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This Report is being furnished to investors on a confidential basis, and by accepting this report the recipient agrees to keep confidential the information obtained herein. This report is not an offer to sell or a solicitation of an offer to buy any security or other instrument. Any offer to invest in any fund managed by Firm Asset Management, LLC ("FIRM") can only be made to qualified investors pursuant to the confidential offering memorandum for the relevant fund that contains important information about the Fund's risks, fees and expenses and other terms. The information contain herein is not audited (unless otherwise indicated) and is based upon estimates. This report is not prepared as, or intended to be, investment advice and is issued without regard to the investment objectives, financial situation or particular needs of any recipient. Recipients should consult their own advisors, before making any investment decision. The Fund's investment program is speculative and entails substantial risks. There can be no assurance that the investment objectives of the Fund will be achieved. PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS.

Introduction to Hedge Fund Manager

Who We Are

Firm is an investment management firm founded by Partners' Names to make secondary investments in **event-driven, distressed corporate credit,** primarily in the U.S. middle market.

The strategy combines **detailed fundamental credit analysis** **with forensic due diligence** to select investments and define multiple ways to unlock value. The firm works proactively with borrowers, lenders and other constituents in the deals in which it invests to objectively assess and effectively restructure those.

Since inception, Firm has earned a reputation for being a constructive activist investor and partner. The team's **hands-on approach and multi-disciplinary expertise** delivers results to portfolio companies, lenders and investors. The flagship fund has returned over 91.18% since inception and is largely uncorrelated to the broader market.

Executive Summary

Focused Strategy

- Seeks to identify, assess and unlock value by making secondary investments within complex distressed and special situation opportunities, primarily in the U.S. middle market
- Synthesizes financial analysis, capital structure expertise, qualitative evaluation, operational diligence and legal research to engage in idiosyncratic investment opportunities where proactive participation with constituents can create value

Distinguished Team

- Co-Founders' Names have decades of direct global distressed investing and restructuring experience
- Long history of partnerships with key market players, which provide a sourcing and execution edge
- The management team is well known for their ability to resolve complex restructuring issues

Track Record

- Firm's Master Fund, L.P. (the "Fund") has generated an annualized return of 16.47% since inception
- Since inception, the Fund has had positive performance 90.20% of reporting periods, with relatively low volatility and preservation of capital during turbulent periods in the market

Clear Objectives

- Continue to consistently generate attractive risk-adjusted returns that are uncorrelated to other funds or the broader market
- Make secondary investments in collateralized senior instruments at attractive valuations to protect the downside and drive value through active engagement

Risk Management

- Multi-disciplinary approach integrates rigorous financial and legal due diligence and control over the restructuring process
- The team seeks to structure each investment with multiple exit strategies to minimize downside risk

Alignment of Interests

- The Partners maintain a significant portion of their net worth invested in the Fund alongside the Limited Partners

Leadership Team

Firm brings together an unparalleled team of experienced and innovative specialists with complementary skillsets.

