FS Real Estate Advisor, LLC

Rule 206(4)-7
Investment Adviser
Compliance Manual

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1 Introduction

1.01 General

FS Real Estate Advisor, LLC (the "***Firm***" or "***Advisor***") provides investment advisory services to a real estate investment trust ("***REIT***") as qualified through investments permitted by the terms of a U.S. Internal Revenue Service ("***IRS***") Code, specifically Section 856 through 860.

The Advisor services a single client, FS Credit Real Estate Income Trust, Inc. (the "***Issuer***" or "***FSCREIT***"). The Advisor may, subject to any limitations described in the investment advisory agreement between the Advisor and the Issuer, advise investment companies, private investment funds, structured finance vehicles, institutional investors or other persons or entities (collectively, the "***Clients***"), at which time the Advisor will make any necessary amendments to this manual**.** The Firm is a subsidiary of Franklin Square Holdings L.P. ("***FSH***"). The Advisor has engaged Rialto Capital Management, LLC ("***Rialto***" or "***Sub-Adviser***") to serve as the sub-adviser to FSCREIT.

The Issuer was created as a corporation in the state of Maryland. The Issuer originates, acquires and manages a portfolio of senior loans secured by commercial real estate primarily in the United States. It is focused on floating-rate mortgage loans that are secured by first priority mortgages on transitional commercial real estate properties, but it may also invest in other real estate-related assets, including (i) other commercial real estate mortgage loans, including fixed-rate loans, subordinated loans, B-Notes, mezzanine loans and participations in commercial mortgage loans; and (ii) commercial real estate securities, including commercial mortgage-backed securities, residential mortgage-backed securities, unsecured debt of listed and non-listed REITs, collateralized debt obligations and equity or equity-linked securities. To a lesser extent, the Issuer may invest in warehouse loans secured by commercial or residential mortgages, credit loans to commercial real estate companies and portfolios of single-family home mortgages.

Registration Requirements

The Firm is required to be and is registered with the U.S. Securities and Exchange Commission (the "***SEC***") as an investment adviser under Section 203[1] of the Investment Advisers Act of 1940, as amended (the "***Advisers Act***"). The Firm is subject to the rules, regulations, policies and guidelines adopted by the SEC governing investment advisers registered under the Advisers Act.

Where legally required, the Firm also must notify the securities regulatory authorities of those states in which it operates of its intention to conduct investment advisory services within their territory. Generally, as a federally registered investment adviser, the Firm is not subject to state investment adviser regulation. In addition, under current applicable state law (Pennsylvania), the Firm is not subject to any filing requirements and its advisory personnel are not subject to testing or other requirements.

[1] All rule and statutory references herein are to the Advisers Act, unless otherwise noted.

Written Compliance Policies and Procedures

As required by Rule 206(4)-7 under the Advisers Act, the Firm has adopted and implemented written compliance policies and procedures set forth in this Rule 206(4)-7 Investment Adviser Compliance Manual (this "***Manual***") to address the supervisory responsibilities imposed on investment advisers by the Advisers Act to prevent violations of the Federal Securities Laws[2] by the Firm.

Each Employee of the Firm is responsible for reading, understanding and complying with the policies and procedures in this Manual. The definition of the term "***Employee***" is as follows unless otherwise provided in a particular Firm policy: any partner, officer, director (or other person occupying a similar status or performing similar functions), or associate of the Firm, or other person who provides investment advice on behalf of the Firm and is subject to the Firm's supervision and control. Each Employee is responsible for reading, understanding and complying with these policies and procedures. In addition, each Employee must be familiar with the applicable law governing his or her job responsibilities. The importance of supervision and compliance with applicable law cannot be overemphasized. Failure to comply with applicable law or the procedures set forth herein may result in fines, censures and other sanctions against such Employees, their supervisors or against the Firm itself. Further, as used in this Manual, the term "***Investment Team***" is defined to include all Employees who are portfolio managers (e.g., those that make investment decisions for the Issuer, including a ***Lead Portfolio Manager***, who has supervisory authority over Employees that make investment decisions for the Issuer), as well as research analysts and other investment professionals who support the Firm's portfolio managers.

The Firm has designated a Chief Compliance Officer (the ***"CCO"***), who is responsible for maintaining and directing the implementation of the provisions of this Manual and the policies and procedures hereof, and for taking action in an effort to avoid potential violations of the policies and procedures in this Manual. To that end, the CCO may identify one or more Deputy CCOs (each a "***Deputy CCO***") to assist the CCO in the exercise of their duties and to take primary responsibility for the implementation of the Firm's compliance program in the event that the CCO is not available. Unless otherwise stated herein or required by law, any function assigned to the CCO or a particular person may be performed by the Deputy CCO. The Issuer also has its own Chief Compliance Officer (the "***Issuer CCO***"). Unless otherwise specified, references to the Advisor CCO or Deputy CCO in this Manual refer to those of the Firm. As used in this Manual, the term "***Compliance Team***" refers to the CCO, Deputy CCO, and any designated Employees supervised by the CCO or Deputy CCO who are responsible for compliance-related functions.

This Manual contains: (1) a summary of the Federal Securities Laws applicable to the Firm's operations; and (2) the Firm's compliance policies and procedures. These policies and procedures are intended to meet the requirements of Rule 206(4)-7, as they relate to the Advisor.

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[2] As set forth in Rule 204A-1, the term "***Federal Securities Laws***" includes: the Securities Act of 1933, as amended (the "***Securities Act***"), the Securities Exchange Act of 1934, as amended (the "***1934 Act***"), the Sarbanes-Oxley Act of 2002 ("***Sarbanes-Oxley***"), the Advisers Act, Title V of the Gramm-Leach-Bliley Act (relating to privacy regulation), any SEC rules adopted thereunder, the Bank Secrecy Act of 1970 as it applies to the operations of both the Issuer and the Firm (anti-money laundering regulation), and any rules adopted thereunder by the SEC or the U.S. Department of Treasury.

General Duty to Supervise

Section 203(e)(6) of the Advisers Act subjects a registered investment adviser and its management to liability if they fail to reasonably supervise a person subject to their supervision. In general, any person associated with an investment adviser (an "***associated person***") will be subject to the adviser's supervision. Section 202(a)(17) of the Advisers Act defines an associated person as any partner, director, officer, or employee of the adviser or any person directly or indirectly controlling or controlled by the adviser. This may include certain independent contractors of the adviser.

Under Section 203(e)(6), an adviser and/or its supervisors will *not* be deemed to have failed to reasonably supervise an associated person if:

1. The adviser has established procedures for supervising the associated person;
2. The adviser has established a system for applying such procedures, which would reasonably be expected to prevent and detect, insofar as practicable, any violation of the Federal Securities Laws by the associated person; and
3. The adviser or supervisor has, in good faith, reasonably discharged the duties and obligations incumbent upon it, him or her by reason of such procedures and system, without reasonable cause to believe that the procedures and system were not being complied with.

Overview of Rule 206(4)-7 Requirements

General

Pursuant to Rule 206(4)-7 under the Advisers Act, it is unlawful for an investment adviser registered with the SEC to provide investment advice, unless the adviser has adopted and implemented written policies and procedures reasonably designed to prevent violation of the Advisers Act by the adviser or any of its supervised persons.

In designing its policies and procedures, an adviser, like the Firm, should first identify conflicts of interest and other compliance factors creating risk exposure for the firm and its clients in light of the Firm's particular operations, and then design policies and procedures that address those risks. Such policies and procedures should generally address the following issues to the extent that they are relevant:

1. Portfolio management processes, including allocation of investment opportunities among clients and consistency of portfolios with clients' investment objectives, disclosures by the adviser, and applicable regulatory restrictions;

2. Trading practices, including procedures by which the adviser satisfies its duty to seek best execution, uses client brokerage to obtain research and other services ("***soft dollar arrangements***"), and allocates aggregated trades among clients;

3. Proprietary trading of the adviser and personal trading activities of supervised persons;

4. The accuracy of disclosures made to investors, clients and regulators, including account statements and advertisements;

5. Safeguarding of client assets from conversion or inappropriate use by advisory personnel;

6. The accurate creation of required records and their maintenance in a manner that secures them from unauthorized alteration or use and protects them from untimely destruction;
7. Marketing of advisory services, including the use of solicitors;
8. Processes to value client holdings and assess fees based on those valuations;
9. Safeguards for the privacy protection of client records and information; and
10. Business continuity plans.

While not all of the foregoing would apply to the Firm insofar as its sole client is the Issuer and its wholly owned subsidiary, the full list is instructive as it reflects the SEC's views in this area.

Annual Review

Rule 206(4)-7 requires each adviser to review its policies and procedures no less frequently than annually to determine their adequacy and the effectiveness of their implementation. The review should consider any compliance matters that arose during the previous year, any changes in the business activities of the adviser or its affiliates and any changes in the Advisers Act or applicable regulations that might suggest a need to revise the policies or procedures. For example, an adviser that is acquired by a broker-dealer or by the corporate parent of a broker-dealer should assess whether its policies and procedures are adequate to guard against the conflicts that arise when the adviser uses that broker-dealer to execute client transactions or invests client assets in funds or other securities distributed or underwritten by the broker-dealer.

Chief Compliance Officer

Each adviser registered with the SEC must designate a chief compliance officer to administer its compliance policies and procedures. An adviser's chief compliance officer should be competent and knowledgeable regarding the Federal Securities Laws, and, in particular, the Advisers Act, and should be empowered with full responsibility and authority to develop and enforce appropriate policies and procedures for the firm. Thus, a chief compliance officer should have a position of sufficient seniority and authority within the organization to compel others to adhere to the compliance policies and procedures.

Manual Updates and Amendments

The CCO may implement changes to this Manual, including the Firm's written policies and procedures, as necessary. This Manual, including the Firm's compliance policies and procedures, must be updated and amended within a reasonable time after changes and/or amendments occur with respect to: (1) applicable provisions of the Federal Securities Laws, or (2) changes in the Firm's operations that would alter the applicability or interpretation of any of the provisions of the Federal Securities Laws. It is the responsibility of the CCO to make available (electronically or otherwise) to the appropriate recipients updates to this Manual and the Firm's compliance policies and procedures. These updates will include a discussion of the key changes.

Recordkeeping

Rule 204-2 under the Advisers Act requires firms to maintain copies of all policies and procedures that are in effect or were in effect at any time during the last five years. In addition, Rule 204-2 under the Advisers Act require investment companies and advisers, respectively, to keep any records documenting their annual review. This rule permits advisers to maintain these records electronically. The recordkeeping requirements are designed to assist CCOs in determining whether the adviser is adhering to the rules and is identifying weaknesses in the compliance program if violations do occur or are uncorrected.

Anti-Fraud

Investment advisers are fiduciaries under U.S. law. Although the Advisers Act does not expressly refer to an adviser's fiduciary duty, the U.S. Supreme Court has recognized the fiduciary nature of the relationship between an adviser and its clients. As fiduciaries, advisers have, among other things, an affirmative obligation of utmost good faith and full and fair disclosure of all material facts. Advisers also must act in the best interests of clients and avoid conduct that may give rise to conflicts of interest. These fiduciary duties are reflected, in part, in the anti-fraud provisions of the Advisers Act, namely Section 206. Section 206 of the Advisers Act provides that it shall be unlawful for any investment adviser:

1. To employ any device, scheme, or artifice to defraud any client or prospective client;
2. To engage in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or prospective client;
3. To act as principal for its own account or as broker for another client, knowingly to sell any security to or purchase any security from a client, or to effect any security transaction on behalf of the account of a client, without previously disclosing the details of the transaction to the client and obtaining the client's consent thereto; or
4. To engage in any act, practice, or course of business which is fraudulent, deceptive or manipulative.

The SEC has adopted a number of "anti-fraud" rules under Section 206(4), which grants rulemaking authority to "define and prescribe means reasonably designed to prevent, such acts, practices, and courses of business as are fraudulent, deceptive or manipulative." Many of these anti-fraud rules are meant to address – *by rule* – certain of the conflicts of interest that may arise during the course of an advisory relationship. For example, Rule 206(4)-8 explicitly prohibits advisers from (i) making false or misleading statements to investors or prospective investors in investment companies or other pooled investment vehicles they advise, or (ii) otherwise defrauding these investors or prospective investors. While Rule 206(4)-8 does not create a fiduciary duty to investors or prospective investors in a pooled investment vehicle that does not otherwise exist by virtue of the Federal Securities Laws, it does extend a firm's anti-fraud responsibility from its client Issuer to the investors in the client. In addition, the breadth of the anti-fraud provisions discussed above could prohibit a variety of other activities, not addressed by rule, that defraud or operate as a fraud or deceit upon any clients.

1.02 Format of Compliance Procedures

This Manual describes various regulatory requirements applicable to an investment adviser to an Issuer, such as the Firm. For each regulatory requirement, this Manual *explains the regulatory requirements of the Firm*, *presents the policy adopted by the Firm* to promote compliance with the regulatory requirement, and then *describes the procedures for monitoring or supervising the relevant activity*. With regard to each procedure, this Manual identifies:

1. The person or persons responsible for ensuring that the procedure is followed;
2. The specific steps required to be taken by the responsible person(s); and
3. When those steps are to be taken.

Further, because an essential aspect of a compliance system is being able to evidence that a procedure has in fact been followed, this Manual discusses *the actions to be taken to document* that each procedure has been implemented and *states the maintenance and retention periods for such control documents*.

This Manual is not intended to provide a complete description of the legal and ethical obligations of the Firm and should not be relied upon as such. Situations may arise in which the proper course of conduct is not clear. In those situations, and whenever there is a question as to the propriety of a particular course of conduct or the interpretation of this Manual, the CCO or the Firm's legal counsel should be consulted for advice.

This Manual is made available to all principals, officers, supervised persons and access persons and other designated personnel of the Firm and should be kept available by such persons for easy reference. **The Firm expects each person to whom this Manual is given to be thoroughly familiar with the policies and procedures set forth herein.** Adherence to the policies and procedures described in this Manual will help achieve the goal of full compliance and serve the interests of both the Firm and the Issuer.

1.03 Compliance System

The Firm's compliance program consists of the following elements:

1. These written compliance policies and procedures;
2. An internal monitoring and testing program;
3. Designation of compliance responsibilities; and
4. Oversight of the compliance program by the Firm's CCO and the Firm's management team.

1.04 Reporting Violations; Actions to be taken upon discovery of noncompliance or other violations

While it is the Firm's policy to, at all times, diligently pursue compliance with its policies and procedures, instances of noncompliance or violations of law, regulation or policy may occur from

time to time. One purpose of the Firm's compliance system is to aid in identifying and correcting such deficiencies and, therefore, this Manual includes guidance for doing so.

All Firm Employees should, and should be encouraged to, report any suspected or actual violations of applicable law or Firm policies and procedures either to their supervisor or directly to the CCO. Supervisors are required to report any violations by personnel to the CCO. The Firm shall, to the extent reasonably possible, keep confidential the information reported and the source of that information, other than on a need-to-know basis as determined in the sole discretion of the CCO, or as required by operation of law. Should an employee wish to report a violation or potential violation anonymously to the CCO or another member of the Firm's management team, such an employee may do so by using the employee hotline established for this purpose or otherwise. The number of the hotline is **844-995-4986**.

No retaliatory actions shall be taken, directly or indirectly, against any person who reports a violation of the Firm's policies and procedures in accordance with this Manual. Supervisors wishing to reassign, transfer or materially change the duties of any person who have made such a report shall review the proposed resolutions with the CCO prior to taking such actions.

Violations of this Manual, including the policies and procedures contained herein, may subject personnel to the following sanctions: verbal or written warnings and censures, monetary sanctions, disgorgement, suspension or dismissal. Violations may also result in civil and criminal penalties by the SEC or another federal, state or local agency.

2 Filings and Reports

2.01 SEC Filings and Form ADV Mailings

Requirement. SEC-registered investment advisers are required to maintain their registration with the SEC until they no longer represent the type or number of clients that required initial registration. Form ADV is the uniform form for registering with both the SEC and state securities authorities. The form consists of two parts. Part 1 requires information about the investment adviser's business, ownership, clients, employees, business practices, affiliations and any disciplinary events of the adviser or its employees. Part 2 of Form ADV requires investment advisers in certain instances to prepare a narrative brochure (Part 2A) written in plain English that contain certain information, including the types of advisory services offered, the adviser's fee schedule, disciplinary information and conflicts of interest as well as brochure supplements (Part 2B), which include educational background, business experience and disciplinary history about certain advisory personnel. This filing is made through the Investment Adviser Registration Depository ("***IARD***") and is available to the public at www.adviserinfo.sec.gov.

The Part 2B brochure is considered the primary disclosure document that investment advisers provide to their clients, if applicable. The brochure is also filed with the SEC through the IARD system. Investment advisers are not required to file brochure supplements with the SEC but must maintain a copy of them in their files. The brochure supplement also includes contact information for each advisory employee's supervisor in case the client has a concern about the employee. The brochure supplement must be delivered either before or at the time that the employee begins to provide investment advice to a client.

Rule 204-1 and the General Instructions to Form ADV require investment advisers to amend their Form ADV each year by filing an annual update within ninety (90) days after the end of their fiscal year.

In addition, investment advisers are required to amend their Form ADV *promptly* by filing an amendment, if:

1. Information provided in response to Items 1, 3, 9 (except 9.A.(2), 9.B.(2), 9.E, and 9.F.), or 11 of Part 1A becomes inaccurate in any way;
2. Information provided in response to Items 4, 8 or 10 of Part 1A becomes materially inaccurate; or
3. Information provided in the firm's brochure becomes materially inaccurate.

Further, within one hundred and twenty (120) days after the end of their fiscal year, investment advisers are required to deliver to each client: (1) a free updated brochure that either includes a summary of material changes or is accompanied by a summary of material changes, or (2) a summary of material changes that includes an offer to provide a copy of the updated brochure and information on how to obtain the brochure. Brochure supplements (Form ADV, Part 2B) must be amended promptly if any information in them becomes materially inaccurate, and an updated brochure supplement must be delivered to clients when there is new disclosure of a disciplinary event or a material change to disciplinary information that has already been disclosed.

Changes to items in Parts 1 and 2A of Form ADV are filed with the SEC through the IARD system. Investment advisers are not required to file amendments to their brochure supplements with the SEC but must maintain a copy of them in their files.

Policy. The Firm will maintain its investment adviser registration with the SEC unless it is no longer required to do so. The Firm files an annual update to its Form ADV through the IARD system within ninety (90) days after the end of its fiscal year. The Firm regularly monitors its activities to determine whether or not it is necessary to amend its Form ADV. The Firm also maintains brochure supplements and amends such supplements as appropriate.

Procedure. The CCO or Deputy CCO is responsible for compliance with this policy and is directed to observe the following procedures:

SEC Filings and Form ADV Mailings Procedures	
Who	Advisor CCO, or Deputy CCO and Legal
What	• Prepare Form ADV disclosure in consultation with Senior Management (as defined below) and other key personnel • Prepare Form ADV, Part 2A, as applicable • Review, revise and file Form ADV (Parts 1 and 2A) at least annually and as required • Respond to and resolve SEC issues arising from filing • Coordinate with legal counsel, as appropriate

SEC Filings and Form ADV Mailings Procedures	
What	• Incorporate filing dates on Firm Calendar (as described in Section 7.04 of this Manual), as appropriate • Deliver Form ADV, Parts 2A as required
When	• File amendment to Form ADV (Parts 1 and 2A) at least annually, within 90 days of fiscal year-end, or more frequently, as required • Deliver Form ADV, Part 2A to a client or prospective client before or at the time the Firm enters into an investment advisory contract with that client • If material changes, deliver Form ADV, Part 2A (or a summary thereof) to client annually within 120 days of fiscal year-end
How Evidenced	• Copy of IARD electronic confirmation, Form ADV, amendments and other materials filed with regulatory agencies • Responses, notifications, and approvals from regulatory agencies
Where Maintained	Registration File
Retention Period	Six years in an easily accessible place
On-going Compliance	Take appropriate action to maintain compliance and report, as appropriate, to senior management of the Firm, which is composed of the Firm's officers, partners or directors, or those who have been designated by the Chairman and CEO or President of Franklin Square as having executive responsibility ("Senior Management").
Review Procedure	Review Registration File during the annual review of compliance policies and procedures (the "Annual Review")

2.02 State Notice Filings

Requirement. SEC-registered investment advisers may be subject to state "notice filing" requirements, particularly if the adviser maintains its principal office or place of business in the state. A "notice filing" typically consists of Parts 1 and 2A of the Advisor's Form ADV and the payment of a fee.

Section 222(d) of the Advisers Act prohibits states from requiring an investment adviser to register in the state if the adviser: (1) does not have a place of business in the state, and (2) has had fewer than six clients who are residents of that state during the preceding 12-month period. (Under Rules 202(a)(30)-1 and 222-2 under the Advisers Act, the Issuer, rather than its individual shareholders, is considered the Firm's client.) A state may require an adviser to make notice filings even though it may meet this de minimis standard in that state, although many states do not require such advisers to make notice filings. However, the specific notice filing requirement in each state is beyond the scope of this Manual.

The IARD system permits advisers to make notice filings to applicable states electronically, and all states will accept an electronic notice filing of Form ADV Part 1 and 2A through IARD. Generally, states require SEC-registered advisers to update their notice filings whenever they amend their Form ADV on the IARD system.

Currently, the Firm is located in Pennsylvania and maintains an office in New York and its only U.S. client, the Issuer, is located in Pennsylvania. Current Pennsylvania law does not require that the Firm submit a notice filing and imposes no continuous filing or other requirements on the Firm or its personnel so long as the Firm represents no individual clients who are natural persons.

Policy. The Firm files notices in those states in which it is required to make a notice filing and updates such filings as required.

Procedure. The CCO or Deputy CCO is responsible for compliance with this policy and is directed to observe the following procedures:

State Notice Filings Procedures	
Who	Advisor CCO, or Deputy CCO
What	• Review applicable state regulatory requirements, at least annually, to keep abreast of changes in states' notice filing requirements
When	• Make notice filings and amendments as necessary • Review state notice filing requirements annually
How Evidenced	• Copy of IARD electronic confirmation • Copy of Form ADV, reports and/or forms filed on paper with states • Receipts or notifications from regulatory agencies acknowledging filings made on paper
Where Maintained	Registration File
Retention Period	Six years in an easily accessible place
On-going Compliance	Take appropriate action to maintain compliance and report to Senior Management
Review Procedure	As part of the Annual Review, review of applicable state notice filings requirements.

2.03 Corporate Filings

Requirement. A business must generally register as a "foreign corporation" or "qualify to do business" before it can conduct business in any state other than the state in which it is incorporated. A business that fails to register as a foreign corporation or qualify to do business in a state in which it does business can, among other things, face monetary penalties for such failure and can be barred from bringing suit in the courts of that state.

Policy. The Firm will obtain a certificate of authority or other certificate evidencing its status as a foreign entity or qualification to do business in any state in which it does business. While the applicability of state corporate laws to the Firm is beyond the scope of this Manual, it is likely that these will include only those states in which the Firm has a place of business and those states in which the Issuer or any other client is domiciled or has a place of business. The Firm will maintain such a certificate for so long as required by applicable state law.

Procedure. Legal, along with the CCO and Deputy CCO, is responsible for compliance with this policy and is directed to observe the following procedures:

Corporate Filings Procedures	
Who	Legal and Advisor CCO, or Deputy CCO
What	• Monitor states in which the Firm has offices. • Contact relevant state regulators (usually Secretaries of State) or consult with legal counsel to ascertain foreign entity registration requirements for the Firm • Register as a foreign entity or qualify to do business in such states as is required and update as applicable
When	As necessary
How Evidenced	Certificates, acknowledgments or notifications regarding eligible foreign entity status
Where Maintained	Corporate File
Retention Period	As required by applicable law
On-going Compliance	Take appropriate action to maintain compliance and report to Senior Management
Review Procedure	Spot-check Corporate File during the Annual Review

2.04 Disclosure of Disciplinary History and Financial Information

Requirement. Part 2A of Form ADV requires advisers to disclose all material facts with respect to:

1. Any financial condition of the adviser that is reasonably likely to impair the ability of the adviser to meet contractual commitments to clients, if the adviser has discretionary authority or custody of client funds or securities, or requires or solicits prepayment of more than $1,200 in advisory fees per client, six months or more in advance (as provided by Item 18 of Part 2A of Form ADV); or
2. Any legal or disciplinary event that is material to a client's or prospective client's evaluation of the adviser's advisory business or the integrity of the adviser's management (as provided by Item 9 of Part 2A of Form ADV). Under Item 9. A of Part 2A, the following

legal and disciplinary events involving the adviser or a management person[3] of the adviser (collectively referred to in this Section as "*person*") are presumed to be "material" for a period of 10 years from the time of the event:

a. A criminal or civil action in a court of competent jurisdiction in which the person:

    i. was convicted of, or pleaded guilty or *nolo contendere* to any felony; a misdemeanor that involved investments or an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting or extortion; or a conspiracy to commit any of these offenses;

    ii. is the named subject of a pending criminal proceeding involving: an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;

    iii. was found to have been involved in a violation of an investment-related statute or regulation; or

    iv. was the subject of any order, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, the person from engaging in any investment-related activity, or from violating any investment-related statute, rule or order.

b. Administrative proceedings before the SEC or other federal regulatory agency, any state agency or any foreign financial regulatory authority (an "***agency***") in which the person:

    i. was found to have caused an investment-related business to lose its authorization to do business; or

    ii. was found to have been involved in a violation of an investment-related statute or regulation and was the subject of an order by the agency denying, suspending, or revoking the authorization of the person to act in an investment-related business; or barring or suspending the person's association with an investment-related business; or imposing a civil money penalty of more than $2,500 on the person or otherwise significantly limiting the person's investment-related activities.

c. Self-Regulatory Organization ("***SRO***") proceedings in which the person:

    i. was found to have caused an investment-related business to lose its authorization to do business, or

    ii. was found to have been involved in a violation of the SRO's rules and was the subject of an order by the SRO barring or suspending the person from membership or from association with other members or expelling the

[3] "***Management persons***" are persons with the power to exercise, directly or indirectly, a controlling influence over the management or policies of an adviser, or to determine the general investment advice given to clients.

person from membership; fining the person more than $2,500, or otherwise significantly limiting the person's investment-related activities.

