Manager, any other member of the Oaktree Group, the securities in which the Oaktree Group invests on behalf of its clients or industry wide practices. The costs of any such increased reporting, registration and compliance requirements may be borne by the relevant Sub-Fund and may place the Sub-Fund at a competitive disadvantage to the extent that the Oaktree Group or portfolio companies are required to disclose sensitive business information.

U.S. Investment Advisers Act of 1940

Oaktree's registration as an investment advisor under the Advisers Act (and Oaktree UK's deemed registration thereby) does not imply any specific level of skill or training nor does it imply any endorsement, approval or certification of Oaktree or Oaktree UK by the SEC.

Governmental Actions

The changes to the U.S. government may result in a number of changes to U.S. and non-U.S. fiscal tax and other policies, as well as the global credit markets generally. In that regard, prospective investors should note that the outcome of the U.S. presidential and other elections creates uncertainty with respect to legal, tax and regulatory regimes in which the Sub-Funds, as well as the Oaktree Group, will operate. Any significant changes in, among other things, economic policy (including with respect to interest rates and foreign trade), the regulation of the asset management industry, tax law, immigration policy and/or government entitlement programs could have a material adverse impact on a Sub-Fund and its investments. Likewise, recent volatility in the global financial markets and political systems of certain European countries (e.g., the United Kingdom) may have adverse spill-over effects into the global financial markets generally and the U.S. market in particular.

Withdrawal of the United Kingdom from the European Union

There is a heightened risk of market instability and legal and regulatory change following the UK's vote to leave the European Union in the UK referendum that took place on 23 June 2016 and the UK Government's invocation of article 50 of the Lisbon Treaty relating to withdrawal on 29 March 2017. The withdrawal agreement which set the terms of the withdrawal of the UK from the European Union was approved by the UK Parliament on 23 January 2020 and ratified by the European Parliament on 29 January 2020. The UK left the European Union on 31 January 2020 with a period of transition ended on 31 December 2020. During this period, most EU rules and regulations will continue to apply to the UK and negotiations in relation to a free trade agreement will commence. The transition period may, before 1 July 2020, be extended once by up to two years.

The effects on the UK, European and global economies of the exit of the UK (and/or other European Union Member States) from the EU, or the exit of one or more European Union Member States from the European Monetary Area and/or the redenomination of financial instruments from the Euro to a different currency, are impossible to predict and protect fully against in view of: (i) economic and financial instability in the UK and in EU Member States, (ii) the severity of the recent global financial crisis, (iii) difficulties in predicting whether the current signs of recovery will be sustained and at what rate, (iv) the uncertain legal position, (v) the impact of macro geopolitical considerations including concurrent EU trade negotiations with other non-EU states and heightened flows of displaced persons from outside the EU, (vi) the difficulty in predicting the approach of other EU member states to negotiation of the UK withdrawal from the EU and the establishment of a legal framework for on-going relations, and (vii) the fact that many of the risks related to the business are totally, or in part, outside of the AIFM's control. However, any such event may result in: (a) significant market dislocation, (b) heightened counterparty risk, (c) an adverse effect on the management of market risk and, in particular, asset and liability management due, in part, to redenomination of financial assets and liabilities, (d) a material adverse effect on the ability of the AIFM, or of any person or entity to which, under the AIFM's control and responsibility, all or part of its duties and powers have been delegated, to market, raise capital for, manage and operate the Company, and (e) increased legal, regulatory or compliance burden for the AIFM and/or the Company, each of which may have a material adverse effect on the operations, financial condition, returns, or prospects of the Company and/or the AIFM in

general. Any adverse changes affecting the economies of the countries in which the Company conducts its business (including making investments) and any further deterioration in global macro-economic conditions could have a material adverse effect on the Company's prospects and/or returns.

Eurozone Risks

There are significant and persistent concerns regarding the debt burden of certain Eurozone countries and their ability to meet future financial obligations, the overall stability of the Euro and the suitability of the Euro to function as a single currency given the diverse economic and political circumstances in individual Eurozone countries. The risks and prevalent concerns about a credit crisis in Europe could have a detrimental impact on global economic recovery as well as on sovereign and non-sovereign debt in emerging-market, as well as non-emerging market, Eurozone countries. There can be no assurance that the market disruptions in Europe will not spread to other countries where a Sub-Fund may invest, nor can there be any assurance that future assistance packages will be available or, even if provided, will be sufficient to stabilise affected countries and markets in Europe or elsewhere. These and other concerns could lead to the re-introduction of individual currencies in one or more Eurozone countries, or, in more extreme circumstances, the possible dissolution of the Euro entirely. Should the Euro dissolve entirely, the legal and contractual consequences with respect to a Sub-Fund and its investments and the Investors in Europe could be determined by laws in effect at such time. These potential developments could negatively impact the ability of a Sub-Fund to make investments in Europe, the value of a Sub-Fund's investments in Europe and the general availability and cost of financing permitted investments.

Cost of Regulatory Compliance

Acquisition by a Sub-Fund of debt or equity securities may result in reporting and compliance obligations under the applicable regulations of the various jurisdictions in which the Sub-Fund makes investments. The costs of compliance will be borne by the Sub-Fund. In addition, investments by a Sub-Fund may be or may become subject to regulation by various governmental agencies within or outside the United States. New and existing regulations, changing regulatory schemes and the burdens of regulatory compliance all may have a material negative impact on the performance of the Sub-Fund. It cannot be predicted whether new legislation or regulation will be enacted by legislative bodies or governmental agencies, nor can it be predicted what effect such legislation or regulation might have. There can be no assurance that new legislation or regulation, including changes to existing laws and regulations, will not have a material negative impact on the Sub-Fund's investment performance.

On-going Compliance with Anti-Money Laundering Requirements

Many jurisdictions have adopted wide-ranging anti-money laundering, economic and trade sanctions, and anti-corruption and anti-bribery laws, anti-terrorist laws, rules, regulations, directives, processes or special measures (collectively, the "AML Requirements"). The AIFM and the Administrator will be authorised, without the consent of any person, including any Investor, to take such action as the AIFM determines in its discretion to be reasonably necessary or advisable to comply, or to cause the Company or a Sub-Fund to comply, with any such AML Requirements, and in particular, to request or require to obtain certain assurances from Prospective Investors intending to purchase Shares and to retain such information or to disclose information concerning any Sub-Fund and any Investor (in certain circumstances without notifying such Investor that the information has been so provided) to governmental, regulatory or other authorities, to financial intermediaries or to the public in respect of beneficial owners of the Company or engage in due diligence or take other related actions in the future. It is expected that the AIFM (and the Administrator) will comply, and cause the Company and the Sub-Funds to comply, with AML Requirements to which they are subject or may become subject and to interpret such AML Requirements broadly in favour of disclosure. Failure to honour any request by the AIFM or the Administrator to provide requested information or take such other actions as may be necessary or advisable for the AIFM (and the Administrator) to comply, and cause the Company and the Sub-Funds to comply, with any AML Requirements may result in, among other things, the AIFM, the Administrator, the Company and/or the Board being required to "freeze" an Investor's Shares (e.g., by prohibiting additional subscriptions from such Investor or suspending other rights such Investor may have under the Articles and this Prospectus, as applicable), to report a suspicion of money laundering or terrorism financing or cause such Investor's Shares to be compulsorily redeemed from the Sub-Fund.

Foreign Account Tax Compliance Act ("FATCA")

FATCA potentially imposes a withholding tax of 30% on certain payments made to the Company, including potentially all interest paid on, and proceeds from the sale or other disposition of loans or securities, unless the Company complies with legislation in Luxembourg that implements the intergovernmental agreement between Luxembourg and the United States (the "IGA"). The IGA generally requires, among other things, that the Company collect and provides to Luxembourg government substantial information regarding direct and indirect holders of the Shares unless the Company is entitled to an exemption under FATCA or the IGA.

The Company intends to comply with its obligations under the IGA and FATCA. Accordingly the Articles and/or Subscription Forms will impose obligations on Investors to disclose certain information about themselves and certain indirect owners. However, in some cases, the ability of the Company to comply with FATCA could depend on factors outside of the Company's control. The rules under FATCA or the IGA may also change in the future. Future guidance may subject payments on Shares to a withholding tax of 30% unless the applicable Investor provides the Company any information or waivers required under FATCA or the IGA and, in the case of each foreign financial institution ("FFI"), as defined under FATCA, that holds any such Share, or through which any such Share is held, such FFI is itself compliant with certain rules.

The Shares held by Investors that do not supply information required under the Articles and/or their Subscription Forms to permit compliance with FATCA, including the IGA, or whose ownership of Shares may otherwise prevent the Company from complying with FATCA (for example by causing the Company to be affiliated with a non-compliant foreign financial institution), may be subject to certain measures, including being subject to withholding taxes under FATCA or compulsory redemption. There can be no assurance, however, that the Company and the Investors will not be subject to withholding taxes under FATCA or Luxembourg legislation implementing the IGA. The imposition of such taxes could materially affect the Company's ability to make payments on the Shares or could reduce such payments and FATCA compliance costs may be significant.

OECD Action Plan on Base Erosion and Profit Shifting ("BEPS")

In October 2015, the Organisation for Economic Co-operation and Development published its final reports in relation to BEPS, which were intended to address perceived flaws in international tax rules. The reports cover 15 different areas, or "Actions". These reports make recommendations that, if adopted in full, could impact the tax treatment of various entities in the fund structure. The manner in which these recommendations will be adopted by particular jurisdictions continues to evolve and there remains significant uncertainty about the full impact. There have, however, been a number of key developments since the publication of the BEPS reports.

Council Directive (EU) 2016/1164 of 12 July 2016 laying down rules against tax avoidance practices that directly affect the functioning of the internal market ("ATAD") introduced a set of measures aimed at combating aggressive tax planning (and which implement several of the

BEPS proposals into the domestic law of EU Member States), including notably a general anti-abuse clause, controlled foreign company rules as well as an interest limitation rule.

ATAD was subsequently amended and expanded by Council Directive (EU) 2017/952 of 29 May 2017 ("ATAD 2"), which replaces and extends the rules on hybrid mismatches. EU Member States were required to transpose ATAD 2 into domestic law by 31 December 2019 and apply the provisions from 1 January 2020 (or from 2022 with respect to certain rules relating to reverse hybrid mismatches). ATAD 2 was adopted into law in Luxembourg on 20 December 2019 (the "ATAD 2 Law").

ATAD 2 covers hybrid mismatches resulting from differences in the characterisation of a financial instrument or an entity and only applies where there is either associated enterprises or a structure arrangement (as defined under the ATAD 2 Law). In particular, the ATAD 2 anti-hybrid rules may, amongst other things, impact the deductibility of interest at various levels of fund the structure in a number of circumstances, including in particular where (i) a payment under a financial instrument is not included in the Investor's tax base and this mismatch outcome is attributable to differences in the characterisation of the financial instrument or the payment made under it in the payee and payer jurisdictions respectively, (ii) a payment to an entity gives rise to a deduction at the level of the payer company without inclusion in the Investor's tax base and such outcome is the result of differences in the allocation of payments to the payee entity under the laws of the jurisdiction where the payee entity is established or registered and the jurisdiction of any person with a participation in that payee entity, and (iii) when the same payment is deducted for tax purposes in two different countries.

In addition, ATAD 2 covers reverse hybrid mismatches which arise where the presence of an entity which is treated as tax transparent in its country of incorporation but as non-transparent (and therefore taxable) in the country of residence of its partners leads to the non-taxation of a payment in both jurisdictions. Collective investment vehicles (*organismes de placement collectif*) (as defined in the ATAD 2 Law) are excluded from the scope of the reverse hybrid mismatch rules.

BEPS, ATAD and ATAD 2 could impact the on-going taxation of various entities in the fund structure, which may adversely affect the return on investments received by Investors.

On 7 June 2017, 68 countries, including Luxembourg, signed the Multilateral Convention to implement tax treaty related measures to prevent BEPS (the "MLI"). The MLI provides a mechanism for amending the terms of the existing bilateral tax treaties that have been entered into by the signatories to the MLI by allowing the signatories to select from various optional amending provisions in the MLI. To the extent that two signatories to the MLI agree that particular options should apply to their bilateral tax treaty, then the MLI effectively provides for the tax treaty to be amended to incorporate these agreed provisions from the date on which the MLI comes into force in the relevant jurisdictions.

The MLI is (among other things) intended to give effect to Action 6, which was to prevent treaty abuse by developing model double tax treaty provisions to prevent the granting of treaty benefits in inappropriate circumstances. The report on Action 6 proposed that all treaties should include one or both of two different types of rule intended to achieve this: either (i) a formulaic "limitation on benefits" rule that sets out a series of criteria that must be satisfied by a person to demonstrate that it has sufficient connection with its home jurisdiction in order to be entitled to claim the benefit of the treaty; or (ii) a more subjective "principal purpose test" that denies treaty benefits if one of the main purposes of the transaction or arrangements is to obtain those benefits, unless granting the benefits would be in accordance with the object and purpose of the treaty. The majority of the countries that signed the MLI, including Luxembourg, have chosen to adopt the principal purpose test rather than the limitation on benefits test.