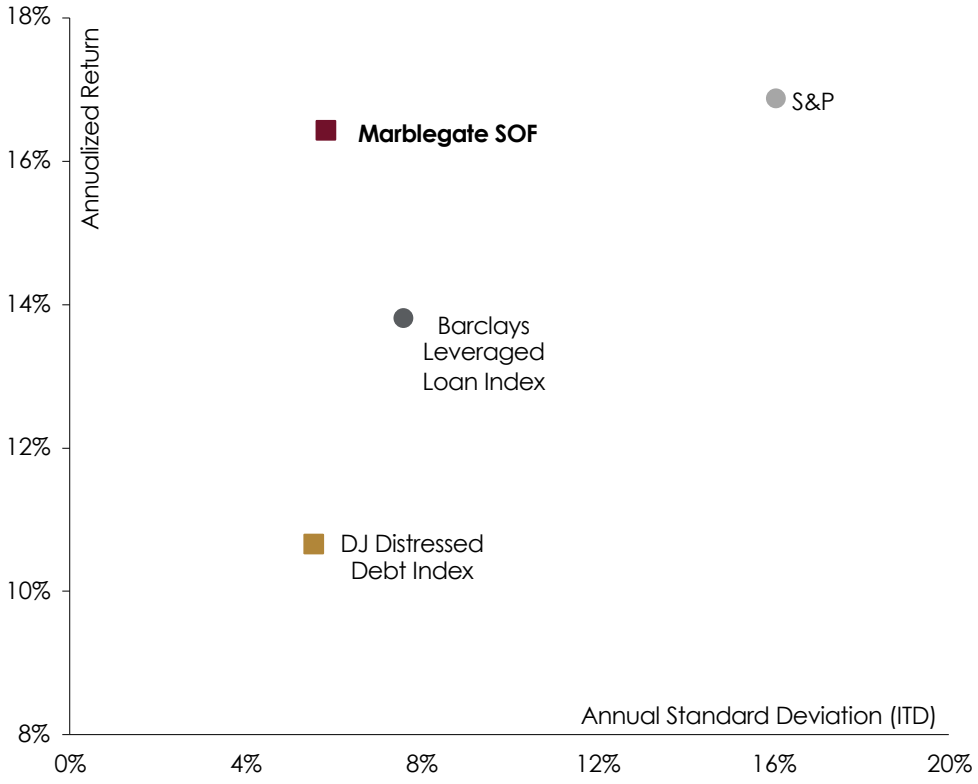
	Partner 1	Partner 2	Partner 3
	Co-Founder, Managing Partner & Chief Investment Officer	Co-Founder & Managing Partner	Co-Founder & Chairman
	18 years of industry experience	**19 years of industry experience**	**45 years of industry experience**
History	Principal at Previous Firm Asset Management, where he generated and managed distressed and special situation investments, coordinated the research process and directed a team of research analysts Worked in capital market businesses at Deutsche Bank Alex Brown and Bank of Tokyo-Mitsubishi Started his career at Swiss Bank (UBS) as a member of the global emerging markets team, responsible for the banks' proprietary investments	Senior Managing Director and distressed specialist in Distressed/High Yield Trading at Previous Firm & Co. Managed trading book focused on stressed/distressed capital structures as well as actively making markets Specialized in distressed debt, high yield, and restructuring opportunities at Previous Firm and Previous Firm.	Unparalleled expertise working with debtors/ creditors in complex distressed situations Founder, Chairman and CEO of Previous Firm & Co., LLC, a firm providing strategic advice on complex financial issues Played a significant role in major bankruptcy cases (examples redacted) Head of Financial Restructuring Groups at Previous Firms.
	B.A. in Economics and International Studies from Colby College Board of Directors of the Town Council of the Boy Scouts of America Holds the Chartered Financial Analyst designation	B.A. from the University of Pennsylvania Founding Member of the Committee of New York Presbyterian Hospital	B.A. from Fordham University; M.B.A. from Columbia University Trustee: Save the Children; Washington Institute of Near East Policy; Fordham University Member of the Board of Directors of Firm 1, Inc. and of Firm 2. Member of Board of Overseers of Columbia University's Graduate School of Business

History of Outperformance

Since inception, the Firm Special Opportunities Master Fund ("Firm SOF") has generated superior returns while preserving capital during the market's most volatile periods.

