

[Muzinich European Private Credit ELTIF Firstlight Feeder SICAV, S.A.]

Prospectus

a Luxembourg investment company with variable capital (*société d'investissement à capital variable – SICAV*) incorporated and authorized under Part II of the Luxembourg law of 17 December 2010 relating to Undertakings for Collective Investment, as amended from time to time, in the form of a public limited company (*société anonyme – S.A.*) and subject to the provisions of Regulation (EU) 2015/760 on European Long Term Investment Funds, as amended by Regulation (EU) 2023/606 (together with corresponding delegated regulations)

[December] 2025

Muzinich & Co

IMPORTANT NOTICE

This prospectus (this “**Prospectus**”) is issued by [Muzinich European Private Credit ELTIF Firstlight Feeder SICAV, S.A.] (the “**Feeder Fund**”), a Luxembourg investment company with variable capital (*société d’investissement à capital variable – SICAV*) incorporated on 20 February 2019 and authorized by the Luxembourg *Commission de Surveillance du Secteur Financier* (the “**CSSF**”) under Part II of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as amended from time to time (the “**2010 Law**”), in the form of a public limited company (*société anonyme – S.A.*) and subject to the provisions of Regulation (EU) 2015/760 on European Long Term Investment Funds, as amended by Regulation (EU) 2023/606 (as interpreted by the CSSF) (together with corresponding delegated regulations, the “**ELTIF Regulations**”).

The Feeder Fund is registered under number B232256 with the Luxembourg *Registre de Commerce et des Sociétés* (“**RCS**”). The Feeder Fund was incorporated on 20 February 2019 under the name of Muzinich Firstlight Middle Market ELTIF SICAV, S.A. and changed its name to [Muzinich European Private Credit ELTIF Firstlight Feeder SICAV, S.A.] on [●] 2025 (the “**Conversion Date**”). The registered office of the Feeder Fund is 12E, rue Guillaume Kroll, L-1882 Luxembourg, Grand Duchy of Luxembourg. The Feeder Fund is listed on the official list of undertakings for collective investment and approved by the CSSF, and qualifies as an alternative investment fund within the meaning of Article 1 of the Luxembourg law of 12 July 2013 on alternative investment fund managers. The entry on the list is tantamount to authorization and the entering and the maintaining on the list is subject to observance of all the provisions of the laws, regulations or agreements relating to the organization and operation of undertakings for collective investment and the distribution, placing or sale of their shares. However, this inclusion on the official list does not require an approval or disapproval of the CSSF as to the suitability or accuracy of this Prospectus. It may not, under any circumstances, be described in any way whatsoever as a positive assessment made by the CSSF of the quality of the shares offered for sale. Any declaration to the contrary should be considered as unauthorized and illegal.

Prior to the Conversion Date, the Feeder Fund invested directly in eligible investment assets and assets referred to in Article 50(1) of Directive 2009/65/EC (“**UCITS-Eligible Assets**”), in each case, in accordance with Regulation (EU) 2015/760 on European Long Term Investment Funds. On or around the Conversion Date, the Feeder Fund subscribed for shares in Muzinich European Private Credit ELTIF SICAV, S.A. (the “**Master Fund**”), and its purpose as from the Conversion Date became to permanently invest at least 85% of its assets in the Master Fund. The Master Fund is a Luxembourg investment company with variable capital (*société d’investissement à capital variable – SICAV*) incorporated on 20 December 2024 and authorized by the CSSF under Part II of the 2010 law, in the form of a public limited company (*société anonyme – S.A.*) and subject to the ELTIF Regulations. The Master Fund is registered under number B293001 with the RCS. The registered office of the Master Fund is 12E, rue Guillaume Kroll, L-1882 Luxembourg, Grand Duchy of Luxembourg. The Master Fund is listed on the official list of undertakings for collective investment and approved by the CSSF, and qualifies as an alternative investment fund within the meaning of Article 1 of the Luxembourg law of 12 July 2013 on alternative investment fund managers.

Muzinich & Co. (Ireland) Limited (the “**AIFM**”), an Irish limited company, is the Feeder Fund’s and the Master Fund’s alternative investment fund manager in accordance with the provisions of the European Union (Alternative Investment Fund Managers) Regulation 2013, and is duly authorized and regulated by the Central Bank of Ireland in this respect.

The AIFM has delegated portfolio management relating to the Feeder Fund and the Master Fund to Muzinich & Co. Limited, an English limited company, and/or one or more of its duly licensed affiliates (such delegate(s), “**Muzinich**” or the “**Portfolio Manager(s)**” and, with the AIFM, the “**Fund Managers**”).

1. Target investors

The Feeder Fund is intended to be marketed to both Retail Investors and Professional Investors who qualify as Eligible Investors (as defined herein). Prospective investors should carefully read this Prospectus in its entirety.

2. Investment risks

Investment in the Feeder Fund is speculative and will involve significant risks **(including the risk of loss of the entire amount invested)** due to, among other things, the nature of the Master Fund's investments. As a European long-term investment fund ("ELTIF") under the ELTIF Regulations, the Master Fund may invest in long-term assets, meaning assets that are typically of an illiquid nature, require patient capital based on commitments made for a considerable period of time, often provide late return on investment and generally have an economic profile of a long-term nature.

There can be no assurance that the Master Fund's (and therefore the Feeder Fund's) objectives will be realized or that there will be any return of capital. Investors should have the financial ability and willingness to accept the risks (including, among other things, the risk of loss of investment and the lack of liquidity) that are characteristic of the investment described herein and should consult their own advisors as to legal, tax and related matters concerning an investment in the Feeder Fund. **Shares in the Feeder Fund as offered by this Prospectus ("Shares") are suitable only for sophisticated investors who do not require immediate liquidity for their investments and for whom an investment in the Feeder Fund constitutes only a small proportion of their overall investment portfolio and who fully understand, are willing to assume, and have the financial resources necessary to withstand, the risks involved in the investment program in which the Feeder Fund (via the Master Fund) will engage. Prospective investors are informed that redemption payments may exceptionally be made in whole or in part by means of an in-kind distribution of assets, subject to and in accordance with the ELTIF Regulations, and as further described below in "Terms of the Feeder Fund — Redemption price and payments".** Each investor will be required to make certain representations to the Feeder Fund, including (but not limited to) representations as to investment intent, degree of sophistication, access to information concerning the Feeder Fund and ability to bear the economic risk of the investment.

Investors should note that they will be able to exercise investor rights directly against the Feeder Fund, notably the right to participate in general meetings of holders of Shares ("**Shareholders**"), only if they are registered themselves and in their own names in the register of Shareholders. In cases where an investor invests in the Feeder Fund through a financial intermediary, correspondent banking or similar relationship or omnibus account or other intermediary investing into the Feeder Fund in its own name but on behalf of the investor, it may not always be possible for the investor to exercise certain Shareholder rights directly against the Feeder Fund or to be indemnified in case of NAV calculation errors and/or non-compliance with investment rules and/or other errors at the level of the Feeder Fund. Investors are advised to take advice on their rights.

Prospective investors should note that, although redemptions are generally expected to be offered on a monthly basis, there are substantial limitations on redemption rights, including a "gating" mechanism, the right to suspend redemptions under specified circumstances and the ability to satisfy redemption requests by converting Shares into a "liquidating" sub-class rather than paying redemption proceeds in cash within the usual time period. Accordingly, Shares are not a suitable investment for investors who seek a typical open-ended fund structure.

The transfer of any Shares is subject to material restrictions, including limitations imposed by this Prospectus and/or the Articles (as defined below) and may be effected only in compliance with such restrictions and applicable laws. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time.

3. Securities law considerations

This Prospectus does not constitute, and may not be used for the purposes of, an offer of Shares, or an invitation to apply to participate in the Feeder Fund by any person in any jurisdiction in which such offer or invitation is not authorized or in which the person endeavoring to make such offer or invitation is not qualified to do so or to any person to whom it is unlawful to make such an offer or invitation. It is the responsibility of prospective investors to satisfy themselves as to full compliance with the relevant laws and regulations of any territory in connection with any application to participate in the Feeder Fund, including obtaining any requisite governmental or other consent and adhering to any other formality prescribed in such territory.

The promotion of the Feeder Fund and the distribution of this Prospectus are restricted by law. Shares may be offered in the European Union only in accordance with the ELTIF Regulations and the AIFMD.

The attention of all prospective investors is drawn to the selling restrictions set out in “Selling Restrictions.”

4. Basis and status of information

This Prospectus is intended solely for the person to whom it has been delivered for the purpose of enabling the recipient to evaluate an investment in Shares.

This Prospectus is not to be reproduced or distributed to any other persons (except to a prospective investor's professional advisors). No person is authorized to make any representation concerning the Feeder Fund or the Shares that is inconsistent with those contained in this Prospectus.

Notwithstanding anything herein to the contrary, investors and prospective investors (and each employee, representative and other agent of each such investor and prospective investor) may disclose to any and all persons, without limitation of any kind, the tax treatment and any facts that may be relevant to the tax structure of the transactions contemplated thereby; provided that no investor or prospective investor (and no employee, representative, or other agent thereof) may disclose any other information that is not relevant to understanding the tax treatment or tax structure of such transactions (including the identity of any person or any information that could lead another to determine the identity of any person), or any other information to the extent that such disclosure could reasonably be expected to result in a violation of any applicable securities law.

Prospective investors must rely on their own examination of the legal, taxation, financial and other consequences of an investment in the Feeder Fund, including the merits of investing and the risks involved. Prospective investors should not treat the contents of this Prospectus as advice relating to legal, taxation, financial or other matters and are strongly advised to conduct their own due diligence including, without limitation, as to the legal, tax, financial and other matters which may be relevant to the suitability, propriety and consequences to them of investing in the Feeder Fund and to consult their own professional advisors concerning the acquisition, holding or disposal of Shares.

Subject to the following, the Feeder Fund's board of directors (the “**Board**”) has taken all reasonable care to ensure that the facts stated in this Prospectus are fair, clear and not misleading in all material respects and that, as far as the Board is aware, there are no other material facts the omission of which would make misleading any statement in this Prospectus. The Board accepts responsibility accordingly.

In the event that the descriptions or terms in this Prospectus are inconsistent with, or contrary to, the terms of the Feeder Fund's articles of association (the “**Articles**”), the Articles will prevail. Additionally, this Prospectus, as well as a key information document prepared in accordance with Regulation (EU) No 1286/2014 of 26 November 2014, as amended from time to time, and the Feeder Fund's latest available annual and semi-annual report will be available to investors upon request free of charge. In the case of Retail Investors, paper copies will be provided and the key information document (which is also available on Muzinich's website: www.muzinich.com) will be provided in good time before those Retail Investors are bound by any contract or offer relating to the Feeder Fund.

The Board agrees to give prospective investors an opportunity to ask questions of and to receive answers from the Feeder Fund and persons acting on the Feeder Fund's behalf concerning the Feeder Fund and this Prospectus. The Board agrees to make available any additional information necessary for an investor to verify the accuracy of the information set forth in this Prospectus to the extent that the Feeder Fund possesses or can acquire such information without unreasonable effort or expense; provided that the Feeder Fund has no obligation to disclose proprietary information, including proprietary trading techniques.

Certain information, including statistical data and other factual statements, contained in this Prospectus has been obtained from published sources prepared by other parties considered to be generally reliable. However, none of the Board, the Fund Managers, any affiliate of the Fund Managers or any of their respective directors, members, officers, employees or agents (collectively, the “**Management Group**”)

assumes any responsibility for the accuracy of such information. There is no representation or warranty, expressed or implied, as to the accuracy, adequacy or completeness of any such information used in this Prospectus.

All statements of opinion and/or beliefs contained in this Prospectus, all views expressed and all projections, forecasts and statements regarding future events, expectations or future performance or returns represent the Feeder Fund's own assessment and interpretation of information available to it at the date of this Prospectus. To the extent permitted by law or regulatory requirements, no representation or warranty, whether express or implied, is made or assurance given that such statements, beliefs, views, projections or forecasts are correct or will be achieved. Prospective investors must determine for themselves what reliance (if any) they should place on such statements, beliefs, views, projections or forecasts and no responsibility is accepted by the Feeder Fund in respect thereof.

Some important factors that could cause actual results to differ materially from those in any forward-looking statements include, without limitation, market, financial or legal uncertainties. Consequently, the inclusion of projections herein should not be regarded as a representation by the Management Group, or any other person or entity, of the results that will actually be achieved by the Feeder Fund.

No statement made or information given in connection with, or relevant to, an investment in the Feeder Fund which is not included in this Prospectus may be relied upon as having been made or given with the authority of the Board and no responsibility is accepted by the Board or any member of the Management Group, or any of their respective directors, members, officers, employees or agents, in respect thereof.

5. Anti-money laundering regulations

Pursuant to Luxembourg laws and regulations implementing European Union directives, obligations have been imposed on all professionals in the financial sector to prevent the use of undertakings for collective investment for money laundering and terrorist financing purposes.

Measures aimed towards the prevention of money laundering, as provided by (but not limited to) the Anti-Money Laundering Laws.

"Anti-Money Laundering Laws" means the anti-money laundering statutes, rules and regulations in the jurisdictions in which the Feeder Fund conducts its activities and any related or similar rules, regulations or guidelines, including the relevant CSSF circulars, issued, administered or enforced by any competent governmental agency in such jurisdictions, including, without limitation:

- (a) Directive (EU) 2018/843 of the European Parliament and of the Council of 30 May 2018 amending Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, and amending Directives 2009/138/EC and 2013/36/EU;
- (b) the Luxembourg law of 12 November 2004 relating to the fight against money-laundering and the financing of terrorism, as amended (the **"2004 Law"**);
- (c) the Luxembourg law of 19 December 2020 relating to the implementation of restrictive measures in financial matters, as amended;
- (d) the Luxembourg laws of 13 January 2019 establishing a register of beneficial owners of companies and 10 July 2020 establishing a register of beneficial owners of *fiducies* and trusts, each as amended;
- (e) the Luxembourg Grand-ducal Regulation of 1 February 2010, providing details on certain provisions of the 2004 Law, as amended;
- (f) CSSF Regulation 12-02 of 14 December 2012, as amended, on the fight against money laundering and terrorist financing, as amended, and any applicable circulars of the CSSF (including, for the avoidance of doubt CSSF Circular 19/732), pursuant to which obligations have been imposed on all professionals of the financial sector to prevent the use of undertakings for collective investment for money laundering purposes; and

- (g) the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT) Act of 2001 and other applicable US laws and regulations.

In accordance with these provisions, the implementation of those identification procedures and, where applicable, the performance of the detailed verification are, in the case of direct subscriptions for Shares, under the supervision and responsibility of the Administrator. In respect of all prospective investors subscribing for Shares through a distributor or any sub-distributor or intermediary appointed by such distributor or sub-distributor in accordance with the terms of its distribution agreement (if any), those identification procedures will be implemented and, where applicable, the detailed verification will be performed by such distributor or sub-distributor, provided that such distributor or sub-distributor is a credit institution or a financial establishment subject to obligations which are equivalent to those provided by the 2004 Law. Enhanced due diligence will be performed under the supervision and responsibility of the Administrator on any distributor, sub-distributor or intermediary.

In accordance with these provisions, the Feeder Fund ensures an ongoing risk-based approach vis-à-vis the Feeder Fund's assets and the Feeder Fund's investments.

The Feeder Fund, the AIFM and the Administrator reserve the right to request such information as is necessary to verify the identity of a prospective investor. In the event of delay or failure by the prospective investor to produce any information required for verification purposes, the Feeder Fund will refuse to accept the prospective investor's subscription and will not be liable for any interest, costs or compensation.

Shareholders may be requested to provide additional or updated identification documents from time to time pursuant to ongoing client due-diligence requirements under relevant laws and regulations.

Any information provided to the Feeder Fund, the AIFM and/or the Administrator in this context is collected for anti-money laundering and anti-terrorism financing compliance purposes but could also be used to satisfy compliance with other regulatory requirements (such as, without being limited to, FATCA or CRS legislation).

6. Date of this Prospectus

This Prospectus may be updated from time to time. Therefore, prospective investors should inquire as to whether there is a new version of this Prospectus. Neither the delivery of this Prospectus at any time nor the acceptance of any subscription for an investment in the Feeder Fund will under any circumstances imply that the information contained in this Prospectus is correct as at any time after the date of this Prospectus.

7. Complaints

The Feeder Fund has established procedures and arrangements for dealing with complaints submitted by Retail Investors pursuant to CSSF Regulation 16/07 relating to out-of-court complaint resolution. Investors may file complaints to the Feeder Fund by contacting the Board at the Feeder Fund's registered office (as set out in "Directory").

The applicable distributor or sub-distributor will make available facilities to receive investor complaints and will in particular ensure that a Retail Investor's complaints may be made in one of the official languages of the Retail Investor's EU member state (if applicable).

TABLE OF CONTENTS

1	GLOSSARY OF TERMS	1
2	EXECUTIVE SUMMARY	6
3	OVERVIEW OF FEEDER FUND	9
4	INVESTMENT PROGRAM.....	16
6	TERMS OF THE FEEDER FUND	22
7	CERTAIN RISK FACTORS AND POTENTIAL CONFLICTS OF INTEREST	44
8	CERTAIN TAX CONSIDERATIONS	67
9	DATA PROTECTION	74
10	SELLING RESTRICTIONS AND OTHER REGULATORY MATTERS	75
11	DIRECTORY	77
	APPENDIX A: INVESTOR DISCLOSURES	79
	APPENDIX B: PRE-CONTRACTUAL DISCLOSURE UNDER SFDR AND THE TAXONOMY REGULATION	91
	APPENDIX C: ADDITIONAL PORTFOLIO COMPOSITION AND RISK DIVERSIFICATION REQUIREMENTS	100

1 GLOSSARY OF TERMS

All capitalized terms not otherwise defined in this Prospectus have the meanings set out in this Glossary. This Glossary also sets out certain defined terms used frequently herein for ease of reference.

1915 Law	The Luxembourg law of 10 August 1915 on commercial companies, as amended from time to time.
2010 Law	The Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as amended from time to time.
2013 Law	The Luxembourg law of 12 July 2013 on alternative investment fund managers, as amended from time to time.
Adjusted NAV	As defined in “Overview of Feeder Fund” under the heading “Incentive Fees.”
Administration Fee	As defined in “Overview of Feeder Fund” under the heading “Management Fee; Administration Fee.”
Administrator	State Street Bank International GmbH, Luxembourg Branch.
AIF	An alternative investment fund, as defined in the AIFMD.
AIFM	Muzinich & Co. (Ireland) Limited.
AIFMD	Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EUR) No 1095/2010.
AIFMD Delegated Regulation	Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision.
Articles	The Feeder Fund’s articles of association.
ATAD I & II	Council Directive (EU) 2016/1164 of 12 July 2016 laying down rules against tax avoidance practices that directly affect the functioning of the internal market, as amended from time to time, and Council Directive (EU) 2017/952 of 29 May 2017 amending Directive (EU) 2016/1164 as regards hybrid mismatches with third countries.
Auditor	Deloitte Audit, S.à r.l.
Board	The Feeder Fund’s board of directors.
Business Day	Any day (except Saturday and Sunday) on which banks in Luxembourg are open for business, or such other or further day or days as may be determined by the Board in its discretion from time to time.
CFTC	US Commodity Futures Trading Commission.
Code	US Internal Revenue Code of 1986, as amended.
Commodity Exchange Act	US Commodity Exchange Act, as amended.
CRS Law	The Luxembourg law of 18 December 2015 on the automatic exchange of financial account information in the field of taxation, as amended from time to time.

CSSF	The <i>Commission de Surveillance du Secteur Financier</i> , Luxembourg supervisory authority of the financial sector or its successor authority.
DAC 2	Council Directive 2014/107/EU amending Directive 2011/16/EU.
DAC 6	Council Directive (EU) 2018/822 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements.
Damages	All claims, liabilities, costs, and expenses, including legal fees, judgments, and amounts paid in defense and settlement.
Deficit Subscription Shares	As defined in “Overview of Feeder Fund” under the heading “Incentive Fees.”
Depository	State Street Bank International GmbH, Luxembourg Branch.
EEA	The European Economic Area.
Eligible Investor	(i) Any investor domiciled in the EEA who is: (a) a Professional Investor; or (b) a Retail Investor, provided that an assessment of suitability has been carried out in accordance with Article 25(2) of MiFID II and a statement on suitability was communicated to that Retail Investor in accordance with Article 25(6), second and third subparagraphs, of MiFID II; and (ii) any investor who is domiciled in any other jurisdiction to whom Shares may be lawfully marketed.
Eligible Jurisdictions	Either (i) EU member states, or (ii) third countries, provided that the relevant third country (a) is not identified as a high-risk third country listed in Commission Delegated Regulation (EU) 2016/1675 adopted pursuant to Article 9(2) of Directive (EU) 2015/849, and (b) is not mentioned in Annex I to the Council conclusions on the revised EU list of non-cooperative jurisdictions for tax purposes.
ELTIF	A European long-term investment fund.
ELTIF-Eligible Assets	Assets referred to in Article 10 of the ELTIF Regulations, as detailed in Appendix C.
ELTIF Regulations	Regulation (EU) 2015/760 on European Long Term Investment Funds, as amended by Regulation (EU) 2023/606, together with corresponding delegated regulations (as interpreted by the CSSF).
ERISA	US Employee Retirement Income Security Act of 1974, as amended.
ESG	Environmental, social and governance.
EU	The European Union.
European Investment Region	The countries comprising the European Union and/or the European Economic Area as of the date of the Master Fund’s incorporation, together with the United Kingdom (or, if applicable, any of the current constituent regions of the United Kingdom), Switzerland and any countries which may thereafter be admitted to the European Union and/or the EEA.
EuSEF	European social entrepreneurship fund.
EuVECA	European venture capital fund.
FATCA	Collectively, the Foreign Account Tax Compliance Act, as codified in sections 1471-1474 of the Code and any US Treasury Regulations, rules or other guidance issued thereunder (including after the date hereof) and the terms of any intergovernmental

	agreement, and any implementing legislation or rules and any similar laws, including similar laws passed by a foreign government.
FATCA Withholding	A 30% withholding tax imposed on certain US sources of income of any FFI that fails to comply with FATCA.
Feeder Fund	[Muzinich European Private Credit ELTIF Firstlight Feeder SICAV, S.A.]
FFI	Foreign financial institutions outside the US.
Fund	Collectively, the Fund Vehicles.
Fund Managers	The AIFM and the Portfolio Manager(s).
Fund Vehicle	Each of the Master Fund, any parallel vehicle to the Master Fund that may be established in order to facilitate investment by certain investors, and any feeder vehicle that may be established to invest in the Master Fund (including the Feeder Fund) or any parallel vehicle to the Master Fund.
GAV	Gross asset value, including borrowed amounts.
IGA	An intergovernmental agreement.
Incentive Fee	As defined in “Overview of Feeder Fund” under the heading “Incentive Fees.”
Indemnified Persons	Collectively, each member of the Board and each member of the Management Group and each of their respective partners, directors, members, managers, employees, agents, advisors, affiliates and personnel.
Investment Advisers Act	US Investment Advisers Act of 1940, as amended.
Investment Company Act	US Investment Company Act of 1940, as amended.
IRS	US Internal Revenue Service.
Luxembourg FATCA Law	Luxembourg domestic law implementing the IGA on 24 July 2015.
Management Fee	As defined in “Overview of Feeder Fund” under the heading “Management Fee; Administration Fee.”
Management Group	The Fund Managers, any affiliate of the Fund Managers or any of their respective directors, members, officers, employees or agents.
Master Fund	Muzinich European Private Credit ELTIF SICAV, S.A.
Master Fund Administration Fee	As defined in “Overview of the Feeder Fund” under the heading “Administration Fee”.
Master Fund Articles	The Master Fund’s articles of incorporation.
Master Fund Auditor	Deloitte Audit, S.à r.l.
Master Fund Board	The Master Fund’s board of directors, or the equivalent in respect of any other Fund Vehicles.
Master Fund Indemnified Persons	Collectively, each member of the Master Fund Board and each member of the Management Group and each of their respective partners, directors, members, managers, employees, agents, advisors, affiliates and personnel.
Master Fund Prospectus	The prospectus, as may be supplemented and/or superseded from time to time, issued by the Master Fund.
Master Fund Shares	The shares in the Master Fund.

Master Fund Shareholder	An investor with the ability to exercise investor rights directly against the Master Fund, including the right to participate in general meetings of holders of Master Fund Shares.
MiFID II	Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU.
Muzinich Products	Any funds and managed accounts sponsored, managed and/or advised by members of the Management Group.
NAV	Net asset value.
Other Investment Region	The countries classified by the International Monetary Fund as “advanced economies” as of the date of the Master Fund’s incorporation and any countries that the International Monetary Fund thereafter classifies as an “advanced economy.”
Organizational Expenses	As defined in “Terms of the Feeder Fund” under the heading “Costs of setting up the Feeder Fund.”
Paying Agents	Paying agents, representatives and/or correspondent banks.
Permissible Redemption Amount	As defined in “Terms of the Feeder Fund” under the heading “Redemption limitation; Permissible Redemption Amount.”
Personal Data	All personal data of the investor contained in any document provided by such investor and any further personal data collected in the course of their relationship with the Feeder Fund, the Administrator and/or the Depositary.
Portfolio Manager(s) or Muzinich	If the AIFM delegates portfolio management relating to the Feeder Fund and the Master Fund, Muzinich & Co. Limited, and/or, in the AIFM’s discretion, one or more licensed affiliates.
Premium Subscription Shares	As defined in “Overview of Feeder Fund” under the heading “Incentive Fees.”
Prior High NAV	As defined in “Overview of Feeder Fund” under the heading “Incentive Fees.”
Professional Investor	As defined in Article 2 of the ELTIF Regulations.
Prospectus	This prospectus.
Qualifying portfolio undertaking	As defined in Article 11 of the ELTIF Regulations.
Ramp-up Period	The ramp-up period of the Master Fund, which is the period commencing on the Master Fund’s first Subscription Date which occurred on 31 January 2025 and ending on the third anniversary of the Master Fund’s first Subscription Date.
Redemption Date	The last Business Day of each calendar month, and such other Business Days that coincide with a Valuation Date, as may be determined by the Board in its discretion from time to time, so long as such additional days coincide with a Valuation Date.
RESA	The Luxembourg <i>Recueil Electronique des Sociétés et Associations</i> .
Retail Investor	As defined in Article 2 of the ELTIF Regulations.
Return Hurdle	As defined in “Overview of Feeder Fund” under the heading “Incentive Fees.”
SEC	US Securities and Exchange Commission.

Securities Act	US Securities Act of 1933, as amended.
SFDR	Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, as may be amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time.
Shareholders	Investors with the ability to exercise investor rights directly against the Feeder Fund, including the right to participate in general meetings of holders of Shares.
Shares	The shares in the Feeder Fund as offered by this Prospectus.
Subscription Date	The last Business Day of each calendar month, and/or such other Business Days that coincide with a Valuation Date, as may be determined by the Board in its discretion from time to time.
Taxonomy Regulation	Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2022 on the establishment of a framework to facilitate sustainable investment and amending the SFDR, as may be amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time.
UCIs	Undertakings for collective investment that are EU AIFs managed by EU AIFMs, other ELTIFs, EuVECAs and EuSEFs, as permitted by the ELTIF Regulations.
UCITS	An undertaking for collective investment in transferrable securities subject to Directive 2009/65/EC.
UCITS-Eligible Assets	Assets referred to in Article 50(1) of Directive 2009/65/EC.
US Person	US person (as defined in Regulation S under the Securities Act).
Valuation Date	The last Business Day of each calendar month and/or such other Business Days as may be determined by the Board in its discretion from time to time.

2 EXECUTIVE SUMMARY

This executive summary should be read as an introduction to this prospectus (this “Prospectus”) and is not a substitute for reading the Prospectus in its entirety. Any decision to invest in shares in [Muzinich European Private Credit ELTIF Firstlight Feeder SICAV, S.A.] (the “Feeder Fund”) as offered by this Prospectus (“Shares”) should be based on consideration of the Prospectus as a whole by the investor, as well as the Master Fund Prospectus. Where a claim relating to information contained in this Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the EU member states, be required to bear the costs of translating this Prospectus before legal proceedings are initiated. Civil liability may attach to the Feeder Fund, as the entity which has tabled this executive summary including any translation hereof, and applied for its notification, but only if this executive summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus.

2.1 Feeder Fund

The Feeder Fund is a Luxembourg investment company with variable capital (*société d'investissement à capital variable* – SICAV) incorporated on 20 February 2019 under the name Muzinich Firstlight Middle Market ELTIF SICAV, S.A. and authorized by the Luxembourg *Commission de Surveillance du Secteur Financier* (the “CSSF”) under Part II of the 2010 Law, as amended from time to time and subject to the provisions of Regulation (EU) 2015/760 on European Long Term Investment Funds, as amended by Regulation (EU) 2023/606 (as interpreted by the CSSF) (together with corresponding delegated regulations, the “ELTIF Regulations”). The Feeder Fund is registered under number B232256 with the Luxembourg *Registre de Commerce et des Sociétés* (the “RCS”). The registered office of the Feeder Fund is 12E, rue Guillaume Kroll, L-1882 Luxembourg, Grand Duchy of Luxembourg. The Feeder Fund is listed on the official list of undertakings for collective investment and approved by the CSSF, and qualifies as an alternative investment fund within the meaning of Article 1 of the Luxembourg law of 12 July 2013 on alternative investment fund managers, as amended (the “2013 Law”). The Feeder Fund changed its name to [Muzinich European Private Credit ELTIF Firstlight Feeder SICAV, S.A.] on [●] 2025 (the “Conversion Date”) and the Feeder Fund’s updated articles of association (the “Articles”) have been deposited with the RCS and were published in the Luxembourg *Recueil Electronique des Sociétés et Associations* (the “RESA”) on [●] under number [●].

It is expected that the life of the Feeder Fund will end on 31 January 2123, being the 98th anniversary of the first subscription date of the Master Fund (such date, the date of the “end of the life” of the Feeder Fund within the meaning of the ELTIF Regulations). Following the end of the life, the Feeder Fund is expected to wind down its investments for one (1) year before terminating on 31 January 2124, being the 99th anniversary of the first subscription date of the Master Fund, unless terminated earlier.

The Feeder Fund may be terminated earlier (i) as provided in the 2010 Law, the 1915 Law, other mandatory applicable law, the Articles and/or upon full realization of the Master Fund’s (and therefore the Feeder Fund’s) portfolio, (ii) subject to a resolution of the Shareholders adopted in accordance with the 1915 Law, if market opportunities are inadequate to support the Feeder Fund’s ongoing operation, or (iii) where applicable, on the date of the termination of the Master Fund. Prior to the Conversion Date, the Feeder Fund invested directly in eligible investment assets and assets referred to in Article 50(1) of Directive 2009/65/EC (“UCITS-Eligible Assets”), in each case, in accordance with Regulation (EU) 2015/760 on European Long Term Investment Funds. On or around the Conversion Date, the Feeder Fund subscribed for shares in Muzinich European Private Credit ELTIF SICAV, S.A. (the “Master Fund”), and its purpose as from the Conversion Date became to permanently invest at least 85% of its assets in the Master Fund.

2.2 Master Fund

The Master Fund is a Luxembourg investment company with variable capital (*société d'investissement à capital variable* – SICAV) incorporated on 20 December 2024 and authorized by the CSSF under Part II of the 2010 Law, as amended from time to time and subject to the ELTIF Regulations. The Master

Fund is registered under number B293001 with the RCS. The registered office of the Master Fund is 12E, rue Guillaume Kroll, L-1882 Luxembourg, Grand Duchy of Luxembourg. The Master Fund is listed on the official list of undertakings for collective investment and approved by the CSSF, and qualifies as an alternative investment fund within the meaning of Article 1 of the 2013 Law. The Master Fund's articles of association (the "**Master Fund Articles**") have been deposited with the RCS and were published for the first time in the RESA on 3 February 2025 under number RESA_2025_026.843.

In order to facilitate investment in the Master Fund's investment program by certain investors, one or more parallel vehicles into the Master Fund may be created, the structure of which may differ from that of the Master Fund but that will invest proportionately in all transactions on substantially the same terms and conditions as the Master Fund, except as necessary to address tax, regulatory or other considerations (which may include, without limitation, adjustments where a parallel vehicle utilizes leverage to a greater or lesser degree than the Master Fund). In addition to the Feeder Fund, further feeder vehicles may also be established to invest in the Master Fund or any parallel vehicle to the Master Fund.

To the extent permitted by the ELTIF Regulations, the Master Fund may invest through intervening holding companies or other special purpose vehicles and references in this Prospectus to the Master Fund's investments should be interpreted accordingly. Any such intermediate holding company or special purpose vehicle may, without limitation, take the form of a collective investment undertaking (which may include an alternative investment fund, for the purposes of AIFMD) through which the Master Fund will invest. For the avoidance of doubt, the Master Fund's investment in any such intervening holding company will be considered on a look-through basis by reference to the underlying investments for the purposes of determining the Master Fund's portfolio composition and risk diversification required under the ELTIF Regulations.