The availability of treaty benefits may be important to help minimize tax leakage arising on the extraction of profits from investments and holding entities established in certain jurisdictions. If either of these types of rule (or both) are included in the treaty between the home jurisdiction of an intermediate holding entity and the jurisdiction of the investments, including as a result of the MLI, once that comes into force, then it could impact the ability of the intermediate holding entity to access those treaty benefits. This and certain of the other recommendations in the final reports could potentially give rise to additional tax costs in the holding structure below the fund that it may not be possible to mitigate.

Luxembourg ratified the MLI through the law of 7 March 2019 and deposited its instrument of ratification with the Organisation for Economic Co-operation and Development on 9 April 2019. Its application per tax treaty concluded by Luxembourg will depend on the ratification of the MLI by the other contracting state of the tax treaty concerned and on the type of tax concerned.

Common Reporting Standard

The OECD has developed a new global standard for the annual automatic exchange of financial information between tax authorities. Luxembourg is a signatory jurisdiction to the CRS. The CRS has been implemented into Luxembourg domestic law via the law dated 18 December 2015 concerning the automatic exchange of information on financial accounts and tax matters and implementing the EU Directive 2014/107/EU.

The regulation may impose obligations on the Company and its Shareholders / Investors, if the Company is actually regarded as a reporting Financial Institution under the CRS, so that the latter could be required to conduct due diligence and obtain (among other things) confirmation of the tax residency (through the issuance of self-certifications forms by the Shareholders / Investors), tax identification number and CRS classification of the Shareholders / Investors in order to fulfil its own legal obligations.

Investors should contact their own tax advisers regarding the application of CRS to their particular circumstances.

European Market Infrastructure Regulation

The Company may enter into derivatives contracts including over-the-counter ("OTC") derivative contracts. Regulation (EU) No. 648/2012 of the European Parliament and Council on OTC derivatives, central counterparties and trade repositories dated July 4, 2012, as amended ("EMIR") and the regulations made under it impose certain obligations on parties to derivative contracts according to whether such parties are "financial counterparties", "non-financial counterparties" or third country entities equivalent to "financial counterparties" or "non-financial counterparties".

Under EMIR, AIFs established in the EU or managed by an AIFM fall within the definition of "financial counterparty", and so, the Company will be a "financial counterparty" for the purposes of EMIR. Financial counterparties will, depending on the identity of their counterparty and the volume of its trading activity in OTC derivatives (FC+s), be subject to a general obligation (the "clearing obligation") to clear all "eligible" OTC derivative contracts through a duly authorised or recognised central counterparty. They must also report the details of all OTC and exchange traded derivative contracts to a trade repository (the "reporting obligation") and in general undertake certain risk-mitigation techniques in respect of OTC derivative contracts which are not cleared by a central counterparty, including complying with requirements related to timely confirmation of terms, portfolio reconciliation, dispute resolution, daily valuation and margin posting (together, the "risk mitigation obligations").

When entering into OTC derivative contracts, the Company will ensure compliance with EMIR and the relevant procedures put in place by the AIFM.

Compliance by the Company with any applicable mitigation obligations under EMIR and/or reporting obligations is likely to increase the costs and expenses associated with operating the Company. Furthermore, to the extent that OTC derivative contracts entered into by the Company are subject to the margin posting requirement of the risk mitigation obligation or the clearing obligation, the Company will be required to post assets belonging to the Company to its trading counterparty or, via a clearing member, to a central counterparty. Any such requirement would reduce the assets available to the Company for investment, may affect the number and size of investments that the Company is able to make, and could have an adverse effect on the returns to Investors.

Counterparty, Settlement and Local Intermediary Risk

From time to time, certain securities markets have experienced operational clearance and settlement problems that have resulted in failed trades. These problems could cause a Sub-Fund to miss attractive investment opportunities or result in the Sub-Fund's liability to third parties by virtue of an inability to perform the Sub-Fund's contractual obligation to deliver securities. In addition, delays and inefficiencies of the local postal, transport and banking systems could result in the loss of investment opportunities, the loss of funds (including dividends) and exposure to currency fluctuations.

Because certain purchases, sales, securities lending, derivatives and other transactions in which a Sub-Fund will engage involve instruments that are not traded on an exchange, but are instead traded between counterparties based on contractual relationships, the Sub-Fund is subject to the risk that a counterparty will not perform its obligations under the related contracts, as well as risks of transfer, clearance or settlement default. Such risks may be exacerbated with respect to foreign securities or transactions with foreign counterparties. There can be no assurance that a counterparty will not default and that the Sub-Fund will not sustain a loss on a transaction as a result. Such risks may differ materially from those entailed in exchange-traded transactions that generally are backed by clearing organisation guarantees, daily marking-to-market and settlement of positions and segregation and minimum capital requirements applicable to intermediaries. There can be no assurance that the Company's monitoring activities will be sufficient to adequately control counterparty risk.

In situations where a Sub-Fund places assets in the care of a custodian or is required to post margin or other collateral with a counterparty, the custodian or counterparty may fail to segregate such assets or collateral, as applicable, or may commingle the assets or collateral with the relevant custodian's or counterparty's own assets or collateral, as applicable. As a result, in the event of the bankruptcy or insolvency of any custodian or counterparty, the Sub-Fund's excess assets and collateral may be subject to the conflicting claims of the creditors of the relevant custodian or counterparty, and the Sub-Fund may be exposed to the risk of a court treating the Sub-Fund as a general unsecured creditor of such custodian or counterparty, rather than as the owner of such assets or collateral, as the case may be.

Certain of a Sub-Fund's transactions may be undertaken through local brokers, banks or other organisations in the countries in which the Sub-Fund makes investments, and the Sub-Fund will be subject to the risk of default, insolvency or fraud of such organisations. The collection, transfer and deposit of bearer securities and cash expose the Sub-Fund to a variety of risks, including theft, loss and destruction. Finally, the Sub-Fund will be dependent upon the general soundness of the banking systems of countries in which investments will be made.

Nature of Bankruptcy Proceedings

A Sub-Fund may make investments that could require substantial workout negotiations or restructuring in the event of a default or bankruptcy. First, many events in a bankruptcy are the product of contested matters and adversary proceedings that are beyond the control of the creditors. Second, a bankruptcy filing may have adverse and permanent effects on a company. For instance, the company may lose its market position and key employees and otherwise become incapable of restoring itself as a viable entity. Further, if the proceeding is converted into a liquidation, the liquidation value of the company may not equal the liquidation value that was believed to exist at the time of the investment. Third, the duration of a bankruptcy proceeding is difficult to predict. A creditor's return on investment can be impacted adversely by delays while the plan of reorganisation is being negotiated, approved by the creditors and confirmed by the bankruptcy court, and until it ultimately becomes effective. Fourth, certain claims, such as claims for taxes, wages, employee and worker pensions and certain trade claims, may have priority by law over the claims of certain creditors. Fifth, the administrative costs in connection with a bankruptcy proceeding are frequently high and will be paid out of the debtor's estate prior to any return to creditors. Sixth, creditors can lose their ranking and priority in a variety of circumstances, including if they exercise "domination and control" over a debtor and other creditors can demonstrate that they have been harmed by such actions. Seventh, the Sub-Fund may seek representation on creditors' committees and as a member of a creditors' committee it may owe certain obligations generally to all creditors similarly situated that the committee represents and it may be subject to various trading or confidentiality restrictions. If the relevant Portfolio Manager concludes that a Sub-Fund's membership on a creditors' committee entails obligations or restrictions that conflict with the duties it owes to Investors in the Sub-Funds, or that otherwise outweigh the advantages of such membership, such Sub-Fund will not seek membership in, or will resign from, that committee. Because the Sub-Fund will indemnify the relevant Portfolio Manager or any other person serving on a committee on behalf of the Sub-Fund for claims arising from breaches of those obligations, indemnification payments could adversely affect the return on the Sub-Fund's investment in a reorganisation company.

There is a possibility that a Sub-Fund may incur substantial or total losses on its investments and, in certain circumstances, subject the Sub-Fund to certain additional potential liabilities that may exceed the value of the Sub-Fund's original investment. For example, under certain circumstances, a lender who has inappropriately exercised control over the management and policies of a debtor may have its claims subordinated or disallowed or may be found liable for damages suffered by parties as a result of such actions. In addition, under certain circumstances, payments to the Sub-Fund and distributions to Investors may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance, preferential payment, or similar transaction under applicable bankruptcy and insolvency laws. Furthermore, bankruptcy laws may delay the ability of the Sub-Fund to realise on collateral for loan positions held by it or may adversely affect the priority of such loans through doctrines such as equitable subordination or may result in a restructure of the debt through principles such as the "cramdown" provisions of the bankruptcy laws. In addition, the bankruptcy laws and regimes of certain jurisdictions outside the United States and Europe may be untested, subject to manipulation or change and not provide a proven venue to resolve a company's bankruptcy estate.

Hedging and Risk Management Transactions

Subject to the terms of the Prospectus and the terms of each Sub-Fund as set out in Appendix I, "The Sub-Funds", for such Sub-Fund, a Sub-Fund may, but is not required to, utilise financial instruments for hedging and risk management purposes in order to: (a) protect against possible changes in the market value of the Sub-Fund's investment portfolios resulting from fluctuations in the securities markets and changes in interest rates, (b) protect the Sub-Fund's unrealised gains in the value of the Sub-Fund's investment portfolios, (c) facilitate the sale of any such investments, (d) preserve returns, spreads or gains on any investment in such Sub-Fund's portfolios, (e) hedge the interest rate or currency exchange rate on any of the Sub-Fund's liabilities or assets, (f) protect against any increase in the price of any investments the Sub-Fund anticipates purchasing at a later date or (g) for any other similar reason that the relevant Portfolio Manager deems appropriate.

The success of a Sub-Fund's hedging strategy will be subject to the relevant Portfolio Manager's ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the investments in the portfolio being hedged and the relevant Portfolio Manager's ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. The successful utilisation of hedging and risk management transactions requires skills complementary to those needed in the selection of the Sub-Fund's investments.

While a Sub-Fund may, subject to the terms of the Prospectus and the terms of each Sub-Fund as set out in Appendix I, "The Sub-Funds", for such Sub-Fund, enter into hedging transactions to seek to reduce risk, such transactions themselves may entail certain other risks. Thus, while the Sub-Fund may benefit from the use of these hedging mechanisms, unanticipated changes in interest rates, the prices of investments, or currency exchanges may result in a poorer overall performance for the Sub-Fund than if it had not engaged in such hedging transactions. The Sub-Fund may not hedge against a particular risk because, for example, it does not regard the probability of the risk occurring to be sufficiently high as to justify the cost of the hedge, or because it does not foresee the occurrence of the risk. The successful utilisation of hedging and risk management transactions requires skills that are separate from the skills used in selecting and monitoring investments. There can be no assurance that any risk management procedure will be effective in reducing risks associated with the use of hedging techniques or that the use of such techniques by a Sub-Fund will not result in poorer overall performance for the Sub-Fund than if the Sub-Fund had not utilised such techniques.

Currency and Market Risks

The investment of any Investor in any Sub-Fund established by the Company will generally be denominated in the Reference Currency of the Sub-Fund and distributions generally will be made in the same currency or currency of the Class of Shares. However, the Company anticipates that a Sub-Fund could be expected to make certain investments denominated in currencies other than its Reference Currency. Changes in the rates of exchange between the Reference Currency and other currencies will have an effect, which could be adverse, on the performance of the Sub-Fund, including on the Net Asset Value of the Sub-Fund. Additionally, a particular foreign country may impose exchange controls, devalue its currency or take other measures relating to its currency which could adversely affect the Sub-Fund. Finally, the Sub-Fund will incur costs in connection with conversions between various currencies. Although the Company has the ability to cause a Sub-Fund to hedge currency risk associated with a portion of the investments in the portfolio denominated in currencies other than the Reference Currency, it may not do so on a regular basis. It may do so in certain circumstances (for example, if the Sub-Fund develops an undesirable concentration in an individual currency), but in such event it does not expect that the full risk of currency fluctuations can be eliminated due to the complexity of the investment characteristics of the portfolio and limitations in the foreign currency market. The Sub-Fund will conduct its foreign currency exchange transactions in anticipation of funding investment commitments or receiving proceeds upon dispositions. In addition, to hedge against adverse stock market shifts, the Sub-Fund may purchase put and call options on stocks and write covered call options on stocks. There can be no guarantee that instruments suitable for hedging market shifts will be available at the time when the Sub-Fund wishes to use them.

Inflation

Certain countries have experienced substantial, and in some periods extremely high, rates of inflation for many years. Inflation and rapid fluctuations in inflation rates have had and may continue to have very negative effects on the economies and securities markets (both public and private) of certain countries in which the Sub-Fund may invest. There can be no assurance that high rates of inflation in such countries will not have a material adverse effect on the investments of the Sub-Fund.