If the advisory firm or a management person has been involved in a legal or disciplinary event that is not listed above, but nonetheless is material to a client's or prospective client's evaluation of the adviser's business or the integrity of the adviser's management, the adviser must disclose the event under Item 9 of Part 2A of Form ADV. Similarly, even if more than ten years have passed since the date of the event, the adviser must disclose the event if it is so serious that it remains material to a client's or prospective client's evaluation.

If the advisory firm or a management person has been involved in one of the above events, the adviser must disclose it under Item 9 of Part 2A of Form ADV for ten years following the date of the event, unless:

1. The event was resolved in the person's favor, or was reversed, suspended or vacated; or
2. The person has rebutted the presumption of materiality to determine that the event is not material.

For purposes of calculating this ten-year period, the "date" of an event is the date that the final order, judgment, or decree was entered or the date that any rights of appeal from preliminary orders, judgments or decrees lapsed.

As noted above, the adviser may, under certain circumstances, rebut the presumption that a disciplinary event is material. If an event is immaterial, the adviser is not required to disclose it. When the adviser reviews a legal or disciplinary event involving the firm or a management person to determine whether it is appropriate to rebut the presumption of materiality, the firm should consider all of the following factors:

1. The proximity of the person involved in the disciplinary event to the advisory function;
2. The nature of the infraction that led to the disciplinary event;
3. The severity of the disciplinary sanction; and
4. The time elapsed since the date of the disciplinary event.

If the adviser concludes that the materiality presumption has been overcome, the adviser must prepare and maintain a file memorandum of such determination in the adviser's records.[4]

With respect to these disclosure requirements, an adviser's client is the Issuer, not its shareholders. Therefore, an adviser must make these disclosures to the board of directors (or trustees) the Issuer, as applicable. The disclosure obligations of an Issuer and its advisers to the company's shareholders are beyond the scope of this Manual.

As an SEC-registered investment adviser, the Firm is required to deliver brochures required under Part 2 of Form ADV to advisory clients, in this case, the Issuer. As a fiduciary, the Firm is required to provide similar information, particularly material information regarding conflicts of interest, material disciplinary and legal events, and the Firm's inability to meet contractual commitments, to clients.

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[4] *See* Rule 204-2(a)(14)(iii).

Policy. The Firm has contracted with a sub-adviser who has been granted discretionary authority with respect to the assets of the Issuer. The Firm does not have custody of the Issuer's assets or securities or require prepayment of advisory fees six months or more in advance. It is the policy of the Firm to monitor its own financial condition and any legal or disciplinary action(s) in order to determine whether a disclosure is required. The Firm also monitors its business practices and the activities of its associated persons to ensure that all material conflicts of interest are disclosed to clients. The Firm also requests information from any service providers regarding their financial condition, legal or disciplinary actions and conflicts of interest that may need to be disclosed to Senior Management. All required disclosable information is made available on the Advisor's Form ADV Part 2a Firm Brochure, as applicable. It is periodically reviewed and annually updated as required.

Procedure. Senior Management, along with the CCO and Deputy CCO, is responsible for compliance with this policy with respect to the Firm and its associated persons and is directed to observe the following procedures:

Disclosure of Disciplinary History and Financial Information Procedures	
Who	Senior Management and Advisor CCO, or Deputy CCO
What	• Review disciplinary questionnaires completed by the Firm's personnel and determine the need for disclosure of any information therein.
When	• Review questionnaires as they are completed
How Evidenced	• Completed questionnaires
Where Maintained	• Questionnaires – in electronic files
Retention Period	• Six years • Membership and Registration File – for life of Firm • Advisor's Materials File – six years after a presentation to Senior Management (in an easily accessible place)
On-going Compliance	Take appropriate action to maintain compliance and report to Senior Management. Update the Advisor Form ADV Part 2 a Brochure, as applicable.
Review Procedure	Review Questionnaires, Membership and Registration Files as part of Annual Review

2.05 Schedules 13D and 13G

Requirement. Rule 13d-1 under the 1934 Act requires a person who beneficially owns, directly or indirectly, more than five percent of a voting class of publicly traded equity securities to file a disclosure report on Schedule 13D with: (1) the issuer, (2) the SEC, and (3) the national securities exchange on which the security trades, within ten days of the transaction resulting in that person's beneficial ownership exceeding five percent. Certain persons, including registered investment

advisers, may file the short-form Schedule 13G in lieu of Schedule 13D if such person has acquired the securities in the ordinary course of its business and not with the purpose nor with the effect of changing or influencing the control of the issuer. In general, a registered fund that invests in a security for investment purposes – not for control purposes – can report its ownership on Schedule 13G, which is filed within 45 days at the end of the calendar year.

Under Rule 13d-3 under the 1934 Act, a person has beneficial ownership of a security if the person has or shares the power to vote or direct the voting of the security and/or has or shares the power to dispose or to direct the disposition of the security. In addition, a person is deemed to be the beneficial owner of a security if such person has the right to acquire the power to vote or the power to dispose of a security within 60 days, including by revoking another person's discretion over the security. Therefore, an investment adviser may be required to file a Schedule 13D or Schedule 13G with respect to a security in which it has invested client assets. Because these requirements apply to both direct and indirect ownership, the parent company of an adviser may meet the 5% threshold through beneficial ownership by its various subsidiaries, even though the subsidiary adviser does not meet the threshold individually. A person filing a Schedule 13D or Schedule 13G may include a statement in any such filing that the filing shall not be construed as an admission that such person is the beneficial owner of any securities covered by the filing.

Policy. The Firm does not trade public equities. If the Firm were to trade public equities, it will monitor the securities holdings of the Issuer to determine whether the Firm (or the Fund or Sub-Adviser) must file a Schedule 13D or Schedule 13G with respect to any security. The Firm may need to file a Schedule 13D or 13G with respect to a class of securities at least 5% of which is owned by the Issuer in the aggregate. The Firm also makes the determination whether Schedule 13D or Schedule 13G must be filed with respect to a particular security.

Procedure. To the extent applicable, senior management of the Advisor, which is composed of the Advisor's officers, partners or directors, or those who have been designated by the Chairman and CEO or President of Franklin Square Holdings as having executive responsibility, along with Legal and the CCO or Deputy CCO, is responsible for compliance with this policy and is directed to observe the following procedures:

Schedules 13D and 13G Procedures	
Who	Senior Management, Legal and Advisor CCO, or Deputy CCO
What	• Monitor purchases of all publicly traded equity securities by the Issuer • Develop or assist in the development of reports reflecting amounts of publicly traded securities held by the Issuer in the aggregate • Review report • Determine and review appropriate filings with the assistance of legal counsel
When	• Review reports on a weekly basis • Within 30 days of the end of the calendar year, evaluate whether any filings may be necessary • Make filings as needed

Schedules 13D and 13G Procedures	
How Evidenced	• Reports • Schedule 13D and 13G filings
Where Maintained	Schedule 13D and 13G File
Retention Period	Six years in an easily accessible place
On-going Compliance	Report to Senior Management in the event issues arise relating to these procedures
Review Procedure	Spot-check reports and review files during Annual Review

2.06 Form 13F

Requirement. Rule 13f-1 under the 1934 Act generally requires institutional investment managers with investment discretion over $100 million or more in equity securities traded on national securities exchanges to file quarterly reports on Form 13F. The Form must be filed within 45 days of the end of each calendar quarter. Form 13F requires background information about the institutional manager, basic information about the equity securities held (name, title of class, CUSIP number, fair market value, number of shares and type of security), whether the manager has sole or shared investment discretion and the type of voting authority exercised by the manager.

Policy. Under its investment advisory agreement with the Issuer, the Firm is given investment discretion with respect to the Issuer's assets. Accordingly, the Firm would be required, to the extent the Issuer held a sufficient amount of public equity securities, to file a Form 13F with the SEC and indicate that the Firm has sole investment discretion over such securities. The Firm, in turn, may delegate investment discretion to the Sub-Adviser. The Sub-Adviser may be required to file a Form 13F in certain circumstances. It is not anticipated that the Issuer will have significant investments in public equity securities.

Procedure. To the extent applicable, Senior Management, Legal and the CCO or Deputy CCO are responsible for compliance with this policy and are directed to observe the following procedures:

Form 13F Procedures	
Who	Senior Management, Legal and Advisor CCO, or Deputy CCO

Form 13F Procedures	
What	• Maintain records of any public equity securities held by the Issuer. • On a periodic basis, evaluate whether a Form 13F is required based upon the number of public equity securities held by the Issuer. • If applicable, the Firm's management team will spot check Form 13F filings prepared by Legal, the CCO or his or her Deputy CCO
When	• At the end of each quarter
How Evidenced	• File memos regarding Rule 13f-1 evaluation
Where Maintained	Form 13F file
Retention Period	Six years in an easily accessible place
On-going Compliance	Work with the Issuer to resolve issues, if and when they arise
Review Procedure	Review Form 13F File during Annual Review

2.07 CFTC-Related Registration Requirements

Requirement. To the extent the Firm trades commodity futures (including security futures), commodity options, options on futures, forwards, swaps or other interests in exempt and non-exempt commodity pools (together, "***commodity interests***"), the Firm is subject to the jurisdiction of the U.S. Commodity Futures Trading Commission (the "***CFTC***") and must either register as a commodity pool operator and/or commodity trading advisor with the National Futures Association (the "***NFA***") or qualify for an appropriate exemption under the Commodity Exchange Act of 1936, as amended, and related CFTC rules thereunder.

Procedure. The Issuer relies on the no-action letter for REIT's issued by the Division of Swap Dealer and Intermediate Oversight of the CFTC dated December 7, 2012 (CFTC Letter No. 12-44). The Issuer complies with the criteria specified in the letter and is effective upon filing with the CFTC. Legal and the CCO or Deputy CCO will have overall responsibility for ensuring that the Firm complies with CFTC registration requirements.

CFTC-Related Registration Procedures	
Who	Advisor CCO, or Deputy CCO
What	Registration as a commodity pool operator and/or commodity trading advisor with the NFA or application for exemption therefor

When	Periodically, as needed
How Evidenced	Exemptive order
Where Maintained	Compliance File
Retention Period	Six years in an easily accessible place
On-going Compliance	Take appropriate action to maintain compliance
Review Procedure	Periodically review compliance with exemptive order

3 Adviser Personnel

3.01 Need for Registration

Requirement. States have the authority to "license, register and otherwise qualify investment adviser representatives" of SEC-registered advisers. The term "***investment adviser representative***" or "***IAR***" is defined in Rule 203A-3(a) to mean a "***supervised person***" of the investment adviser:

1. Who has more than five clients who are natural persons (other than certain high net worth or high-income persons described in the Rule) and;
2. More than ten percent of whose clients are natural persons (other than the high net worth or high-income persons).

Notwithstanding the above, a supervised person is not an investment adviser representative if the supervised person: (1) does not on a regular basis solicit, meet with, or otherwise communicate with clients of the investment adviser; or (2) provides only impersonal investment advice.

A "***supervised person***" is any partner, officer, director (or other person occupying a similar status or performing similar functions) or employee of an investment adviser, or other person who provides investment advice on behalf of the investment adviser and is subject to the supervision and control of the investment adviser.

Policy. As of the date of this Manual, none of the Firm's supervised persons are required to register as IARs. It is the Firm's policy to monitor legal requirements regarding IAR registration in light of the Firm's business, including future changes in the Firm's business.

Procedure. The CCO or Deputy CCO is responsible for compliance with this policy and is directed to observe the following procedures:

Need for Registration Procedures	
Who	Advisor CCO, or Deputy CCO

Need for Registration Procedures	
What	• Review regulatory requirements to keep abreast of changes in IAR registration requirements • Evaluate the need for IAR registration in light of changes to the Firm's business and personnel
When	• Review IAR registration requirements semi-annually • Upon a change in the Firm's business • Upon a change in registration requirements
How Evidenced	File memos or notes on periodic reviews
Where Maintained	Membership and Registration File
Retention Period	Six years in an easily accessible place
On-going Compliance	Take appropriate action to maintain compliance and report to Senior Management
Review Procedure	Review files as part of Annual Review

3.02 Background Investigations of Prospective Personnel

Requirement. Sections 203(e) and 203(f) of the Adviser's Act give the SEC the authority to censure, suspend or revoke the registration of an investment adviser and to bar a person from becoming an associated person of an adviser if it finds that the adviser or an associated person has engaged in certain conduct. The persons subject to an automatic bar under Section 203(e) and (f) include:

1. A person who within 10 years has been convicted of any felony or misdemeanor involving the purchase or sale of any security or arising out of the person's conduct as an underwriter, broker, dealer, investment adviser, municipal securities dealer, government securities broker, government securities dealer, bank, transfer agent or entity or person required to be registered under the Commodity Exchange Act, or as an affiliated person, salesman or employee of any issuer, bank, insurance company, or entity or person required to be registered under the Commodity Exchange Act,
2. A person who is permanently or temporarily enjoined by order, judgment, or decree of any court of competent jurisdiction from acting in any of the positions set forth under (1) or from engaging in or continuing any conduct or practice in connection with any such activity or in connection with the purchase or sale of any security, and
3. An affiliated person for whom is barred by any reason defined in paragraph (1) or (2).

In addition, an investment adviser must disclose in its Form ADV whether it or its advisory personnel have been subject to certain disciplinary events.

Policy. The Firm will conduct a background investigation of each new supervised person. The Firm will not employ statutorily disqualified or automatically barred individuals.

Procedure. Human Resources, along with the CCO or Deputy CCO, are responsible for compliance with this policy and are directed to observe the following procedures:

Background Investigations of Prospective Personnel Procedures	
Who	Human Resources and Advisor CCO, or Deputy CCO
What	• Prepare questionnaires seeking information on applicants' disciplinary histories (including pending matters) that could give rise to an automatic or discretionary bar as outlined above • Make arrangements to distribute and obtain questionnaires from applicants • If the applicant was previously registered as an adviser, investment adviser representative, broker-dealer, or registered representative of a broker-dealer, review disclosure documents previously filed by or on behalf of such applicant (Forms ADV, BD, U-4 or U-5)
What	• After hire, obtain a fingerprint card (if Firm status requires an IARD filing) • Evaluate findings under the Firm's qualification standards and provisions of the Advisers Act relating to adverse conduct • Obtain explanations of adverse disciplinary histories from the applicant and initiate the internal review process • Periodically, but no less frequently than annually, distribute questionnaires asking for updated information on disciplinary histories
When	Upon application for employment and annually thereafter
How Evidenced	• Completed questionnaires • Copies of previously filed disclosure documents and fingerprint cards (if necessary) • Notes of meetings or conference call with the applicant and other references • Reports and recommendations
Where Maintained	In personnel files
Retention Period	Six years after termination of employee's association with the Firm

Background Investigations of Prospective Personnel Procedures	
On-going Compliance	Report to Senior Management if and when issues arise under this procedure
Review Procedure	During the Annual Review, spot-check personnel files for new employees for compliance with Firm procedures

3.03 Outside Employment

Requirement. Because of supervisory and conflict of interest concerns, the outside business activities of an investment adviser's associated persons should be monitored by the adviser.

Policy. The Firm prohibits its associated persons from being employed by or accepting compensation from any non-affiliated person as a result of any business activity unless the associated person has obtained pre-clearance of such outside employment from the CCO.

Procedures. The Chief Executive Officer and the CCO or Deputy CCO are responsible for compliance with this policy and is directed to observe these procedures:

Approving Outside Employment Procedures	
Who	Chief Executive Officer and Advisor CCO, or Deputy CCO
What	• Notify associated persons of Firm's policy • Advisor CCO, Deputy CCO or Chief Executive Officer to review requests for approval of outside employment
When	• Upon initial employment with the Firm • As needed thereafter
How Evidenced	Requests for approval and responses to such requests
Where Maintained	Compliance Portal on *FSInside*, company intranet
Retention Period	Six years after termination of employee's association with the Firm
On-going Compliance	Report to Senior Management if any violations are discovered
Review Procedure	Spot-check documentation as part of the Annual Review

3.04 Training

Requirement. It is prudent for a registered investment adviser to ensure that its associated persons who are advisory affiliates are familiar with their obligations under applicable law, the Firm's policies and procedures, and the elements of the Firm's compliance system. The phrase

"***advisory affiliates***" includes, among other persons, an adviser's directors, officers, and employees (other than employees serving in a purely clerical or ministerial capacity). The term "employee" includes an adviser's independent contractors subject to the adviser's control.

Policy. The Firm encourages its advisory affiliates to attend outside continuing education programs and various training sessions held by the Firm so that they will better understand their responsibilities under applicable law and the Firm's policies and procedures. Other training requirements may be imposed in light of an associated person's job description and level of experience.

Procedure. As necessary, the CCO or Deputy CCO will develop and evaluate the effectiveness of any training programs in accordance with the following procedures:

Training Procedures	
Who	Advisor CCO, or Deputy CCO
What	• Develop agenda and materials for the periodic compliance training session • Schedule and verify attendance of various advisory affiliates at the training session • With the assistance of immediate supervisors, evaluate the training needs of the Firm's advisory affiliates • Monitor outside continuing education programs for opportunities of interest to specific advisory affiliates and distribute information on these programs to advisory affiliates, as appropriate
When	• As needed for the compliance training session • Periodically for other responsibilities
How Evidenced	• Training session materials • Copies of materials on training programs provided to advisory affiliates
Where Maintained	Training file
Retention Period	• Training file – for life of Firm
On-going Compliance	• Follow up with the person and/or such person's supervisor, and escalate, as appropriate
Review Procedure	Review training files and modify as appropriate

3.05 Centralized Personnel Lists

Requirement. Various requirements can best be met if an adviser maintains a centralized list of all access persons associated with the Firm.

Policy. The Firm maintains a centralized list of access persons of the Firm (including applicable clerical staff and administrative assistants) (the "***Centralized Personnel List***").

Procedures. The CCO or Deputy CCO is responsible for the maintenance of the Centralized Access Persons List.

Centralized Personnel Lists Procedures	
Who	Advisor CCO or Deputy CCO
What	Maintain the Centralized Access Persons List
When	Ongoing
How Evidenced	List itself
Where Maintained	Centralized Access Persons List – Network Drive
Retention Period	Life of the Firm
On-going Compliance	Report to Senior Management, if and when issues arise
Review Procedure	Periodically review the Centralized Access Persons List

3.06 Form ADV (DRP) Disclosure Updates

Requirement. Item 11 of Form ADV Part 1A requires disclosure (by the response to Item 11 and completion of the appropriate Disclosure Reporting Page, or "**DRP**") of certain information on past or pending criminal, regulatory and judicial actions relating to an adviser and its "advisory affiliates."

Policy. It is the Firm's policy for the CCO and Senior Management, as applicable, to review actions as they arise for possible disclosures and to recommend and determine appropriate disclosure.

Procedure. Senior Management and the CCO or Deputy CCO are responsible for compliance with this policy and are directed to observe the following procedures:

Form ADV (DRP) Disclosure Update Procedures	
Who	Senior Management and Advisor CCO, or Deputy CCO
What	• Review situation possibly meriting Form ADV disclosure and escalate as applicable • Draft written disclosure for the DRP with the assistance of legal counsel
When	Upon receiving notice of disciplinary action, with revised disclosure to be completed within 10 days

Form ADV (DRP) Disclosure Update Procedures	
How Evidenced	Revised DRP
Where Maintained	Registration File
Retention Period	Life of Firm or ten (10) years, the first two (2) years in an easily accessible place
On-going Compliance	Take appropriate action to maintain compliance and report to Senior Management
Review Procedure	Review Form ADV filings during Annual Review

3.07 Political Contributions

Requirement. Rule 206(4)-5 under the Advisers Act generally: (i) prohibits an adviser from providing advisory services for compensation to a "government entity", including through a pooled investment vehicle in which the government entity invests, for a two-year period after the adviser or any of its "covered associates" make a non-*de minimis* political contribution to certain elected officials or candidates, including any election or, under certain circumstances, exploratory committee of such official or candidate; (ii) prohibits an adviser or its covered associates from providing or agreeing to provide, directly or indirectly, payment to any person for the solicitation of government advisory business unless such person is (a) a "regulated person" or (b) an executive officer, general partner, managing member or employee of the adviser; and (iii) prohibits an adviser or its covered associates from soliciting from others or coordinating, contributions to certain elected officials or candidates or payments to certain political parties where the adviser is providing, or seeking to provide, advisory services to a government entity. Moreover, in order to prevent the many ways in which an investment adviser could circumvent Rule 206(4)-5 (e.g., directing family members to contribute on behalf of the adviser or its covered associates and directing contributions to political action committees that benefit a particular official or candidate), Rule 206(4)-5 prohibits indirect activities which, if done directly, would violate the rule.

The Firm has determined that it is appropriate for it to adopt a policy to restrict certain persons associated with the Firm or any of its affiliated organizations from making political contributions to certain elected officials or candidates or engaging in certain related conduct (e.g., fundraising on behalf of such officials or candidates).

Policy. Subject to Franklin Square Holdings L.P.'s Political Contributions and Pay-to-Play Political Activity Policy, access persons associated with the Firm or any of its affiliated organizations[5] may contribute[6] to (i) political action committees; (ii) political parties; or (iii) elected

[5] The CCO will maintain a list of personnel subject to this policy.

[6] Contributions include cash contributions, gifts and anything of value. The release adopting Rule 206(4)-5 states that the SEC would not consider volunteer campaign work to be a contribution, unless the adviser has solicited the volunteer's efforts or the adviser has used its own resources (*e.g.,* office space).

officials or candidates. However, any such contribution (regardless of whether one may vote for the official or candidate) must be pre-approved by the Chief Executive Officer or CCO, or the Deputy CCO. Designated persons may be required to disclose any political contributions made no less frequently than annually. In addition, designated persons may not solicit from others, or coordinate, contributions to elected officials or candidates or payments to political parties without pre-approval by the Chief Executive Officer or CCO, or the Deputy CCO.

The CCO will review this policy annually, or more frequently, if necessary, to determine whether the policy continues to be appropriate for the Firm.

Procedure. Senior Management, along with the CCO or Deputy CCO, is responsible for compliance with this policy and is directed to observe the following procedures:

Political Contributions Procedures	
Who	Senior Management and Advisor CCO, or Deputy CCO
What	• Remind designated personnel that political contributions to (i) political action committees; (ii) political parties; or (iii) elected officials or candidates are subject to pre-approval • Remind designated personnel that soliciting and coordinating political contributions and payments is subject to pre-approval • If the CCO determines it is necessary based on any changes in client composition of the Firm, obtain information on political contributions and solicitation activities by designated personnel and new employees (within the prior two years)
When	• Obtain information on political contributions and solicitation activities by designated personnel within the prior year on an annual basis, if necessary; annual questionnaire will include a reminder of this policy • Obtain information on political contributions and solicitation activities by new employees within the prior two years prior to hiring, if necessary; if hired, the new employee orientation will include an overview of this policy • Obtain pre-approval of political contributions and solicitation activities by designated personnel as necessary
How Evidenced	• Pre-approval maintained on file along with the annual questionnaire • New employee political contributions and solicitation activities maintained on file, as necessary
Where Maintained	Compliance records
Retention Period	Six years after an employee has left the Firm

Political Contributions Procedures	
On-going Compliance	Take appropriate action to maintain compliance and report to Senior Management
Review Procedure	Review policy and/or files on a periodic basis as necessary

4 Fiduciary Duties

In General. As interpreted by the U.S. Supreme Court, Section 206 establishes a fiduciary standard for investment advisers' obligations to their clients. This fiduciary duty governs every aspect of an adviser's conduct and relationship with clients. The guiding principle for a fiduciary is to always put the client's interests ahead of its own interests and to provide full and fair disclosure to clients, including disclosure of all actual and potential material conflicts of interest. Similarly, investment advisers may not engage in or attempt to engage in fraudulent, deceptive or manipulative conduct with respect to clients.

As fiduciaries, investment advisers owe their clients a duty to provide only suitable investment advice. This duty generally requires an investment adviser to determine that the investment advice it gives to a client is suitable for a client, taking into consideration the client's financial situation, investment experience, and investment objectives.

4.01 Advisory Contracts

Requirement

Section 205 of the Advisers Act contains requirements and prohibitions for investment advisory contracts.

Assignment of Advisory Agreements

Every advisory agreement with a client must provide that the investment adviser may not assign the agreement without the client's consent, which may be negative consent (depending on the contractual language). Under the Advisers Act, in addition to the transfer or hypothecation of an advisory contract, the term "***assignment***" is defined to include any direct or indirect transfer of a controlling block of the adviser's outstanding voting securities.

Performance Fees

The Advisers Act generally limits the ability of a registered investment adviser to charge a performance fee on capital gains. Any client may be charged a performance fee structured as a "fulcrum fee" under Section 205(b)(2), pursuant to which compensation is based on the value of the funds under management averaged over a specified period and increasing or decreasing proportionally based on performance in relation to a specified benchmark. The Advisers Act does not address and does not specify a limit on, the ability of a registered adviser to an Issuer to assess a performance fee on income earned by the Issuer.

Policy. It is the Firm's policy that the provisions of its contracts with the Issuer (or any other client) comply with applicable legal requirements. It is also the Firm's policy to provide the Senior Management with information about the Firm and its services that are reasonably necessary for management to respond promptly to the requests for additional information. The Firm will retain all information provided to the Senior Management in connection with its obligations.