2.3 Fund Managers

Muzinich & Co. (Ireland) Limited (the "**AIFM**"), an Irish limited company, is the Feeder Fund's and the Master Fund's alternative investment fund manager in accordance with the provisions of the European Union (Alternative Investment Fund Managers) Regulation 2013 and the Feeder Fund's and the Master Fund's ELTIF manager for the purposes of the ELTIF Regulations. The AIFM is duly authorized and regulated by the Central Bank of Ireland in this respect.

The AIFM has delegated portfolio management relating to the Feeder Fund and the Master Fund to Muzinich & Co. Limited, an English limited company; provided that the AIFM may in its discretion alternatively appoint and/or one or more of its duly licensed affiliates (such delegate(s), "**Muzinich**" or the "**Portfolio Manager(s)**") and, with the AIFM, the "**Fund Managers**").

Muzinich & Co. Limited is duly authorized and regulated by the UK Financial Conduct Authority in this respect.

2.4 Investment program

The Feeder Fund pursues its investment objective by permanently investing substantially all of its assets in the Master Fund.

The Master Fund will raise and channel capital in line with the EU objective of smart, sustainable and inclusive growth. The Master Fund will seek to offer long-term investment opportunities by investing, on both a primary and secondary basis, in a diversified portfolio of investments. It will focus primarily on senior secured floating rate debt instruments, including unitranche debt, syndicated loans, and club loans. In order to help meet its liquidity objectives, the Master Fund will also invest in liquid investment grade and high yield bonds.

The Master Fund's investments will qualify as eligible investments for an ELTIF, in particular with regard to eligible assets, Eligible Jurisdictions and spreading of investment risks in accordance with Chapter II of the ELTIF Regulations, as detailed in Appendix C.

As an ELTIF, the Master Fund may invest in long-term assets, meaning assets that are typically of an illiquid nature, require patient capital based on commitments made for a considerable period of time, often provide late return on investment and generally have an economic profile of a long-term nature.

2.5 Investment risks

Investment in the Feeder Fund is speculative and will involve significant **risks (including the risk of loss of the entire amount invested)** due to, among other things, the nature of the Master Fund's investments, which may include long-term assets. Risks associated with investments in long-term assets are described in "Certain Risk Factors and Potential Conflicts of Interest" under the heading "Long-term nature of private debt instruments." The Feeder Fund will itself be, and an investment in the Feeder Fund should be viewed by investors as, long-term in nature. There can be no assurance that the Master Fund's (and therefore the Feeder Fund's) objectives will be realized or that there will be any return of capital. Investors should have the financial ability and willingness to accept the risks (including, among other things, the risk of loss of investment and the lack of liquidity) that are characteristic of the investment described herein and should consult their own advisors as to legal, tax and related matters concerning an investment in the Feeder Fund.

3 OVERVIEW OF FEEDER FUND

3.1 Portfolio Manager(s)

The AIFM has delegated portfolio management relating to the Feeder Fund to Muzinich & Co. Limited, an English limited company having its registered office at 8 Hanover Street, London W1S 1YQ and with registered number 03852444, and, if applicable, one or more of its duly licensed affiliates.

3.2 AIFM

Muzinich & Co. (Ireland) Limited, an Irish limited company having its registered office at 32 Molesworth Street, Dublin 2, Ireland and registered with the Central Bank of Ireland under number C30119.

3.3 Feeder Fund and other Fund entities

Feeder Fund

[Muzinich European Private Credit ELTIF Firstlight Feeder SICAV, S.A.,] a Luxembourg public limited company (*société anonyme* – S.A.) organized as an investment company with variable capital (*société d'investissement à capital variable* – SICAV) incorporated on 20 February 2019 under the name Muzinich Firstlight Middle Market ELTIF SICAV, S.A. and authorized by the CSSF under Part II of the 2010 Law, as amended from time to time and subject to the provisions of the ELTIF Regulations. The Feeder Fund is registered under number B232256 with the Luxembourg *Registre de Commerce et des Sociétés*. The registered office of the Feeder Fund is 12E, rue Guillaume Kroll, L-1882 Luxembourg, Grand Duchy of Luxembourg. The Feeder Fund is listed on the official list of undertakings for collective investment and approved by the CSSF, and qualifies as an alternative investment fund within the meaning of Article 1 of the Luxembourg law of 12 July 2013 on alternative investment fund managers, as amended (the “**2013 Law**”). The Feeder Fund changed its name to [Muzinich European Private Credit ELTIF Firstlight Feeder SICAV, S.A.] on the Conversion Date and the Feeder Fund's updated Articles have been deposited with the RCS and were published in the RESA on [●] under number [●].

Prior to the Conversion Date, the Feeder Fund invested directly in eligible investment assets and assets referred to in UCITS-Eligible Assets, in each case, in accordance with Regulation (EU) 2015/760 on European Long Term Investment Funds. On or around the Conversion Date, the Feeder Fund subscribed for shares in the Master Fund, and its purpose as from the Conversion Date became to permanently invest at least 85% of its assets in the Master Fund.

Master Fund

Muzinich European Private Credit ELTIF SICAV, S.A., a Luxembourg public limited company (*société anonyme* – S.A.) organized as an investment company with variable capital (*société d'investissement à capital variable* – SICAV) incorporated on 20 December 2024 and authorized by the CSSF under Part II of the 2010 Law in the form of a public limited company (*société anonyme* – S.A.), as amended from time to time and subject to the provisions of the ELTIF Regulations. The Master Fund is registered under number B293001 with the Luxembourg *Registre de Commerce et des Sociétés*. The registered office of the Master Fund is 12E, rue Guillaume Kroll, L-1882 Luxembourg, Grand Duchy of

Luxembourg. The Master Fund is listed on the official list of undertakings for collective investment and approved by the CSSF, and qualifies as an alternative investment fund within the meaning of Article 1 of the 2013 Law. The Master Fund Articles have been deposited with the RCS and were published for the first time in the RESA on 3 February 2025 under number RESA_2025_026.843.

Other Fund entities

In order to facilitate investment in the Master Fund's investment program by certain investors, one or more parallel vehicles to the Master Fund may be created, the structure of which may differ from that of the Master Fund but that will invest proportionately in all transactions on substantially the same terms and conditions as the Master Fund, except as necessary to address tax, regulatory or other considerations (which may include, without limitation, adjustments where a parallel vehicle utilizes leverage to a greater or lesser degree than the Master Fund). In addition to the Feeder Fund, further feeder vehicles may also be established to invest in the Master Fund or any parallel vehicle to the Master Fund.

To the extent permitted by the ELTIF Regulations the Master Fund may invest through intervening holding companies or other special purpose vehicles and references in this Prospectus to the Master Fund's investments should be interpreted accordingly. Any such intermediate holding company or special purpose vehicle may, without limitation, take the form of a collective investment undertaking (which may include an alternative investment fund, for the purposes of AIFMD) through which the Master Fund will invest. For the avoidance of doubt, the Master Fund's investment in any such intervening holding company will be considered on a look-through basis by reference to the underlying investments for the purposes of determining the Master Fund's portfolio composition and risk diversification required under the ELTIF Regulations.

3.4 Distributors, sub-distributors and Paying Agents

Distributors and sub-distributors

One or more distributors may be appointed by the Feeder Fund and the Master Fund, each in respect of one or more sub-classes of Shares and Master Fund Shares. Any such distributor may be an affiliate of the Master Fund and/or the Fund Managers. Muzinich & Co. Limited will act as the Feeder Fund's and the Master Fund's initial global distributor, and is expected to appoint one or more sub-distributors, each in respect of one or more sub-classes of Shares and Master Fund Shares. Muzinich & Co. Limited is a private limited company incorporated under the laws of England and Wales, with its registered office at 8 Hanover Street, London W1S 1YQ, United Kingdom and registered with the Companies House under number 03852444. In performing such activity, Muzinich & Co. Limited has policies and procedures in place to verify that sub-distributors distributing in the EEA have the appropriate MIFID license, as applicable. In addition to the requirements applicable generally to the distribution of financial instruments, each distributor or sub-distributor, as applicable, will be responsible for ensuring that potential investors comply with the eligibility criteria laid down in the ELTIF Regulations and for implementing 'know your customer' and anti-money laundering policies.

Paying Agents

One or more paying agents, representatives and/or correspondent banks ("**Paying Agents**") may be appointed by the Feeder Fund and the Master Fund, each in respect of one or more sub-classes of Shares and Master Fund Shares.

3.5 Subscriptions; redemptions; term

Subscription Date	Shares will be available for subscription on the last Business Day of each calendar month, and/or such other Business Days that coincide with a Valuation Date as may be determined by the Board in its discretion from time to time (each a “ Subscription Date ”). As of each Subscription Date, investors who had subscribed for Shares prior to the Subscription Date will be issued Shares by the Feeder Fund as set out in the applicable subscription agreement.
Cooling-off period	During the period commencing on their admission to the Feeder Fund and ending on the date two weeks later, a Retail Investor may, by written notice to the Feeder Fund, cancel their subscription for Shares. In such case, any amounts previously paid to the Feeder Fund by such Retail Investor will be returned without penalty and any allocation of Shares made on the basis of the initial subscription agreement will be cancelled. For the avoidance of doubt and solely for the purpose of the cooling-off period, the “admission to the Feeder Fund” above means the date of the investor’s signature of its initial subscription agreement for Shares.
Redemptions	<p>Subject to the limitations specified herein, each Shareholder may request that the Feeder Fund redeem some or all of its Shares as of the last Business Day of each calendar month, and on such other Business Days as may be determined by the Board in its discretion from time to time, so long as such additional days coincide with a Valuation Date (each, a “Redemption Date”); provided that, if required by applicable law, the Board may adjust the timing of Redemption Dates, either generally or on a case-by-case basis, subject as set out herein.</p> <p>A Shareholder may request that the Feeder Fund redeem its Shares as of each Redemption Date on no less than 45 days’ prior written notice, subject to the Permissible Redemption Amount under the Master Fund’s monthly, bimonthly and quarterly redemption limitation; provided, however, that the Feeder Fund will not be required to redeem any Shares on any Redemption Date before the end of a minimum holding period of 45 days following the date of the Shareholder’s acquisition of such Shares. Subject to the conditions set out below, Shares will be redeemed at a price per Share equal to the NAV per Share of the relevant sub-class as of the applicable Redemption Date.</p>
Mergers and reorganization	The Board may decide to merge, in the accordance with applicable law and regulations, the Feeder Fund or a Share class of the Feeder Fund as further described in the Articles.
End of the life of the Feeder Fund	<p>It is expected that the life of the Feeder Fund will end on 31 January 2123, being the 98th anniversary of the first subscription date of the Master Fund (such date, the date of the “<u>end of the life</u>” of the Feeder Fund within the meaning of the ELTIF Regulations). Following the end of the life, the Feeder Fund is expected to wind down its investments for one (1) year before terminating on 31 January 2124, being the 99th anniversary of the first subscription date of the Master Fund, unless terminated earlier.</p> <p>The Feeder Fund may be terminated earlier (i) as provided in the 2010 Law, the 1915 Law, other mandatory applicable law, the Articles and/or upon full realization of the Master Fund’s (and therefore the Feeder Fund’s) portfolio, (ii) subject to a resolution of the Shareholders adopted in accordance with the 1915 Law, if market opportunities are inadequate</p>

to support the Feeder Fund's ongoing operation, or (iii) where applicable, on the date of the termination of the Master Fund.

End of the life of the Master Fund

It is expected that the life of the Master Fund will end on 31 January 2123, being the 98th anniversary of its first subscription date (such date, the date of the "end of the life" of the Master Fund within the meaning of the ELTIF Regulations). Following the end of the life, the Master Fund is expected to wind-down its investments for one (1) year before terminating on 31 January 2124, being the 99th anniversary of its first subscription date, unless terminated earlier.

The Master Fund may be subject to earlier termination upon full realization of the Master Fund's portfolio or, subject to a resolution of its shareholders adopted in accordance with the 1915 Law, if market opportunities are inadequate to support the Master Fund ongoing operation.

3.6 Fees

Management Fee; Administration Fee

The Feeder Fund will pay an annual management fee to the AIFM in respect of each sub-class of Shares (the "**Management Fee**"), as set out below. The Management Fee will be calculated as a percentage of the relevant sub-class's NAV as of the last day of each calendar month, adjusted for subscriptions and redemptions made during the month and without accrual of any Incentive Fees, and will be paid monthly in arrear.

Sub-class of Shares	Type of Shares	Maximum Management Fee
A	Income or Accumulation	1.60%
H	Income or Accumulation	0.95%
P	Income or Accumulation	2.25%
R	Income or Accumulation	1.90%

The Management Fee payable by each sub-class of Shares will be reduced by 100% (without double-counting) of the relevant sub-class's *pro rata* portion of any amount allocable to the Feeder Fund in respect of any: (i) management fees (or equivalent), directors' fees, financial consulting fees, advisory fees, monitoring or other transaction fees, paid to any member of the Management Group with respect to the Master Fund's investments; and (ii) break up or abort fees with respect to the Master Fund's transactions not completed that are paid to any member of the Management Group; but excluding any incentive fee, carried interest or equivalent paid to any member of the Management Group with respect to the Master Fund's investments.

The AIFM will generally bear the Portfolio Manager(s)' fees; provided that the Feeder Fund and the AIFM may, by mutual agreement and without reference to the Shareholders, determine that all or any part of the

Management Fee will instead be paid by the Feeder Fund to one or more Portfolio Manager(s).

For the avoidance of doubt, no separate management fee will be charged at the level of the Master Fund in respect of the Feeder Fund's Shareholders.

Administration Fee

An administration fee may from time to time be payable by the Feeder Fund to the AIFM (an "**Administration Fee**"), as set out below. Each Administration Fee comprises amounts in respect of Organizational Expenses or other expenses:

- (i) for which the Feeder Fund only is responsible (and not any other Fund Vehicle, including the Master Fund) but which have been borne by the AIFM and/or one or more Portfolio Manager(s) (whether by incurring them directly or by waiving fees to which the AIFM and/or one or more Portfolio Manager(s) were entitled); and
- (ii) in respect of which the AIFM and/or the applicable Portfolio Manager(s) has requested that such amounts be paid. (For the avoidance of doubt, the AIFM and/or the applicable Portfolio Manager may make such request at any time after an applicable expense has been borne.)

Each Administration Fee will be payable upon request.

The Feeder Fund and the AIFM may, by mutual agreement and without reference to the Shareholders, determine that, in lieu of paying an Administration Fee in respect of all or any of an Organizational Expense or other expense invoiced to the AIFM or one or more Portfolio Manager(s), the Feeder Fund will instead pay the invoiced amount directly to the issuer of the invoice.

A substantially identical administration fee may be payable at the level of the Master Fund in respect of Organizational Expenses and other expenses for which the Master Fund is responsible (the "**Master Fund Administration Fee**"), in which case the Feeder Fund will bear its *pro rata* share of such administration fee, as a shareholder of the Master Fund.

Incentive Fees

The Feeder Fund will pay the AIFM an incentive fee in respect of each sub-class of Shares (an "**Incentive Fee**"), as described below. Except as otherwise described herein, the Incentive Fee for each sub-class of Shares will be calculated and accrued on a monthly basis and will become payable at the end of each calendar quarter.

Calculation of Incentive Fees

The Feeder Fund will pay, in relation to each sub-class of Shares that is deemed to meet the Return Hurdle (as defined below), an amount quarterly in arrear as of the end of each calendar quarter equal to 10% per annum of the net realized and unrealized appreciation in the NAV attributable to the relevant sub-class after such NAV is adjusted for any distributions, subscriptions for Shares, and redemption of Shares of such sub-class during such calendar quarter (the "**Adjusted NAV**"), provided, however, that the Feeder Fund will pay the Incentive Fee only with respect to the excess of the Adjusted NAV of a sub-class of Shares over its Prior High NAV.

A sub-class of Shares will be deemed to meet the “**Return Hurdle**” in respect of a calendar quarter if and only if its Adjusted NAV has increased by at least a 5% annualized rate over that calendar quarter; provided, however, that if 3-month Euribor was negative at any point during that calendar quarter then a sub-class of Shares will be deemed to meet the Return Hurdle if its Adjusted NAV has increased by at least a 4% annualized rate over that calendar quarter.

The “**Prior High NAV**” of each sub-class of Shares is its Adjusted NAV immediately following the time on which the last Incentive Fee became payable in respect of that sub-class (or if no Incentive Fee has yet become payable with respect to such sub-class, the sum of the NAV per Share of all of the Shares in such sub-class as of such Shares’ initial issuance, adjusted for distributions and redemptions of Shares).

In the event that the Feeder Fund redeems a Shareholders’ Shares prior to the end of a calendar quarter, any Incentive Fees owing in respect of the relevant Shares being redeemed will become payable to the AIFM.

If the AIFM Agreement is terminated as of a date other than the last day of a calendar quarter, the Incentive Fees will be calculated through the termination date.

The Feeder Fund and the AIFM may, by mutual agreement and without reference to the Shareholders, determine that all or any part of the Incentive Fees instead be paid by the Feeder Fund to one or more Portfolio Manager(s). Additionally, the Feeder Fund and the AIFM (or the applicable recipient) may agree, without reference to the Shareholders, that the Incentive Fees will be paid, in whole or in part, in the form of an allocation rather than a fee.

The ESMA Guidelines on performance fees in UCITS and certain types of AIFs do not apply to the Feeder Fund as it (via the Master Fund) follows a private equity strategy through its investment, on both a primary and secondary basis, in a diversified portfolio of debt instruments issued largely by entities in which private equity funds have made (or will make) equity investments.

For the avoidance of doubt, no separate incentive fee will be charged at the level of the Master Fund in respect of the Feeder Fund’s Shareholders.

3.7 Investment program

Investment focus

The investment focus of the Feeder Fund is to permanently invest, directly or indirectly, substantially all of its assets in the Master Fund. The Master Fund will raise and channel capital in line with the EU objective of smart, sustainable and inclusive growth. The Master Fund will seek to offer long-term investment opportunities by investing, on both a primary and secondary basis, in a diversified portfolio of investments. It will focus primarily on senior secured floating rate debt instruments, including unitranche debt, syndicated loans, and club loans. In order to help meet its liquidity objectives, the Master Fund will also invest in liquid investment grade and high yield bonds.

Geographic focus

The Master Fund will seek to invest primarily (though not exclusively) in the European Investment Region. The “**European Investment Region**” is defined as the countries comprising the European Union and/or the EEA as of the date of the Master Fund’s incorporation, together with the United Kingdom (or, if applicable, any of the current constituent regions of the

United Kingdom), Switzerland and any countries which may thereafter be admitted to the European Union and/or the EEA. The Master Fund will invest only in the European Investment Region and in the Other Investment Region. The “**Other Investment Region**” is defined as the countries classified by the International Monetary Fund as “advanced economies” as of the date of the Master Fund’s incorporation and any countries that the International Monetary Fund thereafter classifies as an “advanced economy.”

Long-term nature

As an ELTIF, the Master Fund may invest in long-term assets, meaning assets that are typically of an illiquid nature, require patient capital based on commitments made for a considerable period of time, often provide late return on investment and generally have an economic profile of a long-term nature. The Master Fund will itself be, and an investment in the Master Fund should be viewed by investors as, long-term in nature.

4 INVESTMENT PROGRAM

4.1 Investment objective

The Feeder Fund pursues its investment objective by permanently investing substantially all of its assets in the Master Fund.

As an ELTIF, the Master Fund may invest in long-term assets, meaning assets that are typically of an illiquid nature, require patient capital based on commitments made for a considerable period of time, often provide late return on investment and generally have an economic profile of a long-term nature. The Master Fund will itself be, and an investment in the Master Fund should be viewed by investors as, long-term in nature.

The Master Fund will seek to offer long-term investment opportunities by investing, on both a primary and secondary basis, in a diversified portfolio of investments. It will focus primarily on senior secured floating rate debt instruments, including unitranche debt, syndicated loans, and club loans. In order to help meet its liquidity objectives, the Master Fund will also invest in liquid investment grade and high yield bonds.

The Master Fund will seek to invest primarily (though not exclusively) in the European Investment Region. The Master Fund will invest only in the European Investment Region and in the Other Investment Region.

The Master Fund may pursue its investment objectives by investing in other undertakings for collective investment that are EU AIFs managed by EU AIFMs, other ELTIFs, EuVECAs and EuSEFs, as permitted by the ELTIF Regulations (“**UCIs**”).

The Master Fund’s investments will qualify as eligible investments for an ELTIF, in particular with regard to eligible assets, Eligible Jurisdictions and spreading of investment risks in accordance with Chapter II of the ELTIF Regulations, as detailed in Appendix C.

The Master Fund’s performance will not be determined by reference to any benchmark and therefore will not be subject to Regulation (EU) 2016/1011 of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds.

4.2 Investment limitations

The Master Fund will respect the limitations on investment activities specified by the ELTIF Regulations. To that end, the Master Fund will comply with the portfolio composition and diversification rules by the end of the Ramp-up Period, which include investing at least 55% of its “capital” (as defined in the ELTIF Regulations) in ELTIF-Eligible Assets. The Master Fund may also invest in UCITS-Eligible Assets.

Any references in this Prospectus to amounts or percentages of “capital” as defined in the ELTIF Regulations should be read—and will be interpreted by the Board—in accordance with the interpretation of the Association of the Luxembourg Fund Industry (ALFI).

The Master Fund will invest only in the European Investment Region and in the Other Investment Region.

The Master Fund will not directly or indirectly invest in commodities, and will not engage in short selling.

The Master Fund will not invest in any entity that, to the Portfolio Manager(s)’ knowledge at the time of investment, focuses on:

- production or trade in tobacco and related products;
- gambling and betting (including casinos, online casinos and gambling games on the Internet) or the production or marketing of products related to gambling and betting;
- production or marketing of pornographic material; and/or

- fossil fuel-based energy production.

Following the Ramp-up Period, the Master Fund will invest no more than:

- 35% of its gross asset value (“**GAV**”) in any single country (with country classifications determined in the Portfolio Manager(s)’ sole but reasonable discretion); or
- 20% of its GAV outside of the European Investment Region.

The Master Fund will not invest in any consumer loan or in any working capital debt (*Betriebsmittelkredite*).

The Master Fund will not enter into derivative contracts other than: (i) for hedging purposes (including currency and interest rate hedging); (ii) any option where the counterparty is a portfolio company or one of its affiliates, or (iii) any option where the underlying asset is an instrument issued by a portfolio company. For the avoidance of doubt, warrants will not be considered derivatives for the purposes of this paragraph.

Unless otherwise specified above, these investment limitations will be applied at the time the relevant investment is made.

For the avoidance of doubt, to the extent permitted by law, any investments made by the Master Fund on behalf of any other Fund Vehicle and in respect of which economic exposure is transferred to that other Fund Vehicle (for example, by way of sub-participation), will be disregarded for purposes of the foregoing investment restrictions.

4.3 Allocation of investment opportunities

With respect to club loans and direct lending investments, investment opportunities falling within the Master Fund’s investment objective sourced by the Portfolio Manager(s), any affiliate of the Portfolio Manager(s) or any of their respective directors, members, officers, employees or agents (collectively, the “**Management Group**”) will generally be allocated, in accordance with the investment allocation policy of the Portfolio Manager(s), to the Fund and other funds and managed accounts sponsored, managed and/or advised by members of the Management Group (“**Muzinich Products**”) within whose investment strategies the investment opportunity also falls in proportion to their respective aggregate capital devoted to such opportunities; provided that allocations may be made on a basis other than *pro rata* to aggregate capital devoted to such opportunities if such allocation is made in good faith and does not result in an improper disadvantage to the Fund or any other Muzinich Product. The reasons for such a non-*pro rata* allocation may include (without limitation): tax, regulatory and legal considerations; the jurisdiction of the investee company; the amount of potential follow-on investment that may be required for such investment and the other investments of the Fund or any other Muzinich Product; the size of the investment (including minimum lot size); the time horizon of the investment; setting aside capital in respect of appropriate reserves and contingencies; portfolio concentration (for example, if it is determined in good faith that a *pro rata* addition will result in too large a concentration (for example, industry or currency) in light of diversification policies and other available opportunities for the Fund or any other Muzinich Product); different liquidity needs or circumstances; the portion of the investment period of other Muzinich Product(s) that has elapsed; and the target internal rate of return or other return profile of the Fund or any other Muzinich Product. Muzinich may amend the above investment allocation mechanics from time to time; provided that it will not be amended in a way that materially adversely affects the Master Fund.

4.4 Co-Investment Policy

If capacity remains in an investment opportunity after it has been allocated to the Fund (a “**Co-Investment Opportunity**”), then the Portfolio Manager(s) may, in their sole discretion, offer the opportunity to participate in such Co-Investment Opportunity to some or all of the Fund’s Professional Investors, as well as any number of new or existing (including in respect of any other Muzinich product) Professional Investors. In determining the allocation of any Co-Investment Opportunity, the Portfolio Manager(s) may take into account any facts or circumstances as they deem appropriate (including, for example, the financial resources, sophistication, experience or expertise of a prospective co-investor,

the Portfolio Manager(s)' existing relationships or prior experience with a prospective co-investor or possible benefits to the Portfolio Manager(s)) and for the avoidance of doubt, in respect of any allocation to Fund investors, such allocation may or may not be *pro rata* to the number of shares (or their equivalent) held by Fund investors.

Co-investments may be made on terms and conditions that are materially different from each other and the investment by the Fund. Terms may be more or less favorable to co-investors, including in respect of fees, expenses, exit rights and other material items. The Portfolio Manager(s) are under no obligation to provide co-investment opportunities to investors, and any such Co-Investment Opportunity may be offered to some and not other investors. For the avoidance of doubt, Co-Investment Opportunities will not be offered to Retail Investors.

Co-investments may be made through vehicles and/or structures managed and/or advised by members of the Management Group.

4.5 Borrowing

As of the date that is three years following the date on which the Master Fund commences marketing within the EU, the Master Fund's borrowing will not exceed 50% of the Master Fund's NAV. The Master Fund may borrow for the purpose of making investments or providing liquidity only where the Master Fund's cash is insufficient for the purpose.

The Fund may, either directly or indirectly through an intermediary holding vehicle or special purpose vehicle, enter into guarantees, indemnities, covenants and undertakings in connection with investments made by, or borrowings of, the Master Fund.

The Fund, an intermediary holding vehicle or special purpose vehicle may secure any such borrowings, guarantees, indemnities, covenants and undertakings by mortgage, charge, pledge or assignment of or security interest in all or any part of the Master Fund's assets or the assets of an intermediary holding vehicle or special purpose vehicle.

Neither the Feeder Fund nor the Master Fund will enter into securities financing transactions, as defined in Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012.

4.6 Hedging policy

Muzinich intends to hedge the Master Fund's exposure to currency risk due to investments denominated in currencies other than the euro (or non-euro currency in which subscription monies have been received by the Master Fund). However, investors should note that Muzinich is under no obligation whatsoever to engage in such hedging arrangements.

The Master Fund may purchase and sell foreign currency and enter into interest rate hedges in conjunction with the purchase or sale of underlying Master Fund investments as part of its hedging strategy. The Master Fund's foreign currency transactions may be conducted on a spot basis to satisfy settlement of investments. The Master Fund may also enter into contracts for forward settlement of foreign currencies and interest rates through forward contracts, options agreements or other foreign currency and/or interest rate hedging instruments. The Master Fund will enter into foreign currency transactions and interest rate hedges as a hedging tool and will not purchase or sell foreign currencies or interest rate hedges on a standalone basis. In addition, the Master Fund may use credit default swaps (both single-name and index) and interest rate futures for hedging purposes.

In addition, the Master Fund may use credit default swaps (both single-name and index) and interest rate futures for hedging purposes.

Financial derivative instruments may be used only for the purpose of hedging risks inherent to other investments of the Master Fund. In such a case, the Master Fund will comply with Regulation (EU) 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central

counterparties and trade repositories, as amended, as well as with the procedures the AIFM has established in relation to the Master Fund.

5 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

5.1 Approach to SFDR and Taxonomy Regulation disclosures

The Feeder Fund and Master Fund are financial products as defined by the SFDR. The Fund Managers consider that the Feeder Fund (by virtue of its investment in the Master Fund) and the Master Fund meet the criteria in Article 8 of the SFDR to qualify as a financial product which promotes environmental or social characteristics. Each of the Feeder Fund and the Master Fund promotes a combination of environmental and social characteristics by avoiding investing in companies which the Fund Managers consider to be fundamentally unsustainable (in accordance with the Fund Managers' industry and conduct-based exclusion criteria, and a minimum ESG scoring threshold) and engaging with investee companies to improve their ESG score during the course of investment. Moreover, the Fund Managers will invest in companies that follow good governance practices. The investments underlying the Master Fund do not take into account the EU criteria for environmentally sustainable economic activities.

Further information on the environmental and social characteristics promoted by the Feeder Fund is available in Appendix A: "Investor Disclosures," Appendix B: "Pre-contractual disclosure under SFDR and the Taxonomy Regulation" and can be found at www.muzinich.com. The Responsible Investing Policy can be accessed at <https://www.muzinich.com/about/responsible-investing>.

Further information on the environmental and social characteristics promoted by the Master Fund can be found in Appendix A and Appendix B of the Master Fund Prospectus.

The measures underlying the SFDR and Taxonomy Regulation are being introduced on a phased basis and some elements are subject to implementation delays. The Feeder Fund and the Master Fund may incur additional costs in order to comply with those requirements as further elements are introduced or the requirements change (and such costs will be borne by Fund investors as an operating expense).

5.2 ESG competencies

The Fund Managers have the required competencies to consider ESG matters and integrate ESG into its investment decision-making processes. In particular:

- the Fund Managers have in place the following ESG-related committees to support their responsible investing practices:
 - the ESG Advisory Group, which comprises approximately 15 members representing many of the key functions of the Fund Managers, including board members, senior management, research, portfolio management, risk, client servicing, compliance, and sales teams. The ESG Advisory Group meets every two months to discuss, develop, and implement the Fund Managers' ESG policies and to disseminate key responsible investment developments to their respective teams;
 - the ESG Integration Group, a sub-group of the ESG Advisory Group which comprises approximately four staff members who are wholly or partially dedicated to the day-to-day implementation of the Fund Managers' ESG procedures. The ESG Advisory Group is chaired by the Fund Managers' Director of Responsible Investing and reports to the boards of the Fund Managers on an ad-hoc basis; and
 - the ESG Eligibility Committee, which comprises seven members and makes determinations on norms-based or standards-based exclusion criteria relating to severe breaches of the UN Global Compact Principles on human rights and labor rights, severe environmental impacts, and failures of corporate integrity such as fraud and corruption. The Committee applies a set of internal guidelines to support decision making on individual issuers;
- the Fund Managers' staff are also subject to ongoing training on ESG matters. Ad-hoc educational sessions are led by the Director of Responsible Investing or external experts, including staff from

the Fund Managers' external ESG data providers. The Fund Managers also ensure that all new joiners have been familiarized with its Responsible Investing Policy and relevant procedures where relevant to their role. A number of staff members have taken or have registered for more formal self-taught or university-led ESG and sustainability training courses and certifications; and

- the Fund Managers rely on specialist third party providers to complement their primary research process. Examples of the types of data sourced from these providers include, among others, ESG raw data; ESG scores and rankings; involvement in controversial products; incidents or general business conduct; greenhouse gas emissions data; climate risk data; and data required for regulatory disclosures. The Fund Managers currently source data from two primary ESG data providers: Sustainalytics and Institutional Shareholder Services (ISS) ESG. The Fund Managers review their data sources at least every two years to ensure that they are able to source appropriate data in a cost effective manner. Decisions on data providers are reviewed by the ESG Advisory Group and ultimately approved by the Fund Managers' boards of directors. In evaluating ESG data providers, the Fund Managers consider (among other factors) the quality of the data in terms of accuracy, timeliness, coverage and the novelty of insights; the efficiency with which the Fund Managers can process the data; and the general user-friendliness of the platform.

Further details of the Fund Managers' competences regarding ESG can be found in its Responsible Investing Policy which can be accessed at <https://www.muzinich.com/about/responsible-investing>.

6 TERMS OF THE FEEDER FUND

The following information is qualified in its entirety by the Articles and the Master Fund Articles. In the event that the descriptions or terms in this Prospectus are inconsistent with, or contrary to, the terms of the Articles, the Articles will prevail. For any information not covered in this description of the terms of the Feeder Fund, investors should refer to Appendix A: Investor Disclosures.

Feeder Fund

[Muzinich European Private Credit ELTIF Firstlight Feeder SICAV, S.A.], a Luxembourg public limited company (*société anonyme* – S.A.) organized as an investment company with variable capital (*société d'investissement à capital variable* – SICAV) incorporated on 20 February 2019 under the name Muzinich Firstlight Middle Market ELTIF SICAV, S.A. and authorized by the CSSF under Part II of the 2010 Law, as amended from time to time and subject to the provisions of the ELTIF Regulations. The Feeder Fund is registered under number B232256 with the RCS. The registered office of the Feeder Fund is 12E, rue Guillaume Kroll, L-1882 Luxembourg, Grand Duchy of Luxembourg. The Feeder Fund is listed on the official list of undertakings for collective investment and approved by the CSSF, and qualifies as an alternative investment fund within the meaning of Article 1 of the 2013 Law. The Feeder Fund changed its name to [Muzinich European Private Credit ELTIF Firstlight Feeder SICAV, S.A.] on the Conversion Date and the Feeder Fund's updated Articles have been deposited with the RCS and were published in the Luxembourg RESA on [●] under number [●].