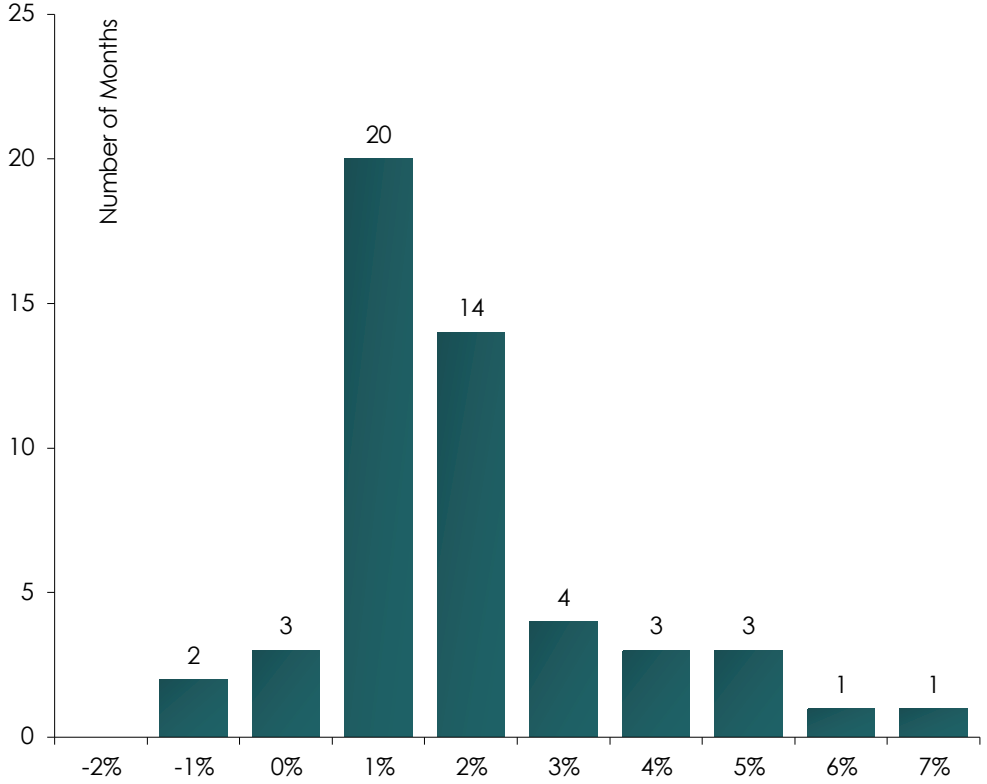
Risk/Return Highlights

Returns were generated with relatively low volatility and with low correlation to the benchmarks.



Monthly Return Distribution (% Net)

The Fund has had positive returns 90.20% of months, with an average monthly return of 1.53%.

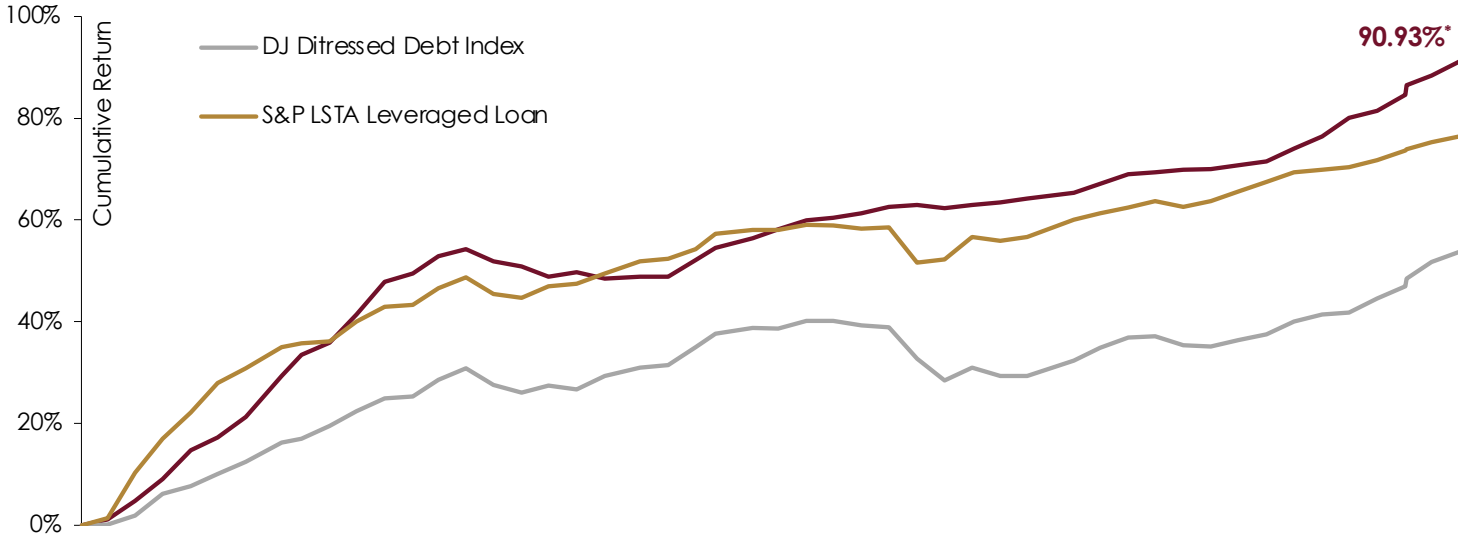


* From Inception through April 30, 2013. **Risk Free Rate of Return is assumed to be equal to 3-month Libor. Notes: Gross returns are before Fund expenses, management fees and incentive allocation. Attribution analysis is performed by calculating the gross returns of each instrument for the measurement period, which are then combined and categorized. The contribution of each instrument (or category) to the overall portfolio is then calculated based upon the net assets of the portfolio during the measurement period and the applicable return of each instrument. The securities in the Top Positions list are from the fund's portfolio as of the date hereof. Delta notionally adjusted. E. Notionally adjusted using the notional value of the contract. Discrepancies may exist across exposure due to rounding.

