Corporate Capital Trust, Inc.
Form 40-APP
September 13, 2018

No. 812-

U.S. SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

APPLICATION FOR AN ORDER UNDER SECTION 57(i) OF THE INVESTMENT COMPANY ACT OF 1940 AND RULE 17d-1 UNDER THE 1940 ACT PERMITTING CERTAIN JOINT TRANSACTIONS OTHERWISE PROHIBITED BY SECTIONS 17(d) AND 57(a)(4) AND RULE 17d-1 to supersede a prior order

KKR INCOME OPPORTUNITIES FUND, KKR CREDIT ADVISORS (US) LLC, KKR CREDIT ADVISORS (HONG KONG) LIMITED, KKR STRATEGIC CAPITAL MANAGEMENT LLC, KKR FI ADVISORS LLC, KKR FINANCIAL ADVISORS LLC, KKR FINANCIAL ADVISORS II, LLC, KKR CS ADVISORS I LLC, KKR MEZZANINE I ADVISORS LLC, KKR FI ADVISORS CAYMAN LTD., KAM ADVISORS LLC, KAM FUND ADVISORS LLC, KKR CREDIT FUND ADVISORS LLC, KKR ASSET MANAGEMENT PARTNERS LLP, KKR ASSET MANAGEMENT, LTD., KKR CREDIT ADVISORS (IRELAND) UNLIMITED COMPANY, KKR CAPITAL MARKETS HOLDINGS L.P., KKR CAPITAL MARKETS LLC, KKR CAPITAL MARKETS LIMITED, KKR CAPITAL MARKETS ASIA LIMITED, KKR CORPORATE LENDING LLC, KKR CORPORATE LENDING (CAYMAN) LIMITED, KKR CORPORATE LENDING (UK) LLC, MERCHANT CAPITAL SOLUTIONS LLC, MCS CAPITAL MARKETS LLC, MCS CORPORATE LENDING LLC, KKR ALTERNATIVE CREDIT LLC, KKR ALTERNATIVE CREDIT L.P., KKR ALTERNATIVE CREDIT LIMITED, KKR FINANCIAL HOLDINGS LLC, KKR FINANCIAL HOLDINGS, LTD., KKR FINANCIAL HOLDINGS II, LLC, KKR FINANCIAL HOLDINGS II, LTD., KKR FINANCIAL HOLDINGS III, LLC, KKR FINANCIAL HOLDINGS III, LTD., KKR FINANCIAL CLO HOLDINGS, LLC, KKR TRS HOLDINGS, LTD., KKR STRATEGIC CAPITAL INSTITUTIONAL FUND, LTD., KKR DEBT INVESTORS II (2006) IRELAND L.P., KKR DI 2006 LP, KKR EUROPEAN SPECIAL OPPORTUNITIES LIMITED, 8 CAPITAL PARTNERS L.P., KKR FINANCIAL CLO 2005-1, LTD., KKR FINANCIAL CLO 2005-2, LTD., KKR FINANCIAL CLO 2006-1, LTD., KKR FINANCIAL CLO 2007-A, LTD., KKR FINANCIAL CLO 2007-1, LTD., KKR FINANCIAL CLO 2012-1, LTD., KKR FINANCIAL CLO 2013-1, LTD., KKR FINANCIAL CLO 2013-2, LTD., KKR CLO 9 LTD., KKR CLO 10 LTD., KKR CLO 11 LTD., KKR CLO 12 LTD., KKR CLO 13 LTD., KKR CLO 14 LTD., KKR CLO 15 LTD., KKR CLO 16 LTD., KKR CLO 17 LTD., KKR CLO 18 LTD., KKR CORPORATE CREDIT PARTNERS L.P., KKR MEZZANINE PARTNERS I L.P., KKR MEZZANINE PARTNERS I SIDE-BY-SIDE L.P., KKR-KEATS CAPITAL PARTNERS L.P., KKR-MILTON CAPITAL PARTNERS L.P., KKR-MILTON CAPITAL