Prior to the Conversion Date, the Feeder Fund invested directly in eligible investment assets and assets referred to in UCITS-Eligible Assets, in each case, in accordance with Regulation (EU) 2015/760 on European Long Term Investment Funds. On or around the Conversion Date, the Feeder Fund subscribed for shares in the Master Fund, and its purpose as from the Conversion Date became to permanently invest at least 85% of its assets in the Master Fund.

Master Fund

Muzinich European Private Credit ELTIF SICAV, S.A., a Luxembourg public limited company (*société anonyme* – S.A.), organized as an investment company with variable capital (*société d'investissement à capital variable* – SICAV) incorporated on 20 December 2024 and authorized by the CSSF under Part II of the 2010 Law, as amended from time to time and subject to the ELTIF Regulations. The Master Fund is registered under number B293001 with the RCS. The registered office of the Master Fund is 12E, rue Guillaume Kroll, L-1882 Luxembourg, Grand Duchy of Luxembourg. The Master Fund is listed on the official list of undertakings for collective investment approved by the CSSF, and qualifies as an alternative investment fund within the meaning of Article 1 of the 2013 Law. The Master Fund Articles have been deposited with the RCS and were published for the first time in the RESA on 3 February 2025 under number RESA_2025_026.843.

The Master Fund is authorized and supervised by the CSSF.

The Master Fund will be treated as a corporation and is likely to be a passive foreign investment company for US federal income tax purposes.

Other Fund entities

In order to facilitate investment in the Master Fund's investment program by certain investors, one or more parallel vehicles to the

Master Fund may be created, the structure of which may differ from that of the Master Fund but that will invest proportionately in all transactions on substantially the same terms and conditions as the Master Fund, except as necessary or advisable to address tax, regulatory or other considerations (which may include, without limitation, adjustments where a parallel vehicle utilizes leverage to a greater or lesser degree than the Master Fund). In addition to the Feeder Fund, further feeder vehicles may also be established to invest in the Master Fund or any parallel vehicle to the Master Fund (each of the Master Fund and each such feeder vehicle or parallel vehicle, a “**Fund Vehicle**,” and together, the “**Fund**”).

To the extent permitted by the ELTIF Regulations the Master Fund may invest through intermediate holding companies or other special purpose vehicles controlled by or on behalf of the Master Fund and/or the AIFM and references in this Prospectus to the Master Fund’s investments should be interpreted accordingly. Any such intermediate holding company or special purpose vehicle may, without limitation, take the form of a collective investment undertaking (which may include an alternative investment fund, for the purposes of AIFMD) through which the Master Fund (and accordingly, the Feeder Fund, indirectly, through its investment in the Master Fund) will invest. For the avoidance of doubt, the Master Fund’s investment in any such intervening holding company will be considered on a look-through basis by reference to the underlying investments for the purposes of determining the Master Fund’s portfolio composition and risk diversification required under the ELTIF Regulations. In order to procure that parallel vehicles participate proportionally in the Master Fund’s investment program, assets may be transferred between the parallel vehicles and/or the parallel vehicles’ holdings of investment holding vehicles may be rebalanced from time to time.

AIFM

Muzinich & Co. (Ireland) Limited, an Irish limited company having its registered office at 32 Molesworth Street, Dublin 2, Ireland and registered with the Central Bank of Ireland under number C30119, is the Feeder Fund’s and the Master Fund’s alternative investment fund manager in accordance with the provisions of the European Union (Alternative Investment Fund Managers) Regulation 2013 and the Feeder Fund’s and the Master Fund’s ELTIF manager for the purposes of the ELTIF Regulations. The AIFM is duly authorized and regulated by the Central Bank of Ireland in this respect.

To allow the Feeder Fund to obtain from the Master Fund all information and documents necessary for the conduct of the Feeder Fund’s affairs, the AIFM has established internal conduct of business rules which it will adhere to in relation to the management of the Feeder Fund and the Master Fund, in accordance with Article 29(6) of the ELTIF Regulation. The conduct of business rules set out certain standard arrangements in respect of, *inter alia*, conflicts of interest, investment and divestment by the Feeder Fund, dealing procedures, NAV calculation and preparing the annual and periodic reports of the Feeder Fund.

Portfolio Manager(s)

The AIFM intends, but is not required, to delegate portfolio management relating to the Feeder Fund and the Master Fund and, if applicable, each other Fund Vehicle, to Muzinich & Co. Limited, an English limited company having its registered office at 8 Hanover Street, London W1S 1YQ and with registered number 03852444, and/or one or more of its duly licensed affiliates. Muzinich & Co.

Limited is duly authorized and regulated by the UK Financial Conduct Authority in this respect.

Investment strategy; target investment attributes

The Feeder Fund pursues its investment objective by permanently investing substantially all of its assets in the Master Fund.

The Master Fund will seek to offer long-term investment opportunities by investing, on both a primary and secondary basis, in a diversified portfolio of investments. It will focus primarily on senior secured floating rate debt instruments, including unitranche debt, syndicated loans, and club loans. In order to help meet its liquidity objectives, the Master Fund will also invest in liquid investment grade and high yield bonds.

The Master Fund will seek to invest primarily (though not exclusively) in the European Investment Region.

The Master Fund may pursue its investment objectives by investing in other UCIs.

Ramp-up period

For the purposes of the ELTIF Regulations, the Master Fund's ramp-up period will commence on its first Subscription Date which occurred on 31 January 2025 and will end on the third anniversary of the first Subscription Date (the "**Ramp-up Period**"), after which the portfolio composition and diversification requirements under the ELTIF Regulations will apply, subject to Article 17(1)(c) of the Amending ELTIF Regulation (as defined below).

For the avoidance of doubt, no separate ramp-up period will apply at the level of the Feeder Fund.

Investment limitations

The Master Fund will respect the limitations on investment activities specified by the ELTIF Regulations. To that end, the Master Fund will comply with the portfolio composition and diversification rules by the end of the Ramp-up Period, which includes investing at least 55% of its "capital" (as defined in the ELTIF Regulations) in ELTIF-Eligible Assets. The Master Fund may also invest in UCITS-Eligible Assets.

The Master Fund will invest only in the European Investment Region and in the Other Investment Region.

The Master Fund will not directly or indirectly invest in commodities and will not engage in short selling.

The Master Fund will not invest in any entity that, to the Portfolio Manager(s)' knowledge at the time of investment, focuses on:

- production or trade in tobacco and related products;
- gambling and betting (including casinos, online casinos and gambling games on the Internet) or the production or marketing of products related to gambling and betting;
- production or marketing of pornographic material; and/or
- fossil fuel-based energy production.

Following the Ramp-up Period, the Master Fund will invest no more than:

- 35% of its GAV in any single country (with country classifications determined in the Portfolio Manager(s)' sole but reasonable discretion); or
- 20% of its GAV outside of the European Investment Region.

The Master Fund will not invest in any consumer loan or in any working capital debt (*Betriebsmittelkredite*).

The Master Fund will not enter into derivative contracts other than: (i) for hedging purposes (including currency and interest rate hedging); (ii) any option where the counterparty is a portfolio company or one of its affiliates, or (iii) any option where the underlying asset is an instrument issued by a portfolio company. For the avoidance of doubt, warrants will not be considered derivatives for the purposes of this paragraph.

Unless otherwise specified above, these investment limitations will be applied at the time the relevant investment is made.

For the avoidance of doubt, to the extent permitted by law, any investments made by the Master Fund on behalf of any other Fund Vehicle and in respect of which economic exposure is transferred to that other Fund Vehicle (for example, by way of sub-participation), will be disregarded for purposes of the foregoing investment restrictions.

Allocation of investment opportunities

With respect to club loans and direct lending investments, investment opportunities falling within the Master Fund's investment objective sourced by the Management Group will generally be allocated, in accordance with the investment allocation policy of the Portfolio Manager(s), to the Fund and other Muzinich Products within whose investment strategies the investment opportunity also falls in proportion to their respective aggregate capital devoted to such opportunities; provided that allocations may be made on a basis other than *pro rata* to aggregate capital devoted to such opportunities if such allocation is made in good faith and does not result in an improper disadvantage to the Fund or any other Muzinich Product. The reasons for such a non-*pro rata* allocation may include (without limitation): tax, regulatory and legal considerations; the jurisdiction of the investee company; the amount of potential follow-on investment that may be required for such investment and the other investments of the Fund or any other Muzinich Product; the size of the investment (including minimum lot size); the time horizon of the investment; setting aside capital in respect of appropriate reserves and contingencies; portfolio concentration (for example, if it is determined in good faith that a *pro rata* allocation will result in too large a concentration (for example, industry or currency) in light of diversification policies and other available opportunities for the Fund or any other Muzinich Product); different liquidity needs or circumstances; the portion of the investment period of other Muzinich Product(s) that has elapsed; and the target internal rate of return or other return profile of the Fund or any other Muzinich Product. The Portfolio Manager(s) may amend the above investment allocation mechanics from time to time; provided that it will not be amended in a way that materially adversely affects the Master Fund.

Distribution policy

The Master Fund Board expects to distribute dividends in respect of the Master Fund Shares on at least a semi-annual basis. Holders of income sub-classes of Master Fund Shares will receive dividends attributable to such Master Fund Shares. Holders of accumulation

sub-classes of Master Fund Shares will not receive dividends attributable to such shares and will instead be deemed to have reinvested the relevant amounts.

Subject to the Master Fund's right to require investors to repay surplus distribution proceeds (as described below in the section headed "Redemption price and payments"), the Master Fund will not make recallable distributions.

Where the Feeder Fund receives a distribution with respect to any Master Fund Shares, the Feeder Fund will generally make corresponding distributions to the Shareholders on a *pro rata* basis within a reasonable period after receiving such distributions from the Master Fund, subject to any applicable withholding taxes, fees, expenses, or other deductions and subject to the Articles. The Board may also impose any terms and conditions on distributions to the Shareholders that apply from the Master Fund to the Feeder Fund, or that they consider necessary or desirable for the proper administration of the Feeder Fund or the protection of the Shareholders' interests.

The Board will not be obliged to cause the Feeder Fund to make any distributions if, in the reasonable opinion of the Board and following a recommendation by the Portfolio Manager(s), making the distribution would or might leave the Feeder Fund with insufficient funds to meet any future contemplated obligations, liabilities or contingencies, or costs and expenses (and the Board is authorized to retain cash within the Feeder Fund to create a reserve to meet any such obligations or contingencies, including for these purposes any tax).

Eligible Investors

Shares may be acquired only by Eligible Investors. An "**Eligible Investor**" means: (i) any investor domiciled in the EEA who is: (a) a Professional Investor; or (b) a Retail Investor, provided that an assessment of suitability has been carried out in accordance with Article 25(2) of MiFID II and a statement on suitability was communicated to that Retail Investor in accordance with Article 25(6), second and third subparagraphs, of MiFID II; and (ii) any investor who is domiciled in any other jurisdiction to whom Shares may be lawfully marketed.

If the Board determines that an investor is no longer an Eligible Investor or if the investor is in breach of its obligations, representations or warranties to the Feeder Fund, or fails to make such representations or warranties or fails to deliver information (for example as required under FATCA, DAC 2 or similar law) as the Board may require, the Board may: (i) require/cause such investor to sell all or some of its Shares in accordance with the Articles; or (ii) redeem such investor's Shares in accordance with the Articles.

The Administrator, Paying Agent, distributor or sub-distributor (where appropriate) will verify that each investor is an Eligible Investor.

Subscriptions

Subscriptions for Shares will be accepted in such currencies as the Board may determine from time to time and are generally expected to be accepted in euro in each of the sub-classes set out in the table below; provided that the Board may, at its discretion, elect to accept subscriptions denominated in currencies other than euro. Subscriptions are available in income and accumulation sub-classes. An investor's minimum subscription is set out in the table below (or its equivalent in the applicable subscription currency), subject in each case to such higher initial subscription amounts as required for an investor's eligibility under applicable law, as provided in the subscription documents and the AIFM's ability to waive minimums in its discretion. Certain sub-distributors, countries and/or Share sub-classes may have higher minimums. The main features of the sub-classes of Shares are as follows:

Class of Shares	Type of Share	Minimum subscription
A	Income or Accumulation	€1,000,000
H	Income or Accumulation	€5,000,000
P	Income or Accumulation	€1,000
R	Income or Accumulation	€1,000

*H Shares are available to institutional investors (for investors in the European Union, this means "eligible counterparties", as defined in MiFID II) investing for their own account. In addition, H Shares are available to investors that are not allowed to accept and retain commissions due to regulatory requirements or due to individual fee arrangements with their clients.

The initial issue price per Share of each sub-class will be €100 for Shares denominated in euro and, thereafter, the issue price per Share of each sub-class will be the most recently calculated NAV per Share.

No application has been made for the Shares to be publicly listed or traded on any stock exchange.

Each sub-class of Shares of the Feeder Fund will invest substantially all of its assets in the income sub-class X Master Fund Shares, excluding amounts reserved for fees and expenses. References in this Prospectus to subscriptions for or redemptions of Master Fund Shares by the Feeder Fund should therefore be interpreted as references to subscriptions for or redemptions of the income sub-class X Master Fund Shares by the Feeder Fund.

Share classes and sub-classes

The shares in the Feeder Fund constitute a single class that has been divided into sub-classes. Subject to the prior approval of the CSSF, the Board will be permitted to issue one or more additional classes or sub-classes of Shares, the terms applicable to which may differ from those described in this Prospectus (including, without limitation, the subscription currency, and/or the Management Fee and/or distribution fee payable in respect of such class, sub-class, classes or sub-classes). Additionally, the Board may, in its sole discretion, determine that the Feeder Fund cease or suspend its offering of any sub-class of Shares, in which case, any investor that subscribed for Shares during such period will be notified and any subscription amounts already paid to the Feeder Fund will be returned within a reasonable period to the account from which such amounts were received (for the avoidance of doubt, no interest will be payable on such amounts).

Subscription Date

Shares will be available for subscription on the last Business Day of each calendar month, and/or such other Business Days that coincide with a Valuation Date, as may be determined by the Board in its discretion from time to time.

As of each Subscription Date, investors who subscribed for Shares prior to the Subscription Date will be issued Shares by the Feeder Fund as set out in the applicable subscription agreement.

Subscription process

Each prospective investor will be required to complete and submit a subscription agreement in accordance with the timeframes specified in the subscription agreement, a copy of which will generally be made available on request. The subscription agreement will include certain representations and warranties to be given by the prospective investor and will require that the prospective investor provide certain information in order for the Feeder Fund, the Board, the AIFM, the Portfolio Manager(s) and/or the Administrator to, among other things, comply with relevant anti-money laundering legislation and guidelines in connection with the admission of Shareholders. Such information will also be required to be provided by any prospective beneficial owner of the Shares.

A completed subscription agreement and items relating thereto must be received by the Administrator no later than the time specified in the subscription agreement. If the relevant subscription agreement and/or funds are not received by the times set out in the subscription agreement, the subscription agreement and funds will, provided the subscriber has met applicable anti-money laundering requirements, be held over until the next succeeding Subscription Date, unless the Board decides, in its discretion, to reject the subscription, in which case the subscription funds will generally be returned, without interest, to the account from which such funds were received. If the subscriber has not met applicable anti-money laundering requirements, subscription funds will generally be returned, without interest, to the account from which such funds were received, within five Business Days after the applicable Subscription Date. Additionally, the Board in its discretion reserves the right to accept or reject subscriptions for any

reason. Any funds received in connection with a subscription that has been rejected may be returned, without interest, to the account from which such funds were received.

Shares will be in registered form and certificates representing Shares will not be issued. A confirmation notice will be sent as soon as practicable to successful subscribers on acceptance of their application (including provision of all information needed to verify the applicant's identity) and receipt in cleared funds of their subscription monies.

Where a subscription for Shares is accepted, the Shares will be treated as having been issued, and the subscriber for those Shares will be treated as a Shareholders, with effect from the relevant Subscription Date, notwithstanding that such subscriber may not be entered in the Feeder Fund's register of members until after the relevant Subscription Date. The subscription monies paid by a subscriber for Shares will accordingly be subject to investment risk in the Feeder Fund from the relevant Subscription Date.

Cooling-off period

During the period commencing on their admission to the Feeder Fund and ending on the date two weeks later, a Retail Investor may, by written notice to the Feeder Fund, cancel their subscription for Shares. In such case, any amounts previously paid to the Feeder Fund by such Retail Investor will be returned without penalty. Any allocation of Shares made on the basis of the initial Subscription Agreement will be cancelled. For the avoidance of doubt and solely for the purpose of the cooling-off period, the "admission to the Feeder Fund" above means the date of the investor's signature of its initial subscription agreement for Shares.

Subscription settlement

Subscriptions are payable in cash. Payments in respect of subscriptions for Shares must be received in cleared funds into the Feeder Fund's subscription account on or before the applicable settlement date as set out in the applicable subscription agreement.

Defaulting Investors

Any investor that fails for any reason to perform or observe any term, covenant, condition, representation or warranty set out in its subscription agreement will be considered a defaulting investor and will be subject to the provisions and remedies further described in the Articles.

Redemptions

Subject to the limitations specified herein, each Shareholder may request that the Feeder Fund redeem some or all of its Shares as of the last Business Day of each calendar month, and on such other Business Days as may be determined by the Board in its discretion from time to time, so long as such additional days coincide with a Valuation Date; provided that, if required by applicable law, the Board may adjust the timing of Redemption Dates, either generally or on a case-by-case basis, subject as set out herein.

A Shareholder may request that the Feeder Fund redeem its Shares as of each Redemption Date on no less than 45 days' prior written notice, subject to the Permissible Redemption Amount under the Master Fund's monthly, bimonthly and quarterly redemption limitation. Subject to the conditions set out below, Shares will be redeemed at a price per Share equal to the NAV per Share of the relevant sub-class as of the applicable Redemption Date.

If the Board considers it to be in the Feeder Fund's best interest, the Feeder Fund may from time to time adjust the redemption notice period, subject to a maximum notice period of no more than 45 days' prior written notice and a minimum notice period of no less than 25 days' prior written notice.

The Feeder Fund will be permitted to suspend redemptions under certain circumstances as set out in the Articles. In addition, the Feeder Fund will be permitted to suspend redemptions where there has been a suspension of redemptions at the level of the Master Fund. The Feeder Fund or the Administrator will refuse to accept or process a redemption request if it is not accompanied by such additional information as they may reasonably require, including, but not limited to, where proper information has not been provided for anti-money laundering verification purposes.

The Feeder Fund and the Master Fund will not use "side pockets."

If required by applicable law, the Board may adjust the manner of redemptions, either generally (including by way of an amendment to the Articles) or on a case-by-case basis, in order for the Feeder Fund to comply with applicable law, and subscription agreements will provide for the irrevocable consent of the Shareholders with respect thereto.

Redemption price and payments

Shares will be redeemed at a price per Share equal to the NAV per Share of the relevant sub-class as of the applicable Redemption Date (and, accordingly, where a Shareholder has requested the redemption of a cash amount rather than a number of Shares, the cash amount actually available to be redeemed may be less than the amount requested to be redeemed). The NAV per Share of the relevant sub-class will generally be made available to investors within 15 Business Days of the applicable Valuation Date.

Redemptions will be effected by the Feeder Fund making corresponding requests for redemptions of the Master Fund Shares. Where the Feeder Fund receives a payment of redemption proceeds with respect to any Master Fund Shares, the Feeder Fund will generally make a corresponding payment of redemption proceeds to the applicable redeeming Shareholder, within a reasonable period after receiving such payment from the Master Fund, subject to any applicable withholding taxes, fees, expenses, or other deductions and subject to the Articles.

Subject to any limitation on redemptions at the level of the Master Fund, a Shareholder requesting that the Feeder Fund redeem the Shares held by that Shareholder (or where the Shares held by that Shareholder are mandatorily redeemed by the Feeder Fund in such amount) will generally be paid within 75 calendar days of the relevant Redemption Date.

Redemption proceeds will generally be paid in cash, which may include, subject to the requirements of the ELTIF Regulations, cash from borrowing, disposition proceeds of liquid and/or illiquid positions held by the Master Fund, and/or investment proceeds arising to the Master Fund. However, if, as determined by the Master Fund Board in exceptional circumstances following a recommendation by the Portfolio Manager(s), it would not be in the best interests of the investors in the Fund as a whole to pay all of the redemption proceeds due to investors in the Fund that have requested redemptions as of a

redemption date of the Master Fund (including the Feeder Fund, corresponding to redemptions requested by Shareholders) during the applicable 60-day settlement period generally applicable to the Master Fund (including, without limitation, if the Master Fund is unable to obtain available cash in a timely manner in an aggregate amount sufficient to provide for all redemption proceeds that would otherwise be payable in respect of a redemption date of the Master Fund), then (i) the Master Fund Board, in its sole discretion following a recommendation by the Portfolio Manager(s), will determine the amount of redemption proceeds that it considers would be in the best interests of the investors in the Fund as a whole to pay, and that amount will be paid to those investors in the Fund who have requested redemptions (including the Feeder Fund, corresponding to redemptions requested by Shareholders) *pro rata* to the respective amounts requested to be redeemed, and (ii) the balance of the shares requested to be redeemed by shareholders will be redeemed by way of the Master Fund converting the Master Fund Shares concerned into one or more sub-classes of a liquidating sub-class of participating Master Fund Shares, redeemable solely at the discretion of the Master Fund. Such Master Fund Shares will be compulsorily redeemed, in one or more tranches, as soon as reasonably practicable at such times as the Master Fund Board determines in its sole discretion (following a recommendation by the Master Fund's portfolio manager(s)) would be in the best interests of the investors in the Fund as a whole. The initial NAV of such Master Fund Shares will be equal to the NAV per share at which the corresponding sub-class of non-liquidating Master Fund Shares was converted and such liquidating Master Fund Shares will thereafter be at risk in the Master Fund, and so will be subject to fluctuations in their NAV and corresponding redemption price, and will bear expenses of the Master Fund in the same manner as other Master Fund Shares (including Master Fund Administration Fee(s)) until such time as they are compulsorily redeemed. Such liquidating Master Fund Shares will not bear any Master Fund Management Fees.

Redemption payments by the Feeder Fund are typically made in cash. If the Feeder Fund receives a distribution in kind from the Master Fund, the Feeder Fund may exceptionally make redemption payments in whole or in part by means of an in kind distribution of the assets received from the Master Fund to Shareholders who have asked in writing to be repaid through a share of the assets of the Feeder Fund (as will generally be irrevocably provided for in the Shareholder's subscription agreement), provided that no specific rules restrict the transfer of those assets. Any such assets (i) may, without limitation, take the form of interests in special purpose vehicles formed to hold underlying investments, participations in the actual underlying investments or participation notes (or similar derivative instruments) which provide a return with respect to certain investments of the Master Fund; provided that, such assets are freely transferrable, and (ii) may not have been held by the Master Fund on the applicable redemption date of the Master Fund. No in kind distribution will be made where such action would materially prejudice the interests of remaining Master Fund Shareholders, and any in kind distribution will be apportioned among all Master Fund Shareholders whose Master Fund Shares are being redeemed as of the applicable redemption date of the Master Fund *pro rata* to the respective aggregate redemption proceeds otherwise payable to them. Because the redemption price is calculated by reference to the value of the Master Fund's assets as of the relevant valuation date of the Master Fund, the value of any assets distributed in kind may fluctuate between the valuation date of the Master Fund and the date and time on which payment to the

Master Fund Shareholder whose Master Fund Share is being redeemed is made. Any such variation in value will be at the risk of the Master Fund Shareholder whose Master Fund Share is being redeemed. Any redemption in kind will be valued independently in a special report issued by the Master Fund Auditor or any other independent auditor (*réviseur d'entreprises agréé*) agreed by the Master Fund. The Master Fund and the redeeming Master Fund Shareholder will agree on specific settlement procedures. Any costs incurred in connection with a redemption in kind, including the costs of issuing a valuation report, will be borne by the redeeming Master Fund Shareholder (including, where applicable, the Feeder Fund, and at the level of the Feeder Fund will be borne by the corresponding redeeming Shareholder(s)) or by such other third party as agreed by the Master Fund. Where the Feeder Fund receives any in kind distribution of redemption proceeds from the Master Fund, a corresponding in kind distribution will be made to the applicable redeeming Shareholders at the level of the Feeder Fund.

The adjustments that may be made to redemption payments on account of Incentive Fees are more fully set out below in the section headed "Incentive Fees."

Redemption limitation; Permissible Redemption Amount

The Feeder Fund has a redemption limitation, operated on a monthly, bimonthly and quarterly basis, corresponding to its *pro rata* share of the Permissible Redemption Amount (as defined below) based on the aggregate amount of redemption requests received for the relevant Redemption Date. If, in relation to any Redemption Date, Fund Vehicles have received redemption requests (or their equivalent) that, if accepted, would exceed the lesser of: (i) (a) when aggregated with any redemption or comparable proceeds associated with redemption requests (or their equivalent) that have already been accepted in the relevant calendar month, 2% of the Master Fund's NAV (calculated by the Administrator) as of the final Valuation Date in the immediately preceding calendar month, or (b) when aggregated with any redemption or comparable proceeds associated with redemption requests (or their equivalent) that have already been accepted in the relevant calendar quarter, 5% of the Master Fund's NAV (calculated by the Administrator as of the final Valuation Date in respect of the calendar quarter immediately preceding the applicable Redemption Date), or such greater percentage(s) as the Master Fund Board may determine, in its discretion; and (ii) when aggregated with any redemption or comparable proceeds associated with redemption requests (or their equivalent) that have already been accepted in the relevant calendar bimonthly period (for example, January and February, March and April, etc.) the ELTIF Redemption Limit (the "**Permissible Redemption Amount**"), then the corresponding redemption requests will be declined *pro rata* to the amount requested to be redeemed such that the aggregate redemption proceeds paid by the Fund are equal to the Permissible Redemption Amount. If required by applicable law, the Master Fund Board may adjust the size of the Permissible Redemption Amount, either generally or on a case-by-case basis in order for the Fund to comply with applicable law.

The "**ELTIF Redemption Limit**" is an amount equal to 18.2% of: (i) the value of the Master Fund's assets that are UCITS-Eligible Assets as of the relevant redemption date of the Master Fund; plus (ii) as of the applicable calculation date, the expected cash flow of the Master Fund forecasted on a prudent basis over 12 months, determined in accordance with the ELTIF Regulations; provided that, if the Master Fund adjusts the redemption frequency or notice period for

redemptions within the limits set out above, then the Master Fund Board, in consultation with the AIFM, may adjust the maximum percentage of the ELTIF Redemption Limit as it deems necessary to comply with the requirements of the ELTIF Regulations, and the Master Fund Board has the right to amend the Master Fund Prospectus and this Prospectus accordingly.

To the extent that any redemption request (both the Feeder Fund's redemption request at the level of the Master Fund and the corresponding redemption requests of applicable Shareholders at the level of the Feeder Fund) is declined as a result of the process described above, the declined portion of the redemption request will be deferred and carried forward for redemption on the next redemption date of the Master Fund, *pari passu* with any redemption requests in respect of that redemption date (and subject to further deferral(s) upon the terms described above where applicable). Any amount carried forward will continue to be subject to investment risk in the Master Fund and will continue to be subject to the fees and expenses set out in the Master Fund Prospectus and this Prospectus until it is actually redeemed.

Compulsory redemptions

The Feeder Fund will have the right at any time to compel the redemption of any Shares of any sub-class where it considers, in its reasonable discretion, that such redemption is necessary or advisable for legal, tax or regulatory reasons, or is otherwise in the best interest of the Feeder Fund as a whole, in which case settlements will be made in the same manner as voluntary redemptions.

Conversions

Shareholders are not permitted to convert Shares of one sub-class into Shares of another sub-class without the Board's and the AIFM's prior consent.

Transfers

Shares may be transferred only with the prior approval of the Board, which may be given or withheld in its discretion, on a case-by-case basis, provided that the Board will not unreasonably withhold or delay its consent if the request satisfies the conditions for transfer as set out in the Articles or this Prospectus. A transfer request must be received by the Administrator, by way of facsimile or the Administrator's portal, no later than 5.00 p.m. (Luxembourg time), at least 90 days prior to the proposed transfer date; provided that the Feeder Fund may waive or shorten such notice requirement either generally or on a case-by-case basis. All transfers of Shares must be effected by written instrument signed by the transferor and containing the name and address of the transferee and the number of Shares being transferred, or in such other manner or form as the Feeder Fund considers appropriate. In addition, each transferee will be required to complete a transfer form, giving the same warranties and representations as if it subscribed for Shares directly and must also provide such information as the Feeder Fund and/or the Administrator deem necessary to verify the identity of the transferee, any beneficial owner and/or source of funds before registration of the transferee as holder of the relevant Shares can take place.

For the purpose of calculating the Incentive Fee, transfers will be treated as a redemption of the relevant Shares and a subscription for new Shares. Accordingly, unless the Feeder Fund, on a case-by-case basis, determines otherwise, the general provisions and procedures relating to redemptions and subscriptions will apply (including, without limitation, the general provisions and procedures that apply at Master Fund level in relation to the corresponding redemptions and

subscriptions, such as the payment of any incurred Incentive Fee at the Master Fund level). A transfer will only take effect on registration of the transferee as holder of the newly issued Shares in the register of holders of Shares of the Feeder Fund.

End of the life of the Feeder Fund

It is expected that the life of the Feeder Fund will end on 31 January 2123, being the 98th anniversary of the first subscription date of the Master Fund (such date, the date of the “end of the life” of the Feeder Fund within the meaning of the ELTIF Regulations). Following the end of the life, the Feeder Fund is expected to wind down its investments for one (1) year before terminating on 31 January 2124, being the 99th anniversary of the first subscription date of the Master Fund, unless terminated earlier.

The Feeder Fund may be terminated earlier (i) as provided in the 2010 Law, the 1915 Law, other mandatory applicable law, the Articles and/or upon full realization of the Master Fund’s (and therefore the Feeder Fund’s) portfolio, (ii) subject to a resolution of the Shareholders adopted in accordance with the 1915 Law, if market opportunities are inadequate to support the Feeder Fund’s ongoing operation, or (iii) where applicable, on the date of the termination of the Master Fund.

End of the life of the Master Fund

It is expected that the life of the Master Fund will end on 31 January 2123, being the 98th anniversary of its first subscription date (such date, the date of the “end of the life” of the Master Fund within the meaning of the ELTIF Regulations). Following the end of the life, the Master Fund is expected to wind-down its investments for one (1) year before terminating on 31 January 2124, being the 99th anniversary of its first subscription date, unless terminated earlier.

The Master Fund may be subject to earlier termination upon full realization of the Master Fund’s portfolio or, subject to a resolution of its shareholders adopted in accordance with the 1915 Law, if market opportunities are inadequate to support the Master Fund ongoing operation.

Borrowing and guarantees

The Feeder Fund will not borrow cash.

As of the date that is three years following the date on which the Master Fund commences marketing within the EU, the Master Fund’s borrowing will not exceed 50% of the Master Fund’s NAV. The Master Fund may borrow for the purpose of making investments or providing liquidity only where the Master Fund’s cash is insufficient for the purpose.

The Fund may, either directly or indirectly through an intermediary holding vehicle or special purpose vehicle, enter into guarantees, indemnities, covenants and undertakings in connection with investments made by, or borrowings of, the Fund.

The Fund, an intermediary holding vehicle or special purpose vehicle may secure any such borrowings, guarantees, indemnities, covenants and undertakings by mortgage, charge, pledge or assignment of or security interest in all or any part of the Master Fund’s assets or the assets of an intermediary holding vehicle or special purpose vehicle.

Accounting period

The accounting date for the Feeder Fund will be 31 December in each year.

Agreements with certain investors

Subject to the requirements of the ELTIF Regulations and other applicable laws, the Feeder Fund, the Master Fund, the AIFM and/or the Portfolio Manager(s) and any of their respective affiliates may enter into side letters or other agreements with one or more investors in the Fund that have the effect of altering or supplementing the terms governing an investment in the Fund set out in this Prospectus, the Master Fund Prospectus, the Feeder Fund's subscription agreements and/or the Master Fund's subscription agreements.

Accounting standards, valuations and NAV

All the financial statements of the Feeder Fund will be prepared in accordance with International Financial Reporting Standards ("IFRS") and the Feeder Fund's valuation policy, which has been adopted by the AIFM and approved by the Board.

The valuation of the Feeder Fund's and the Master Fund's assets and liabilities will be determined by the AIFM in accordance with article 19 of AIFMD and on the basis of IFRS. The Master Fund will value some of its assets and liabilities at amortized cost. In accordance with AIFMD, the AIFM will ensure that the valuation function is separate and independent from the portfolio management function.

If the AIFM determines that the valuation of any investment pursuant to the valuation procedures would be inconsistent with IFRS, the AIFM will value such investment as it determines in its good faith and discretion and will set forth the basis of such valuation in writing. The AIFM expects that it will be uncommon to assign a value to a security that differs from the valuation pursuant to the valuation procedures described above.

The AIFM may appoint a third-party valuation agent to assist with the valuation of the Feeder Fund's and Master Fund's assets if it is deemed necessary or desirable (for example, if required by any third party in connection with the realization of the Feeder Fund's or Master Fund's assets).