Procedure. Legal and the CCO or Deputy CCO, in consultation with external legal counsel, are responsible for implementing the policies regarding the provision of information to Senior Management relating to the advisory contracts between the Firm and the Issuer. The various parties should implement the policies according to the following procedures:

1. Legal

Advisory Contract Procedures	
Who	Legal
What	Develop advisory contracts that satisfy applicable legal requirements and Firm practices
When	• Prior to an adviser's inception of service for an Issuer, and as amendments are necessary • Review annually for continuing compliance • If necessary, in the event of an assignment of the advisory contract
How Evidenced	Contracts themselves
Where Maintained	Advisory contracts in Advisory Contracts File
Retention Period	Six years after termination of the contract in an easily accessible place
On-going Compliance	Take appropriate action to maintain compliance
Review Procedure	Review files annually as part of the Annual Review

2. CCO

Advisory Contract Procedures	
Who	Legal and Advisor CCO or Deputy CCO
What	• Compile, prepare and retain such information that is believed to be reasonably necessary for the Senior Management's consideration of the advisory contracts. • Respond to requests by the Senior Management for additional information

Advisory Contract Procedures	
When	• Prior to the inception of service • Annually upon the Senior Management review • If necessary in the event of an assignment of the advisory contract
How Evidenced	Issuer's materials
Where Maintained	Issuer's Materials File
Retention Period	Six years after the Senior Management meeting in an easily accessible place
On-going Compliance	Conduct a review and take appropriate action to maintain compliance
Review Procedure	Review files annually

4.02 Custody

Requirement. An investment adviser that holds, directly or indirectly, client funds or securities or has authority to obtain possession of client funds or securities, is deemed to have "***custody***" of those funds or securities under Rule 206(4)-2 under the Advisers Act and must comply with the requirements therein.

An investment adviser has custody when it: (i) has possession of client funds or securities (but not of checks drawn by clients and made payable to third parties), unless the investment adviser receives them inadvertently and returns them to the sender promptly, but in any case within three business days of receiving them; (ii) acts in any arrangement (including a general power of attorney) under which the investment adviser is authorized or permitted to withdraw client funds or securities maintained with a custodian upon the investment adviser's instruction to the custodian; or (iii) acts in any capacity (such as general partner of a limited partnership, manager of a limited liability company or a comparable position for another type of pooled investment vehicle, or trustee of a trust) that gives the registered adviser or its supervised person legal ownership of, or access to, client funds or securities. Further, according to the SEC staff, an investment adviser may have inadvertent custody of client funds or securities if, certain provisions are contained in a separate custodial agreement entered into between the investment adviser's advisory client and a qualified custodian that grant the investment adviser access to client funds or securities. Regardless of whether the investment adviser has knowledge.[7]

An investment adviser with custody of client assets must normally maintain those assets with a "***qualified custodian***." Qualified custodians are banks, registered broker-dealers, futures commission merchants and foreign financial institutions that customarily hold assets for their clients and segregate those assets from proprietary assets. Thus, an investment adviser may

[7] *See* SEC IM Guidance Update No. 2017-01 (Feb. 2017).

itself be a qualified custodian if it is such an entity. Investment advisers that trade mutual fund shares for their clients may also use the mutual fund transfer agents as qualified custodians for the limited purpose of holding those shares. Privately offered, uncertificated securities purchased for client accounts need not be held by a qualified custodian if ownership of the securities is recorded only on the books of the issuer or its transfer agent, in the name of the client, and transfer of ownership is subject to prior consent of the issuer or holders of the issuer's outstanding securities.

An investment adviser will be deemed to have custody of client assets to the extent it is authorized to deduct its advisory fees from a client's account. An investment adviser would not, however, be deemed to have custody of client assets if:

1. The client, and not the adviser, directs a custodian (that is not a related person of the adviser) to deduct the investment adviser's advisory fee from the client's account;
2. The adviser does not send a bill for its advisory fee to the custodian; and
3. The custodian makes all fee calculations involving the advisory fee.

Moreover, an investment adviser that has access to client assets held by its affiliate will be deemed to have custody of such assets and must comply with the custody rule. The following requirements apply to any investment adviser with custody of client assets:

1. The investment adviser must have a reasonable belief that the qualified custodian holding the client's assets provides quarterly account statements directly to the client setting forth all transactions in such a client's account during such a period. A client can choose to have an "***independent representative***" receive account statements in its place. An "independent representative" is defined as a person that:
    a. acts as agent for an advisory client, including in the case of a pooled investment vehicle, for limited partners of a limited partnership (or members of a limited liability company or other beneficial owners of another type of pooled investment vehicle) and by law or contract is obliged to act in the best interest of the advisory client or the limited partners (or members, or other beneficial owners);

    b. does not control, is not controlled by, and is not under common control with, the investment adviser; and

    c. does not have, and has not had within the past two years, a material business relationship with the investment adviser.

2. If the account statements are not provided directly to the client by the qualified custodian but rather by an investment adviser, then the client's account must be verified by actual examination at least once during each calendar year by an independent public accountant at a time that is chosen by the accountant without prior notice to the investment adviser. A certificate of the accountant stating that an examination of such funds and securities has been made and describing the nature and extent of the examination must be attached to a completed Form ADV-E and transmitted to the SEC within 30 days after each examination.

3. If the client is a pooled investment vehicle, such as a limited partnership or limited liability company, where the investment adviser has legal ownership or access to client

funds or securities, the periodic account statements required under the custody rule must normally be delivered directly to each investor in the vehicle. This delivery requirement does not apply if the pooled investment vehicle:

a. is audited at least annually; and

b. distributes its audited financial statements prepared in accordance with generally accepted accounting principles to all limited partners (or members or other beneficial owners) within 120 days of the end of its fiscal year.

Policy. The Issuer has engaged State Street Bank and Trust Company. as its custodian. It is the Firm's policy to take all necessary steps to ensure that the Firm does **not** take custody of any assets held by the Issuer.

Procedure. The CCO or Deputy CCO and Senior Management are responsible for compliance with this policy and is directed to observe the following procedures:

Custody Procedures	
Who	Senior Management and Advisor CCO, or Deputy CCO
What	• Senior Management monitors the status of the Issuer's assets and reviews proposed transactions to prevent inadvertent transfers of custody
When	• Spot check periodically the Issuer's asset status • Review the proposed structure of transactions as they arise
Where Maintained	Issuer Management / Compliance File
Retention Period	Six years in an easily accessible place
On-going Compliance	Notify the Senior Management, as appropriate, and take appropriate action to maintain compliance
Review Procedure	Review files annually

4.03 Expense Allocation

Requirement. Advisers to pooled investment vehicles must ensure that each pooled investment vehicle only bears expenses that are permissible under the relevant agreements, and that shared expenses are allocated in a manner that is fair to all parties.

Policy and Procedure. The Firm serves as an administrator for the Issuer. Pursuant to the Administration Agreement, the Firm will furnish, or arrange for others to furnish, the administrative services, personnel and facilities and other professional services subject to the supervision, direction, and control of the Issuer. Subject to the limitations on reimbursement of the Administrator, the Issuer, either directly or through reimbursement to the Administrator, bears all costs and expenses of its operations and transactions. Personnel performing these administrative

services are generally employees of the Firm's parent, Franklin Square. These employees may also perform similar functions for other affiliated companies and investment vehicles and be subject to similar fee arrangements. In determining how to allocate such expenses among the Firm and other affiliated companies and investment vehicles, the Firm seeks to act in a manner consistent with its fiduciary duty to act in the best interests of the Issuer. The Issuer Management is responsible for determining and implementing procedures to ensure that expenses are allocated fairly and reasonably over time. The Issuer's CCO is responsible for ensuring that expense allocation is performed in accordance with such policies.

The Issuer's CCO is responsible for determining and monitoring the appropriate allocation of expenses. Please refer to the Franklin Square Expense Allocation policy and procedures, as well as the Administration Agreement and the Issuer's Compliance Guide, for additional provisions regarding the allocation of expenses.

4.04 Disclosure of Conflicts of Interest

Requirement. Advisers have a duty to disclose all potential or actual material conflicts of interest to clients including any interest the adviser may have in client transactions or any other dealings the adviser may have with the client.

With respect to these disclosure requirements, the Adviser's client is the Issuer. Therefore, it must make any and all applicable disclosures to Senior Management. The disclosure obligations of an Issuer and its advisers to the Issuer's shareholders are beyond the scope of this Manual.

Policy. The Firm monitors its business practices and the activities of its associated persons to ensure that material conflicts of interest are identified and subsequently disclosed to clients. Additionally, representatives from the Firm will participate in Franklin Square's firm-wide Global Conflicts Committee to continually assess current or anticipated material conflicts of interest that warrant disclosure to the Firm's clients. The Firm also requests information from certain service providers regarding the financial condition, legal or disciplinary actions and conflicts of interest that may be required to be disclosed to Senior Management.

In 2018, Franklin Square adopted a firm-wide conflicts of interest policy, entitled "FS Investments' Policies and Procedures Regarding MNPI and Conflicts of Interest" (the "Conflicts Policy"). The Conflicts Policy provides, in pertinent part, that FS Real Estate Advisor, LLC is walled off from investment decision-making made by other affiliated funds and advisers.

Procedure. Senior Management, along with the CCO or Deputy CCO is responsible for compliance with this policy with respect to the Firm and its associated persons according to the following procedures:

Disclosure of Conflicts of Interest Procedures	
Who	Senior Management and Advisor CCO, or Deputy CCO and Legal

Disclosure of Conflicts of Interest Procedures	
What	• Request relevant information from certain material service providers regarding financial condition, legal or disciplinary matters or conflicts of interest • Obtain and review questionnaires from associated persons regarding potential conflicts • Monitor and test compliance with the Conflicts Policy
When	• Obtain relevant information from service providers, as appropriate • Obtain questionnaires from associated persons on an annual basis • Review questionnaires as they are completed • Monitor proceedings and actions and the Firm's financial condition periodically • Review disclosure materials, as needed
How Evidenced	• Completed questionnaires • Annual Review of Form ADV
Where Maintained	• Questionnaires maintained electronically in Compliance files • ADV Amendments are maintained systemically in Compliance
Retention Period	• Questionnaires – Six years • ADV Amendments – for life of Firm
On-going Compliance	Take appropriate action to maintain compliance and report to Senior Management.
Review Procedure	Review procedures and files as part of the Annual Review

4.05 Personal Securities Transactions

Requirements. Rule 204A-1 under the Advisers Act requires registered investment advisers to adopt a written code of ethics addressing, among other things:

1. Standard(s) of business conduct required of supervised persons that reflect the adviser's fiduciary obligations and those of its supervised persons;
2. Provisions mandating compliance with applicable Federal Securities Laws by supervised persons;
3. Provisions requiring all access persons to report, and the adviser to review, personal securities transactions and holdings;

4. Provisions requiring supervised persons to report violations of the code of ethics to the CCO; and

5. Provisions requiring the adviser to provide a copy of the code of ethics to each supervised person and obtain from them written acknowledgment of receipt.

Rule 204A-1 requires that access persons submit securities holdings reports within 10 days of becoming an access person and at least once each twelve-month period thereafter. It also requires that access persons submit quarterly transaction reports no later than 30 days after the end of each calendar quarter (or broker trade confirmations or account statements in lieu of such transaction reports). The reports must include: the title, CUSIP number and amount of the security involved; the interest rate and maturity date if the security is a debt security; the date and nature of the transaction (*i.e.*, purchase, sale or other acquisition or disposition); the price at which it was effected; and the name of the broker, dealer or bank with or through which the transaction was effected.

Exempt from the reporting requirements are transactions:

1. With respect to securities in an account over which the access person had no direct or indirect influence or control;

2. Effected pursuant to an automatic investment plan; and

3. In direct obligations of the U.S. Government, bankers' acceptances, bank certificates of deposit, commercial paper, high-quality short-term debt instruments including repurchase agreements, and shares issued by registered open-end investment companies (i.e., mutual funds); however, this exclusion does not apply to exchange-traded funds structured as unit investment trusts or open-end funds.

204a-1 requires that every investment adviser adopts a written code of ethics containing provisions reasonably necessary to prevent its "***Access Persons***" from engaging in conduct prohibited by the rule. An adviser's code of ethics must be approved by senior management before the adviser is initially retained and no later than six months after a material change to the code. At least annually, an adviser must also produce a written report describing any issues that have arisen under the code of ethics since the last report and certifying that the adviser has adopted procedures reasonably necessary to prevent access persons from violating the code.

204a-1 requires that an access person submits an initial securities holdings report no later than 10 days after the person becomes an access person, quarterly transaction reports no later than 30 days after the end of a calendar quarter (or broker trade confirmations or account statements in lieu of such transaction reports), and annual holdings reports. The rule defines an "**access person**" as an officer, director, or general partner of the adviser, as well as: (1) an employee "who, in connection with his or her regular duties, makes, participates in, or obtains information, regarding the purchase or sale of Covered Securities, or whose functions relate to the making of any recommendations with respect to the purchases or sales," and (2) any natural person in a control relationship to the adviser who obtains information concerning recommendations made to the Issuer with regard to the purchase or sale of covered securities.

By requiring advisers to record the personal securities transactions of its access persons and advisory representatives, Rule 204a-1 is designed to prevent conflicts of interest and deter

adviser personnel from engaging in certain activities that harm their clients, such as scalping, front-running or taking an investment opportunity from the client for the employee's own portfolio.

In addition, Rule 10b-5 under the 1934 Act makes it unlawful for any person to misuse, either directly or indirectly, any material, non-public information. "***Material, non-public information***" is any information that has not been publicly disseminated and that a reasonable investor might consider important in making an investment decision. Examples of the types of information that are likely to be deemed "material" include, but are not limited to, the following:

1. Dividend increases or decreases;
2. Earnings estimates or material changes in previously released earnings estimates;
3. Significant expansion or curtailment of operations;
4. Significant increase or decline in revenues;
5. Significant merger or acquisition proposals or agreements, including tender offers;
6. Significant new products or discoveries;
7. Extraordinary borrowing or liquidity problems;
8. Major litigation;
9. Extraordinary management developments; and
10. The purchase and sale of substantial assets.

In the investment advisory context, insider trading occurs, for example, when an adviser recommends a transaction in a security to advisory clients or engages in personal securities transactions for himself/herself while possessing material, non-public information regarding the security.

The Insider Trading and Securities Fraud Enforcement Act of 1988 effectively makes organizations liable for the misuse of material, non-public information by associated persons if such an organization does not have policies and procedures designed to detect and prevent the misuse of material, non-public information. Section 204A requires investment advisers to establish, maintain and enforce written policies and procedures reasonably designed to preserve the confidentiality and prevent misuse of material, non-public information. The SEC requires that such procedures take into consideration the specific circumstances of the adviser's business.[8]

Policy. The Firm has adopted the "Code of Business Conduct and Ethics," attached hereto as Appendix A, which governs the actions of its employees to help ensure that violations of the Federal Securities Laws regarding personal securities transactions do not occur and that the Firm meets its fiduciary duty to clients by dealing with them justly and equitably, and has adopted a written "Statement on the Prohibition of Insider Trading," attached hereto as Appendix Bin the Code of Business Conduct and Ethics. These documents also govern the personal securities transactions of its personnel. The Firm's "Code of Business Conduct and Ethics" meets the requirements of Rule 204a-1.

The Firm prohibits employees from trading on material, non-public information, either personally or on behalf of other individuals (including clients), and from communicating material, non-public

[8] *See* Gabelli & Co., Securities and Exchange Act Rel. No. 35057 (Dec. 8, 1994).

information to other individuals in violation of the law. To enforce these policies, the Firm has adopted the following guidelines and procedures.

If, in the scope of an access person's duties with the Firm, it is necessary for legitimate business reasons to disclose material non-public information to persons outside of the Firm (e.g., commercial bankers, investment bankers or other companies with whom a client may be pursuing a joint project), such information should not be conveyed until an express understanding, typically in the form of the standard nondisclosure agreement, has been reached that such information may not be used for trading purposes and may not be further disclosed other than for legitimate business reasons. Please contact the CCO before disclosing any material non-public information to a third party or entering into a nondisclosure agreement.

Appointment of the CCO to Oversee Personal Trading. Appointing the CCO as the point person for issues concerning personal securities transactions serves to centralize responsibility for overseeing compliance with the Firm's policies and provides a resource for giving guidance and answering employee questions.

Written Policies and Procedures Statement. The "Code of Business Conduct and Ethics" and "Statement on the Prohibition of Insider Trading" explain the ethical, business, and legal reasons for avoiding improper trading practices. New personnel must attest they have read these policies and procedures, and all access persons must make this attestation annually.

Annual Training. As part of the Firm's training program, the Firm requires access persons to review an online module or attend a training session, in each case, designed to ensure that access persons understand the requirements of the "Code of Business Conduct and Ethics" and "Statement on the Prohibition of Insider Trading" and the policies contained therein.

Review of Trading. To help ensure compliance, access persons are required to pre-clear trades in Initial Public Offerings and Limited Offerings (each as defined in the "Code of Business Conduct and Ethics"). Pre-clearance is also required to transact a trade in securities issued by companies whose names appear on the Pipeline and Portfolio Reports (each as defined in the "Code of Business Conduct and Ethics") and to submit quarterly transaction reports and annual holdings reports as required by Rule 204a-1. Access persons are instructed to direct pre-clearance requests to the CCO or Deputy CCO.

Information Control and Security. The Firm maintains secured and locked files to keep information from being misused. Non-public information or information about securities held or to be acquired by the Issuer is disseminated on a "need to know" basis.

Procedure. Senior Management, along with the CCO or Deputy CCO, is responsible for the foregoing with respect to the Firm and its "Code of Business Conduct and Ethics" and "Statement on the Prohibition of Insider Trading" and is directed to observe the following procedures.

Personal Securities Transactions Procedures	
Who	Senior Management and Advisor CCO, or Deputy CCO

Personal Securities Transactions Procedures	
What	• Adopt and amend “Code of Business Conduct and Ethics” and “Statement on the Prohibition of Insider Trading” that complies with Rule204a-1 and include a statement of principles as to the priority of client interests and policies and procedures as to how to conduct personal securities transactions to avoid conflicts of interests, and submit to Senior Management for approval • Distribute “Code of Business Conduct and Ethics” and “Statement on the Prohibition of Insider Trading” and review with Firm access persons • Maintain a list of the Firm’s access persons
What	• Upon receipt of a form requesting pre-clearance of a trade, ascertain whether the trade is consistent with the Firm’s trading policies and that the Firm is not in current possession of any inside information. Notify individual making pre-clearance request whether a trade is acceptable • Obtain initial holdings reports, quarterly transaction reports (or duplicate trade confirmations or statements from broker-dealers in lieu of such reports), and annual holdings reports, following up as necessary to ensure receipt handling the personal accounts of access persons • Review holdings and transaction reports for prohibited or questionable conduct or transactions
When	• Amend “Code of Business Conduct and Ethics” and “Statement on the Prohibition of Insider Trading” as necessary • Distribute “Code of Business Conduct and Ethics” and “Statement on the Prohibition of Insider Trading” as new access persons join Firm and personnel positions change • Obtain annual certification from access persons as to their knowledge and awareness of their requirement to abide by the tenets of the “Code of Business Conduct and Ethics” and “Statement on the Prohibition of Insider Trading” and their compliance therewith • As pre-clearance requests are submitted
How Evidenced	• “Code of Business Conduct and Ethics” and “Statement on the Prohibition of Insider Trading” and notes relating thereto • Initial Holdings Reports, Quarterly Trading Reports, Annual Holdings Reports and Annual Certification of Compliance • Copies of forms regarding pre-clearance requests
Where Maintained	Compliance File
Retention Period	Six years in an easily accessible place

Personal Securities Transactions Procedures	
On-going Compliance	Report to Senior Management and legal counsel
Review Procedure	Review files annually as part of the Annual Review

4.06 Proxy Voting

Requirements. Rule 206(4)-6 under the Advisers Act relates to the exercise of voting authority with respect to client securities. Under the rule, it is a fraudulent, deceptive or manipulative act, practice or course of business within the meaning of the Advisers Act for an investment adviser to exercise voting authority with respect to "client securities" unless it adopts and implements written policies and procedures that are reasonably designed to ensure that it votes such securities in the best economic interests of its "clients," which, in the Firm's case, consists solely of the Issuer. Rule 206(4)-6 requires each adviser to:

1. Adopt and implement written policies and procedures that are reasonably designed to ensure that it votes client securities in the best economic interests of clients, which procedures include how the adviser will address material conflicts that arise between its interests and those of its clients;
2. Disclose to clients how they may obtain information from the adviser about how it voted with respect to a client's securities; and
3. Describe to clients its proxy voting policies and procedures and, upon request, furnish a copy of the policies and procedures to the requesting client.

Policy. The Issuer's Proxy Voting Policy and Procedures, attached hereto as Appendix B, govern the Firm's voting of proxies on the Issuer's behalf with respect to securities the Issuer holds in its portfolio. Pursuant to the Proxy Voting Policy and Procedures, the Issuer has delegated its proxy voting authority to the Firm. The Firm will take all necessary steps to comply with the disclosure requirements of Rule 206(4)-(6). The Adviser has retained ISS as its proxy voting service.

Procedure. **To the extent applicable,** the Investment Committee has the authority to vote proxies on behalf of securities held by the Issuer and may delegate this responsibility to one or more members of the Investment Team, including the Lead Portfolio Manager. The Investment Committee and the CCO or Deputy CCO are responsible for compliance with this policy, and each are directed to observe the following procedures:

Proxy Voting Procedures	
Who	Investment Committee, Investment Team, and Advisor CCO, or Deputy CCO

Proxy Voting Procedures	
What	• The CCO or Deputy CCO maintains the Firm's proxy voting record and may override the determination of the Investment Team to vote the Issuer's proxies in a particular direction. • In the event a unanimous determination as to how to vote the Issuer's proxies cannot be rendered; the Investment Committee shall consult the Global Conflicts Committee as to how to vote. • Compliance will include the Proxy Voting Policy and Procedures in the Annual Review.
When	• When the opportunity to vote portfolio shares arises
How Evidenced	• Proxy voting policies • Firm's proxy voting record with respect to the Issuer's portfolio securities • Record of shareholder requests for information
Where Maintained	• Proxy voting policy and list of Firm's voting record
Retention Period	Six years in an easily accessible location
On-going Compliance	Consult with legal counsel and Senior Management, as applicable.
Review Procedure	Review files during Annual Review

5 Anti-Money Laundering & Foreign Corrupt Practices Act

5.01 Anti-Money Laundering

Requirements. Money laundering generally is the attempt to conceal or disguise the nature, location, source, ownership, or control of unlawfully derived money so that the proceeds appear to have derived from legitimate origins or constitute legitimate assets. If done successfully, money laundering allows bad actors to maintain control over their unlawfully obtained funds. Various U.S. Federal agencies are charged with administering programs designed to mitigate the use of funds derived from unlawful activities or intended for unlawful activities, including, but not limited to, funds held by drug traffickers, organized crime, tax evaders, securities fraud, wire fraud, and other groups and individuals seeking to transfer, spend, and or/invest money derived from any type of unlawful activity.

Current U.S. federal statutory schemes, including the Currency and Foreign Transactions Reporting Act of 1970 and its implementing regulations (the "Bank Secrecy Act") and the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct

Terrorism Act of 2001 (the "***Patriot Act***"), do not currently impose extensive anti-money laundering compliance obligations on investment advisers in their capacity as such. However, if they act in certain other capacities, e.g., as registered broker-dealers, commodity pool operators or commodity trading advisors, such activities are likely to be covered by the Bank Secrecy Act and/or Patriot Act in those capacities. The Firm notes that the Financial Crimes Enforcement Network ("FinCEN"), a bureau within the Department of Treasury responsible for implementing the Bank Secrecy Act, has proposed – but not adopted – anti-money laundering rules that would apply to investment advisers like the Firm.[9]

Policy.As a general matter, anti-money laundering obligations under applicable U.S. federal law are generally incurred where an adviser is involved with processing investor transactions in cash or securities (e.g., investors subscribing for investments in a private fund vehicle, or funding a separately managed account). The Firm does not directly deal with prospective investors in an investment company and is generally not directly involved with transactions in shares of investment companies that it advises. Consequently, the Firm generally will not be in a position to monitor for or identify potential instances of, money laundering. Nonetheless, the Firm will monitor the applicability of proposed rules to determine if additional policies and procedures are required.

Procedure. The CCO or Deputy CCO is responsible for maintaining this policy and is directed to observe the following procedures, as applicable:

Anti-Money Laundering Procedures	
Who	Advisor CCO, or Deputy CCO
What	• Monitor and review proposed regulations regarding anti-money laundering • Discuss any adopted rules with legal counsel
When	On a periodic basis or as necessary
How Evidenced	Copies of relevant proposed and adopted anti-money laundering requirements
Where Maintained	Compliance File
Retention Period	Six years in an easily accessible location.
On-going Compliance	N/A

[9] FinCEN, Anti-Money Laundering Program and Suspicious Activity Report Filing Requirements for Registered Investment Advisers, 80 Fed. Reg. 52680 (Sept. 1, 2015).

Anti-Money Laundering Procedures	
Review Procedure	Review files during Annual Review and consult with legal counsel regarding updated requirements

5.02 Foreign Corrupt Practices Act

Requirements. The Foreign Corrupt Practices Act ("***FCPA***") prohibits the direct or indirect giving of, offering to give or promising to give, money or anything of value to a foreign official, a foreign political party or party official, or any candidate for foreign political office in order to corruptly obtain or retain a business benefit. The FCPA includes provisions that may permit the giving of gifts and entertainment under certain circumstances, including certain gifts and entertainment that are lawful under the written laws and regulations of the recipient's country, as well as facilitating payments for routine governmental action. However, the availability of these exceptions is limited and is dependent on the relevant facts and circumstances. Civil and criminal penalties for violating the FCPA can be severe.

Policy. The Firm is committed to conducting investment activity ethically and in complete compliance with the FCPA and has established the policy and procedures prohibiting bribery and other improper payments in the conduct of the Firm's business operations. The Firm and its officers, directors and employees must comply with the spirit and the letter of the FCPA at all times. It is imperative that all employees, particularly those engaged in investment-related functions, understand the activities prohibited by the FCPA to ensure the Firm's compliance with such laws.