History of Outperformance

Since inception, the Fund has exhibited significant outperformance versus the benchmarks including a 91.18% cumulative return.

Cumulative Growth Since Inception



Performance Highlights

Annualized rate of return	16.47%
Sharpe Ratio**	2.77
% of Positive Months	90.20%
Sortino Ratio	TBD
Beta to S&P 500 Index	0.08
Correlation with S&P 500 Index	0.24
Annualized Standard Dev (LTM)	2.07%

Historical Net Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	ITD
20XX	1.78%	0.96%	1.04%	1.49%									5.37%	91.18%
20XX	0.64%	1.10%	1.14%	0.19%	0.27%	0.14%	0.39%	0.46%	1.50%	1.36%	2.04%	0.78%	10.46%	81.44%
20XX	1.54%	1.25%	1.12%	1.13%	0.30%	0.54%	0.78%	0.28%	(0.39%)	0.33%	0.37%	0.45%	7.95%	64.26%
20XX	4.58%	1.06%	2.29%	0.87%	(1.54%)	(0.61%)	(1.34%)	0.59%	(0.85%)	0.25%	0.01%	2.20%	7.59%	52.17%
20XX		0.00%	1.17%	3.56%	4.11%	5.21%	2.16%	3.43%	6.66%	3.22%	1.75%	4.12%	41.43%	41.43%

Strategy and Approach

Firm invests through the secondary market primarily in mid-sized companies experiencing financial distress due to over leverage, regulatory changes, shifts in customer preferences or changing market conditions. We utilize an activist, research-driven, solutions-oriented approach to restructuring, making the capital structure more appealing to investors and providing a profitable exit.

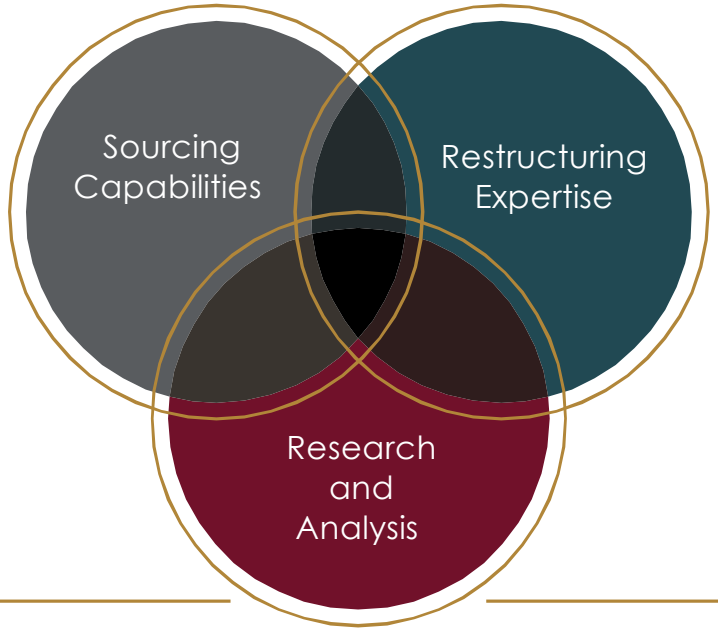
Our investments and strategy are differentiated	**We begin with proprietary deal sourcing,** based on our reputation in the middle market lending community and our extensive industry relationships with lawyers, advisors and other financial institutions.	**We look to own bank debt, secured/senior bonds and administrative trade claims** which provide the collateral and contractual rights that allow us to drive desired outcomes.	**We conduct comprehensive financial analysis.** Determining correct valuation and discounted pricing is critical for driving value creation, mitigating risks and maintaining flexibility to provide a range of exit options.
Our approach is both numbers and people-driven	**We carry out extensive legal due diligence** to determine how best to exercise our activist strategy. Based on our findings, we then use stringent covenants, waivers, amendments and milestones to direct the course of a restructuring.	**We find corporate finance solutions** based on our extensive background in restructuring that banks, other lenders and financial institutions, with their product-oriented outlook, are unable to create or execute.	**Work directly with borrowers and lenders** in order to determine the most appropriate resolution for the capital structure and ongoing management.
We do not seek to own or control businesses	**We look to influence companies' value** by investing typically over an 8 to 14-month timeframe, while building in protection for our investment.	**When restructuring a company,** we look to improve the economic properties of the capital structure to make the company more attractive to new investors or strategic acquirers.	**We seek to craft multiple "ways to win"** including several attractive exit options.