The Feeder Fund's net asset value ("**NAV**") and the net asset value per Share ("**NAV per Share**") will be determined by the Administrator as of the last Business Day of each calendar month and/or such other Business Days as may be determined by the Board in its discretion from time to time (each, a "**Valuation Date**") and will generally be made available to investors within 15 Business Days of each Valuation Date. In case of NAV calculation error or non-compliance with the investment rules applicable to undertakings for collective investment, the Feeder Fund will comply with Circular CSSF 24/856.

The Board may temporarily suspend the determination of the Feeder Fund's NAV and the NAV per Share in certain circumstances, as set out in the Articles, including in cases where the determination of the Master Fund's NAV has been suspended.

Reports to investors

The Feeder Fund will furnish to its investors audited financial statements annually, and unaudited financial statements semi-annually. The Feeder Fund will publish annually a detailed report of the Feeder Fund's activity and the management of its assets, including a balance sheet and profit and loss account, a detailed makeup of its assets (including, but not limited to, information on the Feeder Fund's GAV) and the auditor's report.

Each investor will receive a monthly investor statement.

Costs of setting up the Feeder Fund

All fees and expenses relating to the establishment, organization and authorization of the Feeder Fund were borne by the Feeder Fund prior to the Conversion Date ("**Organizational Expenses**").

Costs related to the acquisition of assets

The Master Fund will pay its share of all administrative, regulatory, depositary, custodial, professional service, audit and other costs related to the acquisition, holding, enforcing and disposition of the Master Fund's assets, including extraordinary expenses such as litigation, if any, save in each case to the extent reimbursed by portfolio companies (which reimbursements may be for travel, subsistence and any other out-of-pocket expenses incurred in connection with the making, monitoring, enforcing and/or disposing of such portfolio company investments, including follow-on investments and re-financings).

All such expenses will be allocated (and, if applicable, may be re-allocated) among and borne by the Master Fund and any other Fund Vehicles (including the Feeder Fund) in such proportions as the AIFM deems fair and reasonable.

Management and performance related fees

Subject to: (i) the third paragraph under the sub-heading "Management Fee" below and (ii) the fifth paragraph under the sub-heading "Incentive Fees" below, the Feeder Fund will pay management and performance related fees to the AIFM. Along with the Administration Fee, such fees will represent all payments made by the Feeder Fund to the AIFM or its delegates. For the avoidance of doubt, the Feeder Fund will not pay any additional fees to the AIFM or its delegates related to the Master Fund's acquisition of assets.

Management Fee

The Feeder Fund will pay the annual Management Fee to the AIFM in respect of each sub-class of Shares. The Management Fee will be calculated as a percentage of the relevant sub-class's NAV as of the last day of each calendar month, adjusted for subscriptions and redemptions made during the month and without accrual of any Incentive Fees, and will be paid monthly in arrear.

Sub-class of Shares	Type of Shares	Maximum Management Fee
A	Income or Accumulation	1.60%
H	Income or Accumulation	0.95%
P	Income or Accumulation	2.25%
R	Income or Accumulation	1.90%

The Management Fee payable by each sub-class of Shares will be reduced by 100% (without double-counting) of the relevant sub-class's *pro rata* portion of any amount allocable to the Feeder Fund in respect of any: (i) management fees (or equivalent), directors' fees, financial consulting fees, advisory fees, monitoring or other transaction fees, paid to any member of the Management Group with respect to the Master Fund's investments; and (ii) break up or abort fees with respect to the Master Fund's transactions not completed that are paid to any member of the Management Group; but excluding any incentive fee, carried interest or equivalent paid to any member of the Management Group with respect to the Master Fund's investments.

The AIFM will generally bear the Portfolio Manager(s)' fees; provided that the Feeder Fund and the AIFM may, by mutual agreement and without reference to the Shareholders, determine that all or any part of the Management Fee will instead be paid by the Feeder Fund to one or more Portfolio Manager(s).

For the avoidance of doubt, no separate management fee will be charged at the level of the Master Fund in respect of the Feeder Fund's Shareholders.

Administration Fee

An Administration Fee may from time to time be payable by the Feeder Fund to the AIFM. Each Administration Fee comprises amounts in respect of Organizational Expenses or other expenses:

- (i) for which the Feeder Fund only is responsible (and not any other Fund Vehicle, including the Master Fund) but which have been borne by the AIFM and/or one or more Portfolio Manager(s) (whether by incurring them directly or by waiving fees to which the AIFM and/or one or more Portfolio Manager(s) were entitled); and
- (ii) in respect of which the AIFM and/or the applicable Portfolio Manager(s) has requested that such amounts be paid. (For the avoidance of doubt, the AIFM and/or the applicable Portfolio Manager may make such request at any time after an applicable expense has been borne.)

Each Administration Fee will be payable upon request.

The Feeder Fund and the AIFM may, by mutual agreement and without reference to the Shareholders, determine that, in lieu of paying an Administration Fee in respect of all or any of an Organizational Expense or other expense invoiced to the AIFM or one or more Portfolio Manager(s), the Feeder Fund will instead pay the invoiced amount directly to the issuer of the invoice.

The Master Fund Administration Fee may be payable at the level of the Master Fund, in which case the Feeder Fund will bear its *pro rata* share of such administration fee, as a shareholder of the Master Fund.

Incentive Fees

The Feeder Fund will pay the AIFM an Incentive Fee in respect of each sub-class of Shares, as described below. Except as otherwise described herein, the Incentive Fee for each sub-class of Shares will

be calculated and accrued on a monthly basis and will become payable at the end of each calendar quarter.

Calculation of Incentive Fees

The Feeder Fund will pay, in relation to each sub-class of Shares that is deemed to meet the Return Hurdle, an amount quarterly in arrear as of the end of each calendar quarter equal to 10% per annum of the net realized and unrealized appreciation in the Adjusted NAV, provided, however, that the Feeder Fund will pay the Incentive Fee only with respect to the excess of the Adjusted NAV of a sub-class of Shares over its Prior High NAV.

In the event that the Feeder Fund redeems a Shareholder's Shares prior to the end of a calendar quarter, any Incentive Fees owing in respect of the relevant Shares being redeemed will become payable to the AIFM.

If the AIFM Agreement is terminated as of a date other than the last day of a calendar quarter, the Incentive Fees will be calculated through the termination date.

The Feeder Fund and the AIFM may, by mutual agreement and without reference to the Shareholders, determine that all or any part of the Incentive Fees instead be paid by the Feeder Fund to one or more Portfolio Manager(s). Additionally, the Feeder Fund and the AIFM (or the applicable recipient) may agree, without reference to the Shareholders, that the Incentive Fees will be paid, in whole or in part, in the form of an allocation rather than a fee.

The ESMA Guidelines on performance fees in UCITS and certain types of AIFs do not apply to the Feeder Fund as it (via the Master Fund) follows a private equity strategy through its investment, on both a primary and secondary basis, in a diversified portfolio of debt instruments issued largely by entities in which private equity funds have made (or will make) equity investments.

For the avoidance of doubt, no separate incentive fee will be charged at the level of the Master Fund in respect of the Feeder Fund's Shareholders.

Distribution costs

The Feeder Fund will pay administrative, regulatory, professional service, audit and other costs related to the distribution of Shares.

Notwithstanding the foregoing, a subscription fee of up to 3% of the amount subscribed by an investor may be charged by the applicable distributor or sub-distributor to that investor. For the avoidance of doubt, the Feeder Fund will not be charged any subscription fees by the Master Fund in connection with its subscription for Master Fund Shares.

Other costs

Except as set out below, the Fund Managers will pay all ordinary administrative and overhead expenses incurred in connection with maintaining and operating their office(s), including, without limitation, employees' salaries, rent and utilities.

In addition to the Master Fund incentive fees, the Master Fund management fee, the Master Fund AIFM fee and Master Fund Administration Fees, the Master Fund will pay and be responsible for its share (determined as set out below) of all fees, costs and expenses

(including any amounts in respect of value added tax) incurred in connection with the operation, administration and activities of the Fund Vehicles (including, for the avoidance of doubt, the Feeder Fund), and the offering of shares (or equivalent for other Fund Vehicles) and the admission of investors to the Fund, including in connection with the making, monitoring, enforcing and/or disposing of investments and/or potential investments, including follow-on investments and refinancings (including the costs and expenses of the Fund Managers in the provision of legal, accounting, loan settlement and administration services in relation to the Fund and its investments (including applicable internal and overhead costs of the Fund Managers relating to such services, which may include costs relating to equipment and remuneration and expenses of applicable personnel), which may include travel, subsistence and any other out-of-pocket expenses incurred in connection therewith (to the extent not reimbursed by portfolio companies); establishment (including, costs associated with the conversion of any vehicle, previously established by the Fund Managers, for the purposes of forming part of the wider fund structure and/or being established as a Fund Vehicle), operation, and liquidation costs of entities forming part of the wider fund structure including the Feeder Fund (including the fees, costs and expenses in connection with corporate secretarial work, the provision of a registered office and the presence of the Master Fund and Feeder Fund and the Fund Managers in any jurisdiction in which such entities are located, together with the internal and overhead costs and expenses of such entities and the remuneration of their personnel); remuneration and expenses paid to the Master Fund and Feeder Fund Boards; legal, auditing, consulting (including third party ESG consulting), depository, administration, transfer agency and other shareholder servicing, Paying Agent, representative, intermediary and correspondent bank, financing, hedging, accounting and custodian fees and expenses; marketing and platform expenses including but not limited to shareholder servicing fees; expenses associated with the Master Fund and Feeder Fund's financial statements; expenses associated with any Fund-related tax reporting or filing obligations (including any such obligations with respect to an investor's domicile); out of pocket expenses incurred in connection with transactions not consummated; expenses of meetings of the investors and any other meeting with any investor(s); insurance expenses (including directors and officers insurance); other expenses associated with the acquisition, holding, enforcing and disposition of its investments, including database subscriptions and costs associated with participating in central credit registers and extraordinary expenses (such as litigation, if any); expenses incurred in connection with compliance with side letters; fees, costs and expenses incurred in connection with computing the value and attributes of the assets of the Fund (including, without limitation and as applicable, any and all fees, costs and expenses associated with advisors, independent pricing services or data and third-party valuation consultants, service contracts for quotation equipment and related hardware and software, phone and internet charges); oversight servicer and asset servicer fees and expenses; and any taxes, fees or other governmental charges levied against the Fund, including the *taxe d'abonnement*.

All such expenses will be allocated (and, if applicable, may be re-allocated) among and borne by the Master Fund and any other Fund Vehicles (including the Feeder Fund) in such proportions as the AIFM deems fair and reasonable. Any expenses attributable to a particular sub-class of shares may be allocated by the Master Fund solely to such sub-class. To the extent that any of the foregoing expenses are

common to the Fund and other Muzinich Products, such expenses will be allocated by the AIFM in a manner deemed fair and reasonable.

If Muzinich & Co. Limited is appointed as a Portfolio Manager then, where applicable, Muzinich & Co. Limited will pay from its own account for investment research, in accordance with the FCA rules.

Overall cost ratio and aggregate charges

The overall cost ratio of the Feeder Fund, assessed on an “all tax included” basis and expressed as a percentage of NAV per annum, is set out below and corresponds to a percentage figure representing the maximum Management Fee. The aggregate charges of the Feeder Fund and the Master Fund correspond to the Feeder Fund’s estimated overall cost ratio plus the estimated overall cost ratio as set out in the Master Fund Prospectus in respect of sub-class X Master Fund Shares in which the Feeder Fund invests substantially all of its assets, which is estimated to be 0.50% as disclosed in the Master Fund Prospectus.

Sub-class of Shares	Estimated Feeder Fund overall cost ratio	Estimated Feeder Fund and Master Fund aggregate charges
A	1.60%	1.60% + 0.50%
H	0.95%	0.95% + 0.50%
P	2.25%	2.25% + 0.50%
R	1.90%	1.90% + 0.50%

Indemnification and exculpation

The Master Fund and the Feeder Fund will indemnify and hold harmless Muzinich & Co. Limited, the Fund Managers, and any affiliate of any of them, and each of their respective partners, shareholders, members, managers, officers, directors (including the Master Fund Board and the Board), employees, agents, advisors, personnel and consultants, and any person nominated by any of them to be a director (or equivalent) of any portfolio company or affiliate thereof (collectively, “**Indemnified Persons**”) against all claims, liabilities, costs, and expenses, including legal fees, judgments, and amounts paid in defense and settlement, as incurred by them (collectively, “**Damages**”), by reason of their activities on behalf of the Master Fund and the Feeder Fund or the investors, other than for fraud (*dol*), bad faith (*mauvaise foi*), gross negligence (*faute lourde*) or willful misconduct (*faute intentionnelle ou dolosive*), which, in each such case (a) remains unremedied 30 days following such action and (b) is thereafter determined by a court of competent jurisdiction.

No Indemnified Person will be liable to the Master Fund or the Feeder Fund for Damages by reason of their activities on behalf of the Master Fund, the Feeder Fund or the investors, other than for fraud (*dol*), bad faith (*mauvaise foi*), gross negligence (*faute lourde*) or willful misconduct (*faute intentionnelle ou dolosive*), which, in each such case (a) remains unremedied 30 days following such action and (b) is thereafter determined by a court of competent jurisdiction.

Any indemnity payments will be allocated (and, if applicable, may be re-allocated) among and borne by the Master Fund, the Feeder Fund and any other Fund Vehicles in such proportions as the AIFM deems

fair and reasonable.

Shareholder meetings

The annual general meeting of Shareholders of the Feeder Fund will be held at the registered office of the Feeder Fund in Luxembourg no later than six months after the end of each financial year. Convening details in respect of each general meeting will be provided in the manner prescribed by the Articles.

Proceedings of any extraordinary general meeting called upon to resolve on amendments to the Articles will not be valid unless Shareholders holding at least half of the Feeder Fund's capital are represented and the agenda indicates the proposed amendments to the Articles and, where applicable, the text of those which concern the objects or the form of the Feeder Fund. If the first of these conditions is not satisfied, a second meeting will be convened, in the manner prescribed by the Articles. The proceedings of the second meeting will be valid regardless of the proportion of the Feeder Fund's capital represented. Resolutions will be validly passed if they are passed by two-thirds of the votes cast. Votes cast will not include votes cast in relation to Shares represented at the meeting but in respect of which Shareholders have not taken part in the vote or have abstained or have returned a blank or invalid vote. Any amendment to the Articles will be subject to prior approval by the CSSF.

Where the Feeder Fund is entitled to vote on any matter put to the shareholders of the Master Fund, the Feeder Fund will put that same matter to a vote of the Shareholders, and will exercise its vote in respect of its shares of the Master Fund in the same proportions as corresponding votes cast by the Shareholders.

Voting rights

Each Share entitles the applicable Shareholder present or represented at the relevant general meeting to one vote. Voting in respect of fractions of Shares is not permitted. The Board may determine in the convening notice for any general meeting that Shareholders are only permitted to vote if they confirm their attendance by a certain date and time prior to the relevant general meeting.

Board

In accordance with Luxembourg law, the Shareholders will determine the number of board members and will appoint the Board at a meeting of Shareholders; provided that a Board member may be appointed only with the prior approval of the CSSF. Board members may be re-elected. The Shareholders may remove any Board member at any meeting of the Shareholders.

Liquidation

In accordance with Luxembourg law, if the capital of the Feeder Fund falls below two thirds of its minimum capital of €1,250,000, the Board will submit the question of the dissolution of the Feeder Fund to a general meeting of Shareholders for which no quorum may be prescribed and at which decisions will be taken by Shareholders holding a simple majority of the Shares represented at the meeting. If the capital of the Feeder Fund falls below one quarter of its minimum capital of €1,250,000, the Board will submit the question of the dissolution of the Feeder Fund to a general meeting for which no quorum may be prescribed and at which decisions will be taken by Shareholders holding one quarter of the Shares represented at the meeting.

The Shareholders may, in accordance with the Articles and the 1915 Law, decide to liquidate the Feeder Fund at a general meeting.

Any liquidation of the Feeder Fund, which may be proposed by the Board to the Shareholders at any time, will be carried out in accordance with the provision for the 2010 Law. Such law specifies the steps to be taken to enable Shareholders to participate in the distribution of the liquidation proceeds and provides upon finalization of the liquidation that the assets be deposited in escrow with the Luxembourg *Caisse de Consignation* to be held for the benefit of the relevant Shareholders. Amounts not claimed from escrow within the relevant prescription period will be liable to be forfeited in accordance with applicable Luxembourg law.

Currency

The base currency of the Feeder Fund and the Master Fund is the euro (€).

However, the Master Fund may permit investors, including the Feeder Fund, to contribute in currencies other than euro and, if so, distributions will be paid and all calculations in respect of such Master Fund Shares will be undertaken in the applicable currency in which such contributions are made.

Legal counsel

Macfarlanes LLP as to English and European Union law; Arendt & Medernach S.A. as to Luxembourg law.

Auditor and Master Fund Auditor

The accounting data in the annual report of the Feeder Fund will be examined by an authorized independent auditor (*réviseur d'entreprises agréé*) appointed by the Feeder Fund and remunerated by the Feeder Fund. The auditor will fulfil the duties prescribed by the 2010 Law. The Feeder Fund has appointed Deloitte Audit, S.à r.l. as its independent auditor.

The Master Fund Auditor will fulfil the duties prescribed by the 2010 Law. The Master Fund has appointed Deloitte Audit, S.à r.l. as its independent auditor.

Administrator

The Feeder Fund has appointed State Street Bank International GmbH, Luxembourg Branch as its administrator; provided that the Feeder Fund may, at any time, appoint an alternative administrator and retains full discretion to appoint an affiliate to perform such function. Change of administrator will be subject to the prior approval of the CSSF.

Depository

The Feeder Fund has appointed State Street Bank International GmbH, Luxembourg Branch as its depository; provided that the Feeder Fund may, at any time, appoint an alternative depository and retains full discretion to appoint an affiliate to perform such function. Change of service provider will be subject to the prior approval of the CSSF. As the Master Fund and the Feeder Fund have different depositaries, those depositaries have entered into an information-sharing agreement in order to ensure the fulfilment of the duties of both depositaries under the ELTIF Regulation.

Distributors and sub-distributors

One or more distributors may be appointed by the Feeder Fund and the Master Fund, each in respect of one or more sub-classes of Shares and Master Fund Shares. Any such distributor may be an affiliate of the Master Fund and/or the Fund Managers. Muzinich & Co. Limited will act as the Feeder Fund and Master Fund's initial global distributor, and is expected to appoint one or more sub-distributors, each in respect of one or more sub-classes of Shares and Master Fund Shares.

Paying Agents

One or more Paying Agents may be appointed by the Feeder Fund and the Master Fund, each in respect of one or more sub-classes of Shares and Master Fund Shares.

7 CERTAIN RISK FACTORS AND POTENTIAL CONFLICTS OF INTEREST

An investment in the Feeder Fund involves a high degree of risk, **including the risk of loss of the entire amount invested**, and no guarantee or representation is or can be made that the Feeder Fund (including through its investment in the Master Fund) will achieve its investment objective or that investors will receive a return of their capital. Prospective investors should carefully consider, among other factors, the matters described below, each of which could have an adverse effect on the value of an investment in the Feeder Fund. However, this Prospectus does not purport to be a complete disclosure of all risks that may be relevant to a decision to make an investment in the Feeder Fund. No attempt has been made to rank risks in the order of their likelihood or potential harm. As a result of such factors, as well as other risks inherent in any investment, there can be no assurance that the Feeder Fund will meet its objectives or that significant operating losses will not occur. Returns on an investment in the Feeder Fund may be unpredictable and, accordingly, a prospective investor should only invest in the Feeder Fund as part of an overall investment strategy.

The Feeder Fund invests in the Master Fund through a “master-feeder” structure. As a result, the Feeder Fund will be subject to the risks associated with the Master Fund.

7.1 Long-term nature of private debt instruments

Private debt instruments, including senior secured floating rate debt instruments, unitranche debt, syndicated loans and club loans are expected to comprise the majority of the Master Fund’s portfolio of investments. Such private debt instruments are not generally traded on recognized exchange markets. Instead, they are typically privately originated or traded by banks and other institutional investors participating in the loan markets. The liquidity of the Master Fund’s investments will therefore depend on the liquidity of this market. The AIFM will ensure that the liquidity of the Master Fund is in compliance with the CSSF Circular 20/752 of 29 September 2020 on ESMA Guidelines and Liquidity Stress Testing in UCITS and AIFs as well as the related ESMA Guidelines 34-39-897 of 16 July 2020. Trading in loans is based on the European Loan Market convention of T+10 but is also subject to settlement delays as transfers may require extensive documentation, the payment of significant fees and the consent of the agent bank or underlying obligor. Junior investment opportunities are also subject to limitations on liquidity. In addition, certain investments may be subject to legal or contractual restrictions or requirements that limit the Master Fund’s ability to transfer them or sell them for cash. Bonds issued by middle-market companies may be thinly traded or there may be no public market at all for such bonds. As a result, the Master Fund’s investments may be long-term in nature and there can be no assurance that the Master Fund will be able to realize investments at attractive prices or otherwise be able to effect a successful realization or exit strategy. It may also not be possible to establish their current value at any particular time. The long-term nature of certain assets within the Master Fund’s portfolio may impede the Master Fund’s ability to respond to adverse changes in the performance of its assets and may adversely affect the value of an investment in the Master Fund.

7.2 Risks related to the Feeder Fund

7.2.1. “Master-feeder” structure

The Feeder Fund invests through a “master-feeder” structure.

The master-feeder fund structure – in particular the existence of multiple feeder funds investing in the same master fund – presents certain unique risks to investors. Smaller feeder funds investing in a master fund may be materially affected by the actions of larger feeder funds investing in a master fund. For example, if a larger feeder fund redeems from the Master Fund (or a large investor directly invested in the Master Fund redeems from the Master Fund), the remaining feeder funds, including the Feeder Fund, may experience higher *pro rata* operating expenses, thereby producing lower returns. The Master Fund’s portfolio may become less diverse due to liquidations of positions needed to fund a redemption by a larger feeder fund, resulting in increased portfolio risk. The Master Fund is a single entity and creditors of the Master Fund may enforce claims against all assets of the Master Fund. In addition, since substantially all of the Feeder Fund’s assets are expected to be invested in the Master Fund, certain conflicts of interest in determining whether to hold or dispose of an asset may exist due to

different tax considerations applicable to the Feeder Fund and any other feeder funds or other direct investors in the Master Fund.

The Feeder Fund will be subject to the risks associated with the Master Fund. The value of the Feeder Fund and the income from it is closely linked to the performance of the Master Fund, there is no guarantee that the investment objective of the Master Fund will be achieved.

The Feeder Fund will have limited or no control over the management, operations, and investment decisions of the Master Fund, and will rely on the information and reports provided by the Master Fund and its service providers. The Feeder Fund may not have access to the same level of information, transparency, or oversight as if it invested directly in the underlying assets of the Master Fund, and may be exposed to operational, legal, regulatory, or reputational risks arising from the Master Fund or its service providers. The Feeder Fund may also face delays or difficulties in redeeming its shares from the Master Fund, or in receiving distributions or other payments from the Master Fund, due to the Master Fund's liquidity, valuation, or settlement procedures, or due to legal or regulatory restrictions or events affecting the Master Fund or its service providers.

The Feeder Fund's performance may not be identical to the performance of the Master Fund due to the master-feeder structure and additional costs that may have been incurred at Feeder Fund level. The Feeder Fund will bear its own fees and expenses, as well as a *pro rata* share of the fees and expenses of the Master Fund, which may result in higher total fees and expenses than if the Feeder Fund invested directly in the underlying assets of the Master Fund

7.2.2. VAT considerations

Under current law and practice it is not expected that value added tax (VAT) will be levied on the management services supplied to the Feeder Fund. However, in the event that VAT is applicable (or is determined by a tax authority to be applicable) to any management fee payable by the Feeder Fund, it will bear such VAT in addition to any other amounts payable by the Feeder Fund in accordance with this Prospectus, which may represent an absolute cost for the Feeder Fund which would reduce the funds available to make distributions. If VAT is chargeable on the management fee, the AIFM intends to minimize the effect of such VAT so far as it considers reasonably practicable. However, there can be no assurance that it would be possible to mitigate or eliminate such VAT cost. The above information is based on the law in force and current practice and is subject to change.

7.2.3. Incentive Fee

The calculation of the Incentive Fee payable in respect of Shares does not include an equalization mechanic. Therefore, Shareholders may receive the benefit of performance for which the Feeder Fund has not paid a related Incentive Fee to the AIFM or the Feeder Fund may pay an Incentive Fee to the AIFM for performance from which Shareholders have not benefitted.

7.3 Risks related to the Feeder Fund and Master Fund

7.3.1. Agreements with certain investors

The Feeder Fund, the Master Fund, the AIFM and/or a Portfolio Manager may in their absolute discretion agree to enter into arrangements (whether by means of a side letter or other arrangement) with any existing or potential Professional Investors that have the effect of altering or supplementing the terms governing an investment in the Feeder Fund and, indirectly, the Master Fund set out in this Prospectus, the Master Fund Prospectus and such investors' subscription agreements (a "**Modification of Terms**"). Any Modification of Terms will generally be based on factors such as the size of an investor's investment, an investor's existing relationship with a Portfolio Manager or any particular regulatory or legal considerations applicable to an investor, but the Feeder Fund, the Master Fund, the AIFM and/or a Portfolio Manager may enter into such arrangements for any reason. For the avoidance of doubt, pursuant to the ELTIF Regulations such Modification of Terms may not grant preferential treatment or specific economic benefits to individual investors or groups of investors within a sub-class of shares marketed to Retail Investors.

Furthermore, any Modification of Terms may be made in relation to (but not limited to) “most favored nation” provisions, co-investment opportunities, transfers, use of name, prohibited and excused investments, borrowing, confidentiality, carried interest, notification of investigations, change of control, distribution *in specie* and other legal and regulatory matters. Unless agreed with an investor, none of the Feeder Fund, the Master Fund the AIFM or either Portfolio Manager is obligated to disclose the existence or specific terms of any side letter or other agreement which gives rise to a Modification of Terms to any other investors. The ability of investors to obtain more favorable terms in this manner may not disadvantage other investors who do not have a Modification of Terms.

7.3.2. A single investor may control the Feeder Fund or Master Fund

A single investor and its affiliates may hold a majority (or greater proportion) of the Shares or Master Fund Shares and, as such, would be capable, acting alone, of passing any resolution in relation to the Feeder Fund or Master Fund (respectively) requiring a majority (or greater proportion) of the Shares or Master Fund Shares. Investors should be aware that any such investor will not owe any duty of care to the interests of other investors and will be entitled to exercise any votes attributable to its investment in the Feeder Fund or Master Fund solely in its own interests.

7.3.3. Diverse investors

Investors may have conflicting investment, tax and other interests with respect to their investments in the Feeder Fund and, indirectly, the Master Fund. The conflicting interests of individual investors may relate to or arise from, among other things, the nature of investments made by the Feeder Fund and/or the Master Fund, the structuring of the acquisition of investments and the timing of disposition of investments. As a consequence, conflicts of interest may arise in connection with decisions made by the Fund Managers, including with respect to the nature or structuring of investments, that may be more beneficial for one investor than for another, especially with respect to investors’ individual tax situations. In selecting and structuring appropriate investments, the Fund Managers will consider the investment and tax objectives of the Master Fund and its investors as a whole, rather than the investment, tax or other objectives of any investor individually.

7.3.4. Changes in laws or regulation

Each of the Feeder Fund and the Master Fund is subject to regulation by laws at local and national levels and in multiple jurisdictions. These laws and regulations, as well as their interpretation, may be changed from time to time in a way that could have a material adverse effect on the Feeder Fund and Master Fund’s operations. For example, changes to the tax laws or practice in any tax jurisdiction or to a tax treaty affecting the Feeder Fund and Master Fund or any of its investments could adversely affect the value of the investments held by the Feeder Fund and Master Fund and the Feeder Fund’s and Master Fund’s ability to achieve its investment objective. Additionally, financial regulation is constantly changing and the Feeder Fund and Master Fund may need to be adapted to comply with, or be materially adversely affected by, such changes.

7.3.5. Disclosure of confidential information

Investors may include entities that are subject to state public records or similar laws that may compel public disclosure of confidential information regarding the Feeder Fund and Master Fund, their investments and their investors. There can be no assurance that such information will not be disclosed either publicly or to regulators, or otherwise.

7.3.6. Operational risks (including cybersecurity and identity theft)

An investment in the Feeder Fund and, indirectly, the Master Fund, like any fund, can involve operational risks arising from factors such as processing errors, human errors, inadequate or failed internal or external processes, failure in systems and technology, changes in personnel, infiltration by unauthorized persons and errors caused by service providers such as the Portfolio Manager(s) or the Administrator. While the Feeder Fund and the Master Fund seek to minimize such events through controls and oversight, there may still be failures that could cause losses to the Feeder Fund and/or the Master Fund.

The AIFM, Portfolio Manager(s), Administrator and Depositary (and their respective groups) each maintain appropriate information technology systems. However, like any other system, these systems could be subject to cyber security attacks or similar threats resulting in data security breaches, theft, a disruption in the AIFM's, Investment Manager's, Administrator's and/or Depositary's service or ability to close out positions and the disclosure or corruption of sensitive and confidential information. Notwithstanding the existence of policies and procedures designed to detect and prevent such breaches and ensure the security, integrity and confidentiality of such information as well as the existence of business continuity and disaster recovery measures designed to mitigate any such breach or disruption at the level of the Feeder Fund and/or the Master Fund and their delegates, such security breaches may potentially also result in loss of assets and could create significant financial and or legal exposure for the Feeder Fund and/or the Master Fund.

7.3.7. Tax considerations

Each of the Feeder Fund and the Master Fund is intended to be structured in a manner such that the Feeder Fund or the Master Fund itself is not subject to net income taxation. If the Feeder Fund or the Master Fund, or any affiliate of the Feeder Fund or the Master Fund, were treated as resident, or as having a permanent establishment, or as otherwise being engaged in a trade or activity, in any country in which it invests or in which its investments are managed, all of the Feeder Fund or the Master Fund's income or gains, or that part thereof, attributable to or effectively connected with such permanent establishment or trade or activity, may be subject to tax. In addition, an investment in the Feeder Fund and, indirectly, the Master Fund, involves complex tax considerations which may differ for each investor, and each prospective investor is advised to consult its own tax advisors. Any tax legislation and its interpretation, and the legal and regulatory regimes which apply in relation to an investment in the Feeder Fund and, indirectly, the Master Fund may change during the life of the Feeder Fund, including retrospectively. Accounting practice may also change, which may affect, in particular, the manner in which the Feeder Fund's and/or the Master Fund's investments are valued and/or the way in which income or capital gains are recognized and/or allocated by the Feeder Fund and/or the Master Fund.

7.3.8. FATCA considerations

Each of the Feeder Fund and the Master Fund is subject to certain regulations imposed by regulators in multiple jurisdictions, including the US Foreign Account Tax Compliance Act, as codified in sections 1471-1474 of the US Internal Revenue Code of 1986, as amended (the "**Code**") and any US Treasury Regulations, rules or other guidance issued thereunder (including after the date hereof) and the terms of any intergovernmental agreement, and any implementing legislation or rules and any similar laws, including similar laws passed by a foreign government (collectively, "**FATCA Rules**"). Very generally, FATCA Rules require reporting to the IRS of certain non-US financial institutions that do not comply with FATCA Rules and certain US persons' direct and indirect ownership of non-US accounts and non-US entities. Failure to provide the requested information or to otherwise comply with the requirements of FATCA Rules may lead to a 30% withholding tax applying to certain US source income (including dividends and interest).

Each entity constituting the Fund will be treated as a "Foreign Financial Institution" within the meaning of FATCA, and, accordingly, in order to avoid the imposition of the 30% withholding tax described above, each such entity must either (i) enter into (or qualify for an exemption from entering into) and comply with the terms of a "FATCA Agreement" with the IRS or (ii) satisfy the requirements of (including any rules or regulations implemented pursuant to) an intergovernmental agreement (together, an "**IGA**"). As such, each of the Feeder Fund and the Master Fund require all investors to provide documentary evidence of their tax residence and all other information deemed necessary to comply with FATCA Rules. Please see "Certain Tax Considerations" below for further information about FATCA and its application.

Despite anything else herein contained and as far as permitted by Luxembourg law, respectively, the Feeder Fund and the Master Fund may:

- withhold any taxes or similar charges that it is legally required to withhold, whether by law or otherwise, in respect of any investor in the Feeder Fund and the Master Fund, as applicable;

- require any investor or beneficial owner of an interest in the Master Fund and/or Feeder Fund, as applicable, to furnish promptly such personal data as may be required by the Board and/or the Master Fund Board in their discretion in order to comply with any law and/or to determine promptly the amount of withholding to be retained;
- divulge any such personal information to any tax authority, as may be required by law or such authority; and
- withhold the payment of any dividend or redemption proceeds to an investor until the Feeder Fund and/or the Master Fund, as applicable, holds sufficient information to enable it to determine the correct amount to be withheld.

7.3.9. International tax initiatives

In March 2017, the G20 commissioned the OECD to carry out a program of work to address the tax challenges posed by digitalization of the economy. As a result of that initiative, in October 2021, 135 member countries of the OECD Inclusive Framework on Base Erosion and Profit Shifting (BEPS) reached a political agreement to support reforms to international tax rules under two “pillars”: Pillar One and Pillar Two. Despite the putative focus on digitalization, these reforms are largely sector-agnostic and will affect a wide range of businesses.