Illiquidity and Credit Risk of Derivative Instruments

A Sub-Fund may enter into transactions involving privately negotiated off-exchange derivative instruments, including total return swaps and other derivative instruments. There can be no assurance that a liquid secondary market will exist for any particular derivative instrument at any particular time, including for those derivative instruments that were originally categorised as liquid at the time they were acquired by the Sub-Fund. Although off-exchange derivative instruments are designed to be tailored to meet particular financing needs and, therefore, typically provide more flexibility than exchange-traded products, the risk of illiquidity is also greater as these instruments can generally be closed out only by negotiation with the other party to the instrument. Off-exchange derivative instruments, unlike exchange-traded instruments, are not guaranteed by an exchange or clearinghouse, and thus are generally subject to greater credit risks. In addition, a Sub-Fund may not be able to convince its counterparty to consent to an early termination of an off-exchange derivative contract or may not be able to enter into an offsetting transaction to effectively unwind the transaction. Such off-exchange derivative contracts generally are not assignable except as permitted contractually or as otherwise agreed between the parties, and, in the absence of such contractual obligation or agreement, a counterparty typically has no obligation to permit assignments. Moreover, even if a Sub-Fund's counterparty agrees to early termination of one or more off-exchange derivatives at any time, doing so may subject the Sub-Fund to certain early termination charges.

Derivatives Generally

Certain Sub-Funds may invest in certain kinds of derivative instruments from time to time. Investing in derivative instruments presents various risks, including lack of liquidity and risks of purchasing outside of an exchange. In volatile markets, a Sub-Fund may not be able to close out a position without incurring a loss. The prices of derivative instruments, including swaps, futures, forwards and options, are highly volatile and such instruments may subject the Sub-Fund to significant losses. The value of such derivatives also depends upon the price of the underlying instrument or commodity. Such derivatives and other customised instruments also are subject to the risk of non-performance by the relevant counterparty. In addition, actual or implied daily limits on price fluctuations and speculative position limits on the exchanges or over the counter markets in which the Sub-Fund may conduct its transactions in derivative instruments may prevent prompt liquidation of positions, subjecting the Sub-Fund to the potential of greater losses. The risk of non-performance by the obligor on such an instrument may be greater and the ease with which the Sub-Fund can dispose of or enter into closing transactions with respect to such an instrument may be less than in the case of an exchange traded instrument. In addition, significant disparities may exist between "bid" and "asked" prices for derivative instruments that are traded over the counter and not on an exchange. Such over the counter derivatives are also typically not subject to the same type of investor protections or governmental regulation as exchange traded instruments.

Forward and Futures Contracts

Forward Contracts. Forward contracts, unlike futures contracts, are not traded on exchanges and are not standardised. Banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forward and "cash" trading is substantially unregulated; there is no limitation on daily price movements and speculative position limits are not applicable. The principals who deal in the forward markets are not required to continue to make markets in the currencies they trade, and these markets can experience periods of illiquidity, sometimes of significant duration. There have been periods during which certain participants in these markets have refused to quote prices for certain currencies or have quoted prices with an unusually wide spread between the price at which they were prepared to buy and that at

which they were prepared to sell. Disruptions can occur in forward markets due to unusually high trading volume, political intervention, or other factors. Market illiquidity or disruption could result in significant losses to the Sub-Fund.

Liquidity of Futures Contracts. Futures positions may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits." Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. This could prevent a Sub-Fund from promptly liquidating unfavourable positions and subject the Sub-Fund to substantial losses or prevent the Sub-Fund from entering into desired trades. In extraordinary circumstances, a futures exchange or the CFTC could suspend trading in a particular futures contract.

Failure of Futures Commission Merchants. Under the U.S. Commodity Exchange Act, futures commission merchants are required to maintain customers' assets in a segregated account. To the extent that the Sub-Fund engages in futures contract trading and the futures commission merchants with whom the Sub-Fund maintains accounts fail to so segregate the Sub-Fund's assets, the Sub-Fund will be subject to a risk of loss in the event of the bankruptcy of any of its futures commission merchants. In certain circumstances, the Sub-Fund might be able to recover, even in respect of property specifically traceable to the Sub-Fund, only a pro rata share of all property available for distribution to a bankrupt futures commission merchant's customers.

Swaps Generally

Swaps transactions, like other financial transactions, involve a variety of significant risks. The specific risks presented by a particular swap transaction necessarily depend upon the terms of the transaction and the Sub-Fund's circumstances. In general, however, all swaps transactions involve some combination of market risk, credit risk, counterparty credit risk, funding risk, liquidity risk and operational risk. Highly customised swaps transactions in particular may increase liquidity risk. Highly leveraged transactions may experience substantial gains or losses in value as a result of relatively small changes in the value or level of an underlying or related market factor. In evaluating the risks and contractual obligations associated with a particular swap transaction, it is important to consider that a swap transaction may be modified or terminated only by mutual consent of the original parties and subject to agreement on individually negotiated terms. Therefore, it may not be possible for the commodity pool operator to modify, terminate or offset the Sub-Fund's obligations or the Sub-Fund's exposure to the risks associated with a transaction prior to its scheduled termination date.

Derivatives, Swaps and Credit Linked Securities

A Sub-Fund may enter into long and short positions in all types of derivative transactions and credit linked securities, including total return swaps, rate of return swaps, credit default swaps (including index related credit default swaps), interest rate swaps and credit linked notes and deposits. Credit linked securities, including credit default swaps, are bilateral over the counter agreements between two parties that transfer a defined credit risk from one party to another.

The relevant Portfolio Managers may seek to invest some of the assets of a Sub-Fund by entering into one or more total return swaps, the returns from which are based on the performance of a portfolio of such assets selected by such Portfolio Manager (the "**Reference Assets**"). The Sub-Fund may invest in the Reference Assets through total return swaps on a leveraged basis. The terms of individual total return swaps will differ by total return swap counterparty and may change from time to time. The Sub-Fund will be required to post initial collateral in respect of each Reference Asset. Depending on the terms of a particular swap, the Sub-Fund may also be permitted or required to add (or subtract) collateral from time to time based on changes in the market value of the Reference Asset. In certain circumstances, including if the Sub-Fund does not have sufficient assets or is unable to provide the requisite amount of collateral, the total return swap counterparty may terminate the total return swap in whole or in part.

Credit Default Swaps and Total Return Swaps

General. A Sub-Fund may invest in one or more credit default swaps and total return swaps with bank or broker-dealer counterparties. Returns to the Sub-Fund under a credit default swaps or total return swap are related to the performance of the reference assets underlying such swap. Accordingly, the value of any credit default swap depends largely upon creditworthiness of the reference obligor(s) and the value of any total return swap depends largely upon changes in market value of the reference asset(s). There are certain legal, tax and market uncertainties that present risks in entering into credit default swaps or total return swaps. Besides swap regulations implemented by the Dodd-Frank Act, there is currently little or no case law or litigation characterising credit default swaps or total return swaps, interpreting their provisions or characterising their tax treatment. In addition, additional regulations and laws may apply to credit default swaps or total return swaps that have not heretofore been applied. There can be no assurance that future decisions construing similar provisions to those in any credit default swap agreement or total return swap agreement or other related documents or additional regulations and laws will not have a material adverse effect on the Sub-Fund.

Liquidity Risk. Credit default swaps and total return swaps may also expose the Sub-Fund to liquidity risk. Although the Sub-Fund will generally have the ability to terminate a credit default swap or total return swap transaction or program at any time, doing so may subject the Sub-Fund to certain early termination charges. In addition, there may not be a liquid market within which to dispose of an outstanding credit default swap or total return swap even if a permitted disposal might avoid an early termination charge. "Over-the-counter" credit default swaps and total return swaps generally are not assignable except by agreement between the parties concerned, and no party or purchaser has any obligation to permit such assignments. (See "Illiquidity and Credit Risk of Derivative Instruments" above.)

Counterparty Credit Risk. The markets in which the Sub-Fund may effect credit default swaps and total return swaps are "over-the-counter" or "interdealer" markets. Presently, the participants in such markets are not subject to extensive credit evaluation and regulatory oversight as are members of "exchange-based" markets. Accordingly, the Sub-Fund takes credit risk with regard to the swap counterparties with whom it will trade and will also bear the risk of settlement default by such swap counterparties. These risks may differ materially from those entailed in exchange-traded transactions which generally are backed by clearing organisation guarantees, daily marking-to-market and settlement and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections. This exposes the Sub-Fund to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Sub-Fund to suffer a loss. Such "counterparty risk" may be accentuated by the fact that the Sub-Fund may concentrate its transactions with a single or small group of counterparties. In addition, in the case of a default, the Sub-Fund could become subject to adverse market movements while replacement transactions are executed. The Sub-Fund is not restricted from dealing with any particular total return swap counterparty or from concentrating any or all of its transactions with one counterparty. Although certain of the total return swap counterparties may be entities that are rated by recognised rating agencies, the Sub-Fund has no formal internal credit function that evaluates the creditworthiness of its total return swap counterparties. The ability of the Sub-Fund to transact business with any one or number of counterparties, the possible lack of a meaningful and independent evaluation of such counterparties' financial capabilities, and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Sub-Fund. (See "Counterparty, Settlement and Local Intermediary Risk" above.)

Changes to Derivatives Regulation

Through its comprehensive new regulatory regime for derivatives, the Dodd-Frank Act has imposed and will impose mandatory clearing, exchange-trading and margin requirements on many derivatives transactions (including formerly unregulated over-the-counter derivatives) in which a Sub-Fund may engage. The Dodd-Frank Act also creates new categories of regulated market participants, such as "swap dealers", "security-based swap dealers", "major swap participants" and "major security-based swap participants" who are subject to significant new capital, registration, recordkeeping, reporting, disclosure, business conduct and other regulatory requirements. Based on information available as of the date of this Prospectus, one possible effect of the Dodd-Frank Act could be to increase the Sub-Fund's overall costs of entering into derivatives transactions. In particular, new margin requirements, position limits and capital charges, even if not directly applicable to the Sub-Fund, may cause an increase in the pricing of derivatives transactions sold by market participants to whom such requirements apply. Administrative costs, due to new requirements such as registration, recordkeeping, reporting and compliance, even if not directly applicable to the Sub-Fund, may also be reflected in higher pricing of derivatives. New exchange-trading and trade reporting requirements may lead to changes in the liquidity of derivative transactions, or higher pricing or reduced availability of derivatives, or the reduction of arbitrage opportunities for the Sub-Fund, that could adversely affect the performance of certain of the Sub-Fund's trading strategies.

Future Investment Techniques and Instruments

A Sub-Fund may employ other investment techniques and invest in other instruments that the Company believes will help achieve the Sub-Fund's investment objective, whether or not such investment techniques or instruments are specifically described herein. Consistent with its investment objective and the investment limitations, the Sub-Fund may invest in financial instruments of any and all types, which exist now or are hereafter created. Such investments may entail risks not described herein.

Options and Warrants

Some Sub-Funds may purchase or sell options. The successful use of options and warrants depends principally on the price movements of the underlying securities. In addition, when it purchases an option or warrant, the Sub-Fund runs the risk that it will lose its entire investment in a relatively short period of time, unless the Sub-Fund exercises the option or warrant or enters into a closing transaction with respect to the option during the life of the option or warrant. If the price of the underlying security does not rise (in the case of a call) or fall (in the case of a put) to an extent sufficient to cover the option premium and transaction costs, the Sub-Fund will lose part or all of its investment in the option. There is no assurance that the Sub-Fund will be able to effect closing transactions at any particular time or at any acceptable price. In the event of the bankruptcy of a broker through which the Sub-Fund engages in transactions in options or warrants, the Sub-Fund could experience delays or losses in liquidating open positions purchased or sold through the broker.

Leverage and Financing Risk

Leverage has the effect of potentially increasing losses and any event that adversely affects the value of an investment by a Sub-Fund would be magnified to the extent that such Sub-Fund is leveraged. The cumulative effect of the use of leverage by the Sub-Fund in a market that moves adversely to such Sub-Fund's investments could result in a loss to the Sub-Fund, which would be greater than if the Sub-Fund were not leveraged.

Uncertainty of Financial Projections

The Sub-Fund may rely upon projections developed by the Oaktree Group or a third party concerning an investment's future performance and cash flow, including when deciding that the possibility of action adversity in connection with an investment in a different part of the capital structure of the investee company is remote. Projections are inherently subject to uncertainty and factors beyond the control of Oaktree Group. In all cases, projections are only estimates of future results that are based upon assumptions made at the time that the projections are developed. Different assumptions may produce different results. The inaccuracy of certain assumptions, the failure to satisfy certain financial requirements and the occurrence of other unforeseen events could impair the ability of an investee company to realise projected values and cash flow and could trigger the need for the Sub-Fund to remain passive in the event of a restructuring. In addition, Prospective Investors should note that projected performance is not indicative of future results and there can be no assurance that the projected results or expected returns will be achieved or that the Sub-Fund will be able to effectively implement its investment objective.

In addition, the relevant Portfolio Manager may determine the suitability of investments based in part on the basis of financial projections for portfolio issuers. Events or conditions, including changes in general market conditions, which may not have been anticipated or which are otherwise not foreseeable, may occur and have a significant impact on the actual rate of return received with respect to the Sub-Fund's investments.

Existing Relationships

The Oaktree Group has long term relationships with a significant number of companies and their respective senior management. The Oaktree Group also has relationships with numerous investors, including institutional investors and their senior management. The existence and development of these relationships may influence whether or not the relevant Portfolio Manager undertakes a particular investment on behalf of a Sub-Fund and, if so, the form and level of such investment. Similarly, the relevant Portfolio Manager may take the existence and development of such relationships into consideration in its management of the Sub-Fund and its investments. Without limiting the generality of the foregoing, there may, for example, be certain strategies involving the management or realisation of particular investments that the relevant Portfolio Manager will not employ on behalf of the Sub-Fund in light of these relationships.