The Opportunity In The Middle Market

Firm targets the U.S. middle market, which we view as companies with total debt stock under $1b at par value. Companies in our sweet spot typically have $500 million or less of original issue debt outstanding and tend to have the following key characteristics that work to our advantage.

Characteristic	Description	Benefit
Inflexible Capital Structures	Middle market companies have capital structures that are typically simple, with an average of 90% in first lien debt.	Better covenant rights as well as alignment of structure, collateral and debt holders simplifies negotiations.
Difficult Value Chain Positioning	Middle market companies are often squeezed by larger companies and are typically forced to accept the economic constraints of their counterparties.	Creates a state of ongoing economic uncertainty and therefore conditions that lead to stress or distress.
Weaker Equity Sponsorship	Portfolio positions of second-tier private equity firms , orphaned public equities or family-owned companies that lack the skills or desire to resolve financial issues.	Owners unwilling or unable to deal with essential business problems leaves upside for investors capable of addressing structural issues.
Uneven Quality of Management	Quality of management determines whether we work with existing an existing team – our preference – or work with the board to reconstitute the management team.	Unsophisticated management teams driving companies into financial distress generates a stream of opportunities.
Valuation Characteristics	We look for distressed companies that trade at a significant discount to intrinsic value and have a compelling business model.	Discounted entry valuations serve to mitigate risk and to provide flexibility on exit options.
Ability To Exercise Rights	Core to our strategy is to "invest in companies, but buy rights."	Those rights give us the ability to enforce remedies, drive value and protect our investment.
Persistence of Opportunity	Middle market opportunities are not dependent on the market, but the opportunity set is richer when the economy is weak.	Large and persistent idiosyncratic opportunity set.
Secondary Market Participation	Hedge funds, trading desks and large investors are often unable to invest in the space due to constraints of size, sourcing or expertise.	Firm is often the only distressed investor involved in a deal; at exit, we can sell to a broad list of buyers.

Sourcing, Research and Restructuring



Proprietary Sourcing

- Key relationships with agent banks and middle market lenders means we often get the first – or only – call
- Extensive relationships within legal and advisory communities
- Strong reputation in middle market lending community including BDCs, Banks, CLOs and other financial institutions
- Act as 'outsourced workout group' for banks, insurance companies, specialty finance companies and other lenders

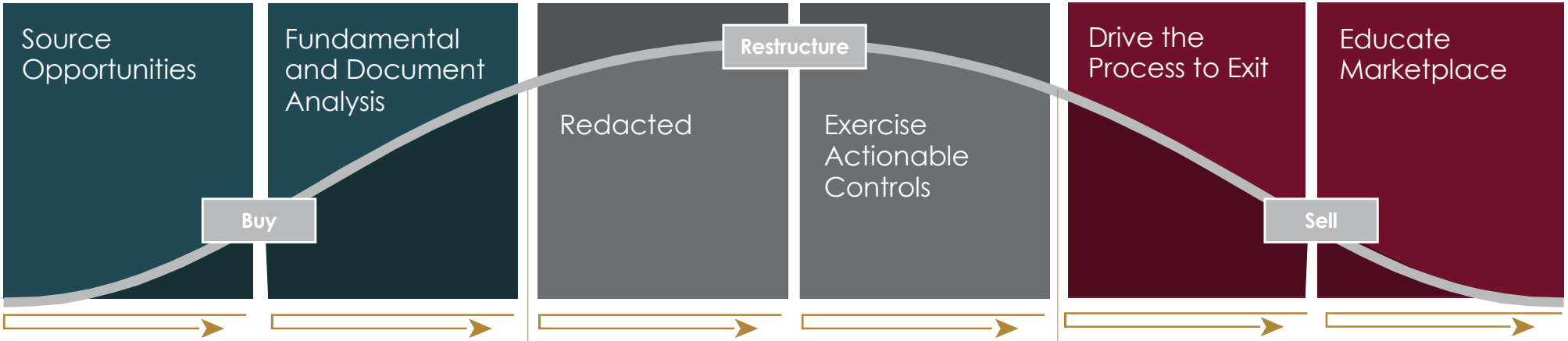
Highly Detailed Research and Analysis

- We conduct a comprehensive quantitative and qualitative financial analysis
- We carry out extensive legal due diligence
- Our research and analysis is both numbers and people driven
- We are on the ground engaging management and inspecting companies. Not a desk top analysis only strategy.
- We demand an excruciating level of detail and financial reporting from the companies in which we invest