The Pillar One proposals are a minimum standard that signatory countries will be expected to adopt. They aim to allocate a greater share of the taxing rights over the profits of the largest and most profitable multinational enterprises (MNEs) to the countries in which their customers and users are located. They will apply to MNEs with revenues of at least €20bn and a pre-tax profit margin of at least 10%. The OECD is still in the process of developing the detailed architecture of the Pillar One rules.

The Pillar Two proposals comprise the GloBE Rules and the Subject to Tax Rule (STTR). The GloBE Rules are termed as a “common approach” which means countries will not be required to implement the rules (although a large majority are expected to do so). They aim to ensure that MNEs pay a minimum effective corporate tax rate of 15% in respect of their profits on a country-by-country basis. They do this by enabling other countries to charge top-up taxes in respect of any under-taxed profits under several co-ordinated rules. In contrast to the GloBE Rules, the STTR is a mandatory minimum standard. It will require amendments to Double Tax Agreements (DTAs) that will give developing countries greater source taxing rights over certain base erosive payments in situations where their taxing rights are currently limited by a DTA with another country that does not tax the payment at a minimum rate of 9%. The OECD has published detailed Model Rules that contain the architecture of the GloBE Rules, together with extensive supporting Commentary. The OECD released the model treaty provision and commentary for the STTR in July 2023. However, the timing related to the amendments to the various DTAs following such release remains uncertain.

Many jurisdictions have already (at least partially) completed their implementation of the GloBE Rules in accordance with their own domestic law requirements, such that the GloBE Rules are now fully in force in certain jurisdictions. Whilst numerous jurisdictions are yet to formalize their implementation, it is expected that they will do so. There may be differences or discrepancies in the operation and effect of the GloBE Rules as adopted by individual jurisdictions depending on the final form of the rules that each jurisdiction elects to adopt, and this is likely to increase the tax risks to the Master Fund, the Feeder Fund and each of their subsidiaries and investors.

On 20 December 2023, the Luxembourg Parliament voted to approve the Pillar Two law transposing the EU Pillar Two Directive. The law has entered into force as from fiscal years starting on or after 31 December 2023. The Income Inclusion Rule (IIR) and the Qualified Domestic Minimum Top-up Tax (QDMTT) became effective for fiscal years starting on or after 31 December 2023, whereas the Undertaxed Profits Rule (UTPR) would become effective for fiscal years starting on or after 31 December 2024.

On 22 December 2021, the EU Commission published an initiative, known as the “Unshell” proposal, aimed at fighting the misuse of shell entities for improper tax purposes. The draft Unshell Directive (also known as the third Anti-Tax Avoidance Directive, or ATAD III) would require EU member states to implement new rules aimed at identifying and counteracting shell entities. The proposed rules would:

(i) identify potential shell entities by applying certain gateway criteria to entities resident in EU member states; (ii) require those entities to report information on certain “substance indicators” to the relevant tax authority; and (iii) where one of the substance indicators is not met in relation to an entity, apply a rebuttable presumption that the entity is a shell entity. Entities that are unable to rebut that presumption would be subject to tax consequences including: (a) the denial of tax relief under DTAs and the EU Parent-Subsidiary and Interest and Royalty Directives; and (b) the denial of a tax residence certificate (or provision of a tax residence certificate specifying that the entity is a shell). There is significant uncertainty as to the development of the draft ATAD III and its implementation into domestic law.

Depending on whether and how the Pillar One, Pillar Two and Unshell proposals are implemented, they may have a material impact on how returns to the Master Fund’s and the Feeder Fund’s investors are taxed. Such implementation may also give rise to additional reporting and disclosure obligations for investors and may also result in the Portfolio Manager implementing strategies which may not be optimal for one or more investors.

7.3.10. EU-list of non-cooperative tax jurisdictions

The EU maintains a list of non-cooperative jurisdictions for tax purposes (which is often referred to as the “blacklist”). Other jurisdictions (or groupings of jurisdictions) maintain lists of low tax or “tax haven” jurisdictions. It is unclear which jurisdictions may be included on one or more such lists by the EU, other groupings of jurisdictions or a particular jurisdiction in the future and how long any such designation would remain in place and what ramifications, if any, any such listing would have for the Master Fund or the Feeder Fund, any subsidiaries, its investments and the investors. In particular, it is possible that the Master Fund may use subsidiaries, aggregators, holding entities and/or alternative investment vehicles that are domiciled in a jurisdiction that is, or may in the future be, included on one or more such lists. As the EU, other groupings of jurisdictions, or any particular jurisdiction may implement its own laws and regulations in connection with any such listing, the tax and other implications to the Master Fund or the Feeder Fund and the investors may differ on a country-by-country and investor-by-investor basis.

Subject to certain conditions, article 168 (5) of the amended Luxembourg income tax law of 4 December 1967 denies the deductibility of interest and royalty paid to certain entities located in jurisdictions mentioned on the EU blacklist.

7.3.11. EU Directive 2018/822

The European Council has also adopted EU Directive 2018/822 (“**DAC 6**”), which came into force on 25 June 2018 and amends EU Directive 2011/16/EU (regarding administrative cooperation). DAC 6 has been implemented in Luxembourg law by the law of 25 March 2020, as amended from time to time. DAC 6 requires Member States to enact rules obliging intermediaries, and in some cases taxpayers, to report information to tax authorities about certain cross-border tax-planning arrangements. The rules are retrospective, applying to arrangements the first step of which was implemented after 25 June 2018.

Further to the implementation of DAC 6 in Luxembourg, the Board, the Master Fund Board, the Master Fund, the Feeder Fund, the AIFM, investors in the Master Fund or the Feeder Fund, or any person that has advised or assisted could be legally obliged to file information on the present transaction with the competent authorities with a view to an automatic exchange of such information with other EU member states.

Prospective investors are advised to consult their own professional tax advisers in respect of the possible tax consequences of subscribing for, buying, holding, redeeming, converting or selling shares in the Feeder Fund, including the application and effect of any federal, state or local taxes (as applicable) under the tax laws of Luxembourg and under the laws of their country of citizenship, residence, domicile or incorporation.

7.4 Risks related to the Master Fund

7.4.1. No assurance of returns or achieving investment objectives

Muzinich cannot provide assurances that it will be able to select, make and/or realize investments. There is no assurance that the Master Fund will be able to generate returns for investors or that the returns will be commensurate with the risk of investing in the types of assets and transactions described in the Master Fund Prospectus and this Prospectus. There can be no assurance that the Master Fund's investment objectives will be met or that investors will receive a return of all their invested capital. Therefore, a prospective investor should invest in the Feeder Fund only if it can withstand a total loss of its investment. The past investment performance of entities with which Muzinich has been associated cannot be taken to guarantee future results of any investment in the Feeder Fund. Investors must determine for themselves what weight, if any, to place on such past investment performance. In general, there can be no guarantee that the Master Fund will be able to avoid losses.

7.4.2. Lack of operating history

The Master Fund has no operating history and has been established in order to make investments of the type described in the Master Fund Prospectus and this Prospectus. Although Muzinich has recent experience relating to the origination, acquisition, holding and disposal of investments of the type described in the Master Fund Prospectus and this this Prospectus, the Master Fund has no investment history and no basis upon which an evaluation of its prospects can be made.

7.4.3. VAT considerations

Under current law and practice it is not expected that value added tax (VAT) will be levied on the management services supplied to the Master Fund. However, in the event of a change of law or practice, any VAT levied on any management fee payable by the Master Fund, it will bear such VAT in addition to any other amounts payable by the Master Fund in accordance with this Prospectus, which may represent an absolute cost for the Master Fund which would reduce the funds available to make distributions. If VAT is chargeable on the management fee, the AIFM intends to minimize the effect of such VAT so far as it considers reasonably practicable. However, there can be no assurance that it would be possible to mitigate or eliminate such VAT cost.

7.4.4. Currency fluctuations

The Master Fund may make and realize investments denominated in more than one currency. As a result, changes in rates of exchange of the euro to other currencies may have an adverse effect on the value, price or income of the Master Fund's investments. Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments. Investors should note that, although Muzinich intends to hedge the Master Fund's exposure to currency risk, it is under no obligation whatsoever to engage in such hedging arrangements. Moreover, where the Master Fund holds certain hedging instruments, it may be required to post greater collateral or margin in the event of fluctuations in the relevant currencies, reducing the assets of the Master Fund available for investment.

7.4.5. Phantom income

There can be no assurance that the Fund will have sufficient cash flow to permit it to make semi-annual distributions to investors in the amount necessary to permit each investor pay all tax liabilities resulting from its ownership of an Interest.

7.4.6. Forward-looking statements and models

Certain statements in this Prospectus constitute "forward-looking statements." When used in this Prospectus, the words "project," "anticipate," "believe," "estimate," "expect" and similar expressions are generally intended to identify forward-looking statements. Such forward-looking statements, including the intended actions and performance objectives of the Feeder Fund and the Master Fund, involve known and unknown risks, uncertainties and other important factors that could cause the actual results,

performance or achievements of the Feeder Fund and/or the Master Fund to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Investors should determine for themselves what reliance, if any, to place on such forward-looking statements.

In addition to other analytical tools, Muzinich may use financial models to evaluate investment opportunities. The accuracy and effectiveness of such models cannot be guaranteed. In all cases, projections are only estimates of future results which are based upon assumptions made at the time that the projections are developed. Projections are inherently uncertain and subject to factors beyond the control of Muzinich and the portfolio company in question. The inaccuracy of certain assumptions, the failure to satisfy certain financial requirements and the occurrence of unforeseen events could impair the ability of Muzinich to realize projected values and/or cash flow in respect of an investment. Therefore, there can be no assurance that the projected results will be obtained and actual results may vary significantly from the projections. General economic and industry-specific conditions, which are not predictable, can also have an adverse impact on the reliability of projections.

7.4.7. Paying Agents

One or more Paying Agents may be appointed by the Feeder Fund, each in respect of one or more sub-classes of Shares, through which subscription and redemption monies or distributions may be paid. Shareholders who pay or receive subscription or redemption monies or distributions via an intermediate entity rather than directly to the Depositary (e.g., a Paying Agent in a local jurisdiction) bear credit risk against that intermediate entity with respect to (i) subscription monies prior to the transmission of such monies to the Depositary for the account of the Feeder Fund (and thereafter to the account of the Master Fund), and (ii) redemption monies payable by such intermediate entity to the relevant Shareholder.

7.4.8. Share sub-class level risk

While it is not intended to engage in any material investment management or trading activity at Share sub-class level within each of the Feeder Fund and the Master Fund, other than for hedging purposes, it should be noted that any such activity may expose the Feeder Fund and the Master Fund to cross contamination risk as it may not be possible to ensure (contractually or otherwise) that a counterparty's recourse in any such arrangements is limited to the assets of the relevant sub-class.

7.4.9. Amendments to AIFMD

AIFMD has been revised by way of an amending directive (commonly referred to as “**AIFMD II**”) on 13 March 2024. Compliance with AIFMD II has the potential to increase the cost and complexity of raising and managing capital. The legislative process surrounding AIFMD II is still ongoing but key changes under AIFMD II are expected to include: (i) new minimum substance requirements for EEA AIFMs; (ii) tightening of the requirements around delegation of portfolio management or risk management functions; (iii) new rules applicable to loan origination funds, including the implementation of additional policies, procedures and investment restrictions on funds conducting loan origination activities; (iv) increased disclosures, including pre-contractual and periodic disclosures; and (v) changes to requirements for non-EEA AIFMs that wish to market AIFs to EEA investors. Member States must adopt and publish, by 16 April 2026, the laws, regulations and administrative provisions necessary to comply with AIFMD II. For the avoidance of doubt, changes to this Prospectus that are required in order to implement AIFMD II or future amendments to AIFMD will not constitute material changes.

7.5 Risks related to the Master Fund's investments: debt investments

7.5.1. Structure of investments

Investments made by the Master Fund may be made through intervening holding companies or other special purpose vehicles. No assurance is given that any particular structure will be suitable for all investors and, in certain circumstances, such structures may lead to additional costs or reporting obligations for some or all of the investors. In addition, certain tax laws may change or be subject to differing interpretations, possibly with retroactive effect, that may have a negative impact on the Master Fund. The tax treatment of a particular special purpose vehicle may change after an investment has been made or a special purpose vehicle has been established, with the result that the issuer of

investments held by or borrower in respect of loans originated by a special purpose vehicle becomes subject to tax. Also, the special purpose vehicles themselves may become increasingly liable to tax or be required to withhold tax on payments or distributions to the Master Fund, or may need to be unwound or restructured, in each case resulting in the Master Fund's returns being reduced. The Master Fund and the special purpose vehicles may be subject to such risks both in the jurisdiction of their respective establishment or incorporation and in each jurisdiction of their respective operations.

7.5.2. Credit risk

The Master Fund is subject to credit risk: i.e., the risk that an underlying borrower will be unable to pay principal and interest when due. Certain of the Master Fund's investments may not be rated by any rating agency and Muzinich will be required to formulate its own views on credit risk. Accordingly, the Master Fund may be primarily dependent upon the judgment of Muzinich as to the credit quality of underlying borrowers. In particular, the Master Fund may depend on Muzinich's internal fundamental analytical systems. A default, or credit impairment of any of the Master Fund's investments could result in a significant or even total loss of the investment.

7.5.3. Illiquidity of investments

Loans, which are expected to comprise the substantial majority of the Master Fund's portfolio of investments, are not generally traded on recognized exchange markets. Instead, they typically are traded by banks and other institutional investors participating in the loan markets. The liquidity of the Master Fund's investments will therefore depend on the liquidity of this market. Trading in loans is subject to delays as transfers may require extensive documentation, the payment of significant fees and the consent of the agent bank or underlying obligor. In addition, certain investments may be subject to legal or contractual restrictions or requirements that limit the Master Fund's ability to transfer them or sell them for cash. As a result, the Master Fund's investments may be illiquid and there can be no assurance that the Master Fund will be able to realize investments at attractive prices or otherwise be able to effect a successful realization or exit strategy. It may also not be possible to establish their current value at any particular time. The lack of liquidity in the Master Fund's asset portfolio may significantly impede the Master Fund's ability to respond to adverse changes in the performance of its assets and may adversely affect the value of an investment in the Master Fund.

7.5.4. Portfolio concentration

The Master Fund will participate in a limited number of investments and its investments may be concentrated in the same industry sector. As a result, the Master Fund's portfolio could become concentrated in few investments and the performance of a few investments or a particular industry may affect the Master Fund's aggregate return.

There is no guarantee that the Master Fund will be able to achieve full investment and, accordingly, the Master Fund may make only a limited number of investments. If a limited number of investments is made, poor performance of a small number of investments could significantly affect returns to investors.

7.5.5. Loans to private companies

A significant portion of the Master Fund's portfolio may be committed to the origination or purchasing of loans to small and medium-sized, privately owned businesses. Compared to larger, publicly owned firms, such companies generally have limited financial resources and access to capital and higher funding costs. They may be in a weaker financial position and may need more capital to expand or compete. These companies frequently have shorter operating histories, narrower product lines and smaller market shares than larger businesses, which render them more vulnerable to competitors' actions and market conditions, as well as general economic downturns. There may not be as much information publicly available about these companies as would be available for public companies and such information may not be of the same quality. These companies are also more likely to depend on the management talents and efforts of a small group of persons and, as a result, the death, disability, resignation or termination of one or more of these persons could have a material adverse impact on these companies' ability to meet their obligations. The above challenges increase the risk of these companies defaulting on their obligations.

7.5.6. Real assets and infrastructure

Certain investments made by the Master Fund may be subject to the risks inherent in real property or infrastructure, including where secured as collateral against loans advanced by the Master Fund. Real assets and infrastructure are affected by a number of factors, including changes in the general economic climate, local conditions (such as an oversupply of space or a reduction in demand for space), the quality and philosophy of management, competition based on rental rates, attractiveness and location of the properties, financial condition of tenants, buyers and sellers of properties, quality of maintenance, insurance and management services, and changes in operating costs. Real assets and infrastructure are also affected by such factors as government regulations (including those governing usage, improvements, zoning and taxes), interest rate levels, the availability of financing, potential liability under changing environmental and other laws, uninsured casualties, the exercise of the right of eminent domain by governmental entities, acts of God and other factors that are beyond the control of the Fund Managers.

Governmental authorities at all levels are actively involved in the promulgation and enforcement of laws and regulations relating to taxation, land use and zoning restrictions, planning regulations, environmental protection and safety and other matters. The promulgation and enforcement of such regulations could have the effect of increasing the expenses, and lowering the income or rate of return, as well as adversely affecting the value, of any of the loans affected thereby. Changes in such regimes over the Master Fund's lifetime may adversely affect the Master Fund or its investments.

7.5.7. Adjustments to terms of investments

The terms and conditions of loan agreements and related documents may be amended, modified or waived only by the agreement of the lenders. Generally, any such agreement must include a majority or a super majority (measured by outstanding loans or commitments) or, in certain circumstances, a unanimous vote of the lenders. Consequently, the terms and conditions of the payment obligation arising from loan agreements could be modified, amended or waived in a manner contrary to the preferences of the Master Fund if a sufficient number of the other lenders concurred with such modification, amendment or waiver. There can be no assurance that any obligations arising from a loan agreement will maintain the terms and conditions to which the Master Fund originally agreed.

The exercise of remedies may also be subject to the vote of a specified percentage of the lenders thereunder. Muzinich will have the authority to cause the Master Fund to consent to certain amendments, waivers or modifications to the portfolio investments requested by obligors or the lead agents for loan syndication agreements. Muzinich may, in accordance with its investment management standards, cause the Master Fund to extend or defer the maturity, adjust the outstanding balance of any investment, reduce or forgive interest or fees, release material collateral or guarantees, or otherwise amend, modify or waive the terms of any related loan agreement, including the payment terms thereunder. Muzinich will make such determinations in accordance with its investment management standards. Any amendment, waiver or modification of an investment could adversely impact the Master Fund's investment returns.

7.5.8. Investments in debt and foreign currency transactions

The Master Fund has a broad investment mandate that gives the Master Fund the authority to make investments in a wide variety of loans, instruments, securities, debentures, warrants and other assets. However, Muzinich envisages that the Master Fund's portfolio will be weighted towards secured investments in the most senior levels of the capital structures of its investee companies.

Set out below is an overview of the principal investments that fall within the Master Fund's investment mandate.

- Senior Secured Loans. Senior secured loans are debt instruments that typically represent the most senior claim on a company's assets and cash flows. Such loans typically have three to eight years maturity. They are often issued in different tranches (A, B and C), all *pari passu*, but with different maturity dates and spreads.

- Senior Unsecured Loans. Senior unsecured loans are debt instruments that typically represent the most senior claim on a company's assets and cash flows, but which are not secured or supported by a guarantee, letter of credit or other form of credit enhancement.
- Unitranche Loans. Unitranche loans are senior secured loans that are structured to provide control over a company's capital structure as a "one-stop" style financing solution by eliminating the need for negotiations with other credit classes in the event of a restructuring process. Consistent with a capital preservation focus, unitranche loans typically exhibit a higher rate of recovery than second lien and mezzanine loans.
- Junior Debt. Junior debt includes loans or notes that frequently have second lien and are junior in ranking to senior secured debt in a capital structure, but which rank above unsecured mezzanine debt or equity. In some instances, junior debt investors can participate in the upside performance of a business through the benefit of warrants.
- Mezzanine Loans. Mezzanine loans are subordinated debt instruments that represent a claim on a company's assets which is senior only to the borrower's common and preferred equity, but subordinated to senior or any second lien loans. Mezzanine loans typically mature after senior and second facilities.
- Leveraged Loans. Leveraged loans are loans that have higher levels of debt leverage compared to investment grade credit. The amount of leverage is often characterized using a bank loan rating (e.g. Ba1 / BB+ or lower from one or more of the major rating agencies).
- Club Loan. A club loan is a debt instrument issued by a borrower to a group of lenders that is priced on a primary basis with limited or no expectation of secondary pricing.
- Bonds. See "Bonds" below.
- Equity Instruments. The Master Fund may invest in equity such as common stock, preferred stock, warrants, profit participation rights or other minority shareholdings. Equity instruments will not typically be an investment focus for the Master Fund.
- Cash and Cash Equivalent Investments. The Master Fund may also invest in cash or cash equivalents and short-term securities, including investment grade fixed income and/or money-market securities (including funds investing in such assets) considered prudent by Muzinich in light of current market conditions to manage cash pending re-investment or Master Fund distributions.
- Hedging Transactions. The Master Fund may purchase and sell foreign currency and enter into interest rate hedges in conjunction with the purchase or sale of underlying Master Fund investments as part of its hedging strategy. The Master Fund's foreign currency transactions may be conducted on a spot basis to satisfy settlement of investments. The Master Fund may also enter into contracts for forward settlement of foreign currencies and interest rates through forward contracts, options agreements or other foreign currency and/or interest rate hedging instruments. The Master Fund will enter into foreign currency transactions and interest rate hedges as a hedging tool and will not purchase or sell foreign currencies or interest rate hedges on a standalone basis. In addition, the Master Fund may use credit default swaps (both single-name and index) and interest rate futures for hedging purposes.

7.5.9. Bonds

The Master Fund may invest in both investment grade and sub-investment grade debt securities (bonds). Sub-investment grade debt securities are subject to greater risk of loss of principal and interest than higher-rated debt securities. The Master Fund may invest in debt securities which rank junior to other outstanding securities and obligations of the issuer, all or a significant portion of which may be secured on substantially all of that issuer's assets. The Master Fund may invest in debt securities which are not protected by financial covenants or limitations on additional indebtedness. The issuers of debt securities may default on their obligations, whether due to insolvency, bankruptcy, fraud or other causes

and their failure to make the scheduled payments could cause the Master Fund to suffer significant losses. The Master Fund will therefore be subject to credit, liquidity and interest rate risks.

The Master Fund is subject to credit risk: i.e., the risk that an issuer of securities will be unable to pay principal and interest when due, or that the value of the security will suffer because investors believe the issuer is less able to pay. This is broadly gauged by the credit ratings of the securities in which the Master Fund invests. However, ratings are only the opinions of the agencies issuing them, may change less quickly than the relevant circumstances and are not absolute guarantees of the quality of the securities. Furthermore, the Master Fund's investments may not be rated by any rating agency or may be below investment grade or the Master Fund may formulate its own views on credit risk. The Master Fund will be primarily dependent upon the judgment of the Fund Managers as to the credit quality of rated and unrated securities. A default, downgrade or credit impairment of any of the Master Fund's investments could result in a significant or even total loss of the investment.

7.5.10. Investments in distressed loans or instruments

The Master Fund may lend to or acquire an instrument of a company that is subject to balance sheet stress, potentially facing liquidity or solvency issues, subsequently declares bankruptcy or otherwise engages in a bankruptcy-type reorganization.

7.5.11. General market risk

Investments in loans, securities, debentures, warrants and other assets or participations are subject to varying degrees of risk. The yields available from such investments generally depend on the structure of the investment and the creditworthiness of the borrower or issuer. Income from, and the value of, the Master Fund's investments may be adversely affected by many factors that are beyond the Master Fund's control, including: adverse changes in national and local economic and market conditions; changes in interest rates and in the availability, costs and terms of financing; changes in governmental laws and regulations, fiscal policies and costs of compliance with laws and regulations; changes in operating expenses; and civil unrest, acts of war or terrorism and natural disasters, including earthquakes and floods, which may result in uninsured and underinsured losses.

A general economic slowdown could have an adverse effect on the Master Fund. Delinquencies, borrower insolvency events and losses generally increase during economic slowdowns or recessions. Any sustained period of increased delinquencies, borrower or issuer defaults or losses is likely to adversely affect the Master Fund's ability to finance loans in the future. Furthermore, various international events have caused significant uncertainty in the global financial markets. While the long-term effects of such events and their potential consequences are unknown, they could have an adverse effect on general economic conditions, consumer confidence and market liquidity.

7.5.12. Interest rate adjustments

The Master Fund may rely on short-term financings to acquire investments with long-term maturities. Certain of the Master Fund's investments may be adjustable rate instruments in which interest rates vary over time, based upon changes in an objective index (e.g., EURIBOR) which generally reflect short-term interest rates. The interest rates on the Master Fund's financings similarly vary with changes in an objective index but may adjust more frequently than the interest rates of the Master Fund's investments.

7.5.13. Prepayments

The value of the Master Fund's assets may be affected by prepayment rates on loans. Prepayment rates are influenced by changes in interest rates and a variety of economic, geographic and other factors beyond the Master Fund's control. Therefore, the frequency at which prepayments (including voluntary prepayments by borrowers and liquidations due to defaults and insolvency) occur on the Master Fund's investments may adversely impact the Master Fund and prepayment rates cannot be predicted with certainty, making it impossible to completely insulate the Master Fund from prepayment or other such risks. Prepayments give rise to increased re-investment risk, as the Master Fund might realize excess cash earlier than expected. If prepayment rates increase, including, for example, when

the prevailing level of interest rates falls, the Master Fund may be unable to re-invest cash in a new investment with an expected rate of return at least equal to that of the investment repaid.

7.5.14. Underlying exposure to the consumer market

A portion of the Master Fund's portfolio may be directly or indirectly exposed to the consumer market. The financial condition of consumers is difficult to assess and predict as many consumer borrowers have no or very limited credit history. There is a greater risk of default in relation to the consumer market which may indirectly have an impact on returns to the Master Fund.

7.5.15. Financing arrangements

The Master Fund may enter into one or more credit facilities or other financing agreements to finance investments or for liquidity and working capital purposes. Such agreements generally include a recourse or credit support component. Further, such borrowings may also provide the lender with the ability to make margin calls and may limit the length of time during which any given asset may be used as eligible collateral.

The Master Fund expects to make use of borrowed funds and other forms of leverage to execute its investment strategy. Leverage generally magnifies both the Master Fund's opportunity for gain and its risk of loss from a particular investment and may result in greater volatility in the Master Fund's NAV. The cost and availability of leverage is highly dependent on the state of the broader credit markets, which state is difficult to forecast accurately. During times when credit markets are unfavorable, it may be difficult to obtain or maintain the desired degree of leverage. To the extent that the Master Fund is unable to secure the amount of leverage it is seeking, this may affect not only the number of investments that the Master Fund can make, but could also have an adverse effect on the value of the investments and on the returns to Master Fund Shareholders (including the Feeder Fund). All the rights and claims of the Master Fund Shareholders (including the Feeder Fund) against the Master Fund are subordinated to the rights and claims of the lenders and the finance providers against the Master Fund.

7.5.16. Taxes

The Master Fund's interest and dividend income, gross sales and disposition proceeds may be subject to withholding and other taxes applicable to the borrower's or issuer's jurisdiction. The Master Fund may structure such investments so as to minimize any such liability, but there can be no assurance that such efforts will be successful or, in any event, that such taxes will not have an adverse effect on the returns of the Master Fund.

7.5.17. Insurance

Insurance on the assets securing the Master Fund's investments may not cover all losses. There are certain types of losses, generally of a catastrophic nature, such as earthquakes, floods, hurricanes, terrorism or acts of war that may be uninsurable or not economically insurable. Inflation, environmental considerations and other factors, including terrorism or acts of war, also might make insurance proceeds insufficient to repair or replace an asset if it is damaged or destroyed. Under such circumstances, the insurance proceeds received might not be adequate to restore the Master Fund's economic position with respect to the affected assets. Any uninsured loss could result in both loss of cash flow from and the value of the affected asset.

7.5.18. Borrower fraud

Fraud by potential borrowers could cause the Master Fund to suffer losses. A potential borrower could defraud the Master Fund by, among other things: directing the proceeds of collections of its accounts receivable to bank accounts other than the Master Fund's established lockboxes; failing to accurately record accounts receivable aging; overstating or falsifying records showing accounts receivable; or providing inaccurate reporting of other financial information. The failure of a potential borrower to report its financial position accurately, comply with loan covenants or be eligible for additional borrowings could result in the loss of some or the entire principal of a particular loan or loans.

7.5.19. Borrower bankruptcy

The borrowers in respect of instruments, securities, debentures, warrants, loans and other assets or participations constituting the Master Fund assets may seek the protection afforded by bankruptcy, insolvency and other debtor relief laws. One of the protections offered in certain jurisdictions in such proceedings is a stay on required payments on such assets of the Master Fund. A stay on payments to be made on the assets of the Master Fund could adversely affect the value of those assets and the Master Fund itself. Other protections in such proceedings include forgiveness of debt, the ability to create super-priority liens in favor of certain creditors of the debtor and certain well-defined claims procedures. Additionally, the numerous risks inherent in the bankruptcy process create a potential risk of loss by the Master Fund of its entire investment in any particular investment.

7.5.20. Related liability risk

The Master Fund may become subject to unexpected contingent liabilities after the advance or purchase of a loan or the purchase of a security or other obligation. Examples include environmental liabilities or, in some European countries, social liabilities relating to the mitigation of the effect of corporate restructurings on employees.

7.5.21. Security may not be enforceable

Investments may be secured by real property interests, mortgages, charges, pledges, liens or other security interests including liens on high risk collateral, or notes or pledges made by high-risk borrowers, including sub-prime and non-performing loans. Depending on the jurisdiction in which such security interests are created, enforcement of such security interests may be a complicated and difficult process. For example, enforcement of security interests in certain jurisdictions may require a court order and a sale of the secured property through public bidding or auction. In addition, some jurisdictions grant courts the power to declare security interest arrangements to be void if they deem the security interest to be excessive.

The Master Fund's investments and the collateral underlying those investments will be subject to various laws for the protection of creditors in the jurisdictions of incorporation of the borrowers concerned and, if different, the jurisdictions in which they conduct business and/or hold assets. Such differences in law may also adversely affect the rights of the Master Fund as a subordinated lender with respect to other creditors. Additionally, the Master Fund, as a creditor, may experience less favorable treatment under different insolvency regimes than those that apply in, for example, the United Kingdom, including in cases where the Master Fund seeks to enforce any security it may hold as a creditor.

7.5.22. Subordination risk

Certain debt investments originated or acquired by the Master Fund will be subject to additional risks. Such investments may be unsecured and structurally or contractually subordinated to substantial amounts of senior indebtedness, all or a significant portion of which may be secured. Moreover, such investments may not be protected by financial covenants or limitations upon additional indebtedness.

7.5.23. Lender liability considerations

In certain jurisdictions, borrowers may assert claims against lending institutions on the basis of various evolving legal theories, including equitable subordination (collectively termed "lender liability"). Generally, lender liability is founded upon the premise that the institutional lender has violated a duty (whether implied or contractual) of good faith and fair dealing owed to the borrower or has assumed a degree of control over the borrower resulting in the creation of a fiduciary duty owed to the borrower. The Master Fund, as a creditor, may be subject to allegations of lender liability. Furthermore, the Master Fund may be unable to control the conduct of the lenders under a loan syndication agreement requiring less than a unanimous vote, yet the Master Fund may be subject to lender liability for such conduct.

7.5.24. Counterparties

Some institutions (including brokerage firms and banks) with which the Master Fund will enter into counterparty relationships or to which securities will be entrusted for custodial and/or prime brokerage

purposes, may encounter financial difficulties, fail or otherwise become unable to meet their obligations. In conditions of market turmoil, such financial institutions' financial condition (as well as that of the Master Fund) may be adversely affected and they may become subject to legal, regulatory, reputational and other unforeseen risks that could have a material adverse effect on the activities and operations of the Master Fund. In the event of a bankruptcy or insolvency of such a counterparty, the Master Fund could experience delays in liquidating an investment and significant losses, including the loss of that portion of the Master Fund's portfolio held by such a counterparty, which may arise as a result of a decline in the value of an investment during the period in which the Master Fund seeks to enforce its rights, the inability to realize any gains on an investment during such period and significant fees and expenses incurred in enforcing its rights. The Master Fund is subject to the risk that such counterparties may or may not have access to finance and/or assets at the relevant time and may fail to comply with their obligations under the relevant arrangements.

7.5.25. Participation interests and synthetic securities

The Master Fund may purchase participation interests in loans or debt instruments, or synthetic securities such as swaps (including total return swaps), over-the-counter transactions and other derivative instruments (which may be used only for the purpose of hedging risks inherent to other investments of the Master Fund), which do not entitle the holder thereof to direct rights against the obligor. In such situations, the Master Fund will typically have a contractual relationship only with the relevant seller or counterparty (as the case may be) and not with the underlying obligor. As such, in respect of a participation, the Master Fund will only have the right to receive payments of principal, interest and any fees to which it is entitled only from the seller and only upon receipt by such seller of such payments from the obligor, and in respect of participations and synthetic securities, the Master Fund generally will have no right directly to enforce compliance by the underlying obligor with the terms of the related loan agreement or underlying obligation (as the case may be) nor any rights of set-off against the underlying obligor, nor have any voting or other consensual rights of ownership with respect to the related loan agreement or underlying obligation (as the case may be). In such circumstances, the Master Fund may not directly benefit from the collateral supporting the loan or debt instrument in which it has purchased the participation or underlying obligation. As a result, the Master Fund will assume the credit risk of both the obligor and the seller or counterparty. In the event of the insolvency of such seller or counterparty, the Master Fund may be treated as a general creditor of such seller or counterparty, and may not benefit from any set-off between such seller and the obligor, or have any claim of title with respect to the underlying obligation. As a result, concentrations of synthetic securities entered into with any one counterparty will subject the Master Fund to an additional degree of risk with respect to defaults by such counterparty as well as by the underlying obligor. When the Master Fund holds a participation in a loan or debt instrument it may not have the right to vote to waive enforcement of any restrictive covenant breached by an obligor or, if the Master Fund does not vote as requested by the seller, it may be subject to repurchase of the participation at par. Sellers voting in connection with a potential waiver of a restrictive covenant may have interests different from those of the Master Fund, and such selling institutions may not consider the interests of the Master Fund in connection with their votes.