Procedure. Employees of the Firm must obtain written pre-clearance from the CCO prior to giving anything of value that might be subject to the FCPA. Officers, directors, and employees of the Firm must disclose all gifts and entertainment that may be subject to the FCPA to the CCO irrespective of value and including food and beverages provided during a legitimate business meeting. Officers, directors and employees of the Firm must consult with the CCO if there is any question as to whether gifts or entertainment need to be pre-cleared and/or reported in connection with this policy.

Foreign Corrupt Practices Act Procedures	
Who	Senior Management and Advisor CCO, or Deputy CCO
What	Remind supervised persons that giving anything of value that might be subject to the FCPA is subject to pre-approval
When	On an annual basis, obtain information on gifts and contributions from personnel that might be subject to the FCPA within the prior year
How Evidenced	Obtain pre-approval of such gifts and contributions by Employees as necessary

Foreign Corrupt Practices Act Procedures	
Where Maintained	CCO records
Retention Period	Six years
On-going Compliance	Take appropriate action to maintain compliance and report to Senior Management
Review Procedure	Review policy and/or employee files on a periodic basis as necessary

6 Business Practices

6.01 Business Continuity

Requirement. Business continuity plans are specifically mentioned in the adopting release for Rule 206(4)-7 under the Advisers Act (the ***"Release"***). The Release states that an adviser's fiduciary obligation includes taking steps to protect its clients' interests from being placed at risk as a result of the adviser's inability to provide advisory services after an event such as a natural disaster. The Release further states that the clients of an adviser that is engaged in the active management of their assets would ordinarily be placed at risk if the adviser ceased operations.

Although the SEC has stated that the written compliance policies and procedures of registered investment advisers should address business continuity plans, and the SEC has proposed a rule requiring SEC-registered investment advisers to adopt and implement written business continuity and transition plans reasonably designed to address operational and other risk related to a significant distribution in the investment adviser's operations[10], the SEC has not promulgated any rules that would identify the specific elements of business continuity plans for registered investment companies. However, as a best practice, the business continuity plan should address, at a minimum: (1) involvement by management; (2) the dedication of adequate resources; (3) maintenance of the business continuity plan on a regular basis; (4) employee training; (5) regular testing; (6) coverage of areas critical to operations; (7) the use of back-up facilities; (8) coverage of third party service providers and major counterparties and customers; (9) short-term

[10] SEC Release No. IA-4439 (June 28, 2016). As proposed, all registered investment advisers (and investment advisers that are required to be registered) would have to adopt written business continuity plans, and annually assess the adequacy of those business continuity plans. Such a business continuity plan would be required to include policies and procedures addressing: (1) maintenance of critical operations and systems, and protection, backup and recovery of data; (2) prearranged alternate physical locations of an investment adviser's office and employees; (3) communication plans for clients, employees, service providers, and regulators; (4) identification and assessment of critical third-party service providers to address how the investment adviser will manage the loss of a critical service; and (5) a plan of transition in the event the investment adviser is winding down or is unable to continue providing advisory services.

and long-term business recovery and continuation strategies; (10) the identification of communication alternatives; and (11) the availability of data back-up (both timing and capacity).

In addition, although the Financial Industry Regulatory Authority (*"**FINRA**"*) Rule 4370 is not applicable to investment advisers, it does identify certain elements many business continuity plans should incorporate. In addition, advisers that maintain records on electronic media must meet specific rule requirements for preserving and backing-up firm and client files and information, separately storing those back-up files, limiting access to the information and safeguarding it from loss, alteration or destruction.

Policy. The Firm's business continuity plan is intended to enable the Firm to continue operations in the event of unexpected circumstances. The plan also contemplates a records back-up system to help ensure that the records the Firm maintains will not be lost in the event of a disaster.

Procedure. The Chief Information Security Officer ("***CISO***") is responsible for compliance with this policy and is directed to observe the following procedures:

Business Continuity Procedures	
Who	CISO, Advisor CCO or Deputy CCO, and Senior Management
What	• Maintain a written business continuity plan, including requirements for alternate storage of records • Ensure that the personnel and facilities described in the plan are in place and will operate as necessary to maintain continuity of the Firm's business in the event of cessation of business at the Firm's primary locations • Conduct and document periodic tests of the plan to ensure that it works • Update personnel and facilities information and revise the plan as necessary to ensure that it would operate as designed
When	Annually or as needed
How Evidenced	Business Continuity Plan
Where Maintained	Annual Review File
Retention Period	Six years in an easily accessible place
On-going Compliance	Take action to maintain compliance
Review Procedure	Annually, or as deemed necessary and appropriate, consult with business continuity experts

6.02 Privacy Policies and Procedures

Regulation S-P

Requirements. Under Regulation S-P, privacy rules promulgated pursuant to Section 504 of the Gramm-Leach-Bliley Act, a registered adviser is:

1. Prohibited from disclosing, except for certain specified exceptions, non-public personal information about its customers and consumers[11] without their consent (an institution may rely on the negative consent of the individual if it has provided an adequate means for the individual to "opt-out" of, or decline, disclosure);

2. Required to deliver a statement describing its privacy policy to its customers on an initial basis and, under certain circumstances, on an annual basis; and

3. Required to adopt policies and procedures to protect the non-public personal information of its consumers and customers.

4. Regulation S-P applies only to information obtained by financial institutions from individuals. Business and institutional clients of registered advisers are not covered by the regulation. In order to comply, a registered adviser must do the following:

5. Prepare notices describing its privacy policy;

6. Provide an initial privacy policy notice to each existing customer;

7. Provide an initial privacy policy notice to each new customer who did not receive a notice when he/she was a consumer (and thereafter provide an annual privacy policy notice to each customer);

8. Provide a means for a customer to "opt-out" of information sharing if the institution intends to share non-public personal information other than in accordance with the permitted exceptions;

9. Provide a privacy policy notice and "opt-out" notice to each consumer if the institution intends to share information about the consumer other than in accordance with the permitted exceptions; and

10. Adopt policies and procedures that address the confidentiality and security of non-public personal customer and consumer information.

Policy. The Issuer is currently the Firm's only client. The Firm, unlike the Issuer, has no disclosure or dissemination obligations under Regulation S-P at the present time. However, the Firm and the Issuer share a Privacy Policy pursuant to which the Issuer safeguards customer information in accordance with state and federal standards. The Privacy Policy provides that the Issuer will not share information with non-affiliated third parties, except in limited circumstances

[11] Under Regulation S-P, "**consumer**" means an individual who obtains or who has obtained a financial product or service from a registered adviser or other applicable entity that is to be used primarily for personal, family, or household purposes, or that individual's legal representative, and "**customer**" means a consumer that has established a continuing relationship with a registered adviser or other applicable entity. A registered adviser is not obligated to provide any disclosures to its consumers who are not customers unless it determines to disclose non-public personal information about that consumer to a non-affiliated third party.

provided therein. The Privacy Policy is attached hereto as Appendix D. In the event, the Firm opts to retain individuals as clients in the future, the Firm will adopt new policies and procedures as necessary to comply with the requirements of Regulation S-P.

Regulation S-AM

Requirement. Regulation S-AM: Limitations on Affiliate Marketing (***"Regulation S-AM"***) prevents investment companies and registered investment advisers (collectively, ***"Covered Persons"***), from using certain consumer information provided by an affiliate to market products and services unless there is full disclosure to the consumer and the consumer does not "opt-out" of such marketing.

In general, Regulation S-AM contains two key provisions: (1) notice to consumers and (2) an opt-out provision. Covered Persons may not use personally identifiable information (called "eligibility information") about a consumer obtained from relationships with affiliates to solicit the consumer, unless:

1. The consumer receives a clearly, conspicuously and concisely disclosed notice that the Covered Person may use such eligibility information;
2. The consumer is provided a reasonable method and opportunity to "opt-out" of the use of such information for marketing purposes; and
3. The consumer does not opt-out.

The consumer notice need not be in a specific form, but it must include the names of the affiliate(s) providing the notice, the types of eligibility information that may be used in solicitations and the length of time that the "opt-out" provision will remain effective. The opt-out period must last at least five years, though the agreement may be for a longer period. Aggregate or blind data that does not contain personal identifiers such as account numbers, names or addresses are excluded from "eligible information."

Similarly, Regulation S-AM only applies to specific solicitations. It excludes marketing to the general public; such as "radio, television, general circulation magazine, billboard advertisements and publicly available Web sites that are not directed to particular consumers" because such broad-scale solicitations do not use specific consumer information. Marketing solicitations subject to Regulation S-AM include "a telemarketing call, direct mail, e-mail or other forms of marketing communication directed to a particular consumer that is based on eligibility information received from an affiliate."

Regulation S-AM provides for several exemptions from the notice and opt-out requirements, including:

1. Covered Persons responding to consumer-initiated communications about products or services;

2. Covered Persons responding to authorizations by the consumer to receive solicitations; and

3. Solicitations to consumers who have a pre-existing business relationship with the Covered Person. In these cases, the Covered Person can use eligibility information from affiliates to solicit its services without notice or opt-out provision. They include:

    a. a consumer having a brokerage account currently in force with a broker-dealer;

b. a consumer having an investment advisory contract with a registered investment adviser;

c. a consumer who was the record owner of an investment company's securities, but who redeemed those securities, for up to 18 months after the date of redemption;

d. a consumer who applies for a margin account offered by a broker-dealer, but does not ultimately enter into a financial transaction with the broker-dealer, for up to three months after the date of application; and

e. a consumer who asks via the phone or e-mail about a broker-dealer's products or services and provides contact information, but does not obtain any products or services, for up to three months after the date of inquiry.

The final rule, which implements Section 624 of the Fair Credit Reporting Act, essentially incorporates Regulation S-AM's notice and opt-out provisions into the privacy notices required by Regulation S-P. The SEC stated that the notice and opt-out provisions of Regulation S-AM may be combined with other similar disclosures, such as Regulation S-P's required initial and annual privacy notices.

Policy.

The Firm does not and will not use information about an individual obtained by any person that is related to it by common ownership or common control, including the **Issuer**, to make a marketing solicitation to the individual. For purposes hereof, the term "**marketing solicitation**" means the marketing of a product or service initiated by us to a particular individual that is:

1. Based on information communicated to the Firm by a person that is related to it by common ownership or common control; and
2. Intended to encourage the individual to purchase or obtain such a product or service.

As a result, the Firm does not have to comply with the notice and opt-out requirements of Regulation S-AM.

Procedure.

The CCO or Deputy CCO is responsible for compliance with this policy and is directed to observe the following procedures:

Procedures Regarding Privacy	
Who	Advisor CCO, or Deputy CCO
What	Develop and implement new privacy policies as necessary and monitor appropriate regulation
When	Review annually for continuing compliance or as necessary
How Evidenced	The existing Privacy Policy and newly drafted policies when necessary
Where Maintained	Compliance File
Retention Period	Six years from the date of last use

Procedures Regarding Privacy	
On-going Compliance	Take action to maintain compliance
Review Procedures	Annually or as deemed necessary or appropriate

Regulation S-ID

Requirement. The "Identity Theft Red Flags Rule," codified as Regulation S-ID, went into effect on November 20, 2013. Entities that maintain accounts for retail customers that could be subject to identity theft are required to identify relevant red flags for these "covered accounts" and incorporate these red flags into a program to monitor identity theft.

Policy. The Firm does not have clients that are individuals, nor does it maintain any accounts that could be subject to identity theft. As a result, the Firm does not need to maintain an identity theft program.

Procedures Regarding Identity Theft	
Who	Advisor CCO, or Deputy CCO
What	Develop and implement new privacy policies as necessary and monitor appropriate regulation
When	Review annually for continuing compliance or as necessary
How Evidenced	Policy will be developed if necessary
Where Maintained	Compliance File
Retention Period	Six years from the date of last use
On-going Compliance	Take action to maintain compliance
Review Procedures	Annually or as deemed necessary or appropriate

6.03 Correspondence, Electronic Communication, and Social Media

Requirement. Rule 204-2 requires advisers to keep records of incoming and outgoing written communications of its associated persons with the public relating to the securities business of the adviser, including those relating to (a) investment recommendations or advice given or proposed; (b) receipt or delivery of funds or securities; and (c) placing and execution of orders for the purchase or sale of securities.

To ensure compliance with applicable requirements, advisers often establish procedures for the review by a supervisor of incoming correspondence to its associated persons from the public, and outgoing written correspondence to the public, relating to the advisory business of the firm. These procedures are intended to assist an adviser with the identification and handling of customer complaints and to ensure that customer relationships are handled in accordance with firm procedures.

All electronic communications, including text messages, are viewed as written communications and the SEC has publicly indicated its expectation that firms retain all electronic communications for the required record retention periods. If a certain method of communication does not lend itself to retention, then it must be prohibited from use by the firm. Further, SEC regulators also will request and expect that all electronic communications of supervised persons are monitored and maintained for the same required periods. E-mails consisting of spam or viruses are not required to be maintained.

The Firm does not prohibit associated persons from posting on public forums, such as blogs or social networking sites (e.g., Facebook, Twitter or LinkedIn) outside of work, but associated persons should consider how the use of social media can reflect upon the Firm and maintain compliance with the Firm's social media policy, as applicable. An associated person may not indicate that he or she is associated with the Firm in a public forum if other information posted on that site could cause harm to the Firm's reputation. Moreover, information about the Firm (or any interaction with another person) that is posted in a public forum might be construed by the SEC or its staff as an advertisement that is subject to strict regulations. Consequently, associated persons are prohibited from posting information about the Firm or their specific activities within the Firm (other than their title and general role within the Firm) in any public forum without the explicit pre-approval of the Firm's Senior Management team and the CCO (or her Deputy CCO). Associated persons must also consult with the Firm's management team and the CCO (or her Deputy CCO) prior to posting any information in any public forum, where the associated person could be viewed as acting in his or her capacity as an associated person of the Firm. Supervised persons are prohibited from sharing proprietary information about the Firm's operations or investment decisions, or posting any non-public information, in any public forum.

Policy. Incoming correspondence includes complaints and any other written communication received by an associated person of the Firm from a client or prospective client. Outgoing correspondence includes any written material sent to only one client or prospective client, as well as any information posted on public forums, such as blogs or social networking sites (e.g., Facebook, Twitter or LinkedIn). As the Firm is not in the business of providing investment advice to persons other than the Issuer, such correspondence should be rare. In the event of a client complaint, the CCO will work with all involved parties to provide a timely response.

The Firm's policy provides that e-mail, instant messaging, texts and other electronic communications, regardless of the platform used, are treated as written communications and must be retained as part of the Firm's records retention. Such communications must always be of a professional nature. The Firm's policy covers electronic communications for the Firm, to or from its clients, and includes any personal e-mail communications within the Firm. Personal use of the Firm's e-mail and any other electronic systems is strongly discouraged. Also, all Firm and client-related electronic communications must be on the Firm's systems and use of personal e-mail addresses or other personal electronic communications, such as, text messaging, for Firm or client communications is prohibited. The Firm will, at a minimum, retain all e-mails that could

in any way be construed as records that must be maintained by an investment adviser. The Firm permits text messaging only through the Ring Central text functionality. The Firm archives all electronic communication with Silversky® and Global Relay®. Please note that the SEC defines "text messages" to include any communications sent by text, instant message, iMessage, SMS, WhatsApp, Signal, Discord, Telegram, WeChat, GChat, Skype, social media direct messaging or any other messages sent or received on any similar platform or application that relates to the Adviser's business activities.

The Firm's associated persons are prohibited from posting information about the Firm or their specific activities within the Firm (other than their title and general role within the Firm) in any public forum without the explicit pre-approval of the Firm's Senior Management team and the CCO (or his or her Deputy CCO). Associated persons must also consult with the Firm's Senior Management team and the CCO (or his or her Deputy CCO) prior to posting information in any public forum, where the associated person could be viewed as acting in his or her capacity as an associated person of the Firm. The Firm will, at a minimum, retain any information posted on public forums, such as blogs or social networking sites (e.g., Facebook, Twitter or LinkedIn), that could in any way be construed as records that must be maintained by an investment adviser.

The CCO will review this policy annually, or more frequently, if necessary, to determine whether the policy continues to be appropriate for the Firm.

Procedure. Senior Management, along with the CCO or Deputy CCO, is responsible for compliance and maintaining this policy and is directed to observe the following procedures:

Procedures for Correspondence and Electronic Communications	
Who	Senior Management and Advisor CCO, or Deputy CCO
What	• Input any complaints into the Customer Complaint Log or in other appropriate formats; maintain all related correspondence • Ensure all Firm e-mails, text messages and certain information posted on public forums, such as blogs or social networking sites (e.g., Facebook, Twitter or LinkedIn), is retained for a period of at least six years from receipt and periodically monitor and review a sampling of such communications
When	• Complaints are handled as necessary • Correspondence is reviewed as submitted to the CCO • Email, texts and other correspondence retention occur on a continuous basis
How Evidenced	• Periodic review of archiving of correspondence at Silversky® and Global Relay® • If necessary, copy of filed response letters • E-mails and other correspondence
Where Maintained	E-mail Archive (electronically and on storage media) and filed if a physical response is made

Procedures for Correspondence and Electronic Communications	
Retention Period	Six years from the date of receipt of each e-mail or other correspondence
On-going Compliance	Take appropriate action to maintain compliance and report to Senior Management
Review Procedure	• Spot-check Correspondence File and e-mail retention during Annual Review • Periodic Internet Review

6.04 Advertising

Requirement. Effective November 4, 2022, Rule 206(4)-1 (the "Rule") was amended significantly to regulate advertisements utilized by investment advisers, as well as referral activities that were previously governed by Rule 206(4)-3. An "***advertisement***" is defined in the rule to include the following: 1) any direct or indirect communication an investment adviser makes that offers the investment adviser's investment advisory services regarding securities to prospective clients or private fund investors, or offers new investment advisory services with regard to securities to current clients or private fund investors; and 2) includes any "endorsement" or "testimonial" as each are defined in the Rule for which the adviser provides cash or non-cash compensation, directly or indirectly. The first prong of the definition of "advertisement" excludes most one-on-one communications unless the communication contains hypothetical performance. However, communications that include hypothetical performance are not deemed advertising if they are: 1) provided in response to an unsolicited request for such information from a prospective or current client or investor in a private fund advised by the adviser; or 2) provided to a prospective or current investor in a private fund advised by the adviser in a one-on-one communication.

Policy. To the extent that the Firm advertises its services, it will do so in compliance with Rule 206(4)-1 and applicable SEC interpretations.

Procedure. The CCO or Deputy CCO is responsible for maintaining this policy and is directed to observe the following procedures:

Advertising Procedures	
Who	Advisor CCO, or Deputy CCO

Advertising Procedures	
What	• Review all advertising relating to the Firm's advisory services generally (other than advertisements for the Issuer) • Inform appropriate person or department if the material has been approved for use along with any comments • Maintain files of all advertising materials submitted for approval, noting date, person submitting, intended use, ultimate disposition and regulatory filing status ("**Advertising Log**") • Where appropriate, coordinate review of advertising materials with similar reviews by broker-dealer affiliates
When	As advertisements are prepared
How Evidenced	• Initial, date and indicate approval or disapproval on each item of advertising • Communication to submitting person clearing or rejecting the advertisement • Advertising Log
Where Maintained	In Advertising File
Retention Period	Six years in an easily accessible place
On-going Compliance	Take action to maintain compliance and report to Senior Management
Review Procedure	Spot-check Advertising File during the Annual Review

6.05 Investment Committee

Policy. The Firm has established an Investment Committee for governance of the investment recommendation and approval process. When recommendations are made by the Investment Team to purchase or sell assets held in the Issuer's portfolio, all members of the Firm's Investment Committee will be polled, except as otherwise provided in the Investment Committee Charter. When polled, unanimous consent must be received before an asset may be purchased or sold. Once a proposed investment recommendation has been approved by the Investment Committee, the Investment Team must complete the trade in a time frame consistent with the proposal and approval. Please see the Investment Committee's charter, attached as Appendix E, for additional information on its membership, role and responsibilities.

The Investment Committee may, in its discretion, delegate its investment authority to the Investment Team to execute certain types of trades as outlined in the Investment Committee Charter attached hereto as Appendix E. In any event, the Investment Committee will receive

weekly reports of all purchases and sales and will review for compliance with the Investment Committee Charter and the applicable investment objectives.

Procedure. The Investment Committee is responsible for compliance with this policy and is directed to observe the following procedures, in addition to those set forth in the Investment Committee charter in Appendix E:

Investment Committee Procedures	
Who	Investment Committee and Advisor CCO, or Deputy CCO
What	Respond to investment recommendations made by the Investment Team, and delegate investment authority to the Investment Team for certain types of trades within the Investment Committee's discretion.
When	As necessary
How Evidenced	Analyst team will maintain approval communications with trade tickets and monthly portfolio summary
Where Maintained	Analyst team files
Retention Period	Six years in an easily accessible place
On-going Compliance	Consult with Issuer's management team and Senior Management, as appropriate
Review Procedure	Review transaction sampling as part of the Annual Review

Cybersecurity

Requirement. Establish and maintain a cybersecurity program in accordance with guidance provided by the SEC and other regulatory agencies, as applicable, that:

1. Identifies the principles to guide cybersecurity compliance
2. Enumerates critical areas of focus
3. Provides updates on new and developing cybersecurity initiatives

Cybersecurity Procedures	
Who	CISO, Advisor CCO or Deputy CCO, and Senior Management

Cybersecurity Procedures	
What	• Maintain written cybersecurity program to address the following matters: o Cybersecurity governance, including policies, procedures and oversight processes o Identification and assessment of potential cybersecurity-related risks o Protection of the Firm's systems and networks and the information contained therein o Identification of cybersecurity-related risks associated with key service providers and other vendors o Identification of risks associated with remote access to client information and funds transfer requests o Cybersecurity-related risks associated with key service providers and other vendors
What	o Prevention and detection of unauthorized activity involving the Firm's systems and networks o Response to cybersecurity incidents and remediation of damages caused by breaches, where applicable o Training of employees and vendors • Conduct penetration testing using internal and outside experts for such testing • Address any vulnerabilities noted that are deemed to be cost-prohibitive.
When	No less frequently than annually, or as deemed to be prudent given a change in the environment.
How Evidenced	Cybersecurity Plan and testing results
Where Maintained	Cybersecurity Files
Retention Period	Six years (from the last update) in an easily accessible place
On-going Compliance	Direct appropriate actions necessary to remain in compliance with the latest guidance and recommended best practices set forth by the SEC and other regulators, as applicable
Review Procedure	Annually, or as deemed necessary and appropriate, consult with cybersecurity experts

6.06 Sub-Adviser Procedures

Policy. The Firm has established an Investment Committee for governance of the investment recommendation and approval process. Rialto Capital Management, LLC ("Rialto" or the "Sub-Adviser") has certain authority with respect to the investment of fund assets pursuant to the Investment Sub-Advisory agreement between the Adviser and the Sub-Adviser. The Adviser has oversight responsibility for the Sub-Adviser's investment activity with respect to the Fund. Once a proposed investment recommendation has been approved, the Sub-Adviser, as applicable, must execute the trade on a timely basis and consistent with the Investment Committee Charter. Please see the Investment Committee's charter, attached as Appendix E, for additional information on its membership, role and responsibilities.

Procedure. The Investment Committee is responsible for compliance with this policy and is directed to observe the following procedures, in addition to those set forth in the Investment Committee charter in Appendix E:

INVESTMENT COMMITTEE PROCEDURES	
Who	Investment Committee
What	Oversight of the Sub-Adviser's investment activity
When	As necessary
How Evidenced	Analyst team will maintain approval communications with trade tickets and monthly portfolio summary
Where Maintained	Analyst team files
Retention Period	Six years in an easily accessible place
On-going Compliance	Consult with the Fund's management team and the Funds' Board, as appropriate
Review Procedure	Review transaction sampling as part of Annual Review

7 Compliance System

7.01 Compliance and Supervisory Responsibilities Under the Advisers Act

Requirement. Section 203(e)(6) authorizes the SEC to take appropriate action against an investment adviser if the adviser, or any of its management personnel, fails to reasonably supervise the adviser's associated persons. More specifically, Rule 206(4)-7 requires that each adviser designate one individual responsible for the adviser's compliance program and the written

compliance policies and procedures of the adviser. While the CCO must maintain overall responsibility for the adviser's compliance program, it will generally be necessary and appropriate that certain day-to-day compliance and supervisory responsibilities be assigned to other associated persons of the adviser. Also, under the supervisory framework established by Section 203(e)(6), even those assigned supervisory responsibilities must themselves be supervised.

Policy. The Firm has created a compliance system that consists of various components. This Manual describes the procedures to be followed with respect to particular matters. Certain management personnel will be designated to monitor compliance with the Firm's policies and procedures. The Firm also will create an audit program to test compliance with its policies and procedures. In addition, the Firm will rely on audit and exception reports. The Firm has designated the CCO with responsibility for administering the Firm's compliance program. The CCO, or Deputy CCO, is directly responsible for the performance of certain of the procedures set forth herein. Where another associated person of the Firm is assigned direct responsibility under a specific procedure, the CCO has the authority to oversee that associated person's performance of the responsibilities, whether or not the other person reports directly to the CCO.