Execution with Broker Dealers

Conflicts of interest may exist with respect to the relevant Portfolio Manager's selection of brokers, dealers and transaction agents and counterparties (collectively "**Broker Dealers**") for the execution of transactions by a Sub-Fund. When engaging the services of Broker Dealers, the relevant Portfolio Manager may, subject to best execution, take into consideration a variety of factors, including, to the extent applicable, the ability to achieve prompt and reliable execution, competitive pricing, transaction costs, operational efficiency with which transactions are effected, access to deal flow and precedent transactions, and the financial stability and reputation of the particular Broker Dealer, as well as other factors that the relevant Portfolio Manager deems appropriate to consider under the circumstances. Broker Dealers may provide other services that are beneficial to the Company, the AIFM, the relevant Portfolio Manager and any other member of the Oaktree Group, but that are not necessarily beneficial to the Sub-Fund, including capital introductions, other marketing assistance, client and personnel referrals, consulting services, and research related services. These other services and items may influence the relevant Portfolio Manager's selection of Broker Dealers.

Institutional Risk

The institutions, including brokerage firms and banks, with which a Sub-Fund directly or indirectly will do business, or to which securities will be entrusted for custodial and prime brokerage purposes, may encounter financial difficulties, fail or otherwise become unable to meet their obligations and may become subject to legal, regulatory, reputational and other unforeseen risks that could have a material adverse effect on the activities and operations of the Sub-Fund. Prime brokers engaged by the Sub-Fund may experience financial difficulties, and the Sub-Fund might therefore be exposed to similar or other financial problems resulting from the insolvency or financial difficulties of one or more of the Sub-Fund's prime brokers.

A Sub-Fund may, from time to time, purchase, sell, or lend securities through among others a U.S. prime broker or a non-U.S. affiliate of such prime broker and have assets held at accounts of such prime broker or its non-U.S. affiliate. If the Sub-Fund's assets are held at a U.S. prime broker, in the event of the bankruptcy or insolvency of such prime broker, even if assets are segregated, the Sub-Fund is subject to the risk that it will not receive a complete return of those assets. Under SEC rules, the prime broker must segregate "fully paid" customer securities and "excess margin securities" for the benefit of customers. In addition, pursuant to the SEC reserve formula, the prime broker must place customer funds in a segregated account for the benefit of customers to assure that there will be sufficient assets to satisfy all customer claims. Nonetheless, except with respect to physical securities held in a Sub-Fund's name, the Sub-Fund will not have a right to the return of specific assets but rather will generally have a claim based on the net equity in its account. A customer's net equity claim equals the U.S. dollar value of (a) all cash held in a customer's account for the purchase of securities (including proceeds from the sale of securities) plus (b) the value of securities held in such account (determined as of the date of the bankruptcy petition filing), less any amounts owed by the customer to the broker-dealer. With respect to securities, the Sub-Fund will be entitled to its proportionate share of securities held by the prime broker on behalf of all customers. If there is a shortfall, the customers will share proportionally in the loss. With respect to cash, there will be a net calculation whereby all obligations owed to the prime broker are netted against all cash owed to customers. Securities Investor Protection Corporation ("SIPC") will guarantee the shortfall up to US\$500,000 per customer account with a maximum of US\$250,000 in cash. Many firms have additional liquidation insurance which may supplement the SIPC insurance coverage. In the event that there are still customer shortfalls after all of the insurance coverage has been exhausted, the Sub-Fund will become a general unsecured creditor of the prime broker for the remainder of its claim. In the event that the Sub-Fund's assets are used to support margin loans or are otherwise re-hypothecated pursuant to the Sub-Fund's permission, the assets will not be protected under the SEC segregation requirement, reserve formula or SIPC liquidation insurance.

Further, not all activities or transactions conducted with the prime broker are subject to these customer protection rules. If the assets are held by a non-U.S. broker-dealer custodian, the above U.S. regulations do not apply and the law in the local jurisdiction will govern the disposition of assets of the broker-dealer upon liquidation. Such proceedings may be time consuming and costly. In some cases, the Sub-Fund may become an unsecured creditor of the non-U.S. entity where the Sub-Fund's assets were held.

Transactions with Affiliates

Subject to applicable law, the Sub-Funds may participate in transactions in which a Portfolio Manager or any other member of the Oaktree Group, any of their respective members, officers, directors, employees and senior executives or any Investor is directly or indirectly interested. In connection with such transactions, the Sub-Funds, on the one hand, and the Portfolio Managers, the other members of the Oaktree Group, their respective members, officers, directors, employees and senior executives or investors, on the other hand, may have conflicting interests. The records of any such trades by a Portfolio Manager, any other member of the Oaktree Group or their respective members, officers, directors, employees and senior executives or investors will not be open to inspection by an Investor. With respect to such personal accounts, the Portfolio Managers, the other members of the Oaktree Group or their respective members, officers, directors, employees and senior executives or investors may, to the extent not otherwise prohibited under firm policy, take investment positions different from, or contrary to, those taken by the Sub-Funds.

Side-by-Side Investments and Managed Accounts

The Oaktree Group manages assets for advisory clients through managed accounts or similar arrangements employing an investment strategy investing in parallel with, or similar to, the strategies of the Sub-Funds. Such arrangements may afford those clients different terms than the Investors with respect to liquidity, fees and expenses, subscription rights and the content and frequency of reports. Advisory clients that have been granted additional access to portfolio information or enhanced transparency may be able to make investment decisions, including making additional capital contributions, making withdrawals and entering into hedging transactions designed to offset such client's exposure to investment positions taken by the managed account (which may be the same investment positions taken by a Sub-Fund), based on information and at times not generally available to other investors. Any such investment decisions made by these advisory clients on the basis of such information, including any substantial withdrawals or redemptions, could adversely affect the market value of the Sub-Funds' portfolios and therefore the value of the Shares.

Recourse to the Sub-Fund's Assets

The assets of a Sub-Fund, including any investments and any cash held by such Sub-Fund, are available to satisfy all liabilities and other obligations of such Sub-Fund. If a Sub-Fund becomes subject to a liability, parties seeking to have the liability satisfied may have recourse to such Sub-Fund's assets generally and not be limited to any particular asset.

No or Limited Availability of Insurance against Certain Catastrophic Losses

Certain losses of a catastrophic nature, such as wars, earthquakes, typhoons, terrorist attacks, political or convertibility risks or other similar events, may be either uninsurable or insurable at such high rates that to maintain such coverage would cause an adverse impact on the profitability of the Sub-Funds. In general, losses related to terrorism are becoming harder and more expensive to insure against. Some insurers are excluding terrorism coverage from their all-risk policies. In some cases, the insurers are offering significantly limited coverage against terrorist acts for additional premiums, which can greatly increase the total cost of casualty insurance for a property. As a result, all investments may not be insured against terrorism. If a major uninsured loss occurs, a Sub-Fund could lose both invested capital in and anticipated profits from the affected investments.

Material, Non-Public Information

By reason of their responsibilities in connection with the Sub-Funds and the other activities of the Other Oaktree Funds, personnel of the Oaktree Group may acquire confidential or material non-public information or be restricted from initiating transactions in certain securities. A Sub-Fund will not be free to act upon any such information. Due to these restrictions, a Sub-Fund may not be able to initiate a transaction that it otherwise might have initiated and may not be able to sell an investment that it otherwise might have sold. Notwithstanding the foregoing, the relevant Portfolio Manager may determine, in its sole discretion at any time, that such information could impair its ability to

effect certain transactions on behalf of a Sub-Fund, whether for legal, contractual, or other reasons. Accordingly, the relevant Portfolio Manager may elect not to receive such information. Lack of access to any such information may adversely affect a Sub-Fund's investments that in some cases may have been avoided had the Sub-Fund or the relevant Portfolio Manager had such information. In addition, the Oaktree Group has established "information wall" policies and procedures designed to limit the sharing of such material non-public information. However, there can be no assurance that a violation of such policies and procedures will not occur and, in the event any unlawful trading was to occur, the Sub-Funds, the Portfolio Managers and other members of the Oaktree Group could be exposed to liability under the U.S. federal securities laws and the securities laws of other foreign jurisdictions.

Third-Party Litigation; Indemnification Obligations

The Sub-Funds' investment activities subject it to the risks of becoming involved in litigation by third parties. This risk is somewhat greater where a Sub-Fund exercises control of, or significant influence in, a company's direction. The expense of defending against claims by third parties and paying any amounts pursuant to settlements or judgments would, absent certain conduct by the AIFM, the Board, the Portfolio Manager or certain others, be borne by the relevant Sub-Fund and would reduce net assets. The AIFM, the Board, the Portfolio Manager and others are entitled to be indemnified by the Sub-Fund in connection with such litigation, subject to certain conditions. Such parties will also be entitled to exculpation by the Sub-Fund, subject to certain conditions.

The Company will be required to indemnify the Administrator, the Depositary and certain related persons, as well as certain Covered Persons, on behalf of the Company for liabilities incurred in connection with the affairs of the Company. Such liabilities may be material and could have an adverse effect on the returns to the Investors. The indemnification obligation of the Company would be payable from the assets of the Company. It should be noted that the Board may cause the Company to purchase insurance for the Company, the AIFM, the Board, the Portfolio Managers, their respective employees, directors, officers, agents and representatives and certain others. The Company and the Sub-Funds may also agree to indemnify other persons in connection with the affairs of the Company and the Sub-Funds.

Control Person Liability

In certain circumstances, including if a Sub-Fund invests in a different part of the capital structure as Other Oaktree Funds, the holdings of such Sub-Fund may be aggregated with those of the Other Oaktree Funds, which collectively may be deemed to give these funds and accounts controlling interests in, or significant influence over, a portfolio company. The exercise of control of, or significant influence over, a portfolio company may impose additional risks of liability for environmental damage, failure to supervise management, violation of governmental regulations (including securities laws) or other types of liability in which the limited liability generally characteristic of business ownership may be ignored.

Deployment of Capital; Impact on Investment Returns

In light of the need to be able to deploy capital quickly to capitalise on potential investment opportunities or to establish reserves for anticipated debts, liabilities or obligations, including liquidity needs, cash may be held by the Company in money market investments pending deployment into other investments, the amount of which may at times be significant. While the duration of any such holding period is expected to be relatively short, in the event a Sub-Fund is unable to find suitable investments, such money market investments may be held for longer periods, which would be dilutive to overall investment returns. It is not anticipated that the temporary investment of such cash into money market investments will generate significant interest, and Investors should understand that such low interest payments on the temporarily invested cash may adversely affect the overall returns of a Sub-Fund.

Difficulty of Bringing Suit

Because the effectiveness of the judicial systems in some of the countries in which a Sub-Fund may invest varies, such Sub-Fund may have difficulty in foreclosing or successfully pursuing claims in the courts of such countries, as compared to other countries. Further, to the extent the Sub-Fund may obtain a judgment but is required to seek its enforcement in the courts of one of the countries in which the Sub-Fund invests, there can be no assurance that such courts will enforce such judgment. The laws of many nations often lack the sophistication and consistency found in most developed countries with respect to foreclosure, bankruptcy, corporate reorganisation and creditors' rights.

Accuracy of Public Information

Investments are selected for the Sub-Funds, in part, on the basis of information and data filed by issuers with various government regulators or made directly available to the Portfolio Managers by the issuers or through sources other than the issuers. Although the Portfolio Managers will generally evaluate all such information and data, the Portfolio Managers are not in a position to confirm the completeness, genuineness or accuracy of such information and data, and in some cases, complete and accurate information is not available. Investments may not perform as expected if information is inaccurate.

Risks Relating to Due Diligence of Investments

When conducting due diligence and making an assessment regarding an investment, a Portfolio Manager may be required to evaluate important and complex business, financial, tax, accounting and legal issues, and will rely on the resources reasonably available to it, which in some circumstances, whether or not known to the Portfolio Manager at the time, may not be sufficient, accurate, complete or reliable. Due diligence may not reveal or highlight matters that could have a material adverse effect on the value of an investment. In addition, the scope and nature of a Portfolio Manager's due diligence activities in connection with portfolio investments in certain foreign countries will be more limited than due diligence reviews conducted in more developed economies because reliable information is often unavailable or prohibitively costly to obtain. The lower standards of due diligence and financial controls in investments in certain foreign countries increase the likelihood of material losses on such investments.

Accounting Standards; Limited Availability of Information

Accounting standards in certain emerging markets countries generally do not correspond to international accounting standards. The timeliness of financial statement preparation in certain emerging markets countries may also differ from that of developed market countries. The financial information available to the Company's custodians or the companies in such countries may not reflect financial position or results of operations in the way they would be reflected if the financial statements had been prepared in accordance with U.S. GAAP or International Accounting Standards. Investors in such companies may have access to less reliable information than investors in more economically developed countries.