7.5.26. Liability following the disposal of investments

The Master Fund may dispose of investments in some circumstances prior to termination and, in connection therewith, may be required to pay damages to the extent that any representations or warranties given in connection with such investments turn out to be inaccurate. The Master Fund may become involved in disputes or litigation concerning such representations and warranties and may be required to make payments to third parties as a result of such disputes or litigation. Any such payments could adversely impact the Master Fund's ability to make distributions. The Master Fund may be forced to sell investments to obtain funds. Such sales may be effected on unsatisfactory terms.

7.5.27. Valuation

The market value of the Master Fund's investments will generally fluctuate with, among other things, general economic conditions, world political events, developments or trends in any particular industry, the conditions of financial markets and the financial condition of the companies in which investments are made. In addition, certain investments may have interest rates that remain constant until their maturity. Accordingly, their market value will generally fluctuate with changes in market rates of interest.

Certain of the Master Fund's investments will be investments for which there is no, or a limited, liquid market. As a result, the fair value of such investments may not be readily determinable.

Because such valuations, and particularly valuations with respect to loans, instruments, securities, debentures, warrants and other assets or participations of private companies, are inherently uncertain, they may fluctuate over short periods of time and may be based on estimates. As a result, the AIFM's valuations may differ materially from the actual values obtainable in an arm's-length sale of such investments to a third party. The Master Fund's financial condition and results of operations could be adversely affected if the Master Fund's fair value determinations were materially higher than the values that the Master Fund ultimately realizes upon the realization of such investments.

7.6 Risks related to the Master Fund's investments: general

7.6.1. European economic risks

EU member states and European businesses and financial institutions and counterparties are currently being affected, some adversely, by severe political and economic difficulties and concerns, including in relation to sovereign and non-sovereign funding and debt. European, IMF and bilateral emergency funding arrangements have already been extended and/or are contemplated in respect of EU member states and European based financial institutions. Additionally, certain EU member states are going so far as to consider leaving the European Union entirely (and as described below, the United Kingdom has already withdrawn from the European Union as a consequence of Brexit).

These developments have had a negative effect in political terms and also in economic terms. Financial markets, investor sentiment and credit ratings of institutions and EU member states have already been adversely affected and may continue to be so. In addition, investment activity has reduced, as has the willingness of financial institutions to extend credit and to obtain funding.

EU member states within the Eurozone, and certain other EU member states, are in ongoing discussions with a view to agreeing stricter financial controls. However, it remains unclear whether agreement on these matters will be reached, and even if reached, whether adequate measures will be adopted in the short to medium term.

There are concerns that one or more EU member states within the Eurozone may not be able to meet their debt obligations or funding requirements. The depressed economic environment and cost of funding may cause short and medium term budget deficits to expand in these economies, further increasing the risk of default. A sovereign default is likely to have adverse consequences for the economy of the EU member state and that of Europe and the wider world economy. The effect on creditors of a sovereign default is likely to be adverse.

The possibility of EU member states that have adopted the euro abandoning or being forced to withdraw from the euro remains. It is difficult to predict the precise nature of the consequences of an EU member state leaving the euro as there has been no well-defined legal framework put in place in preparation for such an event. However, it is likely that any euro-denominated assets or obligations that the Master Fund acquired that are converted into a new national currency would suffer a significant reduction in value if the new national currency falls in value against the euro or other currencies.

These economic developments and their consequences both in Europe and the wider world economy, have significantly increased the risk of market disruption and governmental intervention in markets. Such disruption and intervention may result in unfavorable currency exchange rate fluctuations, restrictions on foreign investment, imposition of exchange control regulation by governments, trade balances and imbalances and social, economic or political instability.

Predicting the consequences of developments of this kind is difficult. Events affecting the euro could result in either separate new national currencies, or a new single European currency, and consequently the redenomination of assets and liabilities currently denominated in euro. In such circumstances, there would be a definite risk of the Master Fund's euro-denominated investments becoming difficult to value, which could potentially result in negative consequences for the Master Fund. If the redenomination of accounts, contracts and obligations becomes litigious, difficult conflict of laws questions are likely to arise.

Adverse developments of this nature may significantly affect the value of the Master Fund's investments. They may also affect the ability of the Master Fund to transact operations including with financial counterparties, to manage investment risk and to hedge currency and other risks affecting the Master Fund's portfolio. Fluctuations in the exchange rate between the euro and US dollar or other currencies could have a negative effect upon the performance of investments.

7.6.2. Brexit

On 31 January 2020, the United Kingdom withdrew from the European Union (commonly known as "Brexit"). While the long-term economic effects of Brexit on the United Kingdom may or may not be positive, it nevertheless appears to have resulted in a subsequent period of increased political, regulatory and commercial uncertainty. Among other things, uncertainty in relation to Brexit may affect borrowers' ability to service loans and the price, volatility and/or liquidity of the Master Fund's other investments, particularly in the United Kingdom but also throughout the European Union and wider global markets. The cost of entering into hedging transaction with respect to currency may increase. Regulatory mismatch between the United Kingdom and the rest of Europe may lead to a period of regulatory uncertainty and increase the regulatory expenses of the Master Fund and/or the Master Fund Managers. All or any of the circumstances described above, as well as any other consequences of Brexit, may impair the Master Fund's profitability, result in losses and/or materially affect the ability of the Master Fund to carry out its investment approach and achieve its investment objective. The full long-term effect of Brexit on the Master Fund is impossible to predict.

7.6.3. Pandemics and other public health risks

Pandemics, epidemics and other public health emergencies, including outbreaks of infectious diseases such as SARS, MERS, avian flu, Ebola and Covid-19, can result in significant market volatility and social, political and economic disruption, and may curb investment sentiment. As the Covid-19 outbreak showed, public health emergencies have the potential to cause material adverse effects on markets, economies and societies, in ways that are difficult to predict or prepare for. A recurrence of any such public health emergency or the emergence of a future public health emergency could lead to significant losses to the Master Fund, adversely affect the Master Fund's investments and/or otherwise prevent the Manager from executing the Master Fund's intended investment program, in each case to an unknown extent.

In particular, in an effort to contain any similar or future public health emergency, governments (as well as private enterprises and other organizations) may implement measures including quarantines, bans on public events, social isolation, travel bans, school closures, "work from home" orders and "lock downs". Measures of this kind and/or other responses to a public health emergency have the potential to result in material adverse effects on consumer and business confidence, credit and capital markets, commerce, spending, local economies, supply chains and, in particular, businesses dependent on travel and public accessibility, such as those in the transport, hospitality, tourism, retail, sports and entertainment sectors; these effects, and their consequences, may persist for some time (even after the introduction of medical and/or other interventions to contain any such public health emergency). Further, and notwithstanding any governmental and/or central bank interventions in the form of monetary and fiscal stimuli, any such public health emergency may result in a severe and sustained negative impact across a wide range of industry sectors and geographies, as well as a significant social impact; it may take years for any such impacts to be reversed or mitigated, if indeed they can be. Public health emergencies also have the potential to exacerbate other pre-existing political, social, economic, market and financial risks. Longer-term governmental responses to public health emergencies may include a significant reorientation of key social, political and/or economic policies, potentially towards increased resilience in markets and local infrastructure, and may even include nationalization of certain key industries; responses of this kind have the potential to disrupt existing business assumptions, models and practices or otherwise radically reshape markets and economies. In short and as the Covid-19 outbreak demonstrated, even once a public health emergency itself has been substantially

contained, its long-term impacts – on a global, regional and national level – can be highly uncertain and difficult to assess.

7.6.4. Geo-political risk – Russian invasion of Ukraine

Commencing in 2021, Russian President Vladimir Putin ordered the Russian military to begin massing thousands of military personnel and equipment near its border with Ukraine and in Crimea. President Putin has since initiated a military invasion of Ukraine. In response, the United States and several European nations have announced sanctions and other measures against Russia, certain state affiliates and other persons with actual or expected ties to the state and/or President Putin. Other governmental and non-governmental bodies and organizations, and various companies with interests in and/or related to Russia and/or Ukraine, have also taken measures in response to Russia's invasion of Ukraine, including divesting assets and restricting trade and activities with Russia and its businesses. The invasion of Ukraine, and actions taken in response thereto, could have a material negative impact on the economy and business activity globally (including in the countries in which the Master Fund invests), and therefore could adversely affect the performance of the Master Fund's investments. The conflict is ongoing and the varying involvement of the United States, the United Kingdom, the European Union and other NATO countries presents material uncertainty and risk with respect to the impact on global economic and market conditions and therefore to the Master Fund and the performance of its investments or operations, and the ability of the Master Fund to achieve its investment objectives. Additionally, to the extent that any third parties, investors, or related customer bases have material operations or assets in Russia or Ukraine, the ongoing conflict may present actual risks and result in adverse consequences with respect to their dealings and/or obligations with respect to the Master Fund and/or any investments. The global response and repercussions arising out of Russia's invasion of Ukraine is in a state of flux and it is difficult to predict the conflict's ultimate ramifications on markets, business activity and the global economy more generally.

7.6.5. ESG investment risk

The Master Fund considers sustainability and/or ESG criteria in its investment process, and so may exclude, limit or enhance its exposure to companies, industries or sectors based on the extent to which they meet the relevant Master Fund's sustainability and/or ESG criteria. This process may result in the Master Fund not investing in, and/or selling certain securities when it might otherwise be beneficial to do so. The use of sustainability and/or ESG criteria in the investment process may impact the Master Fund's investment performance which may differ to other funds that do not apply sustainability and/or ESG criteria or do so differently. Additionally, the Master Fund's sustainability and/or ESG criteria may differ from an investor's own subjective views of sustainability and/or ESG. Therefore, the Master Fund may hold investments which may differ from what an investor considers necessary to satisfy sustainability and/or ESG criteria.

7.6.6. ESG assessment risk

In evaluating an investment based on ESG criteria, the Portfolio Manager uses its own methodologies. The Portfolio Manager may depend upon publicly available information and data, which may be incomplete, inaccurate, inconsistent or unavailable. Therefore, there is a risk that the Portfolio Manager may incorrectly assess an investment. There is also a risk that the Portfolio Manager may not apply the relevant ESG criteria correctly or that the Master Fund may gain limited exposure to investments which may not be consistent with the relevant ESG criteria used by the Master Fund.

7.6.7. Sustainability risk

Sustainability risk means an ESG event or condition, that, if it occurs, could cause an actual or a potential material negative impact on the value of one or more of the Master Fund's investments. Sustainability risks can either represent a risk of their own or have an impact on other risks and may contribute significantly to other risks, such as market risks, operational risks, liquidity risks or counterparty risks. Sustainability risks may have an impact on long-term risk adjusted returns for investors. Assessment of sustainability risks is complex and may be based on ESG data, which is

difficult to obtain and incomplete, estimated, outdated or otherwise materially inaccurate. Even when identified, there can be no guarantee that the assessment of this data will produce relevant conclusions.

7.7 Risks related to the Fund Managers

7.7.1. Dependence on key personnel

The success of the Master Fund will be highly dependent on the expertise and performance of the Fund Managers and their teams and investment professionals. There can be no assurance that these individuals will continue to be associated with the Fund Managers throughout the life of the Master Fund. The loss of the services of one or more of these individuals could have a material adverse effect on the performance of the Master Fund. In addition, although members of the Muzinich team will commit a significant amount of their business efforts to the Master Fund, they are not required to devote all of their business time to the Master Fund's affairs. They will continue to be involved with the Fund Managers' other activities, which may include advising on or managing investments for other funds and managed accounts sponsored, managed and/or advised by members of the Management Group.

7.7.2. Muzinich's ability to source investments

In addition to the possibility that investment opportunities may be allocated among various Muzinich Products, a number of other entities will compete with the Master Fund to make investments of the type that the Master Fund intends to make, and competition for investments targeted by the Master Fund may increase over time. The Master Fund will compete with public and private funds, commercial and investment banks and commercial financing companies. Additionally, competition for investment opportunities generally has increased among alternative investment vehicles, such as hedge funds, including with respect to investments in which the Master Fund intends to invest. As a result of these new entrants, competition for investment opportunities has intensified, and Muzinich expects this trend to continue.

Some of the Master Fund's existing and potential competitors may be substantially larger and have considerably greater financial, technical and marketing resources than those available to the Fund Managers. Some competitors, such as commercial banks, may have a lower cost of funds and access to funding sources that are not available to the Master Fund. In addition, some of the Master Fund's competitors may have higher risk tolerances or different risk assessments, which could allow them to consider a wider variety of investments and establish more relationships than the Master Fund. Accordingly, Muzinich may be unable to find a sufficient number of attractive opportunities to meet the Master Fund's investment objectives.

7.7.3. Staff retention

In common with most investment managers, the compensation of the Fund Managers' personnel contains significant performance-related elements. Poor investment performance for a Fund Manager's balance sheet capital or any Muzinich Products may reduce the amount available to pay performance-related compensation to those personnel, which may result in those persons obtaining other employment. In that case, poor performance of the Master Fund may be further compounded by staff departures.

7.8 Potential conflicts of interest

Various potential and actual conflicts of interest may arise from the overall advisory, investment and other activities of the Management Group and their respective clients. The following briefly summarizes some of these conflicts; it is not intended to be an exhaustive list of all such conflicts. By making an investment in the Feeder Fund, each investor agrees that it will be deemed (a) to have acknowledged the existence of actual and potential conflicts of interest relating to the Management Group and (b) to have acknowledged that these actual and potential conflicts of interest may affect the operations of the Feeder Fund, the Master Fund and other Muzinich Products. By making an investment in the Feeder Fund, each investor agrees that, notwithstanding these conflicts, it will be deemed to have waived any claims with respect to the existence of such conflicts.

7.8.1. Conflicting interests regarding other Muzinich Products

Members of the Management Group and their respective clients may invest in loans, securities and/or other instruments that would be appropriate for the Master Fund. Such investments may be different from those made in respect of the Master Fund. Members of the Management Group have ongoing relationships with, render services to and engage in transactions with other Muzinich Products. Such other Muzinich Products may have strategies, investments and/or positions that are different from or even opposed to the strategies, investments and positions of the Feeder Fund and the Master Fund. Members of the Management Group may, in the future, serve as manager, investment manager, advisor or sub-advisor (or in a similar role) for other Muzinich Products. Members of the Management Group may at certain times be simultaneously seeking to purchase or dispose of investments for their own accounts, the Feeder Fund and the Master Fund, any similar entity for which they serve as investment advisor or for their clients or affiliates. In addition, members of the Management Group may advise other Muzinich Products with respect to different parts of the capital structure of the same borrower or issuer, or classes of securities that are subordinate, *pari passu*, and/or senior to securities, loans or other instruments, in which the Master Fund invests. As a result, members of the Management Group may pursue or enforce rights or activities, or refrain from pursuing or enforcing rights or activities, on behalf of other Muzinich Products with respect to a particular borrower or issuer in which the Master Fund has invested. The Master Fund could sustain losses during periods in which members of the Management Group and/or other Muzinich Products achieve profits.

Although the members of the Management Group will devote as much time to the Master Fund as they deem appropriate to perform their duties in accordance with the alternative investment fund management agreement appointing the AIFM and the portfolio management agreement appointing Muzinich and in accordance with reasonable commercial standards, such principals, employees and professional staff may have conflicts in allocating their time and services among the Master Fund and other Muzinich Products. The Management Group may conduct any other operations, including any operations within the securities industry, whether or not such operations is in competition with the Master Fund, and, without limiting the generality of the foregoing, may act as manager, investment advisor or investment manager for others, may manage funds, separate accounts or capital for others, may have, make and maintain investments in their own name or through other entities and may serve as an officer, director, consultant, partner or stockholder of one or more investment funds, partnerships, securities firms or advisory firms. Such other entities or accounts may have investment objectives or may implement investment strategies similar to or different from, or even opposed to, those of the Master Fund.

7.8.2. Affiliated transactions

The Master Fund may, subject to compliance with applicable law, purchase loans, securities, or other instruments from or sell loans, securities, or other instruments to other Muzinich Products; or may advance loans to or invest in the securities of companies with which the Fund Managers or other Muzinich Products have a professional relationship or in which the Fund Managers or other Muzinich Products have an equity or other interest. The purchase, holding and sale of such investments by the Master Fund may enhance the profitability of the Management Group's and/or other Muzinich Products' investments in or other relationships with such companies. The Fund Managers will make any such investment decisions where such conflicts of interest may exist in a manner consistent with applicable law and its fiduciary responsibilities to the Master Fund.

As a result of the foregoing, members of the Management Group and their affiliates may have conflicts of interest in allocating their time and activity between, allocating investments among and effecting transactions for the Master Fund, other Muzinich Products and other entities, including ones in which the members of the Management Group and/or their respective directors, members, partners, shareholders, officers, employees, agents and affiliates may have a financial interest that is greater than their interest in the Master Fund (if any).

7.8.3. Services provided to the Fund

Subject always to the organizational documents constituting the Feeder Fund and the Master Fund, the Fund Managers and their affiliates may provide additional services to the Feeder Fund and/or the Master Fund and/or with respect to an investment from time to time, including legal, loan settlement

and administration services in relation to investments. The Feeder Fund and/or the Master Fund may be placed in a position of conflict when choosing whether a third party should provide a service to the Feeder Fund and/or the Master Fund or an investee company, or whether one or more of the Fund Managers and/or their affiliates should provide that service itself.

7.8.4. Cross Trades

In certain circumstances, the Master Fund may transfer an investment to one or more other Muzinich Products, or vice versa (each such transfer, a “**Cross Trade**”). Such transactions result in conflicts of interest for the Management Group by giving rise to conflicting economic or other incentives or interests.

The Master Fund will generally enter into a Cross Trade only where the Portfolio Manager (as well as any of its affiliate(s) that manage the applicable other Muzinich Product(s)) has determined that the Cross Trade is in the best interest of the Master Fund and the applicable other Muzinich Product(s) (which may be for a variety of reasons, including, without limitation, tax purposes, liquidity purposes and/or diversification purposes) and is on arms'-length terms. The determination that a transaction is on arms' length terms could be reached in a number of ways, including, but not limited to, (i) review and consultation with (but not necessarily approval by) the Advisory Committee and/or a similar body of the relevant other Muzinich Product(s), (ii) the presence of or participation by unaffiliated third parties to help validate the terms thereof, (iii) employing separate investment teams, which may be separated by “fire walls” or advised by separate legal counsel or financial advisors, (iv) obtaining a fairness or similar opinion from a third-party valuation firm or investment banker with respect to terms and conditions of such transaction, and/or (v) running an auction process. The vote, consent or approval of investors typically will not be required for the Master Fund to engage in a Cross Trade.

7.8.5. Material non-public information

The Fund Managers, in the course of their investment management and other activities (e.g., board or creditor committee service), may come into possession of confidential or material non-public information about issuers, including issuers in which the Master Fund and the Fund Managers or their related persons have invested or seek to invest on behalf of the Master Fund. The Fund Managers are prohibited from improperly disclosing or using such information for their own benefit or for the benefit of any other person, regardless of whether such other person is a client. The Fund Managers maintain and enforce written policies and procedures that prohibit the communication of such information to persons who do not have a legitimate need to know such information and to assure that the Fund Managers are meeting their obligations to clients and remains in compliance with applicable law. In certain circumstances, the Fund Managers may possess certain confidential or material, non-public information that, if disclosed, might be material to a decision to buy, sell, or hold a security, but the Fund Managers will be prohibited from communicating such information to the Master Fund or using such information for the Master Fund's benefit. In such circumstances, the Fund Managers will have no responsibility or liability to the Master Fund for not disclosing such information to the Master Fund (or the fact that the Fund Managers possess such information), or not using such information for the Master Fund's benefit, as a result of following the Fund Managers' policies and procedures designed to provide reasonable assurances that it is complying with applicable law.

7.8.6. Creation of other entities

Except as expressly prohibited under any contractual restriction, members of the Management Group are permitted (subject to applicable regulation) to market, organize, sponsor and/or act as general partner, manager, advisor of, or as the primary source for transactions for, third party accounts and other pooled investment vehicles. Members of the Management Group may also engage in other investment or other activities. Such activities may raise conflicts of interest for which the resolution may not be currently determinable.

7.8.7. Co-investments

Certain investments made by the Master Fund may take the form of arrangements in which the Master Fund provides funds together with one or more co-investors, or otherwise pools financial and resources with third parties. Co-investors may include, without limitation, other investment vehicles in respect of which members of the Management Group act as manager or advisor. These transactions potentially

raise conflicts of interest which are duly taken into account by the conflict of interest policy established by the AIFM in accordance with AIFMD. For example, the Master Fund may co-invest with current or former clients of the Management Group or other market participants with which members of the Management Group have important professional relationships. Such relationships could influence the decisions made by Muzinich with respect to the making or divestment of such investments. Furthermore, such third parties could have interests that may be contrary to the Master Fund's objective or which may conflict with the Master Fund's interests.

In pooling resources with third parties, Muzinich may come into the possession of material, non-public information that could restrict or limit the ability of the Master Fund to make or dispose of certain investments. There can be no assurance that the foregoing will not have an adverse impact on the Master Fund's ability to source, acquire and/or divest itself of investments.

7.8.8. Incentive Fees

The Incentive Fees may create an incentive for the Portfolio Manager(s) to effect transactions that are riskier or more speculative, or to utilize greater leverage (with corresponding greater risk and volatility in the Master Fund's NAV) than would be the case in the absence of such fees.

7.8.9. No separate counsel

The Feeder Fund and the Master Fund, as well as Muzinich and/or other members of the Management Group, may engage one or more counsel to represent them in connection with the organization of the Feeder Fund and the Master Fund and the offer and sale of Shares and Master Fund Shares, and not for any investor or the investors as a group. In connection with such representation, including the preparation of this Prospectus and the Master Fund Prospectus, counsel has relied upon certain information furnished to them by the AIFM, Muzinich and the other members of the Management Group, and has not investigated or verified the accuracy or completeness of such information. In connection with this offering and subsequent advice, such counsels' engagement is limited to the specific matters as to which they are consulted and, therefore, there may exist facts or circumstances that could have a bearing on the Feeder Fund's, the Master Fund's or Muzinich's financial condition or operations with respect to which counsel has not been consulted and for which they expressly disclaim any responsibility. Counsel has not represented and will not be representing investors in the Feeder Fund or the Master Fund. No independent counsel has been retained (or is expected to be retained) to represent investors. No attorney-client relationship exists between any counsel representing the Feeder Fund, the Master Fund, Muzinich and/or other members of the Management Group and any other person solely by virtue of such person making an investment in the Feeder Fund or the Master Fund. Accordingly, prospective investors are urged to retain their own counsel.

7.8.10. Risks associated with the Amending ELTIF Regulation

Regulation (EU) 2023/606 of the European Parliament and of the Council of 15 March 2023 amending Regulation (EU) 2015/760 as regards the requirements pertaining to the investment policies and operating conditions of European long-term investment funds and the scope of eligible investment assets, the portfolio composition and diversification requirements and the borrowing of cash and other fund rules (the "**Amending ELTIF Regulation**") was published in the Official Journal of the EU on 20 March 2023. In addition, the Commission Delegated Regulation (EU) 2024/2759 of 19 July 2024 supplementing Regulation (EU) 2015/760 of the European Parliament and of the Council with regard to regulatory technical standards specifying when derivatives will be used solely for hedging the risks inherent to other investments of the European long-term investment fund (ELTIF), the requirements for an ELTIF's redemption policy and liquidity management tools, the circumstances for the matching of transfer requests of units or shares of the ELTIF, certain criteria for the disposal of ELTIF assets, and certain elements of the costs disclosure (the "**ELTIF Delegated Regulation**") was published in the Official Journal of the EU on 25 October 2024. There may be a risk that the features of the Feeder Fund and/or the Master Fund which are subject to the Amending ELTIF Regulation and the ELTIF Delegated Regulation may have to be further amended in order to implement any future amendments to the Amending ELTIF Regulation and/or the ELTIF Delegated Regulation. For the avoidance of doubt,

changes to this Prospectus that are required in order to implement future amendments to the Amending ELTIF Regulation and the ELTIF Delegated Regulation will not constitute material changes.

7.8.11. Selection of Broker-Dealers

Section 28(e) of the US Securities Exchange Act of 1934, as amended, is a “safe harbor” that permits an investment adviser to use commissions or “soft dollars” to obtain research and brokerage services that provide lawful and appropriate assistance in the investment decision-making process. The Portfolio Manager does not intend to use “soft dollars”. If in the future the Portfolio Manager chooses to use “soft dollars”, they will limit the use of “soft dollars” to services that constitute research and brokerage within the meaning of Section 28(e).

8 CERTAIN TAX CONSIDERATIONS

8.1 Introduction

The Board has been advised that, under current law and practice, the principal features of the tax treatment of the Fund and the investors should be as set out in this section. Investors should, however, seek their own advice on the taxation consequences of an investment in the Fund as the guidance set out below is of a general nature and may not apply to certain categories of investor. As a general rule, the guidance below assumes that investors are not financial traders and are the absolute beneficial owners of their investments in the Fund. None of the Management Group or any of their officers, employees, agents or advisors can take any responsibility in this regard. The guidance in this section is based on Luxembourg taxation law and practice current at the date of this Prospectus and is subject to changes in taxation law or its interpretation or application after such date, possibly with retroactive effect. Prospective investors should consult their own tax advisors regarding the tax consequences to them of an investment in the Feeder Fund in light of their particular circumstances including under laws of their citizenship, residence or domicile and any other Luxembourg laws (including non-income tax laws).

Investors should note that the implementation of the Base Erosion and Profit Shifting (“**BEPS**”) initiative of the Organisation for Economic Co-operation and Development (“**OECD**”) and the G20 and the EU Anti-Tax Avoidance Directives (“**ATAD I & II**”) in Luxembourg and other EU member states may lead to changes to the tax considerations described herein, notably as administrative practice and case law evolve to also take these rules into account. New rules under BEPS and ATAD I & II have already been introduced and deal, amongst other things, with the operation of double tax treaties, the definition of permanent establishments, interest deductibility and preventing potential tax benefits from using hybrid instruments and hybrid entities. Luxembourg has implemented ATAD I & II.

Investors will be expected to provide information that includes, among other information, confirmation of the local tax treatment applicable to any proceeds distributed/accrued by the Feeder Fund and the tax status of any vehicle(s) (if any, whether direct or indirect) used to invest in the Feeder Fund, together with any disclosure of their potential acting together with any other investor in the Feeder Fund.

Furthermore, as part of the BEPS project, Luxembourg has signed (together with more than 100 jurisdictions) the so-called multilateral instrument (“**MLI**”) that transposes anti-BEPS measures into the treaties which Luxembourg has concluded. The MLI notably introduces a “principal purpose test” denying tax treaty benefits to companies when obtaining such benefits is “one of the principal purposes of any arrangement or transaction that resulted directly or indirectly in” these benefits, unless granting these benefits under the given circumstances would be “in accordance with the object and purpose of the relevant provisions” of the tax treaty. Whether a Luxembourg entity relying on tax treaty benefits can be construed as being part of such type of arrangement will predominantly depend on source state views.

Council Directive (EU) 2018/822 (“**DAC 6**”) imposes mandatory disclosure requirements on intermediaries and taxpayers in respect of reportable cross-border tax planning arrangements that have been implemented as from June 25, 2018. Luxembourg has implemented DAC 6 in Luxembourg law. The Fund, the AIFM, the Portfolio Manager(s), the Shareholders or any person that has advised or assisted could be legally obliged to file information on the present transaction with the competent authorities with a view to an automatic exchange of such information with other EU member states.

Also, on 22 December 2021, the European Commission issued a proposal for a Council Directive laying down rules to prevent the misuse of shell entities for tax purposes within the EU (the “**Unshell Proposal**”). There is considerable uncertainty surrounding the development of the proposal and its implementation. The Unshell Proposal does not target the Fund itself, being an alternative investment fund managed by an AIFM as defined in article 4(1), point (b), of Directive 2011/61/EU. Depending on the investments to be made, the Fund could (indirectly) be exposed to additional reporting and disclosure obligations (which may require the Fund or its subsidiaries to share information concerning Investors with applicable taxing or other governmental authorities) as well as information on substance indicators. Moreover, the entitlement to double tax relief and related benefits under international tax agreements could be denied as a result of the Unshell Proposal. This could (indirectly) affect the performance of the Fund. In addition, while the Unshell Proposal of December 2021 addresses the

situation inside the EU, the European Commission had indicated its intention to present a new initiative to respond to the challenges linked to non-EU shell entities. Such initiative may also (indirectly) impact the Fund.

Further to the BEPS initiative, the OECD has proposed fundamental changes to the international tax system. The proposals (commonly now also referred to as “BEPS 2.0”) are based on two “pillars,” involving the reallocation of taxing rights (“**Pillar One**”), and a new global minimum corporate tax rate (“**Pillar Two**”).

Under Pillar One, “multinational enterprises” (“**MNEs**”) with an annual global turnover of (initially) at least EUR 20 billion would become subject to rules allocating 25% of profits in excess of a 10% profit margin to the jurisdictions within which they carry on business (subject to threshold rules). MNEs carrying on specific low-risk activities are excluded, including “regulated financial services” (yet to be defined). Pillar Two imposes a minimum effective tax rate of 15% on MNEs that have consolidated revenues of at least €750,000,000 in at least two out of the last four years (i.e., broadly those MNEs which are required to undertake country by country reporting). Pillar Two introduces two related tax measures (the “**GloBE rules**”): the income inclusion rule (“**IIR**”) imposes a top up tax on a parent entity where a constituent entity of the MNE group has low taxed income while the undertaxed profits rule (“**UTPR**”) applies as a backstop rule to allow group members to get a share of top-up tax on the profits of low-taxed constituent entities of the MNE group if the low-taxed constituent entity’s income is not taxed under a qualifying IIR. Additionally, a subject to tax rule will permit source jurisdictions to impose limited withholding taxes on low taxed related party payments, which will be creditable against the GloBE rules tax liability. Specified classes of entities which are typically exempt from tax are outside the scope of Pillar Two, including investment funds and real estate investment vehicles (as respectively defined) when they are the ultimate parent entity of the MNE group (and certain intermediary investment vehicles held by such entities). Because of the absence of total carve-out for investment funds, Pillar Two may nonetheless affect investment funds and/or intermediary investment vehicles in certain fact patterns if the abovementioned €750,000,000 threshold of consolidated revenues is met.

Pillar Two has been implemented in several large jurisdictions and many EU member states (including Luxembourg) as from tax years starting on or after 31 December 2023, with the IIR becoming applicable from the outset and the UTPR coming into effect possibly in 2025 (the exact timeline depends on the jurisdictions implementing the proposed rules); the schedule for Pillar One has become more uncertain. On 20 December 2021, the OECD released Pillar Two model rules providing a template for jurisdictions to translate the GloBE rules into domestic law. Additional commentary was provided by the OECD in March 2022. Further guidance has been and will continue being published by the OECD on specific items, and a template multilateral convention to implement the subject-to-tax rule was released in September 2023. In the EU, in December 2022 member states adopted a directive on the GloBE Rules, which is largely inspired from the OECD model rules albeit deviates from them on certain aspects. The directive had to be implemented in national law in the course of 2023, so that the IIR applies in tax years starting on or after 31 December 2023. The UTPR is due to start applying one year later. Not all member states have passed an implementation law prior to that deadline. There are specific situations in which a further delay may apply in certain member states. Countries may also decide to implement domestic minimum top-up taxes in reaction to Pillar Two. Subject to or, as the case may be, as part of the development and implementation of both Pillar One and Pillar Two (including the related EU directive and the details of any domestic legislation, double taxation treaty amendments and multilateral agreements which are necessary to implement them), effective tax rates could increase within the Fund structure or applicable to its investments, including by way of higher levels of tax being imposed than is currently the case, possible denial of deductions or increased withholding taxes and/or profits being allocated differently and/or penalties could be due. This could adversely affect Investor returns.

8.2 Certain Luxembourg tax considerations

THIS SUMMARY IS OF A GENERAL NATURE AND IS NOT INTENDED TO BE LEGAL OR TAX ADVICE TO ANY PARTICULAR INVESTOR IN THE FUND. EACH INVESTOR SHOULD CONSULT ITS OWN TAX ADVISOR FOR INFORMATION REGARDING THE TAX CONSEQUENCES OF OBTAINING, HOLDING, REDEEMING, CONVERTING OR ALIENATING THE SHARES IN THE FUND IN THE PARTICULAR CIRCUMSTANCES APPLICABLE TO SUCH INVESTOR.

