

Investment Process



ICS Team

- Global footprint across all major markets
- Core strategies across performing credit, distressed, special situations, structured and private investments
- Active dialogue between credit analysts, industry coverage and portfolio manager
- Critical mass and global reach results in unique sourcing and purchasing opportunities
- Leverage relationships with sponsors and advisors

The ICS Team generates ideas utilizing their internal and external networks with a focus on deep fundamentals

Investment analysts

- Industry evaluation and assessment
- Financial modeling and free cash flow analysis
- Asset valuation and relative value analysis
- Consultation with trading team to understand technical factors

Portfolio Manager

- Daily meetings with analysts
- Financial / Legal review and discussion
- Dynamic process to reassess investments and review new opportunities
- Selects best investment ideas and identifies best credit instrument
- Performs scenario analysis to maximize risks / rewards
- Performs stress tests to assess performance under various economic outcomes

Research-driven, fundamental bottom-up analysis focused on fundamentals, qualitative and quantitative factors

ICS Investment Committee

- U.S.:
David Windreich
Harold Kelly
Brett Klein
Donald Young
- Europe:
Brett Klein
Donald Young
Adeel Shafiqullah
Mathieu Clavel
Tajinder Sidhu
- Approval required on all investments
- Ongoing review of structure and market performance
- Discussion of concentrations, spreads, exposures, risks and recent trades

Execution

- Portfolio Manager oversees execution of all trades to ensure best execution
- Trade initiation after ICS Investment Committee approval
- Global network of trading relationships across credit platform ensures access to deep markets and best levels

Investment Analysts

- Dedicated credit analysts
- Ongoing interaction with Och-Ziff industry specialists
- In-house restructuring and recovery expertise utilized in relevant situations

Portfolio Manager

- Daily meeting with analysts and portfolio review
- Surveillance of portfolio concentrations, exposures and other risks
- Monitoring of collateral management function and coordination of necessary legal review
- Identification of key issues at ICS Investment Committee meetings

ICS Investment Committee

- Ongoing review of structure and market performance
- Discussion of concentrations, exposures, risks and recent trades

Portfolio Analytics Team

- In-house and third party systems utilized to track positions and monitor structural compliance
- Systems perform parallel checks of all indenture requirements and other obligations

As of September 1, 2015 unless otherwise noted.

Note: The investment and risk management process set forth above are provided for illustrative purposes only and may vary from investment to investment. This is a high-level overview of the risk-management framework; the risk management process may be changed and the actual steps in the risk management process may vary and may be substituted, supplemented or omitted.