Confidential Information

A Sub-Fund may be entitled to receive material, non-public information regarding issuers which upon receipt may limit the ability of the Other Oaktree Funds, under applicable securities laws, to trade in the public securities of such issuers, including in such issuers' high yield bonds. It is anticipated that, to avoid such restriction, the Sub-Funds will elect, in most cases, not to receive such non-public information.

Where the Sub-Funds do receive such information from an issuer, they may seek to discontinue receiving such information when they become aware that such issuer may issue high yield bonds in the near future. As a result, the Sub-Funds, at times, may receive less information regarding an issuer than is available to the other investors in such issuer's debt instruments.

Cybersecurity Risk

As part of its business, the Oaktree Group processes, stores and transmits large amounts of electronic information, including information relating to the transactions of the Sub-Funds and personally identifiable information of the Investors. Similarly, service providers of the Oaktree Group, the Company or the Sub-Funds may process, store and transmit such information. Oaktree has procedures and systems in place that it believes are reasonably designed to protect such information and prevent data loss and security breaches. However, such measures cannot provide absolute security. The techniques used to obtain unauthorised access to data, disable or degrade service, or sabotage systems change frequently and may be difficult to detect for long periods of time. Hardware or software acquired from third parties may contain defects in design or manufacture or other problems that could unexpectedly compromise information security. Network connected services provided by third parties to the Oaktree Group may be susceptible to compromise, leading to a breach of the Oaktree Group's network. The Oaktree Group's systems or facilities may be susceptible to employee error or malfeasance, government surveillance, or other security threats. On-line services provided by the Oaktree Group to the Investors may also be susceptible to compromise. Breach of the Oaktree Group's information systems may cause information relating to the transactions of the Sub-Funds and personally identifiable information of the Investors to be lost or improperly accessed, used or disclosed.

The service providers of the Oaktree Group, the Company and the Sub-Funds are subject to the same electronic information security threats as the Oaktree Group. If a service provider fails to adopt or adhere to adequate data security policies, or in the event of a breach of its networks, information relating to the transactions of the Sub-Funds and personally identifiable information of the Investors may be lost or improperly accessed, used or disclosed.

The loss or improper access, use or disclosure of the Oaktree Group's, the Company's or the Sub-Funds' proprietary information may cause the Oaktree Group, the Company or the Sub-Funds to suffer, among other things, financial loss, the disruption of its business, liability to third parties, regulatory intervention or reputational damage. Any of the foregoing events could have a material adverse effect on the Sub-Funds and the Investors' investments therein.

Allocation of Investment Opportunities; Potential Conflicts of Interest

A Sub-Fund may employ a multi-strategy program designed to provide investors access to a generally concentrated subset of holdings across the Oaktree Group's liquid credit strategies. Accordingly, a Sub-Fund may seek to invest a substantial portion of its assets in investments in which Other Oaktree Funds participate, and, as part of its investment program, may seek to invest in opportunities that are also appropriate for an Other Oaktree Fund. Many of the investments targeted by the Sub-Fund may be appropriate for these Other Oaktree Funds but for the timing and nature of the investment, including (without limitation), the differences between the investment objective, program, strategy, tax treatment or regulatory status of the Other Oaktree Funds (as well as any related restrictions or obligations imposed on the Oaktree Group as a fiduciary thereof). As a result, in retrospect or at different points in the market cycle, investments that were made by the Sub-Fund may seem more appropriate for an Other Oaktree Fund, and vice versa. There can be no assurance in the case of overlapping investment opportunities that the return on the Sub-Fund's investment will be equivalent to or better than the returns obtained by an Other Oaktree Fund participating in such investments. Similarly, there is no guarantee that the Sub-Fund will be able to achieve its full target allocation as compared to the Other Oaktree Funds participating in the same investments, or that the particular allocations determined and administered by the Portfolio Manager will generate positive investment returns.

Management fees and liquidity provisions may differ significantly between the Sub-Fund and the Other Oaktree Funds, potentially creating an economic incentive for the Oaktree Group to allocate investments that may be appropriate for a lower fee or more liquid strategy to a higher fee or less liquid strategy. Sub-Fund Investors will have no ability to challenge allocation decisions so long as they were made in good faith in accordance with the procedures discussed in "Overlaps of the Sub-Fund with Other Oaktree Funds and Accounts and Other Conflicts of Interest" above. Such procedures give the Oaktree Group broad authority to allocate investment opportunities, notwithstanding the potential conflicts of interest that may exist.

In addition, the Sub-Fund may make investments in different parts of the capital structure of companies in which Other Oaktree Funds already hold an investment. Generally speaking, the Portfolio Manager expects that the Sub-Fund will make such investments only when, at the time of investment, the Portfolio Manager believes such investment is in the best interests of the Sub-Fund and either the possibility of actual adversity is remote, the Sub-Fund's investment is small and non-controlling or the Portfolio Manager believes that such investment is appropriate for the Sub-Fund in light of the particular circumstances, notwithstanding the potential for conflict. If any conflict were to arise, however, the Portfolio Manager will be permitted to take certain actions that, in the absence of such conflict, it would not take, such as causing the Sub-Fund to remain passive, investing in the same class of securities to align interests, divesting investments or taking other actions to reduce adversity, which may have the effect of benefiting certain Other Oaktree Funds, and not the Sub-Fund. If the Sub-Fund generally intends to invest higher in the capital structure, it is likely the Sub-Fund will remain passive in the event of a conflict, meaning that the Sub-Fund must rely on other investors holding the same types of securities or obligations to advocate on behalf of its class. The Oaktree Group will have no obligation to advise these other holders of any potential claims they may have of which the Oaktree Group may be aware or to consider their interests when advocating on behalf of the Other Oaktree Funds that hold investments in lower parts of the capital structure.

Conflicts between the Fund and Certain Real Estate Debt Funds and Accounts

As part of its real estate debt securities strategy, a Sub-Fund may invest in securities of the same issuer or securitisation as certain Real Estate Debt Funds and Accounts, either in the same class of securities or in another level of the capital structure. In the event of a foreclosure or workout, such Real Estate Debt Funds and Accounts, in furtherance of their investment strategy, may seek to actively manage the foreclosure, refinancing or other loan modification process and may seek a control position at the outset of an investment to preserve this opportunity. In addition, due to liquidity concerns and other considerations, the Sub-Fund's and such other Accounts' respective interests may diverge significantly in the case of financial distress of the underlying real estate or borrower. To manage any potential conflict of interest, the Sub-Fund may agree to be passive with respect to investments alongside the Real Estate Debt Funds and Accounts, which may impair its ability to exercise rights or take actions it otherwise may have taken with respect to its investment, and may adversely impact the returns from such investment.

By acquiring Shares in a Sub-Fund, each Sub-Fund Investor will be deemed to have acknowledged the existence of any such actual or potential conflict of interest and, to the fullest extent permitted by applicable law, to have waived any claim with respect to any liability arising from the existence of any such conflict of interest.

U.S. Commodity Exchange Act

Oaktree intends to rely on an exemption from registration under Section 4.13(a)(3) of the regulations of the U.S. Commodity Futures Trading Commission ("CFTC") with respect to the Sub-Fund "Oaktree Global Credit Fund", on the basis that, among other things, (a) the pool's trading in commodity interest positions (including both hedging and speculative positions, and positions in security futures) is limited so that either (i) no more than 5% of the liquidation value of the pool's portfolio is used as initial margin, premiums and required minimum security deposits to establish such positions, or (ii) the aggregate net notional value of the pool's trading in such positions does not exceed 100% of the pool's liquidation value and (b) interests in the pool are exempt from registration under the Securities Act and, unless Oaktree determines otherwise in its sole discretion and subject to applicable regulatory requirements, are offered and sold without marketing to the public in the United States. Therefore, notwithstanding the fact that Oaktree is registered with the CFTC as a CPO and a CTA, unlike a registered CPO, Oaktree will not be required to provide prospective investors with a CFTC compliant disclosure document, nor will Oaktree be required to provide Shareholders with periodic account statements or certified annual reports that satisfy the requirements of CFTC rules applicable to registered CPOs. Accordingly, this Prospectus has not been reviewed or approved by the CFTC and it is not anticipated that such review or approval will occur.

As an alternative to the above-mentioned exemption or another exemption from registration as a CPO, Oaktree, as a registered CPO and CTA, may avail itself of certain disclosure, reporting and record-keeping relief under CFTC Rule 4.7, or rely on another exemption.

Registration with the CFTC as a "commodity pool operator" or any change in the Sub-Fund's operations necessary to maintain the Portfolio Manager's ability to rely upon an exemption from registration as described above could adversely affect the Sub-Fund's ability to implement its investment program, conduct its operations and/or achieve its objectives and subject the Sub-Fund to certain additional costs, expenses and administrative burdens. Furthermore, any determination to cease or to limit investing in interests which may be treated as "commodity interests" in order to comply with the regulations of the CFTC may have a material adverse effect on the Sub-Fund's ability to implement its investment objective and to hedge risks associated with its operations.

Reliance on Management of Portfolio Companies

While the Portfolio Manager intends to invest in companies with proven operating management in place, there can be no assurance that such management will continue to operate successfully. Although the Portfolio Manager will monitor the performance of each investment and may make recommendations, a Sub-Fund will rely upon management to operate the portfolio companies on a day-to-day basis and equity sponsors who control the boards of directors of the portfolio companies to select qualified management for such companies. In addition, certain of the Sub-Fund's investments may be in businesses with limited operating histories.

Action of the Agent

The Sub-Funds generally will rely on an agent (the "Agent") to collect its portion of the payments on a loan. Furthermore, the Sub-Funds will rely on the Agent to use appropriate creditor remedies against the borrower. Typically, the Agent is given broad discretion in enforcing the credit agreement, and is obligated to use only the same care it would use in the management of its own property. In the event that an Agent becomes insolvent, or has a receiver, conservator or similar official appointed for it by the appropriate bank regulatory authority or becomes a debtor in a bankruptcy proceeding, assets held by the Agent under a loan agreement should remain available to lenders. If, however, assets held by the Agent for the benefit of the lenders were determined by an appropriate regulatory authority or court to be subject to the claims of the Agent's general or secured creditors, the Sub-Funds might incur certain costs and delays in realising payment on a loan or suffer a loss of principal or interest.

Bank Loans and Participations

The Sub-Funds' investment program may include investments in bank loans, participations in loans by way of syndication or otherwise and credit-linked notes ("CLNs"). These obligations are subject to unique risks, including (a) the possible invalidation of an investment as a fraudulent conveyance or preferential payment under relevant creditors' rights laws or the subordination of claims under so-called "equitable subordination" common law principles, (b) so-called lender-liability claims by the issuer of the obligations, (c) environmental liabilities that may arise with respect to collateral securing the obligations and (d) limitations on the ability of the Sub-Funds to enforce directly its rights with respect to participations and CLNs. In analysing each bank loan or participation or CLN, the Portfolio Manager compares the relative significance of the risks against the expected benefits of the investment. Successful claims by third parties arising from these and other risks, absent certain conduct by the Board, the AIFM, the Board, the Portfolio Manager, each of their respective Affiliates and certain other persons, will be borne by the relevant Sub-Fund. In addition, the settlement process for the purchase of bank loans can take significantly longer than the timeframes established by the Loan Syndications & Trading Association and comparable non-U.S. bodies. The longer a trade is outstanding between the counterparties, the greater the risk of additional operational and settlement issues and the potential for the Sub-Fund's counterparty to fail to perform.

If a Sub-Fund purchases a participation or CLN, it will not have established any direct contractual relationship with the borrower. The Sub-Fund will be required to rely on the lender or the participant that sold the participation not only for the enforcement of the Sub-Fund's rights against the borrower but also for the receipt and processing of payments due to the Sub-Fund under the participation or CLN. The Sub-Fund will thus be subject to the credit risk of both the borrower and the selling lender or participant. Because it may be necessary to assert through the selling lender or participant such rights as may exist against the borrower, in the event the borrower fails to pay principal and interest when due, such assertion of rights against the borrower may be subject to delays, expenses and risks that are greater than those that would be involved if the Sub-Fund could enforce its rights against the borrower directly.

Second-Lien Loans

A Sub-Fund may also invest in second-lien loans, which entail risks including (a) the subordination of the Sub-Fund's claims to a senior lien in terms of the coverage and recovery of the collateral and (b) the prohibition of or limitation on the right to foreclose on a second-lien or exercise other rights as a second-lien holder. In certain cases, therefore, no recovery may be available from a defaulted second-lien loan. The level of risk associated with investments in second-lien loans increase to the extent such investments are loans of distressed or below investment grade companies.

Credit and Market Risks

A Sub-Fund's investments in bank loans, securities and other debt instruments will entail normal credit risks (i.e., the risk of non-payment of interest and principal) and market risks (i.e., the risk that interest rates and other market factors will cause the value of the instrument to decline). Bank loans and other debt instruments may be subject to fluctuations due to changes in the issuer's credit quality. Because interest rates on bank loans, participations and CLNs only reset periodically and may not perfectly correlate with prevailing interest rates, during such time as the interest rate of a security is fixed, such security may be subject to the same fluctuations due to interest rate changes as fixed-

rate obligations of similar duration. Also, a default on a loan which is held by the Sub-Fund or a sudden and extreme increase in prevailing interest rates may cause a decline in the Net Asset Value of the Sub-Fund.