PARTNERS II L.P., KKR LENDING PARTNERS L.P., KKR LENDING PARTNERS II L.P., KKR-VRS CREDIT PARTNERS L.P., KKR SPECIAL SITUATIONS (DOMESTIC) FUND L.P., KKR SPECIAL SITUATIONS (OFFSHORE) FUND L.P., KKR SPECIAL SITUATIONS (DOMESTIC) FUND II L.P., KKR SPECIAL SITUATIONS (EEA) FUND II L.P., KKR STRATEGIC CAPITAL OVERSEAS FUND LTD., KKR-CDP PARTNERS L.P., KKR-PBPR CAPITAL PARTNERS L.P., KKR CREDIT SELECT (DOMESTIC) FUND L.P., KKR PRIVATE CREDIT OPPORTUNITIES PARTNERS II L.P., KKR PRIVATE CREDIT OPPORTUNITIES PARTNERS II (EEA) L.P., KKR PRIVATE CREDIT OPPORTUNITIES PARTNERS II (EEA) EURO L.P., KKR TACTICAL VALUE SPN L.P., KKR LENDING PARTNERS EUROPE (GBP) UNLEVERED L.P., KKR LENDING PARTNERS EUROPE (EURO) UNLEVERED L.P., KKR LENDING PARTNERS EUROPE (USD) L.P., KKR LENDING PARTNERS EUROPE (EURO) L.P., KKR EUROPEAN RECOVERY PARTNERS L.P., KKR REVOLVING CREDIT PARTNERS L.P., AVOCA CLO X DESIGNATED ACTIVITY COMPANY, AVOCA CLO XI DESIGNATED ACTIVITY COMPANY, AVOCA CLO XII DESIGNATED ACTIVITY COMPANY, AVOCA CLO XIII DESIGNATED ACTIVITY COMPANY, AVOCA CLO XIV DESIGNATED ACTIVITY COMPANY, AVOCA CLO XV DESIGNATED ACTIVITY COMPANY, AVOCA CLO XVI DESIGNATED ACTIVITY COMPANY, AVOCA CLO XVII DESIGNATED ACTIVITY COMPANY, KKR EUROPEAN FLOATING RATE LOAN FUND, ABSALON CREDIT FUND LIMITED, GARDAR LOAN FUND, AVOCA CREDIT OPPORTUNITIES PLC, KKR EUROPEAN CREDIT OPPORTUNITIES FUND II, PRISMA SPECTRUM FUND LP, POLAR BEAR FUND LP, KKR TFO PARTNERS L.P., TACTICAL VALUE SPN – APEX CREDIT L.P., TACTICAL VALUE SPN-GLOBAL DIRECT LENDING L.P., KKR GLOBAL CREDIT OPPORTUNITIES MASTER FUND L.P., TACTICAL VALUE SPN-GLOBAL CREDIT OPPORTUNITIES L.P., KKR PIP INVESTMENTS L.P., KKR PRINCIPAL OPPORTUNITIES PARTNERSHIP L.P., CPS MANAGERS MASTER FUND L.P., KKR SPN CREDIT INVESTORS L.P., KKR SPN INVESTMENTS L.P., CDPQ AMERICAN FIXED INCOME III, L.P., PRISMA APEX TACTICAL FUND ICAV, PRISMA APEX TACTICAL FUND L.P., RENDALL STREET FUND LIMITED, KKR LENDING PARTNERS III L.P. AND LP III WAREHOUSE LLC

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September 13, 2018

I. Summary of application

The following entities hereby request an order (the "***Order***") of the U.S. Securities and Exchange Commission (the "***Commission***") under Section 57(i) of the Investment Company Act of 1940, as amended (the "***1940 Act***"),[1] and Rule 17d-1 thereunder, permitting certain joint transactions that otherwise may be prohibited by Sections 17(d) and 57(a)(4) and Rule 17d-1:

Corporate Capital Trust, Inc. ("***CCT I***"), Corporate Capital Trust II ("***CCT II***"), FS Investment Corporation ("***FSIC***"), FS Investment Corporation II ("***FSIC II***"), FS Investment Corporation III ("***FSIC III***") and FS Investment Corporation IV ("***FSIC IV***"), each a closed-end management investment company that has elected to be regulated as a business development company (a "***BDC***") under the 1940 Act (collectively referred to as the "***BDCs***");[2]

KKR Income Opportunities Fund ("***KIO***"), a closed-end management investment company;

FS Multi-Alternative Income Fund ("***FSM***"), a closed-end management investment company (together with the BDCs and KIO, the "***Existing Regulated Entities***");

FS/KKR Advisor, LLC ("***FS/KKR Advisor***"), the investment adviser to the BDCs, on behalf of itself and its successors;[3]

KKR Credit Advisors (US) LLC ("***KKR Credit***"), the investment adviser to KIO, on behalf of itself and its successors;

FS Multi-Alternative Advisor, LLC ("***FSM Advisor***"), the investment adviser to FSM, on behalf of itself and its successors;

The investment advisory subsidiaries and relying advisers of KKR Credit set forth on Schedule A[4] hereto (collectively, with KKR Credit and FS/KKR Advisor, the "***Existing KKR Credit Advisers***");

[1] Unless otherwise indicated, all section and rule references herein are to the 1940 Act and rules promulgated thereunder.

