

WATERFALL ASSET MANAGEMENT, LLC

UK MODERN SLAVERY ACT DISCLOSURE

STATEMENT 2021

This disclosure statement (the “**Statement**”) has been published pursuant to section 54(1) of the UK Modern Slavery Act 2015 (“the **Act**”) and is made on behalf of Waterfall Asset Management, LLC, (“**WAM**”, the “**Firm**”, “**we**” or “**our**”). This Statement sets out the steps taken by the Firm’s UK operations during the financial year ending December 31, 2020. In accordance with the Act, this Statement is published on the Firm’s website.

WAM is committed to high standards of ethical conduct and compliance with applicable laws. It is our expectation that our suppliers also conduct themselves in this manner. Our commitment to ethical conduct and compliance with laws includes compliance with laws prohibiting human trafficking and slavery. The Act defines “modern slavery” as including the offences of “slavery, servitude and forced or compulsory labour” as well as “human trafficking”.

All references to “employees” hereinafter refer to all officers, partners, consultants and employees of the Firm.

Business structure and supply chain

WAM is an institutional asset manager focused on structured credit (asset-backed securities and loans) and private equity investments. WAM provides a range of financial services to its client base. Given the nature of our business, we consider the risk of modern slavery and human trafficking within our supply chain to be low.

To date, the Firm has not received any reports of incidents relating to modern slavery or human trafficking in our supply chains.

Culture and Governance

WAM is committed to ensuring that its operations are free from modern slavery as defined in the Act. All employees are expected to adhere to strict internal policies (as detailed below) which encourage them to carry out their responsibilities with integrity and monitor WAM’s compliance with the applicable rules and regulations.

WAM is registered as an investment adviser with the U.S. Securities and Exchange Commission and through a subsidiary in the UK, authorised and regulated by the Financial Conduct Authority. Therefore, it is subject to both institutions’ rules, which require and regulate on good culture and governance across our business, and our employees and customers.

Relevant policies

We are committed to ensuring that our supply chains do not rely on or benefit from slavery or human trafficking. To this end, we have adopted an internal anti-slavery policy, which is applicable to all our employees. It sets out our commitment to acting ethically and with integrity in our business dealings and relationships to ensure modern slavery is not taking place anywhere in our own business or in any of our supply chains. It requires our employees to play an active role in the prevention, detection and reporting of modern slavery in any part of our business or supply chain.

In addition to this anti-slavery policy, our employees are required to comply with our internal Code of Ethics (the “**Code**”), which stipulates that our employees must always act with dignity and integrity and in an ethical manner, including when dealing with third-party service providers. The Code also permits the Firm to extend the applicability of the Code to certain non-employees, such as consultants or service providers, thereby providing us with the ability to mandate compliance by these third-party suppliers to our Code should it be required.

Our employees are also required to adhere to the WAM Compliance Manual (the “**Manual**”), which further reflects our commitment to acting ethically and with integrity in our business dealings. Pursuant to the Manual, WAM seeks to provide all its employees with (i) an awareness of the requirements of the laws, rules and regulations governing our activities, and (ii) the procedural means to ensure that our operations meet those requirements. This is in addition to the initial training and continuing education provided to our employees to allow them to understand and meet applicable requirements of the Manual (and also of the Code), which is one of the responsibilities of our Chief Compliance Officer (the “**CCO**”).

Reporting

WAM has a whistleblowing mechanism in place, which is consistent with our commitment to encouraging employees to assist us in ensuring we comply with all applicable rules and regulations. Pursuant to the Manual, all employees are encouraged to report to the CCO suspected violations of the rules and regulations applicable to the Firm (including suspected violations of the Manual). Employees do not need prior authorization to make any such reports or disclosures, and do not need to notify WAM or any person or entity affiliated with it that they have made such reports or disclosures. We believe that this whistleblowing policy helps encourage a culture of speaking out at the Firm, and aids us in monitoring our compliance with the applicable rules and regulations (including the Act).

This Statement has been approved by the managing members of the Firm.

March 1, 2021

/s/Thomas Capasse

Thomas Capasse, for and on behalf of Waterfall Asset Management, LLC.