Procedure. The CCO and/or Deputy CCO is responsible for compliance with this policy and is directed to observe the following procedures:

Compliance and Supervisory Responsibilities Procedures	
Who	Advisor CCO, or Deputy CCO
What	• Identify compliance and supervisory responsibilities of each associated person • Maintain a list of associated persons and their function • Maintain written "chain of supervision"
When	• Upon inception of Firm's operations • When changes in job responsibilities occur for an associated person • When the Firm's operations change or expand • As otherwise necessary, including changes in relevant rules and regulations
How Evidenced	Lists of associated persons and chain of supervision
Where Maintained	List of associated persons, current flow charts and historical records of designations and prior charts, including their effective periods, are maintained in the Firm Compliance File
Retention Period	Life of the Firm
On-going Compliance	Take appropriate action to maintain compliance with Section 203(e)(6) and report to Senior Management

Compliance and Supervisory Responsibilities Procedures	
Review Procedure	• Revisit when there is a change in personnel • Review list of employees, supervisory designations and flow charts during Annual Review

7.02 Adoption and Maintenance of Written Policies and Procedures

Requirement. Rule 206(4)-7 requires that an investment adviser's compliance and supervisory procedures be rendered into a written format to ensure uniform compliance, and Rule 204-2(a)(17) requires an adviser to maintain copies of all compliance policies and procedures that are in effect or that have been in effect at any time during the preceding five years. The adviser's compliance policies and procedures must be reasonably designed to prevent violations of the Advisers Act and of the Federal Securities Laws.

Policy. The Firm has adopted and maintains this Manual, which includes the Firm's written compliance policies and procedures. In addition to this Manual, the Firm may adopt and maintain other manuals or calendars relating to compliance by the Firm. For its part, the Issuer has written a compliance guide.

Procedure. The CCO or Deputy CCO is responsible for maintaining this Manual and any other compliance manuals and calendars, and recommending changes to the manuals to Senior Management in accordance with the following procedures:

Adoption and Maintenance of Written Policies and Procedures	
Who	Advisor CCO, or Deputy CCO
What	• Develop and recommend to Senior Management such other manuals or calendars as necessary or appropriate • Prepare modifications to the manuals to reflect changes in applicable law or the Firm's compliance system
When	• Prior to commencing operations • As changes to applicable statutes, regulations or interpretations are made • As changes to the Firm's business are made
How Evidenced	• All manuals and all updates and/or memoranda regarding the above-described changes • A record of all revisions of all manuals and updates, showing periods of effectiveness
Where Maintained	Compliance File
Retention Period	Life of the Firm

Adoption and Maintenance of Written Policies and Procedures	
On-going Compliance	Take appropriate action to maintain compliance and report to Senior Management
Review Procedure	• Review Manual during Annual Review to ensure Manual is current • Review of Compliance File

7.03 Availability of Manuals and Amendments

Requirement. In order to have an effective compliance system, an adviser's officers, directors and supervised persons must be familiar with the policies and procedures adopted by the adviser.

Policy. The Firm makes available a copy of this Manual and any other manual (and any amendments and additions) to each of the Firm's managers, officers and supervised persons.

Procedure. The CCO or Deputy CCO is responsible for making available copies of the manuals as follows:

Availability of Manuals and Amendments Procedures	
Who	Advisor CCO, or Deputy CCO
What	• Provide a copy of this Manual, any other manual (and any amendments) and any other relevant materials to each manager, officer and supervised person of the Firm • Communicate information about updates as appropriate
When	• Make available on ***FSInside***, the Firm's intranet site (designated wiki site)
How Evidenced	• A copy of this Manual and all other manuals and all updates and/or memoranda regarding any changes
Where Maintained	Manuals File
Retention Period	Life of the Firm
On-going Compliance	Take appropriate action to maintain compliance and report to Senior Management
Review Procedure	Review Manuals File during Annual Review to verify updates are being distributed and acknowledgment receipts are being collected

7.04 Firm Calendar

Requirement. Various SEC and state (if applicable) rules require the filing of certain reports or the taking of certain actions at particular times. Various procedures also must be performed on

a regular cycle. Many firms have found that a "Firm Calendar" is a useful means for tracking due dates and timelines for various requirements and procedures and is a critical part of their supervisory system.

Policy. The Firm will maintain a general calendar detailing due dates of various required filing and reporting requirements.

Procedure. The CCO and Deputy CCO are responsible for compliance with this policy and is directed to observe the following procedures:

Firm Calendar Procedures	
Who	Advisor CCO, or Deputy CCO
What	• Maintain a calendar that tracks due dates for required reports, filings and other actions by the Firm and its associated persons • Send reminders regarding filing/reporting deadlines to appropriate persons • Follow-up to confirm that action was taken
When	Ongoing
How Evidenced	Firm Calendar
Where Maintained	Compliance File
Retention Period	Retain previous Firm calendars for six years after the calendar became out-of-date or was revised in an easily accessible place
On-going Compliance	Take action to maintain compliance and report to Senior Management
Review Procedure	Firm Calendar is reviewed periodically

7.05 Heightened Oversight of Certain Associated Persons

Requirement. Securities regulators have indicated that individuals with a history of compliance violations, firm or regulatory disciplinary actions or customer complaints should be subject to heightened supervisory procedures. Certain disciplinary actions and disputes with customers must be reported on an adviser's Form ADV. A firm also is required to closely monitor complaints and activity reports for purposes of identifying persons who should be subject to heightened security procedures. Other circumstances may develop that warrant a review of a particular employee for purposes of making a hiring or termination decision or decision to institute special supervisory procedures or to take remedial action or resolve a complaint.

Policy. The Firm has adopted a process for the review of matters in which remedial or corrective action, the institution of heightened supervisory procedures, or termination may be appropriate against an associated person (the "***Internal Review Process***"). While the Firm's associated

persons do not have contact with retail advisory clients, and it does not intend to hire associated persons requiring heightened supervision, it recognizes the importance of its cognizance to this topic. Therefore, the Firm's policy is that it will not hire associated persons who require heightened supervision. However, if, during the course of employment with the Firm, an associated person engages in a pattern of behavior raising certain "red flags," the Firm will adopt a heightened supervision regime or employ other remedial actions, as appropriate. A number of procedures included in this Manual, direct various persons to follow the Internal Review Process upon discovery of an irregularity or consideration of other matters in the course of their duties.

Mechanics. The Internal Review Process is undertaken by the CCO when he or she receives a referral or otherwise believes it necessary. The CCO is responsible for reviewing the situation referred and, with input from legal counsel as appropriate, making a decision to take a responsive action or refer the issue to Senior Management for final resolution.

Remedial Actions and Sanctions. Responsive actions may include any or all of the following: discussing the matter with the non-complying associated person or persons, requiring such person(s) to remedy the situation, reviewing existing supervisory and compliance procedures to ascertain whether changes are necessary to prevent recurrences, rejecting an application for employment or terminating an associated person, imposing stricter supervisory procedures, taking other remedial action, or taking no action. Stricter supervision may include; thoroughly reviewing the associated person's work activities, restricting the associated person's activities, assigning a mentor, providing additional training and other similar procedures. The CCO or Deputy CCO will oversee the implementation of procedures.

Procedure. The following supervisors are responsible for implementing the policy according to the following procedures:

1. **CCO**

Heightened Oversight of Certain Associated Persons Procedures	
Who	Advisor CCO, or Deputy CCO, along with Legal and Senior Management
What	• Review matter • Consider whether Form ADV, Parts 1A, 2A and/or 2B disclosure is warranted and whether any SEC filing and/or Form ADV mailings are required. • Consider and decide whether and which responsive actions (as described above) should be taken, or refer the decision to Senior Management • If heightened supervisory procedures are recommended, develop procedures that are appropriate to the situation, considering such factors as the triggering actions, current supervisory procedures, the Firm's business, size and structure, procedural safeguards and the level of supervision required. The procedures developed should indicate the nature, scope and frequency of any reviews. • Implement and document decision made

Heightened Oversight of Certain Associated Persons Procedures	
When	As matters are referred to the CCO or when the CCO believes it appropriate
How Evidenced	Documentation of decision or referral and other file notes
Where Maintained	Internal Review Process File
Retention Period	Life of Firm
On-going Compliance	Take appropriate action to maintain compliance and report to Senior Management
Review Procedure	During Annual Review, spot-check Personnel Files for compliance with procedures; as part of Annual Review, review Internal Review Process File against heightened supervisory procedures being employed

2. Senior Management

Heightened Oversight of Certain Associated Persons Procedures	
Who	Senior Management
What	• Review referral made by CCO • Make final determination • Report to CCO
When	Upon referral by CCO
How Evidenced	Documentation of decision
Where Maintained	In Internal Review Process File
Retention Period	Life of Firm
On-going Compliance	Take responsive action, as appropriate
Review Procedure	As part of the Annual Review, review Internal Review Process File against procedures being employed

7.06 Annual Review of Compliance System

Requirement. An investment adviser should, from time to time, conduct a review of the business in which it engages and its compliance system. The goal of the review is to analyze the adviser's practices and policies in order to determine how its compliance system and procedures can be strengthened. By testing its compliance system periodically, an adviser can help ensure that such

systems reasonably can be expected to prevent and detect violations of the Advisers Act or other applicable laws and regulations.

Policy. The Firm conducts an Annual Review of the compliance system in order to determine whether changes should be made. Upon completing the Annual Review, a report is prepared for Senior Management that includes any recommendations for improving compliance with applicable securities laws and regulations.

Procedure. The CCO or Deputy CCO is responsible for establishing the scope of the review. The review may be coordinated with periodic audits of the Firm's operations.

Periodic Review of Business and Compliance System Procedures	
Who	Advisor CCO, or Deputy CCO
What	• Determine the risk-based scope of the review, using as a guide the instructions provided for each procedure, as outlined in this Manual • Schedule review • Analyze review report following the review • Submit a report to Senior Management, describing the scope of review, findings of fact, conclusions and recommendations • Compare policies, procedures, and forms against changes in laws, regulations and regulatory interpretations in the last year for compliance
What	• Consider policies and procedures in light of changes, if any, to the Firm's business over the last year • Make recommendations of changes in policies/procedures • Develop action plans to respond to the Report and recommendations
When	Annually
How Evidenced	Written Report and memoranda documenting Annual Review, addressing the scope of review, departments and persons interviewed, policies, procedures, operations, practices, and forms analyzed
Where Maintained	Compliance File
Retention Period	Life of Firm
On-going Compliance	Report to Senior Management
Review Procedure	Review process in connection with periodic audits

7.07 Periodic Firm Testing

Requirement. An investment adviser's compliance system, including this Manual, should be tested periodically to ensure that it reasonably can be expected to prevent and detect violations of the Advisers Act, other applicable laws and regulations, as relevant, and Firm policies and procedures.

Policy. The Firm conducts periodic testing of the operations to help ensure compliance with its policies and procedures and applicable law.

Procedure. The CCO or Deputy CCO is responsible for compliance with this policy and is directed to observe the following procedures:

Periodic Firm Testing Procedures	
Who	Advisor CCO, or Deputy CCO
What	• Develop a testing schedule • Conduct risk-based periodic testing using the policies and procedures in this Manual as a guide
What	• Prepare testing report o If the report indicates compliance with applicable law and Firm policies and procedures, sign off on the report o If the report and/or review indicate routine problems that can be readily resolved, follow-up as appropriate o If "red flags" appear, initiate Internal Review Process, determine changes in policies/procedures and determine whether any additional action is required, as appropriate
When	Periodically
How Evidenced	• CCO Reports, Risk Assessment Matrix or Testing Schedule • Written reports of Firm testing, initialed as appropriate • Documentation of initiation of Internal Review Process • Documentation of final determination
Where Maintained	Inspections File
Retention Period	Life of Firm
On-going Compliance	Take action to maintain compliance and report to Senior Management.
Review Procedure	Review files after completion of periodic audit

7.08 Regulatory Examinations

Requirement. The SEC has the authority to enter an investment adviser's offices to examine books and records under Section 204 of the Advisers Act. The SEC's oversight of registered advisers includes a program for the periodic inspection of investment advisers. As a result of this inspection authority, the SEC does not need a search warrant to inspect an adviser's required records, nor can an adviser challenge their production on the ground of possible self-incrimination.

A regular or routine examination involves a review of the adviser's books and records (to determine that they are accurate, current and in sufficient detail) and may involve interviewing employees. At times, the SEC staff may conduct limited examinations, often to address or gather information on a particular aspect of an adviser's business. The SEC may conduct limited examinations either by on-site visits to advisers or by asking advisers to send the requested materials to the staff for review. Requests for information from the SEC or other regulators, whether or not couched as "limited examinations," are addressed below.

After a routine examination, many advisers will receive a "deficiency letter" containing the SEC staff's comments and requesting a response outlining the adviser's proposed changes to address such comments. Less frequently, the SEC staff will have uncovered no deficiencies or will determine that an adviser's violations are of sufficient magnitude that commencement of the enforcement action process is the appropriate response.

The SEC may conduct a "for cause" examination when it believes that an investment adviser may be violating the Federal Securities Laws. Because of the potentially serious nature of a "for cause" examination, an adviser should consider having its legal counsel present or immediately available during the examination. "For cause" examinations are usually conducted on a surprise basis, while the SEC often notifies advisers that it will be conducting a routine examination in order to give the adviser some time to compile the records requested by the SEC.

Policy. It is the Firm's policy to cooperate fully with SEC examiners and to provide all documents that have been requested so long as the SEC has the authority to request such documents.

Procedure. The CCO and Deputy CCO, along with Senior Management, are responsible for compliance with this policy and is directed to observe the following procedures:

Regulatory Examination Procedures	
Who	Senior Management and Advisor CCO and Deputy CCO

Regulatory Examination Procedures	
What	• Compile documents requested by SEC staff, and consult with legal counsel to determine the applicability and completeness of all documents • Attend "entry" interview to determine the scope of an exam and request an "exit" interview with SEC staff at the end of the exam • Attend associated person interviews • Retain a record of all information provided to SEC staff • Report to Senior Management and the Issuer's Board, if applicable, on examiners' comments and deficiency letters • Develop an action plan for implementing changes in response to examiner comments, along with timelines for completing the implementation Incorporate timelines for action plans into Firm Calendar
When	As needed
How Evidenced	• Copies of request lists and comments received from examiners • Copies of action plans developed to address comments
Where Maintained	Regulatory Examinations File
Retention Period	Not less than six years, in an easily accessible place
On-going Compliance	Take appropriate action to maintain compliance and report to Senior Management, if deemed appropriate
Review Procedure	Review files at least annually as part of the Annual Review

7.09 Regulatory Inquiries

Requirement. The SEC's general inspection authority discussed above permits it to seek information from an investment adviser regarding its business without conducting a formal on-site examination of the adviser. Therefore, the SEC staff may request information by letter or phone call. Such inquiries generally will require a written response and may require the production of documents. The SEC staff may seek information in this manner for a variety of reasons, including to gather information about: (1) a particular practice in the industry generally, (2) a particular practice that it believes the adviser is engaging in, or (3) a complaint sent to the SEC by an advisory client or a competitor.

Policy. It is the Firm's policy to respond as quickly as practicable to SEC requests for information and to provide all requested documents to the extent consistent with SEC authority to request them.

Procedure. The CCO or Deputy CCO is responsible for compliance with this policy and is directed to observe the following procedures:

Regulatory Inquiries Procedures	
Who	Advisor CCO, or Deputy CCO
What	• Notify associated persons to forward any SEC inquiries to the CCO • Prepare written response and compile requested documents, and consult with legal counsel to determine applicability and completeness of the information • Retain a record of all information provided to SEC staff • Report to Senior Management on SEC inquiries as appropriate • Develop an action plan for implementing changes in response to SEC comments, along with timelines for completing the implementation
When	• Notify associated persons annually • As inquiries are received
How Evidenced	Copies of inquiries received and Firm responses
Where Maintained	Regulatory Examinations File
Retention Period	Not less than six years in an easily accessible place
On-going Compliance	Take appropriate action to maintain compliance and report to Senior Management
Review Procedure	Review files at least annually as part of the Annual Review

7.10 Oversight of Sub-Adviser Compliance

Requirement. Under its Investment Advisory Agreement with the Fund, the Firm is required to carry out its responsibilities in accordance with applicable laws and regulations and the investment policies and restrictions of the portfolios that it manages. The Firm retains overall responsibility for such compliance even if certain responsibilities are delegated to one or more Sub-Advisers. In addition, it is in the Adviser's best business interest to monitor the activities of its Sub-Adviser to guard against significant violations of law relating to the management of the adviser's accounts. More specifically, an investment adviser must monitor each Sub-Adviser's compliance with the investment objectives, strategies and restrictions of the fund it manages. The Firm has entered into an Investment Sub-Advisory Agreement with Rialto Capital Management, LLC, pursuant to which Rialto will have limited discretion over investment of Fund assets.

Policy. The Firm has adopted a process for the review of the Sub-Adviser in connection with their retention and termination and the imposition of strict supervision. It is the Firm's policy that

the compliance processes, systems and procedures of the Sub-Adviser and the disclosure provided by such Sub-Adviser in its Form ADV and elsewhere (including any disclosure relating to past disciplinary actions against the Sub-Adviser or its employees), be reviewed both prior to the engagement of the Sub-Adviser and periodically thereafter. This review should include on-site visits to the Sub-Adviser prior to retention and periodically thereafter. This procedure requires the Firm to review and assess the "compliance culture" of the Sub-Adviser, including the quality and frequency of compliance testing and conclusions, as well as the Sub-Adviser's processes to assess risk.

Procedure. The CCO is responsible for compliance with this policy and is directed to observe the following procedures:

SUB-ADVISER COMPLIANCE REVIEW PROCEDURES	
Who	CCO, or designee
What	• Review written compliance procedures of the Sub-Adviser prior to engagement and periodically thereafter • Review disclosure in the Sub-Adviser's Form ADV and other disclosure documents
What	• Discuss compliance issues with personnel, including the chief compliance officer of the Sub-Adviser, both by telephone and in on-site visits • Make written recommendations regarding reviews of the Sub-Adviser, and make presentations at meetings of the Fund's Board regarding such reviews, as necessary • Impose stricter supervision for the Sub-Adviser that has had compliance difficulties in connection with its management of portfolios or its investment advisory activities generally
When	Prior to engagement of any sub-adviser, annually thereafter, and as compliance difficulties arise
How Evidenced	Notes of discussions with and visits to Sub-Adviser, written recommendations from the CCO, and presentations to the Fund's Board
Where Maintained	• Sub-Adviser Compliance Files • Board Presentations in the Fund's Board Materials File
Retention Period	Until five years after the Sub-Adviser last provided services to the Fund
On-going Compliance	If warranted, after consultation with Senior Management, implement stricter supervisory procedures, recommend termination of sub-adviser and/or report to the Fund's Board

SUB-ADVISER COMPLIANCE REVIEW PROCEDURES	
Review Procedure	As part of Annual Review, review Compliance Files against heightened supervisory procedures being employed

8 Books and Records

8.01 General

Requirement. Rule 204-2 under the Advisers Act sets forth the records that investment advisers must maintain, as well as the manner in which such records should be maintained. The required records include, among others:

A memorandum of each order given by the adviser for the purchase or sale of any security;

A list of all accounts over which the adviser has discretionary power and all documentation evidencing the granting of such power by any client;

Records showing the securities purchased and sold for each client and records by which the adviser can promptly furnish the name of each client that currently has an interest in a particular security; and

A copy of the adviser's policies and procedures under Rule 206(4)-7 and any records documenting the required annual review of such policies and procedures.

Under paragraph (e) of Rule 204-2, most investment advisory records must be maintained and preserved in an easily accessible place for at least five years, the first two in an appropriate office of the investment adviser. Paragraph (g) sets forth requirements for the electronic storage of records

A more general overview of the books and records to be maintained by investment advisers is attached as Appendix C hereto. Financial and legal records are described in more detail below.

Policy. The Firm maintains files related to its investment advisory services in accordance with Rule 204-2(a). These records are maintained either in paper format or in one or more computerized record-keeping systems or in optical storage. The Firm has established the files identified in Appendix C to this Manual and has directed that the various management personnel maintain specified records.

Procedure. The CCO or Deputy CCO is generally responsible for maintaining this policy and disseminating the requirements relating to the Firm's records maintenance to help ensure compliance by individual departments maintaining records.

Books and Records General Procedures	
Who	Advisor CCO, or Deputy CCO

Books and Records General Procedures	
What	Maintain a list of files, accounts, books and records maintained by the Firm ("**File List**") Ensure that all books and records of the Firm that are required by the Advisers Act are appropriately tracked
When	As required
How Evidenced	Books and records
Where Maintained	As set forth in Appendix C
Retention Period	As set forth in Appendix C
On-going Compliance	Take appropriate action to maintain compliance and report to Senior Management
Review Procedure	During the Annual Review, compare File List to books and records utilizing a rotating, risk-based approach

9 Client Portfolio Securities Transactions

9.01 Investment Guidelines and Restrictions

Policy. The Advisor does not provide individualized advice to investors (and an investment in an Issuer does not, in and of itself, create an advisory relationship between the investor and the Advisor). Investors must consider whether a particular Issuer meets their investment objectives and risk tolerance prior to investing.

The Advisor has entered into a sub-advisory agreement with the Sub-Adviser, a registered investment advisor under the Advisers Act. Rialto will act as the portfolio manager to FSCREIT under the terms and conditions of the sub-advisory agreement it entered into with the Advisor.

Investment Objective

FSCREIT's investment objective is to invest in assets that will enable the portfolio to:

1. Provide current income in the form of regular, stable cash distributions to achieve an attractive distribution yield;
2. Preserve and protect invested capital;
3. Realize appreciation in NAV from proactive investment management and asset management; and

4. Provide an investment alternative for stockholders seeking to allocate a portion of their long-term investment portfolios to commercial real estate with lower volatility than public real estate companies.

Investment Strategy

FSCREIT's investment strategy is to originate, acquire and manage a portfolio of senior loans secured by commercial real estate primarily in the United States. It is focused on floating-rate mortgage loans that are secured by first priority mortgages on transitional commercial real estate properties, but it may also invest in other real estate-related assets, including (i) other commercial real estate mortgage loans, including fixed-rate loans, subordinated loans, B-Notes, mezzanine loans and participations in commercial mortgage loans; and (ii) commercial real estate securities, including commercial mortgage-backed securities, or CMBS, residential mortgage-backed securities, or RMBS, unsecured debt of listed and non-listed REITs, collateralized debt obligations and equity or equity-linked securities. To a lesser extent, FSCREIT may invest in warehouse loans secured by commercial or residential mortgages, credit loans to commercial real estate companies and portfolios of single-family home mortgages.

The investment professionals of Rialto will be responsible for identifying potential investments for FSCREIT. Rialto will source the investment opportunities which will be tracked by the Advisor for the review of, among other things, suitability, value, risk, potential returns, potential downside, obligor management, capital structure and ownership, agency ratings, structure, and prepayment/event risk.

Procedure. The CCO and Deputy CCO are responsible for compliance with this policy as it relates to the Firm's trading activity and is directed to observe the following procedures.

General Statement

The Compliance Team manually monitors accounts managed by the Firm. These accounts are reviewed on a periodic basis based on tests created from regulatory requirements, Firm and Investment Team requirements, and applicable investment guidelines and restrictions.

For these restrictions, spreadsheets may be set up by the Compliance Team and checked periodically. If any warnings or alerts exist, they will be escalated, as applicable.

Trade Review Procedures	
Who	Advisor CCO and Deputy CCO, in consultation with the Issuer's Management Committee
What	Review trades on a post-trade basis
When	Periodically, no less than annually as part of the Annual Review
How Evidenced	File memos or notes on periodic reviews
Where Maintained	Compliance Files

Retention Period	Six years from the date of any alleged trading in an easily accessible location
On-going Compliance	Compliance will review trades and will document any irregularities and discuss with the Issuer's Management, the Investment Committee and/or Senior Management, as applicable.
Review Procedure	The CCO or Deputy CCO will report to the Investment Committee, who will be responsible for the review of any irregularities or identified discrepancies.

9.02 Side-by-Side Management

Requirement. Section 206 of the Adviser's Act establishes a fiduciary standard for investment advisers' obligations to their clients. Advisers have a fiduciary duty to provide disinterested advice and disclose any material conflicts of interests to their clients.

Policy. All investment portfolios for which the Firm exercises investment discretion will be managed by providing disinterested advice and disclosing any material conflicts of interests to the Issuer and its underlying investors. Risks associated with side-by-side management are disclosed in the Issuer's offering documents, as applicable.

The Firm's policies and procedures such as *Order Aggregation and Allocation* and *IPO Allocation* assist in the equitable treatment of clients. In instances where unique requirements or restrictions are needed based on the identification of different conflicts, the Firm will establish additional policies and controls or develop alternate processing requirements to assist in mitigating these conflicts.

In the event, activity is identified that reflects the inequitable treatment of a fund, the CCO, in conjunction with legal counsel, will perform a facts and circumstances review to identify any impacts to the fund. Based on the results of the findings, the following actions, including but not limited to, may be taken:

1. Communication of the matter to Senior Management
2. Determination of any compensation for financial loss
3. Determination of any disciplinary action required
4. Assessment of policy revision or implementation of additional controls.

Procedures. The CCO or Deputy CCO is responsible for compliance with this policy and is directed to observe the following procedures:

Side-by-Side Management Procedures	
Who	Advisor CCO or Deputy CCO

Side-by-Side Management Procedures	
What	Issuer must be managed by providing disinterested advice and disclosing any material conflicts of interests to the Issuer's investors
When	As required
How Evidenced	File memos or notes
Where Maintained	Compliance Files
Retention Period	Six years in an easily accessible location
On-going Compliance	Compliance will periodically review how a client's account is managed compared to other client accounts
Review Procedure	As necessary

9.03 Portfolio Valuation

Requirement. Rule 204-2 of the Advisers Act requires investment advisers to make and keep true, accurate and current books and records. Investment performance and the components to be considered with respect to investment performance are discussed in Rule 205-1 of the Advisers Act. The Firm will use the requisite factors to assist the Issuer in calculating its net asset value per common share ("***NAV***"), as approved by Senior Management.

Policy. It is the policy of the Firm to assist the Issuer in calculating an accurate net asset value of the Issuer's investment portfolio each month, in accordance with the Issuer's Valuation Policy.

Procedures: The value of the Issuer's investment portfolio is determined quarterly. Value is (i) the market price for those securities for which a market quotation is readily available and (ii) for all other securities and assets, fair value as determined in good faith by or under the direction of Senior Management.