This section gives a summary of certain Luxembourg tax considerations that may be or become relevant with respect to the Fund and the investors in the Fund and is presented by way of guidance only. This summary is based on the tax and published case law of Luxembourg as it stands on the date of this Prospectus. The tax and case law upon which this summary is based is subject to change, and such change may have retroactive effect. Any such change may invalidate the contents of this summary, which will not be updated to reflect such change. The Fund reserves the right to disclose the names of its investors or any other relevant information relating to its investors, to any authority where required by law or where the Fund believes such disclosure is in the best interests of the Fund or its investors. If it does so, it will advise the relevant investors unless prevented from doing so by law. Each investor will be required to provide from time to time such information to the Fund as may be reasonably requested for the purpose of determining the direct or indirect ownership of Shares. The Fund will provide such assistance as any of its investors may reasonably request in connection with such determination.

Prospective investors should be aware that the residency concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy, impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. Also, a reference to Luxembourg income tax generally encompasses Corporate Income Tax (*impôt sur le revenu des collectivités*), Municipal Business Tax (*impôt commercial communal*), a Solidarity Surcharge (*contribution au fonds pour l'emploi*) computed on Corporate Income Tax, as well as Personal Income Tax (*impôt sur le revenu*). Investors may further be subject to Net Wealth Tax (*impôt sur la fortune*) as well as other duties, levies or taxes. Corporate Income Tax, Municipal Business Tax as well as the Solidarity Surcharge invariably apply to most corporate taxpayers who are residents of Luxembourg for tax purposes. Individual taxpayers are generally subject to Personal Income Tax and the Solidarity Surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, Municipal Business Tax may apply as well.

EACH PROSPECTIVE INVESTOR SHOULD CONSULT WITH AND MUST RELY UPON ITS OWN TAX ADVISORS REGARDING THE LUXEMBOURG TAX CONSEQUENCES OF INVESTING IN THE FUND. THIS DISCUSSION IS PROVIDED ONLY TO ASSIST THE PROSPECTIVE INVESTOR IN EVALUATING THE EXPECTED TAX CONSEQUENCES AND LIABILITIES RELATED TO AN INVESTMENT IN THE FUND. A COMPLETE DISCUSSION OF ALL TAX ASPECTS OF AN INVESTMENT IN THE FUND IS BEYOND THE SCOPE OF THIS PROSPECTUS. NO REPRESENTATIONS ARE MADE REGARDING THE PARTICULAR TAX CONSEQUENCES OR LIABILITIES RELATED TO AN INVESTMENT IN THE FUND BY ANY PROSPECTIVE INVESTOR. MOREOVER, THIS DISCUSSION IS NOT INTENDED TO PROVIDE TAX OR OTHER LEGAL ADVICE TO ANY PROSPECTIVE INVESTOR.

8.2.1. Taxation of the Master Fund

Under current law and practice, the Master Fund is not liable to any Luxembourg corporate income tax, municipal business tax or net wealth tax. Whilst a Part II UCI is normally liable to subscription tax, as the Master Fund is authorized as an ELTIF within the meaning of the ELTIF Regulations, it will be exempted from the subscription tax (*taxe d'abonnement*). No stamp or other tax will be payable in Luxembourg on the issue of the shares of the Master Fund. Under current law and practice, no other tax is payable in Luxembourg on realized or unrealized capital appreciation of the assets of the Master Fund.

8.2.2. Taxation of the Feeder Fund

Under current Luxembourg law and practice, the Feeder Fund is not liable to any Luxembourg income tax, municipal business tax or net wealth tax. Whilst a Part II UCI is normally liable to subscription tax, as the Feeder Fund is authorized as an ELTIF within the meaning of the ELTIF Regulations, it will be exempted from the subscription tax (*taxe d'abonnement*). No stamp or

other tax will be payable in Luxembourg on the issue of Shares in the Feeder Fund. No other tax is payable in Luxembourg on realized or unrealized capital appreciation of the assets of the Feeder Fund.

8.2.3. Taxation of non-resident investors

Income and gains, if any, received or realized by the Feeder Fund and the Master Fund from investments may be liable to taxation in the country where the source of such income and gains is located at varying rates, which normally cannot be recovered.

Investors who are not domiciled or resident, and who do not have a permanent establishment or permanent representative in Luxembourg for taxation purposes are not liable to any income, transfer, capital gains, estate, inheritance or other taxes on holding, transferring, purchasing or repurchasing of Shares or on any dividends, distributions or other payments made to such investors. Registration taxes may apply to transfers entered into through a Luxembourg notarial deed.

8.2.4. Taxation of resident investors

Investors in the Master Fund or the Feeder Fund that are Luxembourg residents or that have a Luxembourg permanent establishment or permanent representative may be subject to Luxembourg (corporate) income tax, municipal business tax and/or net worth tax in relation to their Shares under the tax provisions applicable to their individual tax status.

8.2.5. Withholding tax on distributions

Any distributions made by the Feeder Fund and/or the Master Fund should not be subject to Luxembourg withholding tax.

8.2.6. VAT

For the purposes of the below paragraphs, “**VAT**” means, within the European Union, the Value Added Tax that may be levied in accordance with Directive 2006/112/EC, notably (but not limited to) Luxembourg Value Added Tax levied in accordance with the Luxembourg law of 12 February 1979 on value added tax (as amended), and, outside the European Union, any taxation levied by reference to added value or sales tax.

By virtue of their qualification as alternative investment funds, the Feeder Fund and the Master Fund should qualify as VAT taxable persons in Luxembourg.

The management services supplied to (and for) the Feeder Fund and the Master Fund themselves should fall under the scope of a VAT exemption in Luxembourg, and such services should therefore not trigger the application of Luxembourg VAT.

Other services supplied to the Feeder Fund and/or the Master Fund will generally be subject to Luxembourg VAT (17%) either directly (when invoiced by or recharged by a Luxembourg based entity) or indirectly (when invoiced by or recharged by a non-Luxembourg entity). This may notably be the case for expenses reimbursed to the Fund Managers. VAT will constitute a final cost for the Feeder Fund and the Master Fund since alternative investment funds are not entitled to any input VAT deduction right.

No VAT liability arises in principle in Luxembourg in respect of any payments by the Feeder Fund and/or the Master Fund to investors, to the extent such payments are linked to their subscription to their interest and do not constitute the consideration received for taxable services supplied.

8.3 Luxembourg and automatic exchange of information

8.3.1. Foreign Account Tax Compliance Act

FATCA was enacted into US law in March 2010 as part of the Hiring Incentives to Restore Employment Act. FATCA aims to reduce tax evasion by US citizens and requires foreign financial institutions outside the US (“**FFIs**”) to spontaneously provide information about financial accounts held, directly or indirectly,

by specified US persons to the US Internal Revenue Service on an annual basis. A 30% withholding tax is imposed on certain US sources of income of any FFI that fails to comply with this requirement (“**FATCA Withholding**”).

To implement FATCA in Luxembourg, Luxembourg entered into a so-called Model 1 Intergovernmental Agreement (the “**Luxembourg IGA**”) with the United States, and a memorandum of understanding in respect thereof, on 28 March 2014. The Luxembourg IGA was implemented in Luxembourg domestic law by Law of 24 July 2015 (the “**Luxembourg FATCA Law**”). Luxembourg FFIs which comply with the requirements of the Luxembourg FATCA Law, will not be subject to FATCA Withholding.

Under the Luxembourg FATCA Law, Luxembourg FFIs are required to perform certain necessary due diligence and monitoring of investors, and to report to the Luxembourg tax authorities on an annual basis information about financial accounts held by (a) specified US investors, (b) certain US controlled entity investors and (c) non-US financial institution investors that do not comply with FATCA. Under the Luxembourg FATCA Law, such information will subsequently be remitted by the Luxembourg tax authorities to the IRS.

It is the intention of the Fund to procure that it is treated as complying with the requirements that FATCA and the Luxembourg FATCA Law impose upon it. However, no assurance can be provided that the Fund will be able to comply with such requirements and, in the event that it is not able to do so, the Fund could be exposed to fines which may reduce the amounts available to it to make payments to the investors. The investors may be required to provide information to the Fund to comply with its reporting obligations under the Luxembourg FATCA Law. To ensure the Fund’s compliance with the Luxembourg FATCA Law in accordance with the foregoing, the Feeder Fund may:

- request information or documentation, including self-certification forms, a global intermediary identification number, if applicable, or any other valid evidence of an investor’s FATCA registration with the IRS or a corresponding exemption, in order to ascertain such investor’s FATCA status;
- report information concerning an investor and its Shares to the Luxembourg tax authorities if such account is deemed a US reportable account under the Luxembourg IGA; and
- report information to the Luxembourg tax authorities concerning payments to investors with the FATCA status of non-participating foreign financial institution.

Investors should contact their own tax advisors regarding the application of FATCA to their particular circumstances and their investment in the Feeder Fund.

FATCA Definitions

Controlling Persons: the natural persons who exercise control over an Entity. In the case of a trust, such term means the settlor, the trustees, the protector (if any), the beneficiaries or class of beneficiaries, and any other natural person exercising ultimate effective control over the trust, and in the case of a legal arrangement other than a trust, such term means persons in equivalent or similar positions. The term “Controlling Persons” will be interpreted in a manner consistent with the Financial Action Task Force Recommendations.

Entity: a legal person or a legal arrangement such as a trust.

FATCA: the Foreign Account Tax Compliance Act, as codified in sections 1471-1474 of the Code and any US Treasury Regulations, rules or other guidance issued thereunder (including after the date hereof) and the terms of any intergovernmental agreement, and any implementing legislation or rules and any similar laws, including similar laws passed by a foreign government.

Financial Institution: a custodial institution, a depository institution, an investment entity or a specified insurance company, as defined by the IGA.

IRS: the US Internal Revenue Service.

Luxembourg Financial Institution: (i) any Financial Institution resident in Luxembourg, but excluding any branch of such Financial Institution that is located outside Luxembourg and (ii) any branch of a Financial Institution not resident in Luxembourg, if such branch is located in Luxembourg.

Non-US Entity: an Entity that is not a US Person.

Specified US Person: a US Person, other than: (i) a corporation the stock of which is regularly traded on one or more established securities market; (ii) any corporation that is a member of the same expanded affiliated group, as defined in section 1471(e)(2) of the Code, as a corporation described in section (i); (iii) the United States or any wholly owned agency or instrumentality thereof ; (iv) any State of the United States, any US Territory, any political subdivision of any of the foregoing, or any wholly owned agency or instrumentality of any one or more of the foregoing; (v) any organization exempt from taxation under section 501(a) of the Code or an individual retirement plan as defined in section 7701(a)(37) of the Code; (vi) any bank as defined in section 581 of the Code; (vii) any real estate investment trust as defined in section 856 of the Code; (viii) any regulated investment company as defined in section 851 of the Code or any entity registered with the SEC under the Investment Company Act (15 USC. 80a-64); (ix) any common trust fund as defined in section 584(a) of the Code; (x) any trust that is exempt from tax under section 664(c) of the Code or that is described in section 4947(a)(1) of the Code; (xi) a dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any State; (xii) a broker as defined in section 6045(c) of the Code; or (xiii) any tax-exempt trust under a plan that is described in section 403(b) or section 457(g) of the Code.

US Person: a US citizen or resident individual, a partnership or corporation organized in the United States or under the laws of the United States or any State thereof, a trust if (i) a court within the United States would have authority under applicable law to render orders or judgments concerning substantially all issues regarding administration of the trust, and (ii) one or more US persons have the authority to control all substantial decisions of the trust, or an estate of a decedent that is a citizen or resident of the United States. This definition is to be interpreted in accordance with the US Internal Revenue Code.

8.3.2. Common Reporting Standard

The OECD has developed the Common Reporting Standard (“**CRS**”) which aims to implement automatic exchange of financial account information among participating countries.

On 9 December 2014, Council Directive 2014/107/EU amending Directive 2011/16/EU (“**DAC 2**”) was adopted in order to implement CRS among the EU member states. DAC 2 was transposed into Luxembourg law by the law of 18 December 2015 (“**CRS Law**”). The CRS Law requires Luxembourg financial institutions to identify financial account holders and to determine whether they are tax resident in an EU member state and/or a country with which Luxembourg has an exchange of information agreement. Luxembourg financial institutions will need to report financial account information of such account holders to the Luxembourg tax authorities which will remit such information to the competent foreign tax authorities of the other country.

It is the intention of the Fund to procure that it is treated as complying with the requirements that the CRS Law places upon it. However, no assurance can be provided that the Fund will be able to comply with the CRS Law and, in the event that it is not able to do so, it could be exposed to fines which may reduce the amounts available to it to make payments to the investors. The investors will be required to provide certain information to the Feeder Fund to comply with the reporting obligations under the CRS Law. To ensure compliance with the CRS Law in accordance with the foregoing, the Feeder Fund may:

- request information or documentation, including self-certification forms, a tax identification number (if applicable), or any other relevant information in order to ascertain an investor’s status under the CRS Law; and
- report information concerning an investor and its account holding in the Feeder Fund to the Luxembourg tax authorities if such investor is a reportable accountholder under the CRS Law.

Investors should contact their own tax advisors regarding the application of the CRS Law to their particular circumstances and their investment in the Feeder Fund.

9 DATA PROTECTION

The Feeder Fund and the Fund Managers are committed to maintaining the privacy and integrity of all personal data provided by any Shareholder or prospective investor or collected in the course of the activities of the Feeder Fund. The Feeder Fund and each Fund Manager will process personal data in compliance with applicable data protection laws, including, but not limited to, Regulation (EU) 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, as implemented or complemented by applicable national law (together, the **"Data Protection Laws"**). In particular, the Feeder Fund and the Fund Managers will implement appropriate technical and organizational measures to ensure an appropriate level of security for personal data. The Feeder Fund and the Fund Managers are controllers for purposes of the Data Protection Laws with respect to personal data collected from Shareholders or prospective investors. The terms "personal data," "controllers," "processing" and other data protection terms in this clause have the meanings given in the Data Protection Laws.

Information about the processing of personal data by the Feeder Fund, the Master Fund and the Fund Managers may be found in the Privacy and Cookies Policy available at www.muzinich.com.

10 SELLING RESTRICTIONS AND OTHER REGULATORY MATTERS

10.1 EEA

The AIFM is authorized as a full-scope alternative investment fund manager by the Central Bank of Ireland and the Feeder Fund is an alternative investment fund for the purpose of the AIFMD. The Feeder Fund further qualifies as an ELTIF under the ELTIF Regulations. In accordance with Article 31(2) of the ELTIF Regulations and Article 32 of the AIFMD, the AIFM has applied for and received a marketing passport under the AIFMD to market the Shares to both Professional Investors and Retail Investors in the EEA. Accordingly, when the Feeder Fund is marketed in the EEA, Shares are available for purchase only by (i) Professional Investors, being investors that are considered to be a professional client or may, on request, be treated as a professional client, within the meaning of Annex II to MiFID II, and (ii) Retail Investors in accordance with the ELTIF Regulations.

10.2 United Kingdom

The Feeder Fund is an AIF and the AIFM is the Feeder Fund's alternative investment fund manager for purposes of the UK Alternative Investment Fund Managers Regulations 2013 and the provisions of the FCA rules implementing AIFMD, in each case as may be altered, amended, added to or cancelled from time to time (together, the **"UK AIFM Rules"**). The Feeder Fund will only be permitted to be marketed (within the meaning given to the term "marketing" under the UK AIFM Rules) to prospective investors domiciled or with a registered office in the United Kingdom in accordance with the private placement regime in the United Kingdom.

For the purposes of the UK Financial Services and Markets Act 2000 (the **"FSMA"**), the Feeder Fund is an unregulated collective investment scheme which has not been authorized or recognized by the FCA. The Feeder Fund will be promoted in the United Kingdom by Muzinich & Co. Limited, which is authorized and regulated by the FCA. Accordingly, this Prospectus is addressed only to persons falling within one or more of the following exemptions from the scheme promotion restriction in section 238 of the FSMA:

- investment professionals falling within article 14 of FSMA (Promotion of Collective Investment Schemes) (Exemptions) Order 2001, as amended (the **"CIS Order"**) and directors, officers and employees acting for such entities in relation to investment;
- high net worth companies, unincorporated associates and other investors falling within article 22 of the CIS Order and directors, officers and employees acting for such entities in relation to investments;
- other persons to whom the Feeder Fund may be lawfully promoted in accordance with the CIS Order and/or the FCA's Conduct of Business Sourcebook; and
- persons who receive this Prospectus outside the United Kingdom.

Distribution of this Prospectus to any person in the United Kingdom not falling within one of the above categories is not permitted and may contravene the FSMA. No person falling outside those categories should treat this Prospectus as constituting a promotion to it, or act on this Prospectus for any purposes whatsoever.

10.3 United States

This Prospectus will not constitute an offer to sell or a solicitation of an offer to buy, nor will there be any sale of the Shares in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation.

Neither the AIFM nor the Portfolio Manager(s) is registered with the CFTC as a commodity pool operator (**"CPO"**) or a commodity trading advisor (a **"CTA"**) under the Commodity Exchange Act. The Feeder Fund expects, with respect to each vehicle comprising the Feeder Fund (each, a **"pool"**) to be eligible for an exemption from registration as a CPO set forth in CFTC Regulation §4.13(a)(3). The Feeder Fund also expects to qualify for an exemption from registration as a CTA set forth in CFTC Regulation

§4.14(a)(10). Accordingly, neither the AIFM nor the Portfolio Manager(s) expects to be required to register as a CPO or a CTA under the CEA.

Regulation §4.13(a)(3) is available to operators of pools that trade a de minimis amount of commodity interests (which generally includes futures, options on futures and certain swaps). Generally (and subject to the specific provisions of Regulation 4.13(a)(3)), in order to qualify for the exemption, the each pool trading in commodity interests will be limited such that, at all times, either (a) the aggregate initial margin and premiums required to establish commodity interest positions does not exceed 5% of the liquidation value of such pool's investment portfolio or (b) the aggregate net notional value of such pool's commodity interest positions does not exceed 100% of the liquidation value of such pool's investment portfolio.

Consequently, unlike a registered CPO or CTA, neither the AIFM nor the Portfolio Manager(s) is required to provide investors in the Shares with a disclosure document or (in the case of a registered CPO) a certified annual report, in each case meeting the requirements of the CFTC regulations otherwise applicable to registered CPOs and CTAs.

This Prospectus has not been and is not required to be filed with the CFTC, and the CFTC has not reviewed or approved this Prospectus or the offering of Shares contemplated hereby.

The Shares offered hereby have not been filed with or approved or disapproved by the SEC or any other US regulatory authority, nor has the SEC or such other regulatory authority passed upon or endorsed the merits of this offering or the accuracy or adequacy of this Prospectus. Any representation to the contrary is unlawful.

11 DIRECTORY

Feeder Fund

[Muzinich European Private Credit ELTIF Firstlight Feeder SICAV, S.A.]
12E, rue Guillaume Kroll
L-1882 Luxembourg
Grand Duchy of Luxembourg

Master Fund

Muzinich European Private Credit ELTIF SICAV, S.A.
12E, rue Guillaume Kroll
L-1882 Luxembourg
Grand Duchy of Luxembourg

Directors of the Feeder Fund

Paul Fehre
Fenton Tom
John Aldis

AIFM

Muzinich & Co. (Ireland) Limited
32 Molesworth Street
Dublin 2
Ireland

Directors of the AIFM

Brian O'Loughlin
Marie Mangan
Kate Laing
Ersilia Tagliavini
William Slattery
Jennifer Callaghan
Dennis Murray

Portfolio Manager

Muzinich & Co. Limited
8 Hanover Street
London W1S 1YQ
United Kingdom

Administrator

State Street Bank International GmbH, Luxembourg Branch
49, avenue John F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Depository

State Street Bank International GmbH, Luxembourg Branch
49, avenue John F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

EU and English legal advisers

Macfarlanes LLP
20 Cursitor Street
London EC4A 1LT
United Kingdom

Luxembourg legal advisers

Arendt & Medernach S.A.
41A Avenue JF Kennedy
L-2082 Luxembourg
Grand Duchy of Luxembourg

Auditor

Deloitte Audit, S.à r.l.
20 Boulevard de Kockelscheuer
L-1821 Luxembourg
Grand Duchy of Luxembourg

APPENDIX A: INVESTOR DISCLOSURES

1. AIFMD Disclosures

AIFMD REFERENCE	INFORMATION TO BE PROVIDED UNDER AIFMD	RESPONSE
Article 23 (1)(a)	A description of the investment strategy and objectives of the AIF.	The Feeder Fund's investment strategy is set out in the section headed "Investment Program."
	A description of the types of assets in which the AIF may invest and the investment techniques that the AIF may employ and all associated risks.	<p>The types of assets in which the Feeder Fund may invest and the investment techniques that the Feeder Fund may employ are set out in "Investment Program."</p> <p>Risks associated with the Feeder Fund are described in the section headed "Certain Risk Factors and Potential Conflicts of Interest."</p>
	A description of any applicable investment restrictions.	<p>Investments made by the Feeder Fund must comply with the investment limitations as set out in "Investment Program."</p> <p>The Feeder Fund is also subject to diversification requirements as set out in "Investment Program and "Appendix C: Additional Portfolio Composition and Risk Diversification Requirements".</p>
Article 23 (1)(b)	A description of the procedures by which the AIF may change its investment strategy, investment policy or both	<p>If the Feeder Fund wishes to change its investment strategy or investment policy set out in this Prospectus, it will inform the CSSF of its intention to do so. If the CSSF considers the change to be a material change, the Feeder Fund will grant Shareholders a period of one month to redeem their Shares free of charge.</p> <p>If the CSSF considers the change not material, a simple notification to the Shareholders will be sufficient.</p> <p>If the Master Fund wishes to change its investment strategy or investment policy set out in the Master Fund Prospectus, it will inform the CSSF of its intention to do so. If the CSSF considers the change to be a material change, the Master Fund will grant Master Fund Shareholders (including the Feeder Fund) a period of one month to redeem their Master Fund Shares free of charge.</p>

AIFMD REFERENCE	INFORMATION TO BE PROVIDED UNDER AIFMD	RESPONSE
		If the CSSF considers the change not material, a simple notification to the Master Fund Shareholders (including the Feeder Fund) will be sufficient.
Article 23 (1)(a)	A description of the circumstances in which the AIF may use leverage and the types and sources of leverage permitted and the associated risks.	<p>The circumstances in which the Feeder Fund may make borrowings are set out in “Investment Program” under the heading “Borrowing.”</p> <p>The risks associated with borrowing are set out in “Certain Risk Factors and Potential Conflicts of Interest” under the heading “Financing arrangements.”</p>
	A description of any restrictions on the use of leverage.	The circumstances in which the Feeder Fund may make borrowings are set out in “Investment Program” under the heading “Borrowing.”
	A description of any collateral and asset reuse arrangements.	The Feeder Fund has no collateral and asset reuse arrangements. For the avoidance of doubt, the Feeder Fund may post its assets as collateral for leverage.
	A description of the maximum level of leverage which the AIFM is entitled to employ on behalf of the AIF.	<p>The maximum level of leverage which the Feeder Fund is entitled to employ is set out in “Investment Program” under the heading “Borrowing.”</p> <p>Notwithstanding the foregoing, under the AIFMD, the AIFM is required to disclose the maximum level of leverage that it is entitled to employ on behalf of each of the Feeder Fund and the Master Fund using specific methods of calculation. The methods are the gross method (as such term is defined in Article 7 of the Commission Delegated Regulation (EU) No 231/2013 supplementing AIFMD (the “AIFMD Delegated Regulation”) and the commitment method (as such term is defined in Article 8 of the AIFMD Delegated Regulation). Under both the gross method and the commitment method, leverage is calculated as the ratio between the exposure of an AIF and its NAV. “Exposure” means the absolute value of all investments and other positions of the AIF. This means that a fully-invested AIF with no borrowings would report a “leverage” of 100%, and not zero. Derivatives (which are defined to include FX</p>

AIFMD REFERENCE	INFORMATION TO BE PROVIDED UNDER AIFMD	RESPONSE
		<p>forwards) must also be included in the calculation of leverage. Under the gross method, derivatives increase leverage irrespective of whether the derivative hedges risk, but under the commitment method derivatives that hedge risk are not deemed to increase leverage.</p> <p>In accordance with its risk management function and the investment objectives of the Feeder Fund, the AIFM has set a maximum of leverage of 150% according to the gross method and 120% according to the commitment method which the Portfolio Manager(s) may employ on behalf of the Feeder Fund.</p>
Article 23 (1)(a)	Information on where any master AIF is established and where the underlying funds are established if the AIF is a fund of funds.	<p>The Master Fund is a Luxembourg investment company with variable capital (<i>société d'investissement à capital variable – SICAV</i>) incorporated on 20 December 2024 in the form of a public limited company (<i>société anonyme – S.A.</i>) and authorized by the CSSF under Part II of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment, as amended from time to time and subject to the ELTIF Regulations. The Master Fund is registered under number B293001 with the RCS. The registered office of the Master Fund is 12E, rue Guillaume Kroll, L-1882 Luxembourg, Grand Duchy of Luxembourg.</p>
Article 23 (1)(c)	<p>A description of the main legal implications of the contractual relationship entered into for the purposes of investment, including information on:</p> <ul style="list-style-type: none"> • jurisdiction; • applicable law; and • the existence or not of any legal instruments providing for the recognition and enforcement of judgments in the territory where the AIF is established. 	<p>This Prospectus and the Articles are governed by Luxembourg law. The courts of the Grand Duchy of Luxembourg will have exclusive jurisdiction to settle any disputes (whether contractual or non-contractual in nature) arising out of such documentation. This Prospectus and the Articles as well as the Master Fund Prospectus and Master Fund Articles will be available for inspection upon request at the Feeder Fund's registered office.</p> <p>Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and</p>

AIFMD REFERENCE	INFORMATION TO BE PROVIDED UNDER AIFMD	RESPONSE
		commercial matters (recast) has force of law in Luxembourg. In accordance with its provisions, a judgment obtained in the courts of another EU jurisdiction will in general be recognized and enforced in Luxembourg without review as to its substance, save in certain exceptional circumstances.
Article 23 (1)(d)	The identity of the AIFM	<p>The AIFM is Muzinich & Co. (Ireland) Limited, an Irish limited company. The AIFM is regulated by the Central Bank of Ireland.</p> <p>The AIFM will be responsible for all the activities required to be performed by an alternative investment fund manager pursuant to the AIFMD. It will delegate portfolio management duties to the Portfolio Manager(s).</p> <p>Investors will not have any direct contractual rights against the AIFM.</p>
Article 23 (1)(d)	The identity of the AIF's depositary	<p>The depositary for the Feeder Fund is State Street Bank International GmbH, Luxembourg Branch.</p> <p>The Depositary's role is to ensure:</p> <ul style="list-style-type: none"> the Feeder Fund's cash flows are properly monitored; safe-keeping of those of the Feeder Fund's assets that are capable of being held in custody; verification of the Feeder Fund having good title to those assets that are not capable of being held in custody; the issue of Shares is carried out in accordance with applicable national law and this Prospectus; the value of the Shares are calculated in accordance with applicable national law, this Prospectus and the AIFMD; that when the Feeder Fund sells an Investment, the consideration for the sale is remitted to the

AIFMD REFERENCE	INFORMATION TO BE PROVIDED UNDER AIFMD	RESPONSE
		<p>Feeder Fund within the usual time limits; and</p> <ul style="list-style-type: none"> that the Feeder Fund's income is applied in accordance with applicable national law and this Prospectus. <p>Investors will not have any direct contractual rights against the Depositary, but may establish the liability of the Depositary under Luxembourg law in accordance with article 19 (12) of the 2013 Law.</p> <p>In accordance with Article 89(3) of the AIFMD Delegated Regulation, the Depositary's safe-keeping duties as referred to in paragraphs 1 and 2 of Article 89(3) will apply on a look-through basis to underlying assets held by financial and, as the case may be, or legal structures controlled directly or indirectly by the Feeder Fund (but not the Master Fund) or the AIFM acting on behalf of the Feeder Fund (but not the Master Fund).</p> <p>In accordance with Article 90(5) of the AIFMD Delegated Regulation, the Depositary's safe-keeping duties referred to in paragraphs 1 to 4 of Article 90(5) will apply to the underlying assets held by any financial or legal structures established by the Feeder Fund, or by the AIFM acting on behalf of the Feeder Fund, and which are controlled directly or indirectly by the Feeder Fund, or by the AIFM acting on behalf of the Feeder Fund, for the purposes of investing in the underlying assets. For the avoidance of doubt, the Master Fund will not be considered as such a financial or legal structure for the purposes of the look-through.</p> <p>To ensure the flow of information and documents that is needed for the Depositary to fulfil its duties in respect of the Feeder Fund, the Depositary has entered into an information-sharing agreement with the depositary of the Master Fund in accordance with Article 29(7) of the ELTIF Regulation.</p>

AIFMD REFERENCE	INFORMATION TO BE PROVIDED UNDER AIFMD	RESPONSE
Article 23 (1)(d)	The identity of the auditor	<p>The Auditor is Deloitte Audit, S.à r.l.</p> <p>The Auditor is responsible for auditing the Feeder Fund's annual financial statements.</p> <p>Investors will not have any direct contractual rights against the auditor.</p>
Article 23 (1)(d)	The identity of any other service providers	<p>State Street Bank International GmbH, Luxembourg Branch is the Administrator to the Feeder Fund. The services to be provided by the Administrator will include maintaining the Feeder Fund's financial books and records, preparing reports to investors and managing the payment of the Feeder Fund's expenses.</p> <p>Investors will not have any direct contractual rights against the Administrator.</p>
Article 23 (1)(e) & Article 9(7)	<p>A description of how the AIFM is complying with the requirements of Article 9(7).</p> <p>The requirements of Article 9(7) are for the AIFM either:</p> <ul style="list-style-type: none"> to have additional own funds which are appropriate to cover potential liability risks arising from professional negligence; or to hold a professional indemnity insurance against liability arising from professional negligence which is appropriate to the risks covered. 	<p>The AIFM holds a professional indemnity insurance policy against liability arising from professional negligence which is appropriate to the risks covered.</p>
Article 23 (1)(f)	<p>A description of any management functions (listed below) delegated by the AIFM.</p> <p>The management functions referred to above include: (i) portfolio management; (ii) risk management; (iii) administration functions; (iv) marketing functions; and (v) activities relating to the AIF's assets.</p> <p>A description of any safekeeping function delegated by the depositary.</p>	<p>The AIFM will delegate portfolio management functions to the Portfolio Manager(s).</p> <p>Under the Depositary Agreement, the Depositary is entitled to appoint a third party to carry out the safekeeping duties but it is not envisaged that this will be required.</p>

AIFMD REFERENCE	INFORMATION TO BE PROVIDED UNDER AIFMD	RESPONSE
	A description of the identification of the delegate.	A description of the Portfolio Manager(s) included in “Terms of the Feeder Fund” under the heading “Portfolio Manager(s)” and a description of the Administrator and Depositary is included in “Terms of the Feeder Fund” under the respective headings “Administrator” and “Depositary”.
	A description of any conflicts of interest that may arise from such delegations.	Potential conflicts of interest are described in “Certain Risk Factors and Potential Conflicts of Interest” under the heading “Potential Conflicts of Interest.”
Article 23 (1)(g)	A description of the AIF’s valuation procedure and the pricing methodology for valuing assets, including the methods used in valuing hard-to-value assets in accordance with Article 19.	<p>All the financial statements of the Feeder Fund will be prepared in accordance with International Financial Reporting Standards.</p> <p>The AIFM is responsible for the valuation of the assets of the Feeder Fund. When valuing the assets of the Feeder Fund, the AIFM may be assisted by a service provider (for example, if required by third party in connection with the realization of the Feeder Fund’s assets).</p> <p>The assets and liabilities of the Feeder Fund will be valued as set out in “Terms of the Feeder Fund - Accounting standards, valuations and NAV.”</p> <p>The Feeder Fund’s NAV and NAV per Share will be determined by the Administrator no less frequently than as of the last Business Day of each calendar month.</p>
Article 23 (1)(h)	A description of the AIF’s liquidity risk management, including the redemption rights both in normal circumstances and exceptional circumstances and a description of the existing redemption arrangements with investors.	See “Terms of the Feeder Fund.”
Article 23 (1)(i)	A description of all fees, charges and expenses and of the maximum amounts thereof which are directly or indirectly borne by investors.	See “Terms of the Feeder Fund.”