[2]

Section 2(a)(48) defines a BDC to be any closed-end investment company that operates for the purpose of making investments in securities described in Sections 55(a)(1) through 55(a)(3) of the 1940 Act and makes available significant managerial assistance with respect to the issuers of such securities.

[3] For purposes of the requested Order, a "successor" includes an entity or entities that result from a reorganization into another jurisdiction or a change in the type of business organization.

[4] All of the Existing KKR Credit Advisers are subsidiaries of KKR Credit, other than KKR Credit Advisors (Ireland) Unlimited Company, which is not a subsidiary for tax reasons and will no longer be a relying adviser due to changes in the requirements for qualifying for umbrella registration, but operates along with the other Existing KKR Credit Advisers that collectively conduct a single advisory business, and as an Applicant acknowledges that it is subject to the Conditions (as defined below) of the Order. Once KKR Credit Advisors (Ireland) Unlimited Company is no longer a relying adviser, it will be a registered investment adviser.

KKR Capital Markets Holdings L.P. and its capital markets subsidiaries set forth on Schedule A, each of which is an indirect, wholly- or majority-owned subsidiary of KKR & Co. L.P. ("***KKR***") (collectively, the "***Existing KCM Companies***"). The Existing KCM Companies may, from time to time, hold various financial assets in a principal capacity;

KKR Financial Holdings LLC ("***KFN***"[5]), its wholly-owned subsidiaries set forth on Schedule A, and its wholly-owned subsidiaries that may be formed in the future (collectively, "***KFN Subsidiaries***") and other indirect, wholly- or majority-owned subsidiaries of KKR set forth on Schedule A hereto that may, from time to time, hold various financial assets in a principal capacity (in such capacity, "***Existing KKR Proprietary Accounts***");

Investment funds set forth on Schedule A hereto, each of which is an entity (i) whose investment adviser or sub-adviser is an Existing KKR Credit Adviser and (ii) that either (A) would be an investment company but for Section 3(c)(1) or 3(c)(7) of the 1940 Act or (B) relies on the Rule 3a-7 exemption from investment company status; provided that an entity sub-advised by an Existing KKR Credit Adviser is included in this term only if such Existing KKR Credit Adviser serving as sub-adviser controls the Co-Investment Program (as defined below) of the entity (each, together with each such entity's direct and indirect wholly-owned subsidiaries, an "***Existing Affiliated Fund***"[6]," and collectively, the "***Existing Affiliated Funds***" and, together with the Existing Regulated Entities, Existing KKR Credit Advisers, Existing KCM Companies and Existing KKR Proprietary Accounts, the "***Applicants***").

The Order would supersede an exemptive order issued by the Commission on June 19, 2017 and amended on April 3, 2018 (the "***Prior Order***"[7]) that was granted pursuant to Sections 57(a)(4), 57(i) and Rule 17d-1, with the result that no person will continue to rely on the Prior Order if the Order is granted.

[5] KFN, a majority-owned subsidiary of KKR, is a specialty finance company that is externally advised by KKR Financial Advisors LLC, which is an Existing KKR Credit Adviser. KFN is a holding company that engages in its specialty finance business through various wholly-owned subsidiaries that rely on one or more exemptions or exceptions from the definition of an investment company. Thus, KFN itself does not come within the definition of an investment company in Section 3(a)(1) of the 1940 Act. KFN was acquired by KKR on April 30, 2014. For purposes of the requested Order, KFN and each KFN Subsidiary is included in the definition of "Existing KKR Proprietary Account."

[6] Certain Existing Affiliated Funds are collateralized loan obligation ("***CLO***") entities that rely on Rule 3a-7 under the 1940 Act in addition to Section 3(c)(7) thereof. These Existing Affiliated Funds are all advised by an Existing KKR Credit Adviser.

[7] *Corporate Capital Trust, Inc., et. al.* (File No. 812-14408), Release No. IC-32683 (June 19, 2017) (order), Release No. IC-32642 (May 22, 2017) (notice).

The relief requested in this application for the Order (the "***Application***") would allow one or more Regulated Entities[8] and/or one or more Affiliated Investors[9] to participate in the same investment opportunities through a proposed co-investment program where such participation would otherwise be prohibited under Sections 17(d) and 57(a)(4) and the rules under the 1940 Act (the "***Co-Investment Program***").

