

Portfolio Risk Management, Systems and Financial Controls

Core Component of the Business

Portfolio Monitoring

- Individual positions are monitored by the portfolio manager and investment analysts
- Formal Credit Agreement review process utilizing internal and external legal resources
- Stress testing and potential downside analysis

Indenture Compliance

- Portfolio Analytics Team performs review of portfolio concentrations, exposures and other borrower compliance on an actual and pro forma basis
- Och-Ziff proprietary systems perform parallel checks of all indenture requirements and other obligations

Risk Management Infrastructure

- Risk Management Committee reviews the portfolio regularly and formally meets on a weekly basis
 - Overseen by Daniel S. Och, Executive Managing Director and Chief Executive Officer, and comprised of:
 - David Windreich, Executive Managing Director and Head of U.S. and European Investing;
 - Joel Frank, Executive Managing Director, Chief Financial Officer;
 - Harold Kelly, Executive Managing Director and Head of Global Convertible and Derivative Arbitrage and Risk Management;
 - Zoltan Varga, Executive Managing Director and Head of Asian Investing;
 - James O'Connor, Executive Managing Director and Head of Business Management and Portfolio Finance;
 - Boaz Sidikaro, Executive Managing Director and Head of U.S. Equities;
 - Sean Rhatigan, Executive Managing Director and Senior Controller;
 - James Levin, Executive Managing Director and Head of Global Credit;
 - Wayne Cohen, Executive Managing Director and Chief Operating Officer;
 - Adrian Croxson, Executive Managing Director and Head of European Equities;
 - David Becker, Executive Managing Director, Chief Legal Officer; and
 - Kenneth Perry, Managing Director and Head of Risk Management
- Dedicated Risk Management Analytical Group comprised of four professionals
- 51 professionals in Legal and Compliance teams

Systems and Financial Controls

- Daily reconciliation with Trustee
- Dedicated loan settlement function

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.