Similarly, there can be no assurance that an issuer of an instrument in which a Sub-Fund invests will not default, or that an event which has an immediate and significant adverse effect on the value of an instrument will not occur, and that the Sub-Fund will not sustain a loss on a transaction as a result. While fluctuations in the market value of fixed income securities after their acquisition usually do not affect cash income from such securities, such fluctuations are reflected in the Net Asset Value of the Sub-Fund. There is a possibility that the Sub-Fund may incur substantial or total losses on its investments and, in certain circumstances, subject the Sub-Fund to certain additional potential liabilities that may exceed the value of the Sub-Fund's original investment. In addition, the Sub-Fund's investments may be subject to early redemption features, refinancing options, pre-payment options, or similar provisions which, in each case, could result in the underlying borrower or issuer repaying the principal on an obligation held by the Sub-Fund earlier than expected, resulting in a lower return to the Sub-Fund than projected (even taking into consideration any make-whole or similar feature).

LIBOR Risks

Loans to be purchased by a Sub-Fund may pay interest based on LIBOR (or a local market variant thereof). As a result, a significant change in LIBOR could negatively impact the expected return on the Sub-Fund's portfolio. While the Sub-Fund may pay different prices for loans with LIBOR interest rates (excluding those with LIBOR floors), there can be no guarantee that such prices will offset changes in either current income or loan secondary market prices.

Lower Rated Loans and Debt Instruments

Because a Sub-Fund may be designed to invest in loans, debt securities or obligations that are rated in the lower rating categories by the various credit rating agencies or are not rated at all, the Portfolio Manager must take into account the special nature of such loans and securities and certain special considerations in assessing the risks associated with such investments. Loans and securities in the lower-rated and non-rated categories are subject to greater risk of loss of principal and interest than higher-rated loans and securities and are generally considered to be predominantly speculative with respect to the issuer's capacity to pay interest and repay principal. They are also generally considered to be subject to greater risk than securities with higher ratings in the case of deterioration of general economic conditions. Because investors generally perceive that there are greater risks associated with such loans and securities, the yields and prices of such loans and securities may be more volatile than those for higher-rated loans and securities. The market for lower-rated loans and securities is thinner, often less liquid, and less active than that for higher-rated loans and securities, which can adversely affect the prices at which these loans and securities can be sold and may even make it difficult or impractical to sell such securities or loans. The limited liquidity of the market may also adversely affect the ability of the Portfolio Manager to arrive at a fair value for certain lower-rated and non-rated securities at certain times.

It should be recognised that an economic downturn or increase in interest rates is likely to have a negative effect on the value of the loans and debt instruments held by the Sub-Fund as well as on the ability of the securities' issuers and borrowers of such debt, especially highly leveraged issuers and borrowers, to service principal and interest payment obligations to meet their projected business goals or to obtain additional financing. If the borrower of a loan or the issuer of a fixed-income security owned by the Sub-Fund defaults, the Sub-Fund may incur additional expenses to seek recovery and the possibility of any recovery can be subject to the expense and uncertainty of insolvency proceedings.

Leveraged Borrowers and Issuers

The borrowers of loans in which a Sub-Fund intends to invest are likely to be highly leveraged. Although the Sub-Fund's loan investments will generally be in the senior position of the capital structure, a borrower's leverage may adversely impact the Sub-Fund in a number of ways, such as creating a greater possibility of default or bankruptcy of the borrower. It is also possible that the pledging of collateral (if any) to secure the loans could be found to constitute a fraudulent conveyance or preferential transfer which would be nullified or subordinated to the rights of other creditors of the borrower under applicable law. In addition, a Sub-Fund's investments may include companies whose capital structures have significant leverage. Such investments are inherently more sensitive than others to declines in revenues and to increases in expenses and interest rates. The leveraged capital structure of such investments will increase the exposure of issuers to adverse economic factors such as downturns in the economy or deterioration in the condition of an issuer or its industry. Additionally, the securities acquired by a Sub-Fund may be the most junior in what will typically be a complex capital structure, and thus subject to the greatest risk of loss.

Subordinated, Unsecured Securities and Loans; Collateral Impairment

A Sub-Fund's investments may be expected to include securities that are deeply subordinated in what will typically be a complex capital structure. Accordingly, such securities will be subject to a greater risk of loss than securities that are more senior. The Sub-Fund's investments may also include securities that are unsecured obligations of their issuers, often in situations in which such issuer has substantial secured obligations outstanding. The presence of security interests in the assets of an issuer reduces the assets available to satisfy such issuer's unsecured obligations in the event of insolvency. As a result, unsecured obligations will be subject to a greater risk of loss than securities that benefit from a security interest in the assets of an issuer.

In the event of a default by a borrower, the Sub-Fund might not receive payments to which it is entitled and thereby could experience a decline in the value of its investments in the borrower. If the Sub-Fund invests in debt that is not secured by collateral, in the event of such default, the Sub-Fund will have only an unsecured claim against the borrower. In the case of second-lien loans that are secured by collateral, while the Portfolio Manager generally expects the value of the collateral to be greater than the value of such secured second-lien loans, the value of the collateral may actually be equal to or less than the value of such second-lien loans or may decline below the outstanding amount of such second-lien loans subsequent to the Sub-Fund's investment. The ability of the Sub-Fund to have access to the collateral may be limited by bankruptcy and other insolvency laws. Under certain circumstances, the collateral may be released with the consent of the lenders or pursuant to the terms of the underlying loan agreement with the borrower. There is no assurance that the liquidation of the collateral securing a loan would satisfy the borrower's obligation in the event of non-payment of scheduled interest or principal, or that the collateral could be readily liquidated. As a result, the Sub-Fund might not receive full payment on a secured loan investment to which it is entitled and thereby may experience a decline in the value of, or a loss on, the investment.

Illiquidity of Investments

A Sub-Fund may have the flexibility to invest in loans, securities and other assets and obligations, including unregistered securities, that are thinly traded, for which no market exists, and/or that are restricted as to their transferability under contract, applicable securities laws and/or documents governing particular transactions of the Sub-Fund. Some securities or instruments that were liquid at the time they were acquired may, for a variety of reasons which may not be in the Sub-Fund's control, later become illiquid. This factor may have the effect of limiting the availability of such securities and other assets for purchase by the Sub-Fund and may also limit the ability of the Sub-Fund to sell such

securities and other assets at their fair market value prior to dissolution of the Sub-Fund or in response to changes in the economy or the financial markets. Due to securities regulations governing certain publicly-traded equity securities, the Sub-Fund's ability to sell securities could also be diminished with respect to equity holdings that represent a significant portion of the issuer's securities (particularly if the Sub-Fund has designated one or more directors of the issuer). The potential illiquid nature of the portfolio could further undermine the Sub-Fund's ability to meet redemption requests if a substantial number of requests are made simultaneously from several investors.

Longer Settlement for the Purchase of Bank Loans

When compared to the purchase of high-yield bonds, which typically settles within three business days after the initial trade date, the settlement process for the purchase of bank loans can take several days and, in certain instances, several weeks longer than a bond trade. The longer a trade is outstanding between the counterparties, the risk of additional operational and settlement issues and the potential for as Sub-Fund's counterparty to fail to perform may increase.

Highly Volatile Markets

The prices of a Sub-Fund's investments can be highly volatile. 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 of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations. A Sub-Fund is also subject to the risk of the failure of any exchanges on which its positions trade or of their clearinghouses. In addition, because of the nature of a Sub-Fund's trading activities, the results of the Sub-Fund's operations may fluctuate on a daily basis. Accordingly, Sub-Fund Investors should understand that the results of a particular period will not necessarily be indicative of results in future periods. Variance in the degree of volatility of the market from the Sub-Fund's expectations may produce significant losses to the Sub-Fund.

High Portfolio Turnover

The different strategies used by a Sub-Fund may, from time to time, require frequent trading and a high portfolio turnover. The more frequently the Sub-Fund trades, the higher the commission and transaction costs and certain other expenses involved in the Sub-Fund's operations. These costs will be borne by the Sub-Fund regardless of the profitability of the Sub-Fund's investment and trading activities. In addition, a high portfolio turnover may increase the recognition of short-term, rather than long-term, capital gains.

Counterparty, Settlement and Local Intermediary Risk

From time to time, certain securities markets have experienced operational clearance and settlement problems that have resulted in failed trades. These problems could cause a Sub-Fund to miss attractive investment opportunities or result in a Sub-Fund's liability to third parties by virtue of an inability to perform the Sub-Fund's contractual obligation to deliver securities.

Because certain purchases, sales, securities lending, derivatives and other transactions in which a Sub-Fund will engage involve instruments that are not traded on an exchange, but are instead traded between counterparties based on contractual relationships, a Sub-Fund is subject to the risk that a counterparty will not perform its obligations under the related contracts, as well as risks of transfer, clearance or settlement default. There can be no assurance that a counterparty will not default and that the Sub-Fund will not sustain a loss on a transaction as a result. While the Sub-Fund's potential counterparty credit exposure with respect to its over-the-counter ("OTC") derivatives will be greatly mitigated if it collects margin from its counterparty, such default risk may still cause the Sub-Fund to sustain losses on such transactions. The Sub-Fund often may not be able to collect margin from its counterparty with respect to OTC derivatives and certain other transactions. Such risks may differ materially from those entailed in exchange traded transactions that generally are backed by clearing organisation guarantees, daily marking to market and settlement of positions and segregation and minimum capital requirements applicable to intermediaries. There can be no assurance that the Portfolio Manager's monitoring activities will be sufficient to adequately control counterparty risk.

In situations where the Sub-Fund places assets in the care of a custodian or is required to post margin or other collateral with a counterparty, the custodian or counterparty may fail to segregate such assets or collateral, as applicable, or may commingle the assets or collateral with the relevant custodian's or counterparty's own assets or collateral, as applicable (even where the custodian or counterparty is required to segregate such assets or collateral under relevant regulatory requirements). As a result, in the event of the bankruptcy or insolvency of any custodian or counterparty, the Sub-Fund's excess assets and collateral may be subject to the conflicting claims of the creditors of the relevant custodian or counterparty, and the Sub-Fund may be exposed to the risk of a court treating the Sub-Fund as a general unsecured creditor of such custodian or counterparty, rather than as the owner of such assets or collateral, as the case may be.

Transactions entered into by a Sub-Fund may be executed on various U.S. and non-U.S. exchanges, and may be cleared and settled through various clearinghouses, custodians, depositories and prime brokers throughout the world. Although the Sub-Fund will attempt to execute, clear and settle the transactions through entities the Portfolio Manager believes to be sound, there can be no assurance that a failure by any such entity will not lead to a loss to the Sub-Fund.

Certain of a Sub-Fund's transactions may be undertaken through local brokers, banks or other organisations in the countries in which the Sub-Fund makes investments, and the Sub-Fund will be subject to the risk of default, insolvency or fraud of such organisations. The collection, transfer and deposit of bearer securities and cash expose the Sub-Fund to a variety of risks, including theft, loss and destruction. Finally, the Sub-Fund will be dependent upon the general soundness of the banking systems of countries in which investments will be made.

Non U.S. Investments

Certain non-U.S. investments involve additional risks and special considerations not typically associated with investing in more established economies or markets. Such risks include (a) the risk of nationalisation or expropriation of assets or confiscatory taxation, (b) social, economic and political uncertainty, including corruption, war, and revolution, (c) dependence on exports and the corresponding importance of international trade, (d) price fluctuations, market volatility, less liquidity and smaller capitalisation of securities markets, (e) currency exchange rate fluctuations, (f) high and potentially uncontrolled inflation rates, (g) controls on, and changes in controls on, foreign investment and limitations on repatriation of invested capital and on the Sub-Fund's ability to exchange local currencies for U.S. dollars, (h) governmental involvement in, and control over, the economy, (i) governmental decisions to discontinue support of economic reform programs generally and to impose central economic planning, (j) differences in auditing and financial reporting standards which may result in the unavailability of material information about issuers, (k) less extensive regulation of the securities markets, (l) longer settlement periods for securities transactions, (m) less developed corporate laws regarding fiduciary duties and the protection of investors, (n) less reliable judicial systems to enforce contracts and applicable law, (o) certain considerations regarding the maintenance of the Sub-Fund's portfolio securities and cash with non-U.S. banks, custodians, sub-custodians and securities depositories, (p) restrictions and prohibitions on ownership of property by foreign entities and changes in laws relating thereto, (q) the possible imposition of non-U.S. taxes on income and gains recognised with respect to such non-U.S. investments, (r) the application of non-U.S. tax laws (e.g., the imposition of withholding taxes on dividend, interest or other payments) or confiscatory taxation may affect investment in non-U.S. securities, (s) higher expenses may

result from investment in non-U.S. securities than would from investment in U.S. securities because of the costs that must be incurred in connection with conversions between various currencies and foreign brokerage commissions that may be higher than the United States, (t) exposure to fluctuations in interest rates payable with respect to the instruments in which the Sub-Fund invests, (u) political hostility to investments by foreign or private fund investors, (v) less publicly available information and (w) terrorism. A Sub-Fund may be adversely affected by the foregoing events, or by future adverse developments in global or regional economic conditions or in the financial or credit markets.