AIFMD REFERENCE	INFORMATION TO BE PROVIDED UNDER AIFMD	RESPONSE
Article 23 (1)(j)	A description of how the AIFM ensures a fair treatment of investors and, whenever an investor obtains preferential treatment (or the right to obtain it) (such as via a side letter), a description of that preferential treatment, the type of investor who obtains such preferential treatment and, where relevant, their legal or economic links with the AIF or AIFM.	<p>If a sub-class of Shares is marketed to Retail Investors, all Shareholders within the same sub-class of Shares will benefit from the same rights and no preferential treatment or specific economic benefits will be granted to any individual Shareholders or group of Shareholders within the same sub-class of Shares as required under the ELTIF Regulations.</p> <p>Subject to the above and applicable laws, the Feeder Fund, the Master Fund, the AIFM, the Portfolio Manager and any of their respective affiliates may enter into agreements (such as side letters) with investors which have the effect of altering or supplementing the terms of this Prospectus and the Feeder Fund's subscription agreements. See the sections headed "Terms of the Feeder Fund – Agreements with Certain Investors" and "Certain Risk Factors and Potential Conflicts of Interest – Agreements with certain investors."</p>
Article 23 (1)(k)	The latest annual report.	<p>The Feeder Fund's first annual report will be produced within six months after the end of its first financial year. The Feeder Fund's latest annual report will be available for inspection upon request at the Feeder Fund's registered office and will indicate how the annual report of the Master Fund can be obtained.</p> <p>Without limitation, the Feeder Fund's annual reports will provide information on the jurisdictions in which the Master Fund has invested as well as a statement on the aggregate charges of the Feeder Fund and the Master Fund.</p>
Article 23 (1)(l)	The procedure and conditions for the issue and sale of units or shares.	The procedure for subscription is described in "Terms of the Feeder Fund" and in the subscription agreement, in the section headed "Notes to Applicants." Subscriptions may be accepted or rejected in the sole discretion of the Feeder Fund.
Article 23 (1)(m)	The latest NAV of the AIF or the latest market price of a unit or share of the AIF, in accordance with Article 19 of AIFMD.	The initial price per share will be as described in "Terms of the Feeder Fund" in the section headed "Subscriptions."

AIFMD REFERENCE	INFORMATION TO BE PROVIDED UNDER AIFMD	RESPONSE
		The latest NAV of the Feeder Fund will be available upon request at the Feeder Fund's registered office.
Article 23 (1)(n)	Where available, the historical performance of the AIF.	The Feeder Fund is newly-established and hence no historic performance information is available.
Article 23 (1)(o)	<p>The identity of the prime broker and a description of:</p> <ul style="list-style-type: none"> any material arrangements of the AIF with its prime brokers; the way the conflicts of interest in relation thereto are managed; the provision in the contract with the depositary on the possibility of transfer and reuse of AIF assets; and information about any transfer of liability to the prime broker that may exist. 	<p>The Feeder Fund has not appointed a prime broker.</p> <p>In accordance with Article 29 of the ELTIF Regulations, the assets held in custody by the Depositary are only allowed to be reused provided that:</p> <ul style="list-style-type: none"> the reuse of the assets is executed for the account of the Feeder Fund; the depositary is carrying out the instructions of the AIFM or the Portfolio Manager(s) on behalf of the Feeder Fund; the reuse is for the benefit of the Feeder Fund and in the interests of the investors; and the transaction is covered by high quality and liquid collateral received by the ELTIF under a title transfer arrangement. <p>The market value of the collateral referred to in the fourth bullet above must at all times amount to at least the market value of the reused assets plus a premium.</p>
Article 23 (1)(p)	A description of how and when the information required to be disclosed under Article 23(4) and Article 23(5) will be disclosed.	The percentage of the Feeder Fund's assets which are subject to special arrangements arising due to their illiquid nature, any material change to the risk profile of the Feeder Fund or the risk management systems employed by the Feeder Fund to manage those risks (including any new arrangements for managing liquidity of the Feeder Fund), together with any change to the borrowing provisions of the Feeder Fund and the total amount of leverage employed by the Feeder Fund will be disclosed to investors in the annual financial report and semi-

AIFMD REFERENCE	INFORMATION TO BE PROVIDED UNDER AIFMD	RESPONSE
		annual unaudited financial reports provided to investors.
Article 23 (2)	Details of any arrangement made by the depositary to contractually discharge itself of liability on accordance with Article 21(13) of the Directive.	<p>The AIFM will inform investors of any changes with respect to the liability of the Depositary.</p> <p>The liability of the Depositary may not be excluded or limited by agreement, and the Depositary may not discharge itself from its liability in the event of a loss of financial instruments held in custody by a third party.</p>

2. SFDR and Taxonomy Regulation disclosures

a) Definitions

For the purposes of this section:

“Sustainability Factors” mean environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters; and

“Sustainability Risk(s)” means an environmental, social or governance event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of the investment.

b) Sustainability Related Disclosures

SFDR OR TAXONOMY REGULATION REFERENCE	INFORMATION TO BE PROVIDED UNDER SFDR AND THE TAXONOMY REGULATION	RESPONSE
SFDR Article 6 1(a)	The manner in which sustainability risks are integrated into investment decisions	Sustainability Risks can have a material impact on the profitability, liquidity, financial profile and reputation of the Master Fund's investments and consequently (indirectly) on the Feeder Fund's return. While the Fund Managers consider the potential materiality of Sustainability Risks alongside financial metrics as part of their research and investment process, they do not follow a mechanistic approach to determine how certain Sustainability Risks should impact purchase, sale or weighting decisions on investments. Instead, they assess sustainability issues and potential materiality on a case-by-case basis. The Fund Managers focus on maintaining a diversified portfolio of assets and believe that considering Sustainability Risks can help mitigate downside risk. Where Sustainability Factors present important risks or opportunities to an underlying investment or potential underlying investment, the Fund Managers consider such factors alongside material financial factors. Where required, the Fund Managers may exclude certain underlying investments or actively target others on the basis of their management of Sustainability Risks.
SFDR Article 6 1(b)	Results of the assessment of the likely impacts of sustainability risks on the returns of the fund	The Fund Managers believe that all underlying investments or potential underlying investments face Sustainability Risks to varying degrees and that such risks may indirectly have an impact on the Feeder Fund. The Fund Managers believe their ESG-related research capabilities can help enhance portfolio relative performance, particularly in reducing exposure to countries, industries, and

		securities (including through the use of negative screening) with material negative ESG risks. The Fund Managers aim to mitigate Sustainability Risks by integrating such risks into the investment process, through identifying material Sustainability Risks and by ensuring that such risks are adequately considered and compensated for alongside other financial measures. The Fund Managers believe that Sustainability Risks are likely to have little impact on the Feeder Fund's indirect returns.
SFDR Article 7 (2)	Consideration of adverse sustainability impacts at fund level	The Fund Managers do not currently take into account the indicators for adverse impacts on sustainability factors as set out in the regulatory technical standards which accompany SFDR ("PAIs"), but may decide to do so in the future. The Fund Managers do not currently do so because, among other reasons, the Fund Managers are not, in their view, currently in a position to obtain and/or measure all the data which they would be required by the SFDR to report, or to do so systematically, consistently and at a reasonable cost with respect to all their investment strategies to clients and investors. This is in part because underlying investments are not widely required to, and may not currently, report by reference to the same data.
SFDR Article 8(1)	Information on how the environmental and/or social characteristics promoted by the Fund are attained	Please see the disclosures contained in Appendix B: "Pre-contractual disclosure under SFDR and the Taxonomy Regulation."
Taxonomy Regulation Article 6 (a)	Information on the environmental objectives to which the underlying investments contribute	Please see the disclosures contained in Appendix B: "Pre-contractual disclosure under SFDR and the Taxonomy Regulation."
Taxonomy Regulation Article 6 (b)	How and to what extent the underlying investments are in economic activities which qualify as environmentally sustainable	Please see the disclosures contained in Appendix B: "Pre-contractual disclosure under SFDR and the Taxonomy Regulation."

APPENDIX B: PRE-CONTRACTUAL DISCLOSURE UNDER SFDR AND THE TAXONOMY REGULATION

PRE-CONTRACTUAL DISCLOSURE UNDER SFDR AND THE TAXONOMY REGULATION

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: [Muzinich European Private Credit ELTIF Firstlight Feeder SICAV, S.A.]

Legal entity identifier: [●]

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☒ ☐ Yes

☒ ☐ No

☐ It will make a minimum of **sustainable investments with an environmental objective:** ____%

- ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It will make a minimum of **sustainable investments with a social objective:** ____%

☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ____% of sustainable investments

- ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
- ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- ☐ with a social objective

☒ It promotes E/S characteristics, but **will not make any sustainable investments**



What environmental and/or social characteristics are promoted by this financial product?

This financial product promotes a combination of environmental and social characteristics by investing in the Master Fund which avoids investing in companies which the Portfolio Manager considers to be fundamentally unsustainable through certain industry and conduct-based exclusion criteria, and a minimum ESG scoring threshold. Moreover, the Portfolio Manager will invest in companies that follow good governance practices.

● **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To measure, monitor and ensure the attainment of the environmental and social characteristics promoted by this financial product, this financial product will use the sustainability indicators selected in respect of the Master Fund by the Portfolio Manager, being the following sustainability indicators:

1. Compliance with exclusion list: whether the investee companies comply with the financial product's and the Portfolio Manager's exclusion criteria. For further detail regarding the exclusion lists, please see the disclosure below in the section headed: *"What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?"*

2. ESG score: the ESG score of investee companies, which the Portfolio Manager may seek to improve through engagement, on a reasonable efforts basis, during the course of investment. The ESG score will be applied in respect of all investments held by the financial product. The Portfolio Manager applies specific minimum ESG score criteria at investee company and portfolio-level which are summarized below in the section headed *"What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?"*

● **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

While this financial product promotes certain environmental and social characteristics by investing in the Master Fund, it has not committed to making sustainable investments. It is nevertheless possible that the Master Fund, and therefore this financial product, may incidentally make sustainable investments that contribute to the EU's sustainability objectives based on the relevant investee company's/ies' contribution to, for example, climate change mitigation or adaptation. Details of the investments made by the financial product and the Master Fund (and the extent of any sustainable investments, if any) will be included in the financial product's annual report.

● **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

This financial product (and the Master Fund) has not committed to making sustainable investments. Nevertheless, the Portfolio Manager's deal team (the **"Deal Team"**) consider certain business conduct criteria relating to human rights, labor rights, environmental protection and governance practices to ensure that holdings do not significantly harm environmental or social factors via its standard due diligence process. Those considerations are included in the Portfolio Manager's proprietary private debt ESG scorecard (the **"ESG Scorecard"**) which is based on information gathered from co-lenders and directly from target investee companies via reasonable efforts.

— — **How have the indicators for adverse impacts on sustainability factors been taken into account?**

The Fund Managers do not currently take into account the indicators for adverse impacts on sustainability factors as set out in the regulatory technical standards accompanying SFDR ("PAIs"), but may decide to do so in the future.



While the Fund Managers do not take PAIs into account, the Deal Team consider various ESG factors as part of its standard due diligence process and include those considerations when determining a borrower's ESG score (as outlined below). The Portfolio Manager may seek to engage, on a reasonable efforts basis, with an underlying investment or potential underlying investment in order to address material ESG factors identified during the due diligence process or the Portfolio Manager may disqualify such underlying investments or potential underlying investments from further investment by the financial product (or the Master Fund).

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

This financial product (and the Master Fund) has not committed to making sustainable investments. Nevertheless, the Portfolio Manager considers the issues addressed by the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights as part of their ESG due diligence process. These considerations are included in the proprietary ESG Scorecard, which is based on information gathered from co-lenders and directly from target companies (as described below).

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



Does this financial product consider principal adverse impacts on sustainability factors?

☐ Yes, _____

☒ No



What investment strategy does this financial product follow?

The financial product invests substantially all of its assets (excluding certain amounts on account of fees and expenses of the financial product) in the Master Fund, which has a debt investment strategy as defined by Annex IV of the Commission Delegated Regulation (EU) No 231/2013 and will primarily seek to invest, on both a primary and secondary basis, in a diversified portfolio of senior secured floating rate debt instruments, including unitranche debt, syndicated loans and club loans; and it will also invest in liquid investment grade and high yield bonds.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

The Master Fund's industry and conduct-based exclusion criteria and ESG due diligence (using the ESG score methodology) are binding elements of the Master Fund's investment strategy and therefore have the potential to reduce the scope of investment opportunities.

● ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

Exclusion criteria: In accordance with the financial product's and the Master Fund's constitutional documents the financial product will not invest in any investee company that the Portfolio Manager deems to have breached, or to be at severe risk of breaching, certain recognized norms and/or international standards relating to respect for human rights, labor relations, protection from severe environmental harm, and fraud and/or gross corruption standards and will not invest in, or otherwise guarantee or provide financial support to, any investee company that derives more than 10% of its revenues from:

- i. conventional weapons;
- ii. fossil fuel-based energy production;
- iii. gambling operations;
- iv. pornography; or
- v. tobacco products;

or more than 1% of its revenues from controversial weapons.

Because the Master Fund invests in illiquid markets, the Portfolio Manager cannot assure investors that it will be able to reverse passive breaches of its exclusion criteria for certain holdings within the lifetime of the investment.

ESG score: The Portfolio Manager will determine an ESG score for each investee company of the Master Fund to ensure the following:

- All of the Master Fund's portfolio investments have an ESG score of at least 9 out of 50 at the time of acquisition.
- The Master Fund will not make any investment that, at the time of acquisition, will cause the total acquisition cost of the Master Fund's portfolio investments with an ESG score of less than 18 out of 50 at the time of investment to exceed 10% of its Net Subscribed Capital .
- The Master Fund will not make any investment that, at the time of acquisition, will cause the total acquisition cost of the Master Fund's portfolio investments with an ESG score of less than 27 out of 50 at the time of investment to exceed 60% of Net Subscribed Capital.

For these purposes, at any time, "**Net Subscribed Capital**" means the total cumulative amount that has been accepted by the Master Fund in respect of subscriptions minus the total cumulative amount paid by the Master Fund in respect of redemptions.

The ESG score is determined by the Portfolio Manager using one of its proprietary ESG scoring methodologies which are distinct for bond issuers, syndicated loan issuers, and privately held issuers. For each methodology, the Portfolio Manager has identified a series of potentially material ESG factors which are measured and given specific weights which contribute to an overall score. Examples of different ESG factors which contribute to each methodology include:

- 1) The ESG credentials of the investee company's beneficial owners (e.g. senior management and/or private equity sponsor)
- 2) Governance Risks:
 - a. Poor ESG management, transparency, and/or accountability
 - b. Evidence of bribery and/or corruption
 - c. Lack of risk management
- 3) Environmental Risks:
 - a. Management of climate change impacts
 - b. Planned natural resource use
 - c. Evidence of environmental degradation
- 4) Social Risks:
 - a. Poor employee engagement and welfare
 - b. Stakeholder risks, such as company/product boycotts
 - c. Lack of diversity and inclusion in HR and/or hiring practices

The Portfolio Manager applies different ESG scoring methodologies in relation to liquid and illiquid investments based on the availability of ESG data, typical investment research periods, and access to potential debt issuers. As such, the Portfolio Manager will normalize different ESG scores to a scale of 0 (being the worst possible score), to 50 (being the best possible score) and will apply a weighted average calculation to the limits described above.

The main sources of information used by the Portfolio Manager to construct the proprietary ESG score are: (i) third-party ESG data providers, (ii) conversations with management of the borrower, (iii) notes to the borrower's financial statement, (iv) the beneficiary owners of a debt issuer such as a private equity firm and, if available, (v) the borrower's sustainability statement.

Assessment of the ESG credentials of a company's senior management or private equity sponsor includes building an understanding of their internal ESG policies, governance, procedures and resourcing; evidence of dedicated corporate responsibility or ESG staff; routine and comprehensive ESG reporting to external stakeholders; evidence of relevant ESG codes of conduct including anti-bribery and corruption policies among other factors.

The Portfolio Manager's risk team (the "**Risk Team**"), working alongside the Deal Team, is in charge of monitoring the ESG profile of each investee company. The Risk Team will conduct a full review of each investee company's ESG profile at least once a year, and/or as soon as any relevant information has been acquired by the Deal Team, and revise the investee company's ESG score where appropriate to reflect any changes in the investee company's ESG profile. If there is a change to an investee company's ESG score, the Portfolio Manager will reconsider the position. The Fund Managers also monitor the Master Fund's exposure on an ongoing basis to ensure compliance with the binding criteria outlined above and will correct passive breaches as soon as possible (depending on the liquidity of the asset in question).

The Portfolio Manager may seek to improve a portfolio investment's ESG score during the course of the investment process through engagement on a reasonable efforts basis. Further details of the Portfolio Manager's approach to engagement can be found in the Responsible Investment Policy (a copy of which is available at www.muzinich.com).

Further details regarding the Portfolio Manager's ESG scoring methodology for public securities is available online at <https://www.muzinich.com/about/responsible-investing>.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The financial product (and the Master Fund) does not have a committed minimum rate to reduce the scope of investments. The Fund Managers recognize that the binding elements of the investment strategy (as applied through the financial product's investment in the Master Fund) may reduce the scope of available investment opportunities.

● **What is the policy to assess good governance practices of the investee companies?**

The Portfolio Manager will assess, among other factors, management structures, employee relations, remuneration of staff and tax compliance. Specifically, the Portfolio Manager expects borrowers to demonstrate good governance practices through their alignment with international frameworks such as the International Corporate Governance Network Principles, the UN Global Compact Principles, and national governance standards. The Deal Team will benchmark a borrower's alignment with those frameworks based on its review of various factors as outlined in the Responsible Investment Policy.

The Portfolio Manager has appointed an internal ESG Eligibility Committee which is responsible for determining whether a potential investee company follows good governance practices in cases where this may be called into question, and is therefore eligible for investment. Where appropriate, the Portfolio Manager may seek to engage, on a reasonable efforts basis, with a borrower on a specific governance issue to manage related risks and promote good governance practices on an ongoing basis.

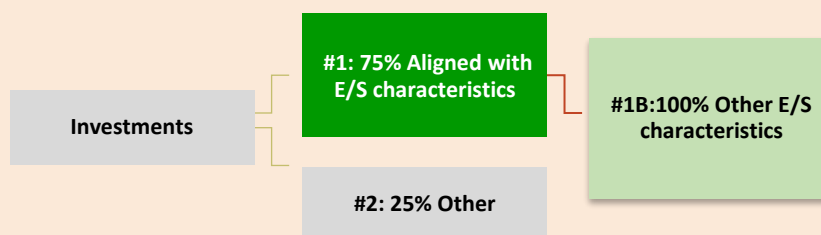
Further details of the Portfolio Manager's policy to assess good governance practices of borrowers can be found in the Responsible Investment Policy (a copy of which is available at www.muzinich.com).



What is the asset allocation planned for this financial product?

This financial product invests substantially all of its assets in the Master Fund. The proportion of investments used to meet the environmental and social characteristics of the financial product will, in principle, comprise 100% of the positions within the Master Fund. However, the Deal Team anticipates certain "Other" investments such as cash or cash equivalent holdings, money market instruments and certain hedging instruments including derivatives to which the environmental and social characteristics of the product cannot be reasonably applied. The Deal Team anticipates that no more than 25% of Net Subscribed Capital will fall into that category at any given time.

Asset allocation describes the share of investments in specific assets.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

- The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.
- The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The financial product will not enter into derivative contracts other than for hedging purposes, and the Master Fund will not enter into derivative contracts other than: (i) for hedging purposes; (ii) any option where the counterparty is a portfolio company or one of its affiliates, or (iii) any option where the underlying asset is an instrument issued by a portfolio company. For the avoidance of doubt, warrants will not be considered derivatives for the purposes of this paragraph. In the event that the financial product or the Master Fund uses derivatives, those holdings will not be used to attain the environmental and social characteristics promoted by the Master Fund.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The financial product (and the Master Fund) does not currently commit to invest in sustainable investments. It is nevertheless possible that the Master Fund, and therefore this financial product, may incidentally make sustainable investments which contribute to climate change mitigation and which are considered aligned with the EU Taxonomy. However, there is no minimum extent to which sustainable investments with an environmental objective will be aligned with the EU Taxonomy. Details of the investments made by the financial product and the Master Fund (and their extent of Taxonomy-alignment, if any) will be included in the financial product's annual report.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹?**

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegate Regulation (EU) 2022/1214.

☐ Yes, _____

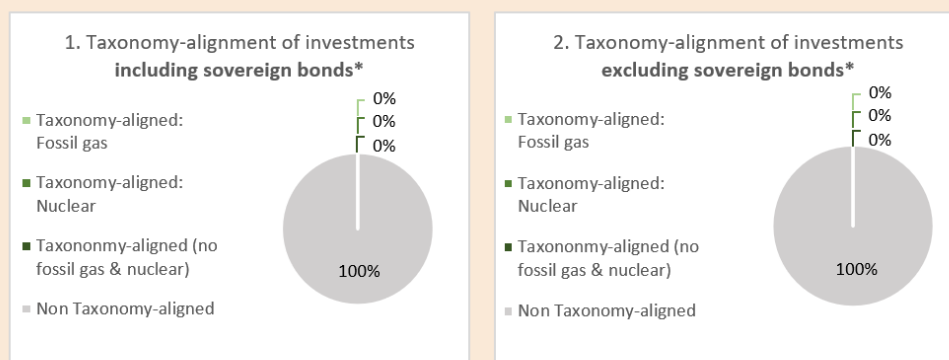
☐ In fossil gas

☐ In nuclear energy

☒ No

The financial product (and the Master Fund) does not intend to invest in fossil gas or nuclear energy related activities that comply with the EU Taxonomy.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures



are

sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of investments in transitional and enabling activities?

The financial product (and the Master Fund) has not committed to a minimum share of investments in transitional activities and it does not commit to a minimum share in enabling activities. Details of the investments made by the financial product and the Master Fund (and the extent of investments in transitional and enabling activities, if any) will be included in the financial product's annual report.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The financial product (and the Master Fund) has not committed to making sustainable investments with an environmental objective that are not aligned with the EU Taxonomy and therefore the minimum share of such investments is 0%.



What is the minimum share of socially sustainable investments?

The financial product (and the Master Fund) has not committed to making socially sustainable investments and therefore the minimum share of such investments is 0%.



What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

The investments included under "#2 Other" represent (i) at the Master Fund level, cash and cash equivalents, money market instruments and certain hedging instruments including derivatives, and (ii) at the financial product level, cash or cash equivalents. The Deal Team believes that those holdings do not relate directly to a specific issuer and therefore do not relate to the management of sustainability risks

and/or principal adverse sustainability impacts. The Deal Team therefore does not believe that it would be possible to make a reasonable determination regarding considerations relating to minimum environmental or social safeguards, in part due to the lack of relevant data relating to such instruments.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

No – the financial product does not have a specific index designated as a reference benchmark.

The Portfolio Manager notes that the financial product (through its investment in the Master Fund) can invest in privately held companies, and that there does not currently exist an appropriate financial index by which to determine whether the financial product is aligned with the environmental and/or social characteristics that it promotes.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

Not applicable

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

Not applicable

- ***How does the designated index differ from a relevant broad market index?***

Not applicable

- ***Where can the methodology used for the calculation of the designated index be found?***

Not applicable



Where can I find more product specific information online?

More product-specific information can be found on the website:
<https://www.muzinich.com/marketing/sfdr>

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

APPENDIX C: ADDITIONAL PORTFOLIO COMPOSITION AND RISK DIVERSIFICATION REQUIREMENTS

Portfolio composition and risk diversification

In accordance with the ELTIF Regulations, the Feeder Fund will permanently invest at least 85% of its assets in the Master Fund.

In accordance with the ELTIF Regulations, the Master Fund will invest only in assets referred to in Article 10 of the ELTIF Regulations (“**ELTIF-Eligible Assets**”) and UCITS-Eligible Assets. Following the Ramp-up Period, the following portfolio composition and risk diversification rules apply:

- (i) At least 55% of the Master Fund’s capital² will be invested in ELTIF-Eligible Assets.
- (ii) The Master Fund will invest no more than:
 - a) 20% of its capital in instruments issued by, or loans granted to, any single qualifying portfolio undertaking;
 - b) 20% of its capital in a single real asset³;
 - c) 20% of its capital in units or shares of any single ELTIF, EuVECA, EuSEF, UCITS or EU AIF managed by an EU AIFM; provided that the Master Fund will acquire no more than 30% of the units or shares of a single ELTIF, EuVECA, EuSEF, UCITS or EU AIF managed by an EU AIFM; and
 - d) 10% of its capital in UCITS-Eligible Assets where those assets have been issued by any single body, and the concentration limits set out in Article 56(2) of Directive 2009/65/EC will also apply to investments in UCITS-Eligible Assets.
- (iii) The aggregate value of simple, transparent and standardized securitizations in the Master Fund’s portfolio will not exceed 20% of the value of the Master Fund’s capital.
- (iv) The aggregate risk exposure to a counterparty of the Master Fund stemming from OTC derivative transactions, repurchase transactions⁴, or reverse repurchase transactions will not exceed 10% of the value of the Master Fund’s capital.
- (v) By way of derogation from point (i)(d) above, the Master Fund may raise the 10% limit to 25% where bonds are issued by a credit institution which has its registered office in an EU member state and is subject by law to special public supervision designed to protect bond-holders. In particular, sums deriving from the issue of those bonds will be invested in accordance with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest.

In respect of (i) above, the investment limit will (a) cease to apply when the Master Fund commences selling assets in order to redeem investors’ Shares after the end of the life of the Master Fund, and (b)

² In this Appendix C, “capital” means aggregate capital contributions and uncalled capital (which, in the case of the Fund, will be zero), calculated on the basis of amounts investible after deduction of all fees, charges and expenses that are directly or indirectly borne by investors.

³ In this Appendix C, “real asset” means an asset that has an intrinsic value due to its substance and properties.

⁴ In this Appendix C, “repurchase transaction” means a repurchase transaction as defined in point (83) of Article 4(1) of Regulation (EU) No 575/2013.

be suspended for a period of 12 months where the Master Fund raises additional capital or reduces its existing capital.

Any references in this Appendix C to amounts or percentages of “capital” as defined in the ELTIF Regulations should be read—and will be interpreted by the Board—in accordance with the interpretation of the Association of the Luxembourg Fund Industry (ALFI).

For the purpose of determining the Master Fund’s compliance with the foregoing risk diversification rules, investments by the Master Fund in units or shares of ELTIFs, EuVECAs, EuSEFs, UCITS and EU AIFs managed by EU AIFMs will only be taken into account to the extent of the amount of the investments of those collective investment undertakings in those ELTIF-Eligible Assets referred to in limbs (i), (ii), (iii), (v), (vi) and (vii) of the ELTIF-Eligible Assets section below.

For the purpose of determining the Master Fund’s compliance with the foregoing risk diversification rules and the limitations on borrowing referred to in the first paragraph of the sub-section headed “Borrowing” above, the assets and the cash borrowing position of the Master Fund and of the other collective investment undertakings in which the Master Fund is invested will be combined.

Companies which are included in the same group for the purposes of consolidated accounts, as regulated by Directive 2013/34/EU of the European Parliament and of the Council or in accordance with recognized international accounting rules, will be regarded as a single qualifying portfolio undertaking or a single body for the purpose of the foregoing (including the requirement that, following the Ramp-up Period, at least 55% of the Master Fund’s capital be invested in ELTIF-Eligible Assets).

ELTIF-Eligible Assets

The following types of assets qualify as ELTIF-Eligible Assets.

- (i) Equity⁵ or quasi-equity⁶ instruments which have been:
 - (a) issued by a qualifying portfolio undertaking and acquired by the Master Fund from the qualifying portfolio undertaking or from a third party via the secondary market;
 - (b) issued by a qualifying portfolio undertaking in exchange for an equity or quasi-equity instrument previously acquired by the Master Fund from the qualifying portfolio undertaking or from a third party via the secondary market; or
 - (c) issued by an undertaking in which the qualifying portfolio undertaking holds a capital participation in exchange for an equity or quasi-equity instrument acquired in accordance with points (a) or (b) above by the Master Fund from the qualifying portfolio undertaking or from a third party via the secondary market.
- (ii) Debt instruments issued by a qualifying portfolio undertaking.
- (iii) Loans granted by the Master Fund to a qualifying portfolio undertaking with a maturity no longer than the life of the Master Fund.
- (iv) Units or shares of one or several other ELTIFs, EuVECAs, EuSEFs, UCITS and EU AIFs managed by EU AIFMs, provided that those ELTIFs, EuVECAs, EuSEFs, UCITS and EU AIFs invest in ELTIF-Eligible Assets and UCITS-Eligible Assets and have not themselves invested more than 10% of their assets in any other collective investment undertaking.

⁵ In Appendix C, “equity” means ownership interest in a qualifying portfolio undertaking, represented by the shares or other forms of participation in the capital of the qualifying portfolio undertaking issued to its investors.

⁶ In this Appendix C, “quasi-equity” means any type of financing instrument where the return on the instrument is linked to the profit or loss of the qualifying portfolio undertaking and where the repayment of the instrument in the event of default is not fully secured.

- (v) Real assets.
- (vi) Simple, transparent and standardized securitizations where the underlying exposures correspond to one of the following categories: (i) assets listed in Article 1, points (a)(i), (ii) or (iv), of Commission Delegated Regulation (EU) 2019/1851; or (ii) assets listed in Article 1, points (a)(vii) and (viii), of Delegated Regulation (EU) 2019/1851, provided that the proceeds from the securitization bonds are used for financing or refinancing long-term investments.
- (vii) Bonds issued, under European Union legislation on environmentally sustainable bonds, by a qualifying portfolio undertaking.

For the avoidance of doubt, the limit laid down in point (iv) does not apply to the Feeder Fund.

For the purpose of the foregoing, a “**qualifying portfolio undertaking**” has the meaning given in Article 11 of the ELTIF Regulations, which is, in summary, a portfolio undertaking other than a collective investment undertaking that fulfils the following requirements:

- (i) it is not a financial undertaking⁷, unless it is (a) a financial undertaking, other than a financial holding company or a mixed-activity holding company, that has been authorized or registered more recently than five years before the date of the investment, or (b) a financial undertaking that exclusively finances qualifying portfolio undertakings or real assets described in paragraph (v) of the description of ELTIF-Eligible Assets set out above;
- (ii) it is an undertaking which:
 - (a) is not admitted to trading on a regulated market or on a multilateral trading facility⁸; or
 - (b) is admitted to trading on a regulated market or on a multilateral trading facility and has a market capitalization of no more than €1,500,000,000;
- (iii) it is established in an Eligible Jurisdiction.

Investment restrictions

The Master Fund will not undertake any of the following activities:

- (i) short selling⁹ of assets;
- (ii) taking direct or indirect exposure to commodities, including via financial derivative instruments, certificates representing them, indices based on them or any other means or instrument that would give an exposure to them;

⁷ In this Appendix C, “financial undertaking” means any of the following: (a) a credit institution as defined in point (1) of Article 4(1) of Regulation (EU) No 575/2013 of the European Parliament and of the Council; (b) an investment firm as defined in point (1) of Article 4(1) of Directive 2014/65/EU; (c) an insurance undertaking as defined in point (1) of Article 13 of Directive 2009/138/EC of the European Parliament and of the Council; (d) a reinsurance undertaking as defined in Article 13, point (4) of Directive 2009/138/EC of the European Parliament and of the Council; (e) a financial holding company as defined in point (20) of Article 4(1) of Regulation (EU) No 575/2013; (f) a mixed-activity holding company as defined in point (22) of Article 4(1) of Regulation (EU) No 575/2013; (g) a management company as defined in point (b) of Article 2(1) of Directive 2009/65/EC; and (h) an AIFM as defined in point (b) of Article 4(1) of Directive 2011/61/EU.

⁸ In this Appendix C, “regulated market” means a regulated market as defined in point (21) of Article 4(1) of Directive 2014/65/EU and “multilateral trading facility” means a multilateral trading facility as defined in point (22) of Article 4(1) of Directive 2014/65/EU.

⁹ In this Appendix C, “short selling” means an activity as defined in point (b) of Article 2(1) of Regulation (EU) No 236/2012 of the European Parliament and of the Council.

- (iii) entering into so-called securities financing transactions in the sense of Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012, such as securities lending, securities borrowing¹⁰, repurchase transactions, total return swaps, or any other agreement which has an equivalent economic effect and poses similar risks; and
- (iv) using financial derivative instruments, except where the use of such instruments solely serves the purpose of hedging the risks inherent to other investments of the Master Fund.

The Master Fund may not invest in an ELTIF-Eligible Asset in which the AIFM has or takes a direct or indirect interest, other than by holding units or shares of the Master Fund and any other ELTIFs, EuSEFs, EuVECAs, UCITS or EU AIFs managed by the AIFM.

The AIFM and undertakings that belong to the same group as the AIFM and their staff may co-invest in the Master Fund and co-invest with the Master Fund in the same ELTIF-Eligible Asset provided that the AIFM has put in place organisational and administrative arrangements designed to identify, prevent, manage and monitor conflicts of interest and provided that such conflicts of interest are adequately disclosed.

Derivative financial instruments and certain other techniques

Subject to the limitation set out in “Portfolio composition requirements applicable to ELTIFs – Investment restrictions,” the Master Fund may enter into contracts for forward settlement of foreign currencies and interest rates through forward contracts, options agreements or other foreign currency and/or interest rate hedging instruments. The Master Fund will enter into foreign currency transactions and interest rate hedges as a hedging tool and will not purchase or sell foreign currencies or interest rate hedges on a standalone basis. In addition, the Master Fund may use credit default swaps (both single-name and index) and interest rate futures for hedging purposes. Financial derivative instruments may be used only for the purpose of hedging risks inherent to other investments of the Master Fund.

The aggregate commitments resulting from financial derivative instruments entered into by private agreement and, if applicable, the commitments resulting from financial derivative instruments dealt on a regulated market may not exceed at any time the value of the Master Fund's assets.

¹⁰ In this Appendix C, “securities lending” and “securities borrowing” mean any transaction in which a counterparty transfers securities subject to a commitment that the borrower will return equivalent securities at some future date or when requested to do so by the transferor, that transaction being considered as securities lending for the counterparty transferring the securities and being considered as securities borrowing for the counterparty to which they are transferred.