For purposes of this Application, a "***Co-Investment Transaction***" shall mean any transaction in which a Regulated Entity (or a Blocker Subsidiary, as defined below) participated together with one or more other Regulated Entities and/or one or more Affiliated Investors in reliance on the Order or the Prior Order and a "***Potential Co-Investment Transaction***" shall mean any investment opportunity in which a Regulated Entity (or a Blocker Subsidiary, as defined below) could not participate together with one or more other Regulated Entities and/or one or more Affiliated Investors without obtaining and relying on the Order.

The term "***Adviser***" means any KKR Credit Adviser; provided that a KKR Credit Adviser serving as a sub-adviser to a Regulated Entity or an Affiliated Fund is included in this term only if such KKR Credit Adviser controls the Co-Investment Program of the entity.[10] The term Adviser does not include FSM Advisor and any other adviser to an Affiliated Fund or a Regulated Entity whose sub-adviser is an Adviser, except that such adviser is deemed to be an Adviser for purposes of Conditions 2(c)(iv), 14 and 15 only. FSM Advisor and any adviser to an Affiliated Fund or a Regulated Entity whose sub-adviser is an Adviser will not source any Potential Co-Investment Transactions under the requested Order.

[8] "***Regulated Entities***" means the Existing Regulated Entities and any Future Regulated Entity. "***Future Regulated Entity***" means a closed-end management investment company (a) that is registered under the 1940 Act or has elected to be regulated as a BDC and (b) whose investment adviser or sub-adviser is a KKR Credit Adviser that is registered as an investment adviser under the Investment Advisers Act of 1940, as amended (the "***Advisers Act***"). "***KKR Credit Adviser***" means any Existing KKR Credit Adviser or any investment adviser that (i) is controlled by, or a relying adviser of, KKR Credit, (ii) is registered as an investment adviser under the Advisers Act, and (iii) is not a Regulated Entity or a subsidiary of a Regulated Entity.

[9] "***Affiliated Investor***" means any Affiliated Fund or any Proprietary Affiliate. "***Affiliated Fund***" means (a) any Existing Affiliated Fund or (b) any entity (i) whose investment adviser or sub-adviser is a KKR Credit Adviser and (ii) that either (A) would be an investment company but for Section 3(c)(1) or 3(c)(7) of the 1940 Act or (B) relies on the Rule 3a-7 exemption from investment company status; provided that an entity sub-advised by a KKR Credit Adviser is included in this term only if such KKR Credit Adviser serving as sub-adviser controls the Co-Investment Program of the entity. "***Proprietary Affiliate***" means any KCM Company or any KKR Proprietary Account. "***KCM Company***" means (a) any Existing KCM Company or (b) any entity that (i) is an indirect, wholly- or majority-owned subsidiary of KKR and (ii) is registered or authorized as a broker-dealer or its foreign equivalent. "***KKR Proprietary Account***" means (a) any Existing KKR Proprietary Account or (b) any entity that (i) is an indirect, wholly- or majority- owned subsidiary of KKR, (ii) is advised by a KKR Credit Adviser and (iii) from time to time, may hold various financial

assets in a principal capacity, as described in greater detail herein.

With respect to FSM, or any other entity where a KKR Credit Adviser is responsible for only a "sleeve" or portion of
10 the entity's assets, "controls the Co-Investment Program of the entity" refers to only such "sleeve" or portion.

Any of the Regulated Entities may, from time to time, form a special purpose subsidiary (a "***Blocker Subsidiary***") (a) whose sole business purpose is to hold one or more investments on behalf of a Regulated Entity; (b) that is wholly-owned by the Regulated Entity (with the Regulated Entity at all times holding, beneficially and of record, 100% of the voting and economic interests); (c) with respect to which the Regulated Entity's Board[1] has the sole authority to make all determinations with respect to the Blocker Subsidiary's participation under the conditions to this Application; (d) that does not pay a separate advisory fee, including any performance-based fee, to any person; and (e) that is an entity that would be an investment company but for Section 3(c)(1) or 3(c)(7) of the 1940 Act. A Blocker Subsidiary would be prohibited from investing in a Co-Investment Transaction with any other Regulated Entity or Affiliated Investor because it would be a company controlled by the Regulated Entity for purposes of Section 57(a)(4) and rule 17d-1. Applicants request that a Blocker Subsidiary be permitted to participate in Co-Investment Transactions in lieu of