In emerging markets, in particular, there is often less government supervision and regulation of business and industry practices, banks, stock exchanges, over-the-counter markets, brokers, dealers, counterparties and issuers than in more established markets. Any regulatory supervision which is in place may be subject to manipulation or control. Some emerging markets countries do not have legal systems comparable in scope, objective and effectiveness to those of more developed countries. Moreover, the process of legal and regulatory reform may not be proceeding at the same pace as market developments, which could result in investment risk. Legislation to safeguard the rights of private ownership may not yet be in place in certain countries, and there may be the risk of conflict among local, regional and national requirements. In certain cases, the laws and regulations governing investments in securities may not exist or may be subject to inconsistent or arbitrary application or interpretation. Both the independence of judicial systems and their immunity from economic, political or nationalistic influences remain largely untested in many countries. The Portfolio Manager may also encounter difficulties in pursuing legal remedies on behalf of a Sub-Fund or in obtaining and enforcing judgments in courts outside the United States.

Political and Social Instability

Certain emerging markets countries have experienced a political and social transformation from authoritarian states, including military rule, to more democratic political systems with market-based economies. Some emerging markets countries have made this transition as recently as in the past three decades. Because of the scale of the political and economic change, these countries are often more susceptible to unrest arising from economic hardship, uneven distribution of wealth, discontent with privatisation, social and ethnic instability, reform of the social welfare system and public subsidies and the lack of an effective social safety net. Political and macroeconomic crises, prevalent from time to time in emerging markets countries, could adversely affect the return on a Sub-Fund's investments.

Corruption, Security and Economic Sanctions

Crime and corruption continue to be prevalent in emerging markets countries in which a Sub-Fund may invest. While the Portfolio Manager will use reasonable efforts to avoid knowingly participating in inappropriate transactions with government officials or other individuals or organisations, the businesses in which a Sub-Fund may invest may face risks that include extortion, fraud and other criminal or corrupt activities. Threats or incidents of crime, security threats and corruption may force the Portfolio Manager to cease or alter certain activities or to liquidate investments, which may cause losses or have other negative impacts on a Sub-Fund or its investments.

In addition, the governments of the United States, Luxembourg and other developed countries may impose trade embargos or other restrictions on commercial or financial transactions with particular emerging markets countries that adversely affect the value of investments held by a Sub-Fund. Such restrictions may, for example, affect the business of an issuer headquartered, domiciled or holding significant assets in a country targeted by sanctions or an issuer whose suppliers or customers are located in a sanctioned country. The Sub-Funds may also be prevented from making new or additional investments, realising existing investments or conducting business with financial institutions in a sanctioned country.

Restrictions on Foreign Investments and Repatriation of Capital and Profits

Foreign investment in the securities of issuers in certain emerging markets may be restricted or controlled to varying degrees. These restrictions or controls may at times limit or preclude foreign investment in issuers in certain emerging markets and increase the costs and expenses of the Sub-Fund's investment activities. For example, certain countries restrict investment opportunities deemed important to national interests. In addition, the governments of certain countries in which a Sub-Fund may invest have in the past controlled, and may control to varying degrees in the future, the repatriation of capital and profits that result from foreign investment.

If there is a deterioration in a country's balance of payments or for other reasons, a country may impose temporary restrictions on, or altogether change its restrictions on, capital remittances abroad. In response to sovereign debt or currency crises, for example, certain governments have enacted legislation that imposes restrictions on the inflow and outflow of foreign currency into and from the country. These restrictions may adversely affect the ability of the Portfolio Manager to source investments or the ability of a Sub-Fund to repatriate investment proceeds. Even where capital controls do not prohibit remittances abroad, the repatriation of proceeds from investment dispositions may require the procurement of a substantial number of regulatory consents, certificates and approvals, including licenses for a Sub-Fund and clearance certificates from tax or monetary authorities. Obtaining such approvals or licenses may be difficult, expensive and time-consuming and may depend on political or other factors outside the Portfolio Manager's control. There can be no assurance that a Sub-Fund will be permitted to repatriate capital or profits, if any, from emerging markets jurisdictions in which it invests.

Inflation

Certain emerging markets countries have experienced substantial, and in some periods extremely high, rates of inflation for many years. Inflation and rapid fluctuations in inflation rates have had and may continue to have very negative effects on the economies and securities markets (both public and private) of certain countries in which a Sub-Fund may invest. High rates of inflation in such countries may have a material adverse effect on a Sub-Fund's investments.

Difficulty of Bringing Suit or Foreclosure in Emerging Markets Countries

Because the effectiveness of the judicial systems in the countries in which a Sub-Fund may invest varies, a Sub-Fund (or any portfolio company) may have difficulty in foreclosing or successfully pursuing claims in the courts of such countries, as compared to the United States, Luxembourg or other countries. Further, to the extent the Sub-Fund or a portfolio company may obtain a judgment but is required to seek its enforcement in the courts of one of these countries in which the Sub-Fund invests, there can be no assurance that such courts will enforce such judgment. The laws of certain countries may lack the development and consistency found in the United States and Luxembourg with respect to foreclosure, bankruptcy, corporate reorganisation or creditors' rights.

Investments in Sovereign Debt

A Sub-Fund may invest in the debt instruments and securities of sovereign and quasi-sovereign issuers, including debt issued by national, regional or local governments and other agencies. In addition to the general risks of non-U.S. investments described above, the specific risks of investing in sovereign debt include (a) the availability of sufficient foreign exchange on the date a payment is due (where such debt is denominated in a currency other than the government debtor's own currency), (b) the relative size of the issuer's debt service burden to its economy as a whole and (c) the government debtor's policy towards the International Monetary Fund (or similar bodies) and the political constraints to which a government debtor may be subject. The governmental authority that controls the repayment of sovereign debt may be

unwilling or unable to repay the principal and/or interest when due in accordance with the terms of such securities due to the extent of its foreign reserves. If an issuer of sovereign debt defaults on payments of principal and/or interest, the Company may have limited legal recourse against the issuer and/or guarantor. In certain cases, remedies must be pursued in the courts of the defaulting party itself, limiting the Company's ability to obtain recourse. Even where a judgment is obtained in a U.S. court against a sovereign issuer, enforcement of such judgment to obtain payment may be difficult or impracticable.

Equity Securities

A Sub-Fund's investments may include equity securities. Such equity investments will be subordinated to the senior obligations of an issuer and such subordinated investments may be characterised by greater credit risks than those associated with the senior obligations of the same issuer.

When-Issued; When, As, and If Issued; and Delayed Delivery Securities and Forward Commitments

Securities purchased or sold by a Sub-Fund on a when-issued, "when, as, and if issued", delayed delivery or forward commitment basis are subject to market fluctuation, and no interest or dividends accrue to the purchaser prior to the settlement date. At the time of delivery of the securities, the value may be more or less than the purchase or sale price. In the case of "when, as, and if issued" securities, the Sub-Fund could lose an investment opportunity if the securities are not issued. An increase in the percentage of the Sub-Fund's assets committed to the purchase of securities on a when-issued, "when, as, and if issued", delayed delivery or forward commitment basis may increase the volatility of the Sub-Fund's assets.

Repurchase Agreements

Repurchase Agreement risks are related primarily to the ability of the selling financial institutions to repurchase the underlying securities and the fluctuation in the market value of these securities. If a Sub-Fund were to enter into Repurchase Agreements, it will normally have terms of seven days or less, some Repurchase Agreements could have longer terms. In the event of a default or bankruptcy by a selling financial institution under a Repurchase Agreement, the Sub-Fund will seek to sell the underlying security serving as collateral. However, this could involve certain costs or delays, and, to the extent that proceeds from any sale were less than the repurchase price, the Sub-Fund could suffer a loss.

Securities Financing Transactions

Currently the Company does not intend to make use of the securities financing transactions ("SFTs") covered by Regulation (EU) 2015/2365 of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012. Whenever this situation changes and a Sub-Fund will intend to use SFTs, this Prospectus as well as its Appendices will be updated accordingly.

Investments in Real Estate Generally

A Sub-Fund may invest a portion of its assets in public and/or private debt investments and other real estate assets or real estate-related securities and obligations.

The value of these debt investments and whether and to what extent such investments perform as expected will depend, in part, on the prevailing conditions in the market for real estate investment generally and, in particular, on the value of the underlying real estate asset collateral or real estate-related companies to which such debt investments relate. The real estate industry is cyclical in nature, and a deterioration of real estate fundamentals in the markets in which the Sub-Fund invests will have an adverse effect on the performance of the Sub-Fund's investments. The value of real estate assets and real estate-related investments can fluctuate for various reasons. Real estate values can be seriously affected by interest rate fluctuations, changes in general and local economic conditions, bank liquidity, the availability of financing, changes in environmental and zoning laws, overbuilding and increased competition, changes in supply and demand fundamentals, an increase in property taxes, casualty or condemnation losses, bankruptcy or financial difficulty of a major tenant, regulatory limitations on rent, increased mortgage defaults, and the availability of mortgage funds which may render the sale or refinancing of properties difficult or impracticable. Reductions in value or cash flow could impair the Company's ability to make distributions to the Sub-Fund Investors, adversely impact its ability to effectively achieve its investment objective and reduce overall returns on investments.

Mortgage-Backed (or Mortgage-Related) Instruments

To the extent a Sub-Fund invests in mortgage-backed (or mortgage-related) securities or other instruments, its exposure to certain legal and structural risks may be greater than with investments in other fixed income instruments. For example, the rate of interest payable on mortgage-backed securities may be set or effectively capped at the weighted average net coupon of the underlying assets themselves. As a result of this cap, the return to investors in such a security would be dependent on the relative timing and rate of delinquencies and prepayments of mortgage loans bearing a higher rate of interest. In addition, rising interest rates tend to extend the duration of certain mortgage-backed instruments, making them more sensitive to changes in interest rates.

Privately issued asset-backed and mortgage-backed instruments are typically not traded on an exchange and may have a limited market. Without an active trading market, these instruments may be particularly difficult to value given the complexities in valuing the underlying collateral. Unlike many mortgage-backed instruments issued or guaranteed by the U.S. government, its agencies and instrumentalities, or a government-sponsored enterprise, asset-backed and mortgage-backed instruments issued by private issuers do not have a government or government-sponsored enterprise guarantee and may, and frequently do, have less favourable collateral, credit risk or other characteristics.

Commercial Mortgage-Backed Securities

A Sub-Fund may invest in pools or tranches of commercial mortgage backed securities ("CMBS" or "CMBS Interests"). The collateral underlying CMBS generally consists of commercial mortgages or real property that have a multi-family or commercial use, such as retail space, office buildings, warehouse property and hotels. CMBS are issued with varying structures, including senior and subordinated classes. The commercial mortgages underlying CMBS generally have shorter maturities than residential mortgages, allow a substantial portion of the loan balance to be paid at maturity, and are usually non-recourse against the commercial borrower.

A Sub-Fund may be limited in its ability to purchase CMBS Interests in the event that the assets of the Sub-Fund are deemed to constitute "plan assets" of any plan subject to Title I of ERISA or section 4975 of the Code. Because investments in CMBS pools or tranches are likely to be considered equity under ERISA, the CMBS may restrict ownership by investors subject to ERISA. Even if investment in CMBS Interests is not restricted, where the underlying assets of the CMBS are deemed to be plan assets, impermissible delegation may occur under ERISA.

Unlike residential mortgage loans, most commercial mortgage loans are not significantly amortised over the loans' terms. Instead, with most commercial mortgage loans the bulk of the loan balance is payable at maturity with a onetime payment, commonly known as a "balloon

payment". Full satisfaction of the balloon payment by a commercial borrower is heavily dependent on the availability of subsequent financing, which can be negatively impacted by a difficult credit environment. Usually, a commercial borrower will seek out another loan to satisfy the balloon payment on a commercial mortgage loan. Therefore, full satisfaction of a commercial mortgage loan will be affected by a commercial borrower's access to credit. In certain situations, including during periods of credit distress, the unavailability of real estate financing may lead to default by a commercial borrower.

Commercial mortgage loans are usually non-recourse in nature. Therefore, if a commercial borrower defaults on the commercial mortgage loan underlying CMBS, the options for financial recovery are limited in nature. To the extent the underlying default rates with respect to the loans comprising a pool or tranche of CMBS in which a Sub-Fund invests increase, the performance of the Sub-Fund investments related thereto may be adversely affected. Default rates and losses on commercial mortgage loans underlying the CMBS will be affected by a number of factors, including global, regional and local economic conditions in the area where the mortgage properties are located, the borrower's equity in the mortgage property and the financial circumstances of the borrower. A decline in specific commercial real estate markets and property valuations may result in higher delinquencies and defaults. In the event of default, the lender will have no right to assets beyond collateral attached to the commercial mortgage loan. In certain instances, a negotiated settlement or an amendment to the terms of the commercial mortgage loan are the only options before an ultimate foreclosure on the commercial property. Foreclosure is costly and often protracted by litigation and bankruptcy restrictions. The ultimate disposition of a foreclosed property may also yield a price insufficient to cover the cost of the foreclosure process and the balance attached to the defaulted commercial mortgage loan. It may be difficult for lenders to dispose of foreclosed commercial real estate without incurring substantial investment losses, ultimately leading to a decline in the value of CMBS. There can be no guarantee that a Sub-Fund's investments in CMBS will not be adversely affected by such risks.