Senior Management will be responsible for the valuation of the portfolio investments at fair value as determined in good faith pursuant to the Valuation Policy and consistently applied valuation process. Senior Management has delegated day-to-day responsibility for implementing the portfolio valuation process set forth in the valuation policy to officers and employees of the Advisor and has authorized the Advisor to utilize the independent third-party pricing service(s) (each a "Pricing Service") and independent third-party valuation service(s) (each a "Valuation Service") that have been approved by Senior Management.

Portfolio Valuation Procedures	
Who	CFO, Senior Management team
What	• Review the proposed values of the portfolio • Senior Management makes fair value determination, as necessary
When	Monthly
How Evidenced	Materials produced for the Issuer's Valuation Committee
Retention	Six years in an easily accessible location
On-going Compliance	Notify Senior Management and take steps to prevent further irregularities
Review Procedure	Review files during Annual Review

9.04 Anti-Market Manipulation

Requirement. Every investment adviser is prohibited from engaging in market manipulation.

Policy. As a market participant, and in accordance with the Firm's fiduciary duty to its clients, each of the Firm's Employees is required to comply with relevant rules and regulations related to trading activities. Among the areas of concern that have been identified by the SEC and its staff are situations where an investment adviser trades for client accounts in a manner designed not to benefit the client account but rather the investment adviser.

Window dressing is a deceptive practice in which recently weak stocks are sold and recently strong stocks are bought just before a fund's holdings are made public, in order to give the appearance that they have been holding good stocks all along. Portfolio pumping refers to a practice in which an investment adviser purchases shares of stock already owned by a fund near the end of a reporting period to artificially inflate the fund's performance.

Any employee who becomes aware of any activity that appears to represent window dressing or portfolio pumping should notify the CCO for further investigation.

The CCO will periodically monitor on a case-by-case basis the trading activity to determine if portfolio pumping or window dressing is occurring.

Monitoring methods may include but are not limited to:

1. Review of average portfolio turnover
2. Review of trading activity immediately prior to a reporting period

In the event window dressing or portfolio pumping activity is identified, the CCO will perform a fact and circumstances review to identify any impacts to the Issuer. Based on the results of the findings the following actions may be taken.

1. Communication of the matter to the client or Senior Management,
2. Determination of any compensation for financial loss,
3. Determination of any disciplinary actions.

In the normal course of daily pricing discovery, the opportunity to buy a security from a given dealer and re-trade the security to another dealer at a high price occasionally presents itself. The Firm has determined same day buys/sells in which a particular security is bought and sold for a profit is consistent with its fiduciary duties and in the best interest of its clients. Same day trades must otherwise meet client guidelines on the buy-side of the trade.

Procedures. Issuer Management, along with the CCO or Deputy CCO, are responsible for monitoring the manipulative market practices by each Firm, and are directed to observe the following procedures:

Anti-Market Manipulation Procedures	
Who	Senior Management and Advisor CCO or Deputy CCO
What	• Review trades • Review average portfolio turnover
When	Quarterly
How Evidenced	File memo or notes
Retention Period	Six years in an easily accessible location
On-going Compliance	Notify Senior Management and take steps to prevent further irregularities
Review Procedure	Review files during Annual Review

FS Real Estate Advisor, LLC

CODE OF BUSINESS CONDUCT AND ETHICS

May 2023

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INTRODUCTION

Ethics are important to the investment adviser (the "***Adviser***," ***and collectively*** "***our***," "***us***," or "***we***"). We are committed to the highest ethical standards and to conducting business with the highest level of integrity.

All Access Persons and associated persons of the Adviser are responsible for maintaining this level of integrity and for complying with the policies contained in this Code of Business Conduct and Ethics (this "***Code***"). If you have a question or concern about what is proper conduct for you or anyone else, please raise these concerns with the Adviser's Chief Compliance Officer or any member of Adviser's management, or follow the procedures outlined in applicable sections of this Code.

The Adviser is an investment adviser registered with the U.S. Securities and Exchange Commission (the "***SEC***") under the Investment Advisers Act of 1940, as amended (the "***Advisers Act***"). The Adviser acts as the investment adviser to FS Credit Real Estate Income Trust, Inc. (the "***Company***") which was incorporated under the general corporation laws of the State of Maryland and has elected to be taxed as a real estate investment trust or REIT for U.S. federal tax purposes. The Adviser may, subject to any limitations described in the investment advisory agreement between the Adviser and Company, advise BDCs or other investment companies, private investment funds, institutional investors or other persons or entities (collectively, with the Company, "***Clients***").

This Code has been adopted by the Adviser and approved by the board of directors or trustees, as applicable, of the Company (the "***Board***") in accordance with Rule 204A-1 under the Advisers Act, Rule 204A-1 of the Advisers Act requires that all Adviser personnel comply with all applicable federal securities laws.

PURPOSE OF THIS CODE

This Code is intended to:

- help you recognize ethical issues and take the appropriate steps to resolve these issues;
- deter ethical violations to avoid any abuse of a position of trust and responsibility;
- maintain the confidentiality of our business activities;
- assist you in complying with applicable securities laws;
- assist you in reporting any unethical or illegal conduct; and
- reaffirm and promote our commitment to a corporate culture that values honesty, integrity and accountability.

Further, it is the policy of the Adviser that no affiliated person of our organization shall, in connection with the purchase or sale, directly or indirectly, by such person of any security held or to be acquired by any Client of the Adviser:

- employ any device, scheme or artifice to defraud us or such Client;
- make any untrue statement of a material fact or omit to state to us a material fact necessary in order to make the statement made, in light of the circumstances under which it is made, not misleading;
- engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon us or any Client; or
- engage in any manipulative practices with respect to our business activities.

All Access Persons, as defined herein, and associated persons of the Adviser, as a condition of employment or continued employment or affiliation with the Adviser, will acknowledge annually, in writing, that they have received a copy of this Code, read it, and understand that the Code contains our expectations regarding their conduct.

The Chief Compliance Officer is responsible for obtaining three **quarterly** certifications, along with **one annual** certification, from each Access Person and each Supervised Person, acknowledging that he/she has acted in accordance with the policies and procedures set forth in this Code during the time period and that each Access Person and Supervised Person has read and understands the Code.

We are committed to fostering a culture of compliance. We, therefore, urge any Access Person or Supervised Person to contact the Chief Compliance Officer for any reason. No employee will be penalized, and their employment status will not be jeopardized by communicating with the Chief Compliance Officer. Reports of violations or suspected violations also may be submitted anonymously to the Chief Compliance Officer, by calling the employee hotline at 844-995-4986. Any retaliatory action taken against any person who reports a violation, or a suspected violation of this Code is itself a violation of this Code and cause for appropriate corrective action, including dismissal.

PRINCIPLES OF BUSINESS CONDUCT

All Access Persons and associated persons of the Adviser will be subject to the following guidelines covering business conduct, except as noted below:

Conflicts of Interest

- You must avoid any conflict, or the appearance of a conflict, between your personal interests, our interests and the interests of our Clients. A conflict exists when your personal interests in any way interfere with our interests or the interests of our Clients, or when you take any action or have any interests that may make it difficult for you to perform your job objectively and effectively.

Corporate Opportunities

Each of us has a duty to advance the legitimate interests of the Adviser and our Clients when the opportunity to do so presents itself. Therefore, you may not:

- take for yourself personally opportunities, including investment opportunities, discovered through the use of your position with us or any of our Clients, or through the use of either's property or information;
- use our or any of our Clients' property, information, or position for your personal gain or the gain of a family member; or
- compete, or prepare to compete, with us or any of our Clients.

Confidentiality

You must not disclose confidential information regarding us, any of our Clients, or either of our or their affiliates, lenders or other business partners, unless such disclosure is authorized or required by law. Confidential information includes all non-public information that might be harmful to, or useful to the competitors of, the Adviser, our Clients, or any of our or their affiliates, lenders or other business partners. This obligation will continue until the information becomes publicly available, even after you leave FS Investments, as defined below.

Fair Dealing

You must endeavor to deal fairly with our Clients and business partners, and any other companies or individuals with whom we or our Clients do business or come into contact, including fellow employees and our competitors. You must not take unfair advantage of these or other parties by means of:

- manipulation;
- concealment;
- abuse of privileged information;
- misrepresentation of material facts; or
- any other unfair-dealing practice.

Protection and Proper Use of Assets

Our assets and those of our Clients are to be used only for legitimate business purposes. You should protect our assets and those of our Clients and ensure that they are used efficiently.

Incidental personal use of telephones, cell phones, fax machines, copy machines, digital scanners, personal or work computers or tablets and similar equipment is generally allowed if there is no significant added cost to us, it does not interfere with your work duties, and is not related to an illegal activity or to any outside business.

Compliance with Applicable Laws, Rules, Regulations and Agreements

Each of us has a duty to comply with all laws, rules and regulations that apply to our business. The Adviser has an insider trading policy with which officers, principals and Access Persons of the Adviser must comply. A copy of such Statement on the Prohibition of Insider Trading is included as Appendix B. Please talk to our Chief Compliance Officer if you have any questions about how to comply with the above regulations and other laws, rules and regulations.

In addition, we expect you to comply with all of our policies and procedures that apply to you. We may modify or update our policies and procedures in the future and may adopt new policies and procedures from time to time. Access persons who are employees of Franklin Square Holdings, L.P. ("FS," and with its FS affiliates, "FS Investments") are also expected to observe the terms of the Franklin Square Holdings, L.P. Code of Business Conduct and Ethics.

Equal Opportunity; Harassment

We are committed to providing equal opportunity in all of our employment practices including selection, hiring, promotion, transfer, and compensation of all qualified applicants and employees without regard to race, color, sex or gender, sexual orientation, religion, age, national origin, disability, citizenship status, marital status or any other status protected by law. With this in mind, there are certain behaviors that will not be tolerated. These include harassment, violence, intimidation, and discrimination of any kind involving race, color, sex or gender, sexual orientation, religion, age, national origin, disability, citizenship status, marital status, or any other status protected by law.

Gifts and Entertainment

Gifts can appear to compromise the integrity and honesty of our personnel. On the other hand, business colleagues often wish to provide small gifts to others as a way of demonstrating appreciation or interest. We have attempted to balance these considerations in the policy which follows.

No Access Person or associated person of the Adviser shall accept a gift that is over $200 in value or invitation that involves entertainment that is over $500 on a per person, per event basis from any person or entity that does business with, is likely to do business with, or is soliciting business from, the Adviser or its Clients, except as follows: (i) payment of out-of-town accommodation expenses by a sponsor of an industry, company or business conference held within the United States involving multiple attendees from outside the firm where your expenses are being paid by the sponsor on the same basis as those other attendees (Access Persons are required to obtain approval from the Chief Compliance Officer, prior to accepting out-of-town accommodations or travel expenses); a business gift given to an Access Person from a business or corporate gift list on the same basis as other recipients of the sponsor and not personally selected for such Access Person (e.g., holiday gifts); and (iii) gifts from a sponsor to celebrate or acknowledge a transaction or event that are given to a wide group of recipients and not personally selected for the Access Person (e.g., closing dinner gifts, gifts given at an industry conference or seminar). As a general rule, Access Persons may not accept an invitation that is excessive (over $500 on a per person basis) or not usual and customary. If an Access Person believes the meal or entertainment might be excessive, he or she must obtain approval from the Chief Compliance Officer. Gifts to the Adviser as a whole or to an entire department (for example, accounting, analysts, etc.) may exceed the $200 limitation, but such gifts must be approved by the Chief Compliance Officer.

Standards for giving gifts/entertainment are identical to those governing the acceptance of gifts/entertainment (that is gifts given should be restricted to items worth $500 or less and entertainment provided should be restricted to amounts of $500 or less, subject to pre-approval from the Chief Compliance Officer, as applicable). On the whole, good taste and judgment must be exercised in both the receipt and giving of gifts/entertainment. Every person subject to this Code must avoid gifts or entertainment that would compromise the Adviser's or its Clients' standing or reputation. If you are offered or receive any gift which is either prohibited or questionable, you must inform the Chief Compliance Officer.

All gifts/entertainment received over a de minimus amount of $25 shall be reflected in the gift log (for FS employees using the online compliance portal on FS Inside) and must contain a basic description of the gift, a good faith estimate of the value of the gift, and the date the gift was received or entertainment attended.

Solicitation of gifts is strictly prohibited. The direct or indirect giving of, offering to give or promising to give, money or anything of value to a foreign official, a foreign political party or party official, or any candidate for foreign political office in order to corruptly obtain or retain a business benefit, is generally prohibited and is subject to additional requirements and limitations. If you intend to give, offer or promise such a gift, you must inform the Chief Compliance Officer, immediately.

Accuracy of Adviser Records

We require honest and accurate recording and reporting of information in order to make responsible business decisions. This requirement includes such data as quality, safety, and personnel records, as well as financial records.

All financial books, records and accounts must accurately reflect transactions and events, and conform both to required accounting principles and to our system of internal controls.

Retaining Business Communications

The law requires us to maintain certain types of corporate records, usually for specified periods of time. Failure to retain those records for those minimum periods could subject us to penalties and fines, cause the loss of rights, obstruct justice, place us in contempt of court, or seriously disadvantage us in litigation.

From time to time, we establish retention or destruction policies in order to ensure legal compliance. We expect you to fully comply with any published records retention or destruction policies, provided that you should note the following exception: If you believe, or we inform you, that our records are relevant to any litigation or governmental action, or any potential litigation or action, then you must preserve those records until we determine the records are no longer needed. This exception supersedes any previously or subsequently established destruction policies for those records. If you believe that this exception may apply or have any questions regarding the possible applicability of this exception, please contact the Chief Compliance Officer.

Please note that Ring Central is the Firm's only approved texting functionality. All business communications sent via text message must be sent through the Ring Central functionality.

Compliance Training

An integral part of the FS Investments compliance program is the periodic compliance training that is provided to all employees. It is important that you complete all such compliance training in a timely and thorough manner.

Outside Employment

Without the written consent of the Chief Compliance Officer of the Adviser, or his/her designee and your manager, no Access Person or associated person of the Adviser is permitted to:

- be engaged in any other financial services business for profit;
- be employed or compensated by any other business for work performed; or
- have a significant (more than 5% equity) interest in any other financial services business, including, but not limited to, banks, brokerages, investment advisers, insurance companies or any other similar business.

Requests for outside employment waivers should be made in writing to the Chief Compliance Officer through the ComplySci portal on FS Inside. Such requests should also include the written approval of your manager.

Service as a Director/Trustee

No Access Person or associated person of the Adviser shall serve as a director/trustee (or member of a similar governing body) or officer of any organization, without prior written authorization from the Chief Compliance Officer. Any request to serve on the board of such an organization must include the name of the entity and its business, the names of the other board members, and a general reason for the request. Such requests must be submitted through the online compliance portal on FS Inside.

Political Contributions

Persons associated with the Adviser or any of its affiliated organizations, including the Companies, are subject to Franklin Square Holdings' Political Contributions and Pay-to-Play Political Activity Policy. Please consult this policy for specific requirements relating to any proposed political contribution.

Media Relations

We must speak with a unified voice in all dealings with the press and other media. As a result, our Chief Executive Officer, or his or her designee, is the sole contact for media seeking information about the Adviser. Any requests from the media must be referred to our Chief Executive Officer, or his designee.

Intellectual Property Information

Information generated in our business is a valuable asset. Protecting this information plays an important role in our growth and ability to compete. Such information includes but is not limited to business and research plans; objectives and strategies; trade secrets; unpublished financial information; salary and benefits data; and lender and other business partner lists. Officers, principals and Access Persons of the Adviser who have access to our intellectual property information and that of our Clients are obligated to safeguard it from unauthorized access and:

- not disclose this information to persons outside of the Adviser;
- not use this information for personal benefit or the benefit of persons outside of the Adviser; and
- not share this information with other officers, principals and Access Persons of the Adviser except on a legitimate "need to know" basis.

Internet and E-Mail Policy

FS Investments provides an e-mail system and Internet access to its employees to help them do their work. You may use the e-mail system and the Internet only for legitimate business purposes in the course of your duties. Incidental and occasional personal use is permitted, but never for personal gain or any improper or illegal use. Further, you are permitted to post information on public forums, such as blogs or social networking sites (e.g., Facebook®, Twitter® or LinkedIn®) outside of work, but you should consider how the use of social media can reflect upon FS Investments. You are required to comply, at all relevant times, with the Acceptable Use Policy and the Social Media Policy adopted by Franklin Square Capital Partners, L.P. and applicable to each Adviser.

Reporting Violations and Complaint Handling

You are responsible for compliance with the rules, standards and principles described in this Code. In addition, you should be alert to possible violations of this Code by the Adviser's Access Persons or associated persons, and you are expected to report any violation promptly. Normally, reports should be made to your immediate supervisor. Under some circumstances, it may be impractical, or you may feel uncomfortable raising a matter with your supervisor. In those instances, you are encouraged to contact our Chief Compliance Officer who will investigate and report the matter to our Chief Executive Officer and the governing body of any affected Client, as the circumstance dictates. You will also be expected to cooperate in any investigation of a violation.

Anyone who has a concern about our conduct, the conduct of an Access Person or associated person of the Adviser or our accounting, internal accounting controls or auditing matters, may communicate that concern to our Chief Compliance Officer. All reported concerns relating to or affecting a Client shall be promptly forwarded to the applicable governing body of such Client by our Chief Compliance Officer and will be simultaneously addressed by our Chief Compliance Officer in the same way that other concerns are addressed by us. The status of all outstanding concerns forwarded to any Clients will be reported to the appropriate parties on a quarterly basis by our Chief Compliance Officer.

All reports will be investigated and whenever possible, requests for confidentiality shall be honored. While anonymous reports will be accepted, please understand that anonymity may hinder or impede the investigation of a report. All cases of questionable activity or improper actions will be reviewed for appropriate action, discipline or corrective actions. Whenever possible, we will keep confidential the identity of Access Persons, officers or principals who are accused of violations, unless or until it has been determined that a violation has occurred.

There will be no reprisal, retaliation or adverse action taken against any officer, principal or Access Person who, in good faith, reports or assists in the investigation of, a violation or suspected violation, or who makes an inquiry about the appropriateness of an anticipated or actual course of action.

For **reporting concerns about the Adviser's conduct, the conduct of an Access Person or associated person of the Adviser, or about the Adviser's accounting, internal accounting controls or auditing matters, you may contact the Adviser at the address set forth below:**

ADDRESS: Chief Compliance Officer
FS Real Estate Advisor, LLC
201 Rouse Boulevard
Philadelphia, PA 19112

In the case of a confidential, anonymous submission, employees should set forth their concerns in writing and forward them in a sealed envelope to the Chief Compliance Officer, such envelope to be labeled with a legend such as: "To be opened by the Chief Compliance Officer only."

An Access Person's violation of this Code and related requirements may result in certain sanctions, as described more fully in Exhibit A.

CODE OF ETHICS

The persons specified in the following discussion will be subject to the provisions of this Code.

Scope of the Code of Ethics

In order to prevent the Adviser's Access Persons, as defined below, from engaging in any of these prohibited acts, practices or courses of business, the Adviser has adopted this Code [which has been approved by the Board of the related fund.]

Definitions

Access Person. "Access Person" includes all associated persons, officers, principals and certain interested directors of the Adviser. It also includes any of the Adviser's Supervised Persons (as defined below) who have access to non-public information regarding any Client's purchase or sale of a Covered Security (as defined below), or non-public information regarding the portfolio holdings of any Client, or who is involved in making securities recommendations to Clients, or who has access to such recommendations that are non-public. Disinterested Trustees are not included in the definition of Access Person.

Access Persons will be classified under one of the following three categories:

1. A **Tier 1 Access Person** ("Tier 1 Access Person") is defined as an individual, including Supervised Persons, engaged in portfolio management, trading, investment management and/or investment decision-making, and has access to non-public information, as well as information regarding the pipeline(s), purchases or sales of securities of one or more Clients. These roles include, but are not limited to, portfolio analysts, portfolio managers, and traders.

2. A **Tier 2 Access Person** ("Tier 2 Access Person") is defined as an individual who has access to non-public information, but is not involved in portfolio management, trading, investment management and/or investment decision-making of the Adviser.

3. A **Tier 3 Access Person** ("Tier 3 Access Person") is defined as an individual who does not meet the criteria of a Tier 1 Access Person or a Tier 2 Access Person, defined above.

Automatic Investment Plan. "Automatic Investment Plan" refers to any program in which regular periodic purchases (or withdrawals) are made automatically in (or from) investment accounts in accordance with a predetermined schedule and allocation, including a dividend reinvestment plan.

Beneficial Interest. "Beneficial Interest" includes any entity, person, trust, or account with respect to which an Access Person exercises investment discretion or provides investment advice. A beneficial interest shall be presumed to include all accounts in the name of or for the benefit of the Access Person, his or her spouse, dependent children, or any person living with him or her or to whom he or she contributes economic support.

Beneficial Ownership. "Beneficial Ownership" shall be determined in accordance with Rule 16a-1(a)(2) under the Securities Exchange Act of 1934, as amended (the "***Exchange Act***"), except that the determination of direct or indirect Beneficial Ownership shall apply to all securities, and not just equity securities, that an Access Person has or acquires. Rule 16a-1(a)(2) under the Exchange Act provides that the term "beneficial owner" means any person who, directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise, has or shares a direct or indirect pecuniary interest in any equity security. Therefore, an Access Person may be deemed to have Beneficial Ownership of securities held by members of his or her immediate family sharing the same household, or by certain partnerships, trusts, corporations, or other arrangements.

Blackout Period. As applicable to each Company in accordance with its offering documents, "Blackout Period" shall mean that timeframe in which the Adviser or an Access Person is not permitted to purchase or sell the securities of any Company. The Blackout Period is in effect at all times of any calendar year, except during the Window Period (as defined below). Notwithstanding this prohibition, an Access Person may purchase securities of a Company during a Blackout Period, if such transactions are made pursuant to a pre-existing written plan, contract, instruction or arrangement under Rule 10b5-1 ("Approved 10b5-1 Plan"), as that term is defined in the Statement on the Prohibition of Insider Trading, attached as Appendix B. Only Tier 1 and Tier 2 Access Persons shall be subject to the Blackout Period and the corresponding Window Period.

Control. "Control" shall have the same meaning as that set forth in Section 2(a)(9) of the 1940 Act.

Covered Security. "Covered Security" means a security as defined in Section 2(a)(36) of the 1940 Act, except that it does not include: (i) direct obligations of the government of the United States; (ii) bankers' acceptances, bank certificates of deposit, commercial paper and high quality short-term debt instruments including repurchase agreements; (iii) shares issued by a registered open-end investment company (i.e., mutual funds), other than a fund sponsored by FS Investments; and (iv) exchange traded funds structured as unit investment trusts or open-end funds. A Covered Security includes any cryptocurrency derivative and any currency forward transaction.

Disinterested Trustee. A "Disinterested Trustee" is a trustee of a fund who is not an "interested person" of the fund within the meaning of Section 2(a)(19) of the 1940 Act.

Initial Public Offering. "Initial Public Offering" means an offering of securities registered under the Securities Act of 1933, as amended (the "***Securities Act***"), the issuer of which, immediately before the registration, was not subject to the reporting requirements of Sections 13 or 15(d) of the Exchange Act.

Limited Offering. "Limited Offering" means an offering that is exempt from registration under the Securities Act pursuant to Section 4(a)(2) or Section 4(a)(6) or pursuant to Rules 504, 505 or 506 under the Securities Act.

Purchase or Sale of a Covered Security. "Purchase or Sale of a Covered Security" is broad and includes, among other things, the writing of an option to purchase or sell a Covered Security, or the use of a derivative product to take a position in a Covered Security.

Restricted List. The Restricted List identifies those securities which the Adviser or its Access Persons may not trade due to some restriction under the securities laws whereby the Adviser or its Access Persons may be deemed to possess material non-public information about the issuer of such securities.

Supervised Person. A "Supervised Person" means any partner, principal, officer, director (or other person occupying a similar status or performing similar functions), or employee of any entity that provides investment advice on behalf of the Adviser and is subject to the supervision and control of the Adviser.

Window Period. **"Window Period" shall mean the timeframe in which an Access Person is permitted to purchase or sell securities of one or more Funds. The Window Period is expected to remain open at all times, unless it is specifically closed for a finite period of time, due to an issue or event that is considered to be material non-public information.**

Standards of Conduct

1. No Access Person shall engage, directly or indirectly, in any business transaction or arrangement for personal profit that is not in the best interests of the Adviser or its Clients; nor shall he or she make use of any confidential information gained by reason of his or her employment by or affiliation with the Adviser, or any of its affiliates or Clients, in order to derive a personal profit for himself or herself or for any Beneficial Interest, in violation of the fiduciary duty owed to the Adviser and its Clients.

2. A Tier 1 Access Person recommending or authorizing the purchase or sale of a Covered Security by any Client of the Adviser shall, at the time of such recommendation or authorization, disclose any Beneficial Interest in, or Beneficial Ownership of, such Covered Security or the issuer thereof.

3. No Access Person shall dispense any information concerning securities holdings or securities transactions of any of the Adviser's Clients to anyone outside the Adviser without obtaining prior written approval from our Chief Compliance Officer, or such person or persons as our Chief Compliance Officer may designate to act on his or her behalf. Notwithstanding the preceding sentence, such Access Person may dispense such information without obtaining prior written approval:

- when there is a public report containing the same information;
- when such information is dispensed in accordance with compliance procedures established to prevent conflicts of interest between the Adviser and its Clients; or
- in the ordinary course of his or her duties on behalf of the Adviser.

4. Each Adviser owes its Clients a duty of undivided loyalty. As an investment adviser, the Adviser has a fiduciary responsibility to its Clients. Clients' interests must always be placed first. Thus, the Adviser's personnel must conduct their personal securities transactions in a manner that does not interfere, or appear to interfere, with any transaction for a Client or otherwise takes unfair advantage of a Client relationship. All personal securities transactions should be conducted consistent with this Code and in such manner as to avoid actual or potential conflicts of interest, the appearance of a conflict of interest, or any abuse of an individual's position of trust and responsibility within the Adviser. All Adviser personnel must adhere to these fundamental principles as well as comply with the specific provisions set forth herein.