Restructuring Experience

- Ability to enhance a company's capital structure, while driving value and minimizing risk
- Skill set to negotiate viable solutions with advantageous terms
- Use amendments and waivers offensively to drive tightly-controlled restructurings
- Ability to close quickly, providing timely and effective resolution

Investment Process



Banks forced to sell due to regulatory pressures

Capital -constrained regional banks

Stressed middle-market companies without access to financial resources

Specialty finance companies, insurance companies, CLOs seeking liquidity

Lenders looking to exit underperforming positions

Conducting extensive fundamental and capital structure analysis

Examining legal structure and rights

Evaluating the business and financing problems: Are the issues structural or operational? Temporary or inherent?

Identifying where value can be unlocked

Determining ability to influence restructuring

Assessing liquidation value

To structure and pursue covenants that support company recovery and safeguard investments

Assert negative controls and enforce covenants that minimize risk and maximize opportunity

Structure in strong protective provisions to mitigate downside

Use covenants to provide ongoing negotiating leverage

Ensure Firm can recover principal in downside scenario

Explore refinancing, reorganization, restructuring, litigation and liquidation

Scrutinize business details of company on an ongoing basis

Provide multiple viable exit options across a range of scenarios

Create new structure with changes in coupon, covenants, and payments that are attractive to prospective buyers

Position all variables to point to value-maximizing exit strategy

Educate the investor community on how to access the upside through the restructured investment

Explain critical deal dynamics, including tighter covenant packages, amortization schedules, decreased leverage, attractive coupon, and maturity schedule

Create dialogue with existing lenders, BDCs, CLOs, banks and other financial institutions and potential buyers

Risk Management

Our disciplined investment process, based on diligent research, comprehensive structural safeguards, entry valuation and multiple exit opportunities, is our best defense against unwanted risk.

Risk Controls

- Preference to invest at top of the capital structure for "contractual rights"
- Active use of covenants, amendments and waivers to ward off adverse developments and to drive process
- Discounted entry valuations serve to mitigate risks and provide flexibility on exit options
- No leverage used
- Comprehensive understanding of company and proactive interaction with management, banks and stakeholders
- Willingness to hold cash as a hedge during periods of volatility as well as for additional buying opportunities
- Strict sell discipline – position is exited when target price is reached or when investment thesis changes
- Significant investment from Firm's Partners

Portfolio Monitoring

- Daily investment committee meetings
- Real time flow of information between analysts, CIO and trading
- Ongoing monitoring of fundamental risk factors by industry and credit
- Dynamic review process of qualitative factors including timing and management
- On the ground: engaging management and physically inspecting companies in which we invest

Risk Reporting

- Daily portfolio management reports
- Weekly risk control meetings
- Quarterly risk review
- Monthly advisory board meetings
- Portfolio independently priced by administrator

Portfolio Parameters*

Position Sizes and Exposure

- Total: 30-35 core positions
- No single position exceeding 10% of the portfolio by cost
- Long: 75-100%
- Short: 5-50%

Diversification and Geography

- Typically 8-12 Industries
- No more than 30% exposure in a single industry by cost
- Primarily focused in North America

Asset Classes Diversification

- Preference for top of the capital structure in secured securities
- Bank debt 35-75%
- Bonds: 15-35%
- Trade claims: 10% or less
- Equity: 0-15% (typically as a consequence of a restructuring)

Investment Holding Period

- Long positions: 8 to 14 months
- Short positions: 3 to 6 months

* The portfolio construction targets are presented as guidelines only. Firm may modify its diversification levels, long and short exposure, asset types and investment holding periods at any time and in any manner in which it believes is consistent with its overall investment objective in response to market conditions or other factors without notice to investors.

Summary of Fund Terms

Minimum Investment	$5,000,000
Subscriptions	Monthly
Lock Up	1 year
Management Fee	2% per annum
Performance Fee	20% per annum
Redemption	Quarterly with 90 days written notice
Gate	Redemptions subject to a 25% investor level gate
High Water Mark	Yes

Auditor	Ernst & Young LLP
Prime Broker	JP Morgan Goldman Sachs
Legal Counsel	Dechert LLP (Domestic) Walkers (Offshore)
Administrator	GlobeOp Fund Services