Residential Mortgage-Backed Securities

A Sub-Fund may invest from time to time in financing opportunities relating to certain residential real estate assets or portfolios thereof, including residential mortgage-backed securities ("**RMBS**"). In such circumstances, the performance of such investments may become increasingly susceptible to adverse changes in prevailing economic and employment conditions in the United States and the other jurisdictions where such properties are located. Any downturn in the U.S. or global economies may adversely affect the financial condition of residential owners and tenants, making it more difficult for them to meet their periodic repayment obligations relating to certain residential real estate properties, which could adversely impact a Sub-Fund's investments. In addition, there can be no assurance that the Sub-Fund will be able to effectively partner with suitable operating partners and third parties in connection with its residential real estate-related investment activities, which may impact the Sub-Fund's ability to effectively identify and consummate such investments.

Investments in Real Estate Loans; Foreclosure Proceedings

While a Sub-Fund may seek to invest primarily in "performing" real estate debt securities, real estate loans underlying the securities acquired by the Sub-Fund may be non performing at the time of their acquisition and/or may become non performing following their acquisition for a wide variety of reasons. Such non-performing real estate loans may require a substantial amount of workout negotiations and/or restructuring, which may entail, among other things, a substantial reduction in the interest rate and a substantial write-down of the principal of such loan. However, even if a restructuring were successfully accomplished, a risk exists that, upon maturity of such real estate loan, replacement "takeout" financing will not be available. Purchases of participations in real estate loans raise many of the same risks as investments in real estate loans and also carry risks of illiquidity and lack of control. Although unlikely, it is possible that the Portfolio Manager and its affiliates may find it necessary or desirable to foreclose on collateral securing one or more real estate loans purchased by the Sub-Fund and the trustee of debt securities held by the Sub-Fund may similarly take action to foreclose on collateral securing one or more real estate loans underlying such debt securities. The foreclosure process varies jurisdiction by jurisdiction and can be lengthy and expensive. Borrowers often resist foreclosure actions, which often prolongs and complicates an already difficult and time consuming process. In some states or other jurisdictions, foreclosure actions can take up to several years or more to conclude. During the foreclosure proceedings, a borrower may have the ability to file for bankruptcy, potentially staying the foreclosure action and further delaying the foreclosure process. Foreclosure litigation tends to create a negative public image of the collateral property and may result in disrupting on-going leasing and management of the property.

Prepayment of Obligations

Early repayment of loans acquired by a Sub-Fund may adversely affect the value of the Sub-Fund's investment portfolio. A Sub-Fund may purchase loans where the underlying borrowers are not subject to any prepayment penalties, even if a borrower determines to prepay the obligation early during the term of the loan. Similarly, a Sub-Fund may invest in loans and other assets secured or, in the case of certain assets (including mezzanine loans and preferred equity), supported by transitional real estate assets, where significant improvement in the performance of such assets may result in prepayments as other, less expensive or restrictive financing alternatives become available to the borrower. In either case, prepayment rates cannot be predicted with certainty, and no strategy can completely insulate the Sub-Fund from increases in such rates. Furthermore, a Sub-Fund may acquire debt at a discount or premium, and the Sub-Fund's anticipated yield on such assets would be impacted if such debt is prepaid more quickly than anticipated. Under certain prepayment scenarios, the Sub-Fund may fail to recoup fully the cost of its investment. While the Sub-Fund may be entitled to fees upon prepayment, such fees may not adequately compensate the Sub-Fund as the functional equivalent of a "make whole" payment, and, in certain cases, the Sub-Fund may not be entitled to prepayment fees at all.

Other Structured Products

Collateralised Loan Obligations and Other Securitisations

A Sub-Fund may invest in CLOs and other securitisations, which are generally limited recourse obligations of the issuer ("**Securitisation Vehicles**") payable solely from the underlying assets ("**Securitisation Assets**") of the issuer or proceeds thereof. Holders of equity or other securities issued by Securitisation Vehicles must rely solely on distributions on the Securitisation Assets or proceeds thereof for payment in respect thereof. Consequently, the Sub-Fund will typically not have any direct rights against the issuer of, or the entity that sold, assets underlying the securitisation. The Securitisation Assets may include, without limitation, broadly-syndicated leverage loans, middle-market bank loans, CDO debt tranches, trust preferred securities, insurance surplus notes, asset-backed securities, mortgages, REITs, high-yield bonds, mezzanine debt, second-lien leverage loans, credit default swaps and emerging market debt and corporate bonds, which are subject to liquidity, market value, credit, interest rate, reinvestment and certain other risks.

Underlying Default Risks

To the extent underlying default rates with respect to the Securitisation Assets occur or otherwise increase, the performance of the Sub-Fund's investments will be adversely affected. The rate of defaults and losses on debt instruments will be affected by a number of factors, including global, regional and local economic conditions in the area where the borrower operates, the financial circumstances of the

borrower as well as general market conditions. A decline in global markets (or any particular sub-market thereof) may result in higher delinquencies and/or defaults as borrowers may not be able to repay or refinance their outstanding debt obligations when due for a variety of reasons, which may adversely affect the performance of the Sub-Fund's investments.

In addition, such investments may be subject to the risk of bankruptcy of the issuer of such assets or a claim that the pledging of collateral to secure any such asset constituted a fraudulent conveyance or preferential transfer that can be subordinated to the rights of other creditors of the issuer of such asset or nullified under applicable law.

Failure to Satisfy Certain Tests

The failure by a Securitisation Vehicle to satisfy financial covenants, including with respect to adequate collateralisation and/or interest coverage tests, could lead to a reduction in its payments to the Sub-Fund. In the event that a Securitisation Vehicle fails certain tests, holders of senior debt tranches may be entitled to additional payments that would, in turn, reduce the payments the Sub-Fund would otherwise be entitled to receive. Separately, the Sub-Fund may incur expenses to the extent necessary to seek recovery upon default or to negotiate new terms, which may include the waiver of certain financial covenants, with a defaulting Securitisation Vehicle. If any of these occur, it could materially and adversely affect the return on the Sub-Fund's investments.

Leveraged Credit Risk

The Sub-Fund's investments in securitisations may also be subject to leverage risks. The leveraged nature of CLOs, in particular, magnifies the adverse impact of loan defaults. Because CLO investments represent a leveraged investment with respect to the underlying loans, changes in the market value of CLO investments could be greater than the change in the market value of the underlying loans, which are subject to credit, liquidity and interest rate risks.

Liquidity Risk

Certain debt tranches of Securitisation Vehicles may be thinly traded or have a limited trading market and may have the effect of decreasing the Sub-Fund's liquidity to the extent that the Sub-Fund, at a particular point in time, may be unable to find qualified buyers for, and may have difficulty valuing, these securities.

Prepayments and Re-Investment Risk

The Sub-Fund's investments in securitisations and the Securitisation Assets that collateralise them may prepay more quickly than expected and have an impact on the value of the Sub-Fund's investments. Early prepayments give rise to increased re-investment risk, as the Sub-Fund or a CLO collateral manager might realise excess cash from prepayments earlier than expected. If the Sub-Fund or a CLO collateral manager is unable to reinvest such cash in a new investment with an expected rate of return at least equal to that of the investment repaid, this may reduce net income and the fair value of that asset.

Reliance on Collateral Managers

With the exception of investments in Oaktree CLOs (if any), Securitisation Assets (including non-Oaktree managed CLOs) are typically actively managed by a third-party investment manager, and, as a result, the Securitisation Assets will be traded, subject to rating agency and other constraints, by such investment manager. With respect to CLOs, a Sub-Fund is expected to rely on CLO collateral managers to administer and review the portfolios of collateral they manage. The actions of the CLO collateral managers may significantly affect the performance of a Sub-Fund's investments. The ability of each CLO collateral manager to identify and report on issues affecting its securitisation portfolio on a timely basis could also affect the returns to a Sub-Fund, as the Sub-Fund may not be provided with information on a timely basis in order to take appropriate measures to manage its risks. A Sub-Fund is also expected to rely on CLO collateral managers to act in the best interests of the CLO it manages. If any CLO collateral manager were to act in a manner that was not in the best interests of the CLOs (i.e., gross negligence, with reckless disregard or in bad faith), this could adversely impact the overall performance of the Sub-Fund's investments.

For securitisations with corporate loans, the collateral manager's role in reinvestment of principal amortisation in performing credits and with respect to loans that default, as well as its ability to actively manage the portfolio through trading, will have a significant impact on the value of the underlying collateral and the performance of its securitisation. If the collateral manager reinvests proceeds into loans which then default, does not sell loans before such loans default close to the original purchase price or does not effectively contribute to a restructuring process to maximise value of the loan the securitisation owns, the collateral manager could materially and adversely impact the Sub-Fund's investments.

Failure of Servicers to Effectively Service Loans

The failure of servicers to effectively service the loans underlying certain of a Sub-Fund's investments would materially and adversely affect the Sub-Fund. Most securitisations of loans require a servicer to manage collections on each of the underlying loans. Both default frequency and default severity of loans may depend upon the quality of the servicer. If servicers are not vigilant in encouraging borrowers to make their monthly payments, the borrowers may be far less likely to make these payments, which could result in a higher frequency of default. If servicers take longer to liquidate non-performing assets, loss severities may tend to be higher than originally anticipated. The failure of servicers to effectively service the receivables underlying such assets could negatively impact the value of a Sub-Fund's investments and its performance.

Servicer quality is of prime importance in the default performance of certain personal loans. Servicers may go out of business, which would require a transfer of servicing to another servicer. Such transfers take time and loans may become delinquent because of confusion or lack of attention. Servicers may be required to advance interest on delinquent loans to the extent the servicer deems those advances recoverable. In the event the servicer does not advance, interest may be interrupted even on more senior securities. Servicers may also advance more than is in fact recoverable once a defaulted loan is disposed, causing losses to be greater than the outstanding principal balance of that loan.

Rating Agencies

Ratings assigned by Moody's and/or S&P to loans or securities acquired by a Sub-Fund reflect only the views of those agencies. Explanations of the significance of ratings should be obtained from Moody's and S&P. No assurance can be given that ratings assigned will not be withdrawn or revised downward if, in the view of Moody's or S&P, circumstances so warrant.

Borrower/Issuer Representations

A concern in investments in loans and debt securities is the possibility of material misrepresentation or omission on the part of the borrower or issuer. Such inaccuracy or incompleteness may adversely affect the valuation of the collateral underlying such loans or securities or may adversely affect the ability of a Sub-Fund to perfect or effectuate a lien on the collateral securing the loan. A Sub-Fund will rely upon the

accuracy and completeness of representations made by borrowers, issuers and their agents to the extent reasonable when it makes its investments, but cannot guarantee such accuracy or completeness.

Obligation of Good Faith to the Borrower

In recent years, a number of judicial decisions in the United States have upheld the right of borrowers to sue lending institutions on the basis of various evolving legal theories (collectively termed "lender liability"). Generally, lender liability is founded upon the premise that an institutional lender has violated a duty (whether implied or contractual) of good faith and fair dealing owed to the borrower or has assumed a degree of control over the borrower resulting in the creation of a fiduciary duty owed to the borrower or its other creditors. The Company may be subject to potential allegations of lender liability. In addition, courts have in some cases applied the doctrine of equitable subordination to subordinate the claim of a lending institution against a borrower to claims of other creditors of the borrower when the lending institution is found to have engaged in unfair, inequitable or fraudulent conduct. Such claims may be brought even if a Sub-Fund acquired the loan on a secondary basis.

INFORMATION FOR INVESTORS IN SWITZERLAND

1) Qualified investors

The fund may only be offered in Switzerland to qualified investors within the meaning of Article 10 paragraphs 3 and 3ter CISA.

2) Representative in Switzerland

The representative is ACOLIN Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zurich.

3) Paying agent in Switzerland

The paying agent is NPB Neue Privat Bank AG, Limmatquai 1/am Bellevue, P.o. Box, CH-8024 Zurich.

4) Location where the relevant documents may be obtained

The basic documents of the fund as well as the annual and, if applicable, semi-annual report may be obtained free of charge from the representative.

5) Payment of retrocessions and rebates

The fund company and its agents may pay retrocessions as remuneration for offering activities in respect of fund units in or from Switzerland. This remuneration may be deemed payment for the following services in particular:

Any offering of the fund within the meaning of Article 3 letter g FinSA and Article 3 paragraph 5 FinSO.

Retrocessions are not deemed to be rebates even if they are ultimately passed on, in full or in part, to the investors.

The recipients of the retrocessions must ensure transparent disclosure and inform investors, unsolicited and free of charge, about the amount of remuneration they may receive for offering.

On request, the recipients of retrocessions must disclose the amounts they actually receive for offering the collective investment schemes of the investors concerned.

In respect of offering in or from Switzerland, the fund company and its agents do not pay any rebates to reduce the fees or costs incurred by the investor and charged to the fund.

6) Place of performance and jurisdiction

In respect of the units offered in and from Switzerland, the place of performance and jurisdiction is at the registered office of the representative.

7) State of origin

The state of the origin of the fund is Luxembourg.