5. A pre-clearance of an Access Person's personal security transaction shall be effective for two (2) business days following the receipt of the pre-clearance request. After such timeframe if the transaction is not completed, an Access Person shall be required to submit a new pre-clearance request through the ComplySci portal.

6. All Access Persons are required to comply with all of the provisions of the Code, as applicable. Only Tier 1 Access Persons and Tier 2 Access Persons shall be subject to the [Fund Board] reporting requirements, as applicable.

Prohibited Transactions

1. **General Prohibition**. No Access Person shall purchase or sell, directly or indirectly, any Covered Security (including any security issued by the issuer of such Covered Security) in which he or she has, or by reason of such transaction acquires, any direct or indirect Beneficial Ownership and which such Access Person knows or should have known at the time of such purchase or sale that such Covered Security is being considered for purchase or sale by a Client of the Adviser, or is held in the portfolio of a Client of the Adviser, unless such Access Person shall have obtained prior written approval for such purpose from our Chief Compliance Officer. An Access Person who becomes aware that any Client of an Adviser is considering the purchase or sale of any Covered Security must immediately notify our Chief Compliance Officer of any interest that such Access Person may have in any outstanding Covered Security (including any security issued by the issuer of such Covered Security).

- An Access Person shall similarly notify our Chief Compliance Officer of any other interest or connection that such Access Person might have in or with such issuer.
- Once an Access Person becomes aware that any Client of the Adviser is considering the purchase or sale of a Covered Security in its portfolio, such Access Person may not engage in any transaction in such Covered Security (including any security issued by the issuer of such Covered Security).
- The foregoing notifications or permission may be provided orally but should be confirmed in writing as soon and with as much detail as possible.

2. **Securities Appearing on the Portfolio and Pipeline Reports and Restricted List**. The holdings of the Adviser's Clients are detailed in the Portfolio Report that will be updated, as necessary. The Adviser may also maintain a pipeline report of investments under consideration for purchase. The Adviser also maintains a restricted list of securities.

3. **Initial Public Offerings and Limited Offerings**. Access Persons of the Adviser must obtain approval from our Chief Compliance Officer before directly or indirectly acquiring Beneficial Ownership in any securities in an Initial Public Offering or in a Limited Offering.

4. **Securities Under Review**. No Access Persons shall execute a securities transaction in any security issued by an entity that any of the Adviser's Clients own or are considering for purchase or sale unless such Access Person shall have obtained prior written approval through the ComplySci portal for such purpose from our Chief Compliance Officer.

5. **Trading in the Company's Securities**. No Access Person may purchase or sell (tender) the Company's securities during a Blackout Period unless the purchase or sale is made pursuant to an Approved 10b5-1 Plan as that term is defined in the Company's *Statement on the Prohibition of Insider Trader* (see Appendix B). All other purchases and sales of the Company's securities can only occur during an open Window Period. All purchases and sales of the Company's securities during an open Window Period must be pre-cleared by the Chief Compliance Officer, using the online compliance portal on FS Inside.

6. **Adviser Acquisition of Shares in Companies that Access Persons Hold Through Limited Offerings**. Access Persons who have been authorized to acquire securities in a Limited Offering must disclose that investment to our Chief Compliance Officer when they are involved in the Adviser's subsequent consideration of an investment in the issuer on behalf of any Client, and the Adviser's decision or recommendation to purchase such securities on behalf of any Client must be independently reviewed by Access Persons with no personal interest in that issuer.

7. **Sixty-Day Hold**. [With respect to Tier 1 Access Persons of FS Fund Advisor, LLC and Chiron Investment Management only] Tier 1 Access Persons are required to hold securities purchased in their personal brokerage account(s) for a minimum of sixty days from the date of purchase.

8. **Fund Holdings.** [With respect to Tier 1 Access persons of FS Fund Advisor, LLC and Chiron Investment Management only] Tier 1 Access Persons are prohibited from buying or selling any pipeline security, as applicable or holding of a Fund for five days prior to the Fund's purchase or sale of the security and for five days after the Fund's purchase or sale of a security or until the Fund's order is executed or withdrawn, whichever is later.

Management of the Restricted List

Our Chief Compliance Officer will manage placing and removing names from the Restricted List. Should an Access Person learn of material non-public information concerning the issuer of any security, that information must be provided to our Chief Compliance Officer so that the issuer can be included on the Restricted List. The Chief Compliance Officer will note the nature of the information learned, the time the information was learned and the other persons in possession of this information. The Chief Compliance Officer will maintain this information in a log. Upon the receipt of such information, our Chief Compliance Officer will revise the Restricted List.

Any non - discretionary sub-advisers to the Adviser, or affiliated investment advisers, will be directed to advise the Adviser when they have obtained information that causes them to be restricted from trading in the securities of any of the names appearing on the Pipeline and Portfolio Reports (as discussed above). This information will be provided to our Chief Compliance Officer who will add the name(s) to the Restricted List. Any non - discretionary sub-advisers, or affiliated investment advisers, will also be required to notify the Adviser's Chief Compliance Officer if they are restricted from trading in the securities of any of the issuers discussed with the Adviser for possible inclusion in the portfolio of any of the Adviser's Clients.

The contents of the Restricted List are highly confidential and must not be disclosed to any person or entity outside of the Adviser, absent approval of our Chief Compliance Officer or the Chief Executive Officer.

Procedures to Implement this Code of Ethics

The following reporting procedures have been established to assist Access Persons in avoiding a violation of this Code, and to assist the Adviser in preventing, detecting and imposing sanctions for violations of this Code. Every Access Person must follow these procedures. Questions regarding these procedures should be directed to our Chief Compliance Officer.

All Access Persons are subject to the reporting requirements set forth in the next section, except as follows:

- with respect to transactions effected for, and Covered Securities (including any security issued by the issuer of such Covered Security) held in, any account over which the Access Person has no direct or indirect influence or control; or
- those transactions effected pursuant to an Automatic Investment Plan.

Reporting Requirements

The Adviser shall appoint a Chief Compliance Officer who shall furnish each Access Person and associated person with a copy of this Code, along with the other sections of this Code, and any amendments, upon commencement of employment by or affiliation with the Adviser and may distribute any updates to the Code via electronic means thereafter.

Each Access Person and associated person of each Adviser is required to certify, through a written acknowledgment, within 10 days of commencement of employment by or affiliation with the Adviser, that he or she has received, read and understands all aspects of this Code and recognizes that he or she is subject to the provisions and principles detailed therein. In addition, our Chief Compliance Officer shall notify each Access Person of his or her obligation to submit an initial holdings report, quarterly transaction reports, and annual holdings reports, as described below.

Pre-Clearance Request Policy

FS Investments and its personnel are subject to certain laws and regulations governing personal securities trading. The pre-clearance request process is designed to reasonably mitigate personal securities transactions from, intentionally or unintentionally, interfering or conflicting with the investment directives of FS, its clients, and/or business partners.

All Access Persons (as defined herein) of any Company, all Access Persons of any Adviser, employees of Franklin Square Holdings L.P., and employees of FS Investment Solutions, LLC are required to abide by the following pre-clearance policy.

Please note: Disinterested Trustees (as defined herein) and certain Interested Directors of the Company are not required to pre-clear securities transactions.

Pre-clearance approval from the Chief Compliance Officer or his/her designee must be obtained prior to entering into **any securities transaction**, unless such purchase or sale is made in the following plan or account type:

- An approved 10b5-1 plan (as defined in the *Statement on the Prohibition on Insider Trading*).
- A variable insurance contract held exclusively in a sub-account of an insurance company.
- An account in which you have no direct or indirect influence or control over the account, or the securities held therein (such as, a managed account where you do not maintain discretion) is also exempt from the pre-clearance request requirements.

Regardless of how owned, the following securities and investments do not require pre-clearance:

- A bankers' acceptances, bank certificates of deposit, commercial paper, and high-quality short-term debt instruments, including repurchase agreements.
- A money market instrument.
- An open-end fund/mutual fund (other than any Company). **Please be reminded that any product sponsored by FS Investments, regardless of its structure, must be pre-cleared and certain products sponsored by FS Investments may be subject to a black-out window.**
- An exchange-traded fund.
- A U.S. government security.

Pre-clearance requests should be submitted using the online compliance portal, ComplySci, that can be accessed via *FS Inside ("ComplySci portal").*

The pre-clearance request shall include the following:

- Name;

- Date of the pre-clearance request;
- The name of the broker who will execute the transaction;
- The name of the security and the type of security and estimated trade value in dollars;
- Whether the transaction is a purchase or sale.

In determining whether to approve the transaction, the Chief Compliance Officer or his/her designee will consider whether the opportunity to purchase or sell such securities creates an actual or potential conflict of interest or whether you are being offered the opportunity because of your position. The Chief Compliance Officer or designee will document and communicate the approval or disapproval of each such request via the ComplySci portal.

Initial Holdings Reports

Each Access Person must, no later than 10 days after the person becomes an Access Person, submit to our Chief Compliance Officer or other designated person a report of the Access Person's current securities holdings. The information provided must be current as of a date no more than 45 days prior to the date the person becomes an Access Person. The report must include the following:

- the title and type of the security and, as applicable, the exchange ticker symbol or CUSIP number, the number of shares held for each security, and the principal amount;
- the name of any broker, dealer or bank with which the Access Person maintains an account in which any securities are held for the Access Person's direct or indirect benefit; and
- the date the Access Person submits the report.

An example of the type of information that is required to be included on Initial Holdings Reports is provided in the ComplySci portal.

Quarterly Certifications

Each Access Person must, no later than 30 days after the end of each calendar quarter, confirm to our Chief Compliance Officer or other designated person all of the Access Person's transactions involving a Covered Security (including any security issued by the issuer of such Covered Security) in which the Access Person had, or as a result of the transaction acquired, any direct or indirect Beneficial Ownership, during the calendar quarter most recently ending. The Access Person must confirm quarterly the following information:

- the date of the transaction;
- the title and, as applicable, the exchange ticker symbol or CUSIP number, of each reportable security involved, the interest rate and maturity date of each reportable security involved, the number of shares of each reportable security involved, and the principal amount of each reportable security involved;
- the nature of the transaction (i.e., purchase, sale or other type of acquisition or disposition);
- the price of the security at which the transaction was effected;
- the name of the broker, dealer or bank with or through which the transaction was effected; and
- the date the Access Person confirms such transactions.

With respect to any account established by an Access Person during the reporting quarter in which any Covered Securities were held for the direct or indirect benefit of the Access Person, the Access Person must report (a) the name of the broker, dealer or bank with whom the Access Person established the account, (b) the date the account was established, and (c) the date the information is submitted.

This certification will be sent to each Access Person via the ComplySci portal.

Annual Certification

Each Access Person must confirm to our Chief Compliance Officer or other designated person an annual holdings report reflecting holdings as of a date no more than 45 days before the confirmation is submitted. The Annual Certification

must be submitted at least once every 12 months, on a date to be designated by the Adviser. Our Chief Compliance Officer will notify every Access Person of the date. Each report must include:

- the title and, as applicable, the exchange ticker symbol or CUSIP number, of each reportable security involved, the interest rate and maturity date of each reportable security involved, the number of shares of each reportable security involved, and the principal amount of each reportable security involved;
- the name of any broker, dealer or bank with which the Access Person maintains an account in which any securities are held for the Access Person's direct or indirect benefit; and
- the date the Access Person confirms the report.

The annual certification will be distributed to each Access Person via the ComplySci portal.

All Access Persons must also annually certify, through a written acknowledgment, to our Chief Compliance Officer that: (1) they have read, understood and agree to abide by this Code; (2) they have complied with all applicable requirements of this Code; and (3) they have reported all transactions and holdings that they are required to report under this Code.

ADMINISTRATION OF THIS CODE

Our Chief Compliance Officer has overall responsibility for administering this Code and reporting on the administration of and compliance with this Code and related matters to our Chief Executive Officer and the applicable governing bodies of our Clients.

Our Chief Compliance Officer shall review all reports to determine whether any transactions recorded therein constitute violations of this Code. Before making any determination that a violation has been committed by a person subject to this Code, such person shall be given an opportunity to supply additional explanatory material. Our Chief Compliance Officer shall maintain copies of the reports as required by the Advisers Act.

No less frequently than annually our Chief Compliance Officer must furnish to our Chief Executive Officer and the applicable governing bodies of our Clients, as necessary, and our Chief Executive Officer and the applicable governing bodies of our Clients, as necessary, must consider, a written report that describes any issues arising under this Code or its procedures since the last report, including, but not limited to, information about material violations of this Code or its procedures and any sanctions imposed in response to material violations. This report should also certify that the Adviser has adopted procedures reasonably designed to prevent persons subject to this Code from violating this Code.

APPLICATION/WAIVERS

All of the Access Persons and associated persons of the Adviser are subject to this Code.

Insofar as other policies or procedures of the Adviser govern or purport to govern the behavior or activities of all persons who are subject to this Code, they are superseded by this Code to the extent that they overlap or conflict with the provisions of this Code.

RECORDS

The Adviser shall maintain records with respect to this Code in the manner and to the extent set forth below, which records may be maintained on microfilm or electronic storage media under the conditions described in Rule 31a-2(f) under the 1940 Act and shall be available for examination by representatives of the SEC:

1. A copy of this Code and any other code of ethics of the Adviser that is, or at any time within the past five years has been, in effect shall be maintained in an easily accessible place;

2. A record of any violation of this Code and of any action taken as a result of such violation shall be maintained in an easily accessible place for a period of not less than five years following the end of the fiscal year in which the violation occurs;

3. A copy of each report made by an Access Person or duplicate account statement received pursuant to this Code, shall be maintained for a period of not less than five years from the end of the fiscal year in which it is made, or the information is provided, the first two years in an easily accessible place;

4. A record of all persons who are, or within the past five years have been, required to make reports pursuant to this Code, or who are or were responsible for reviewing these reports, shall be maintained in an easily accessible place;

5. A copy of each report made to our Chief Executive Officer and the applicable governing bodies of our Clients shall be maintained for at least five years after the end of the fiscal year in which it is made, the first two years in an easily accessible place; and

6. A record of any decision and the reasons supporting the decision, to approve the direct or indirect acquisition by an Access Person of Beneficial Ownership in any securities in an Initial Public Offering or a Limited Offering shall be maintained for at least five years after the end of the fiscal year in which the approval is granted.

REVISIONS AND AMENDMENTS

This Code may be revised, changed or amended at any time with the approval of the Adviser. Following any material revisions or updates, an updated version of this Code will be distributed to you and will supersede the prior version of this Code effective upon distribution. We may ask you to sign an acknowledgement confirming that you have read and understood any revised version of this Code, and that you agree to comply with the provisions thereof.

APPENDIX A
SANCTIONS

Code of Business Conduct and Ethics Sanctions

Upon discovering a violation of the Code of Ethics (Code), FS Investments (FS) may impose sanctions as it deems appropriate, including, without limitation, a letter warning, disgorgement of profits, termination of trading privileges or suspension or termination of the Access Person, dependent, in part, on the materiality of the violation. A Material Violation includes any active trading violations (i.e., failure to pre-clear a trade, short-term trading, etc.). A Non-Material violation includes any reporting violations (e.g., not disclosing a new account within the required time frame, not certifying to transactions by the deadline).

The schedule below is not all inclusive and is intended to serve as a guideline for the imposition of a sanction. Violations will be aggregated during a 12-month time period:

Non-Material Violations:

1st Violation: Recorded warning to the Access Person that the Code has been violated and a review of the requirements of the Code.

2nd Violation: Written notification to the Access Person, with a copy to the Access Person's supervisor and a review of the requirements of the Code.

3rd Violation: Written notification to the Access Person, Access Person's Supervisor and to the CEO and CIO of the FS, as well as another review of the requirements of the Code.

Material Violations:

1st Violation: Written notification to the Access Person that the Code has been violated, with a copy to the Access Person's supervisor and a review of the requirements of the Code.

2nd Violation: Written notification to the Access Person, Access person's Supervisor, CEO and CIO, as well as a 5-business day suspension of trading privileges. Compliance will review, with the Access Person, the requirements of the Code.

3rd Violation: Written notification to the Access Person, Access person's Supervisor, CEO and CIO, as well as a 10-business day suspension of trading privileges. At this point, it will be up to the CCO, CIO, and CEO to determine whether one or more of the following are appropriate: a disgorgement of profits (such disgorgement to be donated to a mutually agreed-upon charity), termination of trading privileges, termination of the Access Person, and/or any other additional sanctions deemed appropriate.

Effective July 31, 2022

APPENDIX B
Statement on the Prohibition of Insider Trading

STATEMENT ON THE PROHIBITION OF INSIDER TRADING

This Statement on the Prohibition of Insider Trading applies to each of the business development companies listed on Schedule I hereto (each, the "***Company***") and the investment adviser also listed on Scheduled I hereto, (each, the "***Adviser***"). All capitalized terms used herein but not otherwise defined shall have the meanings set forth in the Company's Compliance Manual.

Introduction

Failure by you to recognize the importance of safeguarding information and using information appropriately is greatly detrimental both to your future and to the Company's. The information below should provide a useful guide about what constitutes insider trading and material inside information and the Company's policy against insider trading. Any questions regarding this policy should be directed to the Chief Compliance Officer or his or her designee.

It is illegal for any person, either personally or on behalf of others, to trade in securities on the basis of material, non-public information. It is also illegal to communicate (or "tip") material, non-public information to others who may trade in securities on the basis of that information. These illegal activities are commonly referred to as "insider trading."

Potential penalties for insider trading violations include imprisonment and can have other very serious repercussions for both the Company and the employee. Violators may be censured by the government or self-regulatory organizations, suspended, barred from the securities business and/or subject to civil and criminal fines. In addition, violations may result in liability under the federal securities laws, including the Insider Trading Sanctions Act of 1984 and the Insider Trading and Securities Fraud Enforcement Act of 1988. The Company's actions with respect to any violations will be swift and forceful since it is the victim of any such abuse.

A violation of the Company's policies and procedures regarding confidential information, disclosure and the use of confidential information may result in dismissal, suspension without pay, loss of pay or bonus, loss of severance benefits, demotion or other sanctions, whether or not the violation of the Company's policy or procedure also constituted a violation of law. Trading while in possession of or tipping on the basis of non-public information could also result in civil or criminal liability which could lead to imprisonment, fines and/or a requirement of disgorgement of any profits realized and, as a result of the violation, to an injunction prohibiting the violator from being employed in the securities industry. The Company may initiate or cooperate in proceedings resulting in such penalties.

In the unlikely event that you come into possession of information that is not publicly available, either through your work with the Company or outside of the workplace, you will be required to adhere to this Statement on the Prohibition of Insider Trading (this "***Statement***") as set forth in the following pages. You will also be subject to certain reporting requirements in connection with complying with the Code of Ethics beginning with the requirement to notify our Chief Compliance Officer or his or her designee.

Statement of Policy

It is the policy of the Company that no officer, manager, director, trustee or employee (including any temporary employee or consultant) of the Company or the Adviser who is aware of material, non-public information relating to the Company may, directly or through family members or other persons or entities, (a) buy or sell securities of the Company (other than pursuant to a pre-approved trading plan that complies with Rule 10b5-1 of the Securities Exchange Act of 1934, as amended), or engage in any other action to take personal advantage of that information, or (b) pass that information on to others outside of Company, including family and friends.

In addition, it is the policy of the Company that no officer, manager, director or employee (including a temporary employee or consultant) of the Company or the Adviser who, in the course of working for the Company or

the Adviser, learns of material, non-public information regarding a portfolio company of the Company, may trade in that company's securities until the information becomes public or is no longer material.[12]

Background

The securities laws and the rules and regulations of the self-regulatory organizations are designed to ensure that the securities markets are fair and honest, that material information regarding a company is publicly available, and that a security's price and volume are determined by the free interplay of economic forces. The anti-fraud rules of the federal securities laws prohibit, in connection with the purchase or sale of a security:

- making an untrue statement of a material fact;
- omitting to state a material fact necessary to make the statements made not misleading; and
- engaging in acts, practices or courses of business which would be fraudulent or deceptive.

While the law concerning insider trading is not rigid, it generally is understood to prohibit:

- trading by an insider, while in possession of material non-public information;
- trading by a non-insider while in possession of material non-public information where the information either was disclosed to the non-insider in violation of an insider's duty to keep it confidential or was misappropriated; and
- communicating material non-public information to others.

The elements of a claim for insider trading and the penalties for unlawful conduct are described below.

Who is an Insider?

The concept of an "insider" is broad. It includes officers, directors and employees of a company, as well as anyone who has access to material non-public information regarding a company. In addition, a person can be a "temporary insider" if he or she enters into a special confidential relationship in the conduct of a company's affairs and, as a result, is given access to information solely for the company's purposes. A temporary insider can include, by way of example, attorneys, accountants, consultants, bank lending officers and employees of such organizations. According to the U.S. Supreme Court, a company must expect the outsider to keep the disclosed non-public information confidential and the relationship must at least imply such a duty before the outsider will be considered an insider.

What is Material Information?

Trading on information is not a basis for liability unless the information is material. Information generally is considered "material" if there is a substantial likelihood that a reasonable investor would consider the information important in making an investment decision, or if the information is reasonably certain to have a substantial effect on the price of a company's securities. Information that should be considered material includes but is not limited to dividend changes; earnings estimates not previously disseminated; material changes in previously released earnings

[12] The Company may, from time to time, receive or have the opportunity to receive information regarding a portfolio company that has not been disseminated or fully disseminated in the marketplace. If this situation arises and the Company has an opportunity to opt to receive the information, the officer, manager, director, trustee or employee of the Company or the Adviser that encounters this situation will raise the situation with his or her supervisor and the Chief Compliance Officer or his or her designee to decide whether to opt to receive the information to decline to receive the information. If the Company received material non-public information regarding a portfolio company, the Chief Compliance Officer or his or her designee will update the Restricted List as it is discussed in the Code of Business Conduct and Ethics.

estimates; significant merger or acquisition proposals or agreements; major litigation; liquidation problems; and extraordinary management developments.

Material information does not have to relate to a company's business. For example, in Carpenter v. United States 108 S. Ct. 316 (1987), the U.S. Supreme Court considered as material certain information about the contents of a forthcoming newspaper column that was expected to affect the market price of a security. In that case, a Wall Street Journal reporter was found criminally liable for disclosing to others the dates that reports on various companies would appear in the Wall Street Journal and whether or not those reports would be favorable.

Any questions that you may have as to whether information is material must be addressed with our Chief Compliance Officer or his or her designee before acting in any way on such information.

What is Non-public Information?

Information is non-public until it has been effectively communicated to the marketplace. One must be able to point to some fact to show that the information is public. For example, information found in a report filed with the SEC, or appearing in Reuters, Bloomberg or a Dow Jones publication or in any other publication of general circulation would generally be considered "public." In certain instances, information disseminated to certain segments of the investment community may be deemed "public" (e.g., research communicated through institutional information dissemination services such as First Call). The fact that information has been disclosed to a few members of the public does not make it public for insider trading purposes. To be "public" the information must have been disseminated in a manner designed to reach investors generally, and the investors must be given the opportunity to absorb the information. Even after public disclosure of information, you must wait until the close of business on the second trading day after the information was publicly disclosed before you can treat the information as public.

Bases for Liability

Described below are circumstances under which a person or entity may be deemed to have traded on inside information.

- Fiduciary Duty Theory. In 1980, the U.S. Supreme Court found that there is no general duty to disclose before trading on material non-public information, but that such a duty arises where there is a fiduciary relationship between the parties to the transaction. In such case, one party has a right to expect that the other party will not disclose any material non-public information and will refrain from trading. Chiarella v. U.S., 445 U.S. 22 (1980).

Insiders such as employees of an issuer are ordinarily considered to have a fiduciary duty to the issuer and its shareholders. In Dirks v. SEC, 463 U.S. 646 (1983), the U.S. Supreme Court stated alternative theories by which such fiduciary duties are imposed on non-insiders: (1) they can enter into a confidential relationship with the company (e.g., attorneys and accountants, etc.) ("temporary insiders"); or (2) they can acquire a fiduciary duty to the company's shareholders as "tippees" if they are aware or should have been aware that they have been given confidential information by an insider or temporary insider who has violated his or her fiduciary duty to the company's shareholders.

In the "tippee" situation, a breach of duty occurs only if the insider or temporary insider personally benefits, directly or indirectly, from the disclosure. The benefit does not have to be of a financial nature, but can be a gift, a reputational benefit that will translate into future earnings, or even evidence of a relationship that suggests a quid pro quo.

- Misappropriation Theory. Another basis for insider trading liability is the "misappropriation" theory, where liability is established when trading occurs on material non-public information that was stolen or misappropriated from another person. In Carpenter v. United States, the U.S. Supreme Court found that a columnist defrauded The Wall Street Journal by communicating information prior to its publication to another person who used the information to trade in the securities markets. It should be noted that the misappropriation theory can be used to reach a variety of individuals not previously thought to be encompassed under the fiduciary duty theory.

Penalties for Insider Trading

Penalties for trading on or communicating material non-public information are severe, both for individuals involved in such conduct and their employers. A person can be subject to some or all of the penalties below even if he or she does not personally benefit from the violation. Penalties include the following:

- jail sentences;
- civil injunction;
- treble damages;
- disgorgement of profits;
- fines for the person who committed the violation of up to three times the profit gained, or loss avoided, whether or not the person actually benefited; and
- fines for the employer or other controlling person of up to the greater of $1,000,000 or three times the amount of the profit gained, or loss avoided.

