

The Issuer may co-invest in investment opportunities in which other clients or accounts of the Portfolio Advisor or the Portfolio Advisor's affiliates also invest. In connection with such co-investments, the Portfolio Advisor or its affiliates may seek to execute orders for all of the participating accounts and clients, including the Issuer, on an equitable basis. Orders may be combined for all such accounts, and if any order is not filled at the same price, the securities may be allocated on an average price basis. Similarly, if all orders on behalf of more than one account or client cannot be fully executed under prevailing market conditions, securities may be allocated among the different accounts and clients on a basis which the Portfolio Advisor or its affiliates, as the case may be, consider equitable.

Obligor Relationships

One or more Obligors on the Collateral Obligations may be a counterparty or other interested person with respect to one or more agreements, transactions or other arrangements with Deutsche Bank, the Portfolio Advisor, their respective affiliates and/or clients or accounts of the foregoing entities. Such relationships could give rise to a conflict of interest.

The originators of the Collateral Obligations and their affiliates may accept deposits from, make loans or otherwise extend credit to, and generally engage in any kind of commercial or investment banking or other business transactions with, any existing borrower or its affiliates. The originators of the Collateral Obligations and their affiliates may have entered into, and may from time to time enter into, business transactions with borrowers or their respective affiliates and may or may not hold other obligations of or have business relationships with any existing borrowers or their affiliates. Such obligations or relationships may or may not relate to the Collateral Obligations. These loans, equity positions and other relationships may give rise to interests that are different from or adverse to the interests of the Preferred Shareholders. The originators of the Collateral Obligations will not be obligated to have regard for the interests of the Co-Issuers or the Preferred Shareholders in their business transactions with borrowers or their affiliates.

Oversight of the Issuer's Portfolio

Although personnel of the Portfolio Advisor will devote as much time to the Issuer as the Portfolio Advisor deems appropriate to perform its duties in accordance with the Portfolio Advisory Agreement, individuals comprising personnel of the Portfolio Advisor may have conflicts in allocating time and services among the Issuer and other accounts and clients of the Portfolio Advisor, DeAM and other affiliates of the Portfolio Advisor.

The Portfolio Advisor may conduct principal transactions between the Issuer and the Portfolio Advisor or any of its affiliates. The Portfolio Advisory Agreement will require that the Portfolio Advisor cause any purchases and sales of Collateral Obligations by the Issuer that constitute principal transactions, agency cross-transactions and affiliate transactions to be conducted on an arm's length basis and in compliance with the Advisers Act. In addition, the Portfolio Advisor will be required to disclose the terms of a proposed transaction to and obtain the consent of the Issuer with respect to certain principal and affiliate transactions.

Investment by Personnel of the Portfolio Advisor and its Affiliates

Persons employed by the Portfolio Advisor and its affiliates (including, without limitation, Deutsche Bank) may from time to time purchase Preferred Shares, either directly or indirectly through investment entities. Affiliates of the Portfolio Advisor or other clients or accounts of the Portfolio Advisor and its affiliates may acquire Preferred Shares from the Issuer at a discount. While the interests of such individuals and entities are generally aligned with the Preferred Shareholders, the existence of such investment by such individuals or entities, as well as the investment in the Preferred Shares by the Portfolio Advisor, may create an incentive for the Portfolio Advisor to make more speculative investments on behalf of the Issuer than it would otherwise make in the absence of such investments.

Incentive Advisory Fee

The existence of the Incentive Advisory Fee may create an incentive for the Portfolio Advisor to make more speculative investments on behalf of the Issuer and to manage the Issuer's Portfolio in a manner as to seek to maximize the yield on the