CELF Advisors LLP (the "Firm")

DISCLOSURE OF COMMITMENT TO THE FINANCIAL REPORTING COUNCIL'S STEWARDSHIP CODE

BACKGROUND TO THE UK STEWARDSHIP CODE (the "Code"')

The UK Stewardship Code (the "Code") was published by the Financial Reporting Council (FRC) in July 2010. It aims to enhance the quality of engagement between institutional investors and companies to help improve long-term returns to shareholders and the efficient exercise of governance responsibilities. The intention is to achieve this by setting out good practice on engagement with investee companies to which the FRC believes institutional investors should aspire. The Code is made up of 7 Principles covering Stewardship, Conflicts of Interest, Monitoring, Intervention, Acting Collectively, Voting and Reporting.

APPLICATION OF THE CODE IN RELATION TO CELF ADVISORS LLP

The FRC sees the UK Stewardship Code as complementary to the UK Corporate Governance Code for listed companies and, like the UK Corporate Governance Code, it should be applied proportionately and on a "comply or explain" basis. The Code is addressed in the first instance to firms who manage assets on behalf of institutional shareholders such as pension funds, insurance companies, investment trusts and other collective investment vehicles. The FRC expects those firms to disclose on their websites how they have applied the Code. In addition, under Financial Services Authority (FSA) Conduct of Business (COBS) rules any firm which manages investments for a professional client that is not a natural person must disclose clearly on its website the nature of its commitment to the FRC Stewardship Code, or where it does not commit to the Code, its alternative investment strategy.

CELF Advisors LLP does not currently commit to compliance with the Code. The Firm's alternative investment strategy is outlined below.

The Firm's strategy predominantly involves investment in corporate credit, including senior secured and mezzanine loans and high yield, distressed and high grade debt securities on behalf of the various funds that the Firm is mandated to manage.

In relation to loans, such credit positions are traded mainly in over-the-counter (OTC) markets. In order to be able to trade in those markets, the Firm has undertaken duties of confidentiality to issuers, counterparties and other market participants. Moreover, where the Firm's client funds are investing in debt, the Firm does not take on the stewardship responsibilities of an equity owner.

Where the Firm invests in publicly traded equity or debt on behalf of its client funds, its strategies place greater emphasis on active trading rather than on engagement.

In those contexts, the Firm does not believe that it would be in the interests of its client funds to take on the additional burden associated with compliance with the Code in its current form. Accordingly, the Firm does not currently commit to comply with the Code. Nevertheless, the Firm actively monitors developments in relation to issuers, and may engage with issuers (often through agent banks) on a case-by-case basis. It also collaborates with other investors where appropriate and it has in place arrangements designed to identify, mitigate and manage conflicts of interest.