Controlling the Flow of Sensitive Information

The following procedures have been established to assist the officers, directors and employees of the Company in controlling the flow of sensitive information so as to avoid the possibility of trading on material non-public information either on behalf of the Company or for themselves and to assist the Company and its supervisory personnel in surveilling for, and otherwise preventing and detecting, insider trading. Every officer, manager, director, trustee and employee (including a temporary employee or consultant) of the Company or the Adviser must follow these procedures or risk serious sanctions by one or more regulatory authorities and/or the Company, including dismissal, substantial personal liability and criminal penalties. If you have any questions about these procedures, you should consult our Chief Compliance Officer or his or her designee.

1. Identifying Inside Information. Before trading for yourself or others in the securities of the Company or a company about which you have what, you believe to be inside information, ask yourself the following questions:

- Is the information non-public? To whom has this information been provided? Has the information been effectively communicated to the marketplace? To what extent, for how long, and by what means has the information been disseminated? If information is non-public, it normally may not be used in connection with effecting securities transactions; however, if you have any doubts whatsoever as to whether the information is non-public, you must ask our Chief Compliance Officer or his or her designee prior to trading on or communicating (except in accordance with the procedures and requirements herein) such information.
- Is the information material? Is this information that an investor would consider important in making his or her investment decision? Is this information that would substantially affect the market price of the securities if generally disclosed?

If, after consideration of the above, you believe that the information may be material and non-public, or if you have questions in that regard, you should take the following steps:

- Report the matter immediately to our Chief Compliance Officer or his or her designee.
- Do not purchase or sell the securities on behalf of yourself or others.

- Do not communicate the information inside or outside of the Company, other than to our Chief Compliance Officer or his or her designee.

- After our Chief Compliance Officer or his or her designee has reviewed the issue, you will be instructed to continue the prohibitions against trading and communication, or you will be allowed to communicate the information and then trade.

2. Restricting Access to Material Non-Public Information. Information in your possession that you identify as material and non-public may not be communicated to anyone, except as provided in paragraph 1 above. In addition, care should be taken so that such information is secure. For example, files containing material non-public information should be sealed and access to computer files containing material non-public information should be restricted. In addition, it may be necessary from time-to-time, for legitimate business reasons, to disclose material information to persons outside of the Company. Such persons might include commercial bankers, investment bankers or other companies with whom the Company may be pursuing a joint project. In such situations, material non-public information should not be conveyed until an express understanding, typically in the form of a nondisclosure agreement ("***NDA***"), has been reached that such information may not be used for trading purposes and may not be further disclosed other than for legitimate business reasons. Please contact our Chief Compliance Officer or his or her designee before disclosing any material non-public information regarding the Company to a third party or entering into an NDA.

3. Leak of Material Information. If anyone becomes aware of a leak of material information, whether inadvertent or otherwise, he or she should report such leak immediately to our Chief Compliance Officer or his or her designee. Any insider who "leaks" inside information to a "tippee" may be equally liable with the tippee to third parties for any profit of the tippee.

4. Personal Security Trading. All officers, directors and employees must trade in accordance with the provisions of the Company's Code of Business Conduct and Ethics as well as this Statement in order to assist the Company with monitoring for violations of the law.

5. Restricted List. As defined in the Company's Code of Business Conduct and Ethics, our Chief Compliance Officer will maintain a Restricted List. The Restricted List is inclusive of all restricted securities relating to the Company and may include securities in which Holdings is invested or otherwise considering. Disclosure outside of the Company as to what issuers and/or securities are on the Restricted List could, therefore, constitute tipping and is strictly prohibited.

6. Supervision/Investigation. Should our Chief Compliance Officer learn, through regular review of personal trading documents, or from any other source, that a violation of this Statement is suspected, our Chief Compliance Officer shall alert the Chief Executive Officer of the Company. Together these parties will determine who should conduct further investigation if they determine one is necessary.

Policy and Procedures for Trading in Company Securities

1. Window Period. All directors, trustees, managers, officers and employees (including temporary employees and consultants) of the Company, the Adviser and their respective immediate family members (collectively, the "***Covered Personnel***") may purchase or sell securities of the Company only during a designated "window period." In general, **the "window period" begins at the opening of trading on the second business day following the date on which the Company publicly releases quarterly or annual financial results designated by the Company's Chief Compliance Officer or Chief Financial Officer, working together with the Adviser's legal department, as sufficient to open the window period, and extends for thirty (30) calendar days thereafter, provided that the window period in the first quarter of any fiscal year will end not later than the fifteenth (15th) calendar day prior to the end of the first quarter.** As a result, it is possible that the window period in the first fiscal quarter may, at times, be shorter than (30) thirty calendar days or not open at all. Should the end of the "window period" fall on a weekend, such window will be extended through the close of business on the following business day. Significantly, however, even during a "window period," Covered Personnel may not engage in transactions involving securities of the Company if he or she is in possession of material non-public information on the trade date.

Furthermore, the Company may alter the "window period" due to particular events or other circumstances (e.g., maintain an event-driven "blackout period" during which trading by Covered Personnel cannot take place).

2. Clearance of Transactions. Notwithstanding any window period, the Company requires that all purchases and sales of the Company's securities by all Covered Personnel be cleared by our Chief Compliance Officer, or his or her designee, prior to placing any order related to such transactions (other than purchases and sales of securities under an Approved 10b5-1 Plan (as defined below)). If you wish to seek clearance to purchase or sell securities of the Company, please submit your pre-clearance request by using the Company's online compliance portal that can be accessed via "*FSInside*," the intranet website provided and maintained by Holdings, the Company's sponsor. If you do not have access to the online compliance portal, you may email our Chief Compliance Officer, or his or her designee. In either case the pre-clearance request should include your name, the name of any immediate family member seeking to buy or sell securities of the Company (if applicable), contact information, the number of securities of the Company you (or such immediate family member) wish to buy or sell and the proposed date on which you (or such immediate family member) would like to complete the sale or purchase. Our Chief Compliance Officer, or his or her designee, will review your request and respond as soon as possible.

3. Avoidance of Speculative Transactions. Certain types of transactions as well as the timing of trading may raise an inference of the improper use of inside information. In order to avoid even the appearance of impropriety, the Company discourages trades by Covered Personnel that are of a short-term, speculative nature rather than for investment purposes. Accordingly, Covered Personnel are prohibited from engaging in the following transactions in the Company's securities, unless advance approval is obtained from our Chief Compliance Officer or his or her designee.

(i) *Short-term trading*. Covered Personnel who purchase the Company's securities may not sell any Company securities of the same class for at least six (6) months after the purchase;

(ii) *Short sales*. Covered Personnel may not sell the Company's securities short;

(ii) *Options trading*. Covered Personnel may not buy or sell puts or calls or other derivative securities on the Company's securities;

(iii) *Trading on margin*. Covered Personnel may not hold Company securities in a margin account or pledge the Company's securities as collateral for a loan; and

(iv) *Hedging*. Covered Personnel may not enter into hedging or monetization transactions or similar arrangements with respect to the Company's securities.

4. Rule 10b5-1 Plans. Covered Personnel may implement a so-called Rule 10b5-1 plan, which generally is a written plan for trading securities that is designed in accordance with Rule 10b5-1(c) under the Exchange Act. A Rule 10b5-1 plan that is established in good faith at a time when a person is unaware of material non-public information and operated in good faith provides such person with an affirmative defense against accusations of insider trading when such person executes pre-planned trades. Covered Personnel are required to consult with and receive the approval of our Chief Compliance Officer, or his or her designee, prior to entry into a Rule 10b5-1 plan with respect to the purchase or sale of securities of the Company.

Accordingly, notwithstanding paragraph 2 above, Covered Personnel may purchase or sell securities of the Company outside a designated "window period" if such transactions are made pursuant to a pre-existing written plan, contract, instruction, or arrangement under Rule 10b5-1 (an "***Approved 10b5-1 Plan***") that:

(i) has been reviewed and approved at least fifteen (15) days in advance of any trades thereunder by our Chief Compliance Officer or his or her designee (or, if revised or amended, such revisions or amendments have been reviewed and approved by our Chief Compliance Officer or his or her designee at least fifteen (15) days in advance of any subsequent trades);

(ii) was entered into in good faith by the Covered Personnel at a time when the Covered Personnel was not in possession of material non-public information regarding the Company and, in the case of directors and officers, includes a representation that (a) they are not aware of any material nonpublic information; and (b) they are adopting the plan in good faith and not as part of a plan or scheme to evade the prohibitions of Rule 10b5-1;

(iii) gives a third party the discretionary authority to execute such purchases and sales, outside the control of the Covered Personnel, so long as such third party does not possess any material non-public information about the Company; or explicitly specifies the security or securities to be purchased or sold, the number of shares, the prices and/or dates of transactions, or other formula(s) describing such transactions; and

(iv) includes a cooling off period before trading can commence that, for directors and officers, ends on the later of 90 days after the adoption of the Rule 10b5-1 plan or two business days following the disclosure of the Company's financial results in an SEC periodic report for the fiscal quarter in which the plan was adopted (but in any event, the required cooling-off period is subject to a maximum of 120 days after adoption of the plan), and for persons others than directors or officers, 30 days following the adoption or modification of a Rule 10b5-1 plan.

In addition, a person may not enter into overlapping Rule 10b5-1 plans (subject to certain exceptions) and may only enter into one single-trade Rule 10b5-1 plan during any 12-month period (subject to certain exceptions).

Appendix B: Proxy Voting Policies and Procedures

FS Real Estate Advisor, LLC

Proxy Voting Policies and Procedures

The Issuer has delegated its proxy voting responsibility to its investment adviser, FS Real Estate Advisor, LLC (the ***"Firm"***). The Proxy Voting Policies and Procedures of the **Firm** are set forth below. (The guidelines are reviewed periodically by the **Firm** and the Issuer's non-interested trustees, and, accordingly, are subject to change.)

Introduction

As an investment adviser registered under the Investment Advisers Act of 1940, as amended (the ***"Advisers Act"***), the **Firm** has a fiduciary duty to act solely in the best interests of its clients. As part of this duty, the **Firm** recognizes that it must vote client securities in a timely manner free of conflicts of interest and in the best interests of its clients.

These policies and procedures for voting proxies for the investment advisory clients of the **Firm** are intended to comply with Section 206 of, and Rule 206(4)-6 under, the Advisers Act.

Proxy Policies

The **Firm** has retained Proxy Voting responsibility. The Sub-Adviser's investment strategy does not generally involve the acquisition of securities with voting authority. In the event that the Issuer comes into possession of securities with voting rights, ISS will vote on behalf of the Adviser, and generally in line with this policy.

The **Firm** has adopted the following proxy voting procedures designed to ensure that proxies are properly identified and voted, and that any conflicts of interest are addressed appropriately:

- The **Firm** is made aware of specific opportunities to vote proxies by ISS.
- The authority to make proxy voting decisions of the **Firm** is held by the Investment Committee, which is responsible for monitoring each of the Issuer's investments. The Investment Committee may delegate its authority to vote proxies to one or more members of the Investment Team, including the Lead Portfolio Manager.
- Absent specific instructions to the contrary, the Investment Committee votes the Issuer's proxies according to recommendations made by the Investment Committee and ISS. Any investment professional who suggests deviating from these recommendations must provide the CCO with a written explanation of the reason for the deviation, as well as a representation that the employee and **Firm** are not conflicted in making the chosen voting decision.
- The Firm's Investment Committee has the ability to override any determinations made by the Investment Team or Lead Portfolio Manager with respect to voting the Issuer's proxies, to the extent such authority has been delegated to such parties. The Chief Compliance Officer will maintain a memorandum detailing the rationale for any instance in which a decision on how to vote a proxy was overridden.

- The **Firm** will not neglect its proxy voting responsibilities, but the **Firm** may abstain from voting if it deems that abstaining is in the Issuer's best interest. For example, the **Firm** may be unable to vote securities that have been lent by the custodian. Also, proxy voting in certain countries involves "share blocking," which limits the **Firm**'s ability to sell the affected security during a blocking period that can last for several weeks. The potential consequences of being unable to sell a security may outweigh the benefits of participating in a proxy vote, so the **Firm** generally abstains from voting when share blocking is required.
- ISS will make available to the Adviser the following information in connection with each proxy vote:
    - The Issuer's name;
    - The security's ticker symbol or CUSIP, as applicable;
    - The shareholder meeting date;
    - The number of shares that **Firm** voted;
    - A brief identification of the matter voted on;
    - Whether the matter was proposed by the Issuer or a security-holder;
    - Whether **Firm** cast a vote;
    - How **Firm** cast its vote (for the proposal, against the proposal, or abstain); and
    - Whether **Firm** cast its vote with or against management.
- While not currently applicable, if the **Firm** votes the same proxy in two directions, the Chief Compliance Officer will maintain documentation describing the reasons for each vote (e.g., **Firm** believes that voting with management is in one fund's best interests, but another fund gave specific instructions to vote against management).
- Any attempt to influence the proxy voting process by issuers or others not identified in these policies and procedures should be promptly reported to the Chief Compliance Officer.
- The Investment Committee reviews the Issuer's proxy votes to ensure all votes cast by the Issuer are in compliance with the best interests of the Issuer's shareholders.

Proxy Voting Records

Information regarding how the **Firm** voted proxies with respect to the Issuer's portfolio securities during the most recent 12-month period ending June 30 will be available without charge by making a written request to the Advisor's Chief Compliance Officer, FS Real Estate Advisor, 201 Rouse Boulevard, Philadelphia, Pennsylvania 19112 or by calling the Advisor collect at (215) 495-1150, or on the SEC's website at *http://www.sec.gov*.

Appendix C: Books and Records

Required Books and Records of Investment Advisers

As a registered investment adviser, the Firm must maintain certain documents related to the requirements of the Investment Advisor's Act of 1940, as amended (the "Adviser's Act") for a period as defined by the Adviser's Act.

The following table establishes the documents or records that are required to be maintained on behalf of a registered investment advisor and the responsible party to the document as determined by the Firm. Employees are required to ensure proper maintenance of those records for which the Firm is deemed as the "Responsible Person or Group" noted below for the respective document identified.

Document		Required Retention Period	Investment Advisers Act of 1940 Rule	Responsible Person or Group
Business Records				
1	Partnership agreement and any amendments, certificate of formation and articles of incorporation, by-laws, charters, minute books, and stock certificate books.	Firm Records - Onsite until the termination of the entity, plus 3 years.	204-2 (e)(2)	Firm
2	Copies or originals of all written agreements relating to the adviser's business. Examples of such agreements include: • Contracts with third-party vendors; • Employment contracts; and • Rental agreements and property leases.	Firm Records - Onsite for 2 years, easily accessible for 6 years total.	204-2(a)(10)	Firm

Document		Required Retention Period	Investment Advisers Act of 1940 Rule	Responsible Person or Group
3	Books of original entry, including cash receipt and disbursement records, and any other records of original entry forming the basis of entries in any ledger.		204-2(a)(1)	Firm and Custodian
4	Trial balances and financial statements, including the income statement and balance sheet.		204-2(a)(6)	Firm and Issuer's Administrator
5	Any internal audit working papers.			
Compliance and Internal Control Records				
1	Compliance policies and procedures adopted pursuant to Rule 206(4)-7(a).	Onsite unless the policies and procedures have not been in effect for at least 6 years.	204-2(a)(17)(i)	Firm and Issuer's Administrator
2	Any records documenting the adviser's periodic review of its compliance policies and procedures.	Onsite for 2 years, easily accessible for 7 years total.	204-2(a)(17)(ii)	Firm
Code of Ethics and Personal Trading Records				
1	A copy of the adviser's code of ethics currently in effect, or that was in effect at any time within the past six years.	Onsite unless the code of ethics not been in effect for at least 7 years.	204-2(a)(12)(i)	Firm (as it relates to Advisor's Access Persons)

Document		Required Retention Period	Investment Advisers Act of 1940 Rule	Responsible Person or Group
2	A record of any violation of the adviser's code of ethics, and any action taken as a result of the violation.	Onsite for 2 years, easily accessible for 7 years total.	204-2(a)(12)(ii)	Firm (as it relates to Advisor's Access Persons)
3	A record of each report made by an Access Person regarding personal securities transactions and holdings, or copies of any associated account statements and trade confirmations provided by broker-dealers and custodians.	Onsite for 2 years, easily accessible for 7 years total.	204-2(a)(13)(i)	Firm (as it relates to Advisor's Access Persons)
4	A record of the names of people who are, or within the past six years were, Access Persons of the investment adviser.	Onsite unless the individual has not been an Access Person for at least 7 years.	204-2(a)(13)(ii)	Firm (as it relates to Advisor's Access Persons)
5	A record of any decision, and the reasons supporting the decision, to approve an Access Person's investment in an initial public offering or Private Placement.	Onsite for at least 7 years after the approval is granted.	204-2(a)(13)(iii)	Firm (as it relates to Firm's Access Persons)
Marketing and Performance Records				
1	Firm Specific records: A copy of each notice, advertisement, investment letter, or other communication that the adviser sends, directly or indirectly, to 10 or more people outside of the adviser. Additional Issuer specific records: any advertisement, pamphlet, circular, form letter or other sales literature addressed to or intended for distribution to prospective	Onsite for 2 years, easily accessible for 6 years total, measured from the time when the adviser stops distributing the advertisement.	204-2(a)(7) and 204-2(a)(11)	Firm

Document		Required Retention Period	Investment Advisers Act of 1940 Rule	Responsible Person or Group
	investors prepared to ensure all required disclosures so as to not be deemed misleading. If such communication recommends the purchase or sale of a specific security but does not state the reasons for such recommendation, the adviser must retain a memorandum indicating the reasons for the recommendation. An adviser that sends the advertisement to more than 10 people need not keep a record of the names and addresses of the recipients. However, if the advertisement was sent to people named on a list, the adviser must retain a description of the list and its source along with the advertisement.			
Trading and Account Management Records				
1	A trade ticket (or order memorandum) showing (i) each order given by the adviser for the purchase or sale of any security; (ii) any instruction received by the adviser concerning the purchase, sale, receipt, or delivery of any security; and (iii) any modification or cancellation of any such order or instruction. Each trade ticket must show: • The terms and conditions of the order, instruction, modification, or cancellation, (including a security identifier, the number of	Firm Records - Onsite for 2 years, easily accessible for 6 years total.	204-2(a)(3)	Firm (for trades entered into by Firm) and Issuer Administrator

Document		Required Retention Period	Investment Advisers Act of 1940 Rule	Responsible Person or Group
	shares, the price, the commission, and the order type, among other things); • The person connected with the adviser who recommended the transaction to the Client and the person who placed the order; • The Client account for which the transaction was entered; • The date of entry; • The bank, broker, or dealer by or through whom the transaction was executed; • Any applicable trade allocation information; and • Whether the order was entered pursuant to discretionary authority. If applicable, each trade ticket should also document the pre-trade allocation and any deviations from the allocation made after execution.			
2	Research files documenting the reasonable basis for the adviser's investment recommendations. Such documentation may include third-party research, as well as analyses prepared by Employees.	Firm Records - Onsite for 2 years, easily accessible for 6 years total.	204-2(a)(7)	Firm

Document	Required Retention Period	Investment Advisers Act of 1940 Rule	Responsible Person or Group
Notes			
The location of any required records stored offsite must be disclosed in Part 1 of Form ADV.			
Pursuant to Rule 204-2(d), an adviser may use numerical or alphabetical codes to protect the identity of its Clients.			
An adviser will not be deemed to have violated Rule 204-2(a)(13) for failing to record securities transactions or holdings, so long as the adviser can demonstrate that it has instituted adequate procedures and used reasonable diligence to obtain all required reports.			

Appendix D: Privacy Policy

FS Real Estate Advisor, LLC

Privacy Policy

FS Real Estate Advisor, LLC (the "***Firm***," "***our***," "***us***" or "***we***") is committed to protecting your privacy. This privacy notice, which is required by state and federal law, explains the privacy policies of the Firm and its affiliated companies. This notice supersedes any other privacy notice you may have received from the Firm, and its terms apply both to our current customers and to former customers as well.

How We Protect Your Personal Information

We will safeguard, according to strict standards of security and confidentiality, all information we receive about you. With regard to this information, we maintain physical, electronic, and procedural safeguards that comply with federal and state standards.

What Kind of Information We Collect

The only information we collect from you is your name, address and number of shares you hold.

How We Use this Information

This information is used only so that we can service your account, send you annual reports and other information about the Issuer, and send you proxy statements or other information required by law.

Who Has Access to Personal Information

We do not share customer information with any non-affiliated third-party, except as described below.

- **Authorized Employees of the Firm.** It is our policy that only authorized employees of the Firm who need to know your personal information will have access to it.
- **Service Providers.** We may disclose your personal information to companies that provide services on our behalf, such as record keeping, processing your trades and mailing information to you. These companies are required to protect your information and use it solely for the purpose for which they received it.
- **Courts and Government Officials.** If required by law, we may disclose your personal information in accordance with a court order or at the request of government regulators. Only that information required by law, subpoena or court order will be disclosed.

Updating Your Information

To help us keep your customer information up-to-date and accurate, please contact the Firm at the address below if there is any change in your personal information.

201 Rouse Boulevard
Philadelphia, Pennsylvania 19112
ATTN: Chief Compliance Officer

Appendix E: Investment Committee Charter

FS Real Estate Advisor, LLC Investment Committee Charter

Committee Purpose and Mission

The Investment Committee (the "***Committee***") is responsible for the oversight of the investment management services offered by FS Real Estate Advisor, LLC ("***Firm***"). As such, the Committee shall be responsible for reviewing and approving all investment transactions to be engaged in by FS Credit Real Estate Investment Trust (the "***Issuer***"). The Committee may, in its sole discretion, authorize other personnel of the Firm to execute certain types of investment transactions without having to seek its prior approval.

Committee Responsibilities and Duties

The Committee is responsible for reviewing information and approving Firm business activities in order to fulfill its governance mandate. Specifically, the Committee shall:

- Review and approve investment transactions recommended by the Issuer's sub-advisor Rialto Capital Management. The Committee is required to pre-approve all investments. The Committee has the authority to delegate its investment authority to the sub-advisor as it so determines:
- Monitor and review the investment decisions of the Firm, including its policies and procedures, investment and risk management processes and guidelines and processes for identifying, disclosing and managing conflicts of interests.
- Review any investment risk and compliance issues relating to the Firm.
- Review and approve or reject all proposed investment policy changes.
- Review and approve the investment methodology structure and any proposed changes on an ongoing basis.
- Review and approve the sub-advisor's diligence, investment selection and monitoring process, and any proposed changes on an ongoing basis.
- Review and approve all Committee minutes.
- Conduct such other reviews and approvals consistent with this charter.
- Prepare reports and escalate identified issues, as necessary, to the Global Conflicts Committee.

Please refer to the Investment Committee Section of the Advisor's Compliance Manual for additional information on the Committee's mandate and responsibilities.

Committee Membership and Subcommittees

The membership and structure of the Committee is set forth in Exhibit A of this charter. The Committee may, in its sole discretion, (1) form subcommittees to assist it in fulfilling its mandate, (2) establish membership requirements and rules of governance for those subcommittees, and (3) delegate duties to those subcommittees as the Committee deems necessary and appropriate. Such subcommittees may consist of non-members of the Committee. In order to fulfill its responsibilities on behalf of the Firm, the Committee shall have the discretion and authority to request the attendance of any personnel of the Firm or FS Investments at the Committee or subcommittee meetings.

Conflict of Interest Management

Members of the Committee are required to comply with the Firm's Code of Business Conduct and Ethics and conflict of interest requirements. These conflict of interest requirements include, among others, conflicts in regard to issues such as procurement of investment management services, personal securities trading requirements, and the role and conduct of the Investment Team.

If any member of the Committee has a personal interest in any matter under consideration by the Committee, or if a matter involves a material conflict of interest affecting a member of the Committee, the member shall disclose such personal interest or other material conflict of interest to the Committee, either directly or through the Chairman of the Committee. If any member has a question on whether a personal interest or other material conflicts of interest exists, the member should raise the issue with the CCO or Deputy CCO.

Where it has been determined that a member has a personal interest or other material conflicts of interest in a matter under consideration by the Committee, the Committee Chairman may determine whether the member shall be recused from any Committee consideration of and/or decision on that matter. In the instance where the Chairman is subject to the conflict, the CCO or Deputy CCO shall make the determination. Any member may raise a question to the Committee Chairman and/or the CCO or Deputy CCO whether a member shall be recused from a specific matter. In the event the CCO or Deputy CCO, Committee Chairman, Committee and Firm CEO are unable to resolve the conflict, outside counsel will be retained to provide the determination.

Committee Meetings

The Committee shall meet quarterly (or more frequently as required) at a time and place designated by a majority of the committee. Members of the Committee are responsible for bringing relevant issues regarding the investment functions of the Firm to the attention of the Committee. The Committee is responsible for establishing procedures for the organization and operation of meetings. The Committee shall communicate decisions to Senior Management of the Firm, FS Investments, and other relevant parties as required.

Voting

A quorum shall consist of all members of the Committee. The unanimous consent of the Committee members is required for approval. Non-voting members should attend all meetings of the Committee or should provide their input on issues to the Committee Chairman. Meetings may be held in person, or telephonically as required.

Records of Committee Meetings

The Secretary shall maintain minutes of all meetings. All minutes shall be submitted to the Committee at its next regular meeting. Records of all minutes and meeting notes shall be maintained according to the Firm's record retention policies and procedures. The Committee may also identify other records that the Committee deems appropriate to maintain, including records regarding the status and resolution of all matters escalated to the Committee.

Periodic Reviews and Amendments

On at least an annual basis, the Committee, in coordination with the Firm's CCO or Deputy CCO, shall (1) conduct an assessment of its operations and performance and issue a report of its findings to the Firm; (2) review and assess the adequacy of this charter and recommend any amendments to the Committee; and (3) review membership of the Committee and recommend any changes to the Committee as deemed appropriate. The Committee must approve all amendments to this charter.

Exhibit A

Investment Committee Members (as of May 9, 2023)

- Michael Kelly
- Robert Haas
- Robert Lawrence

Secretary for Investment Committee

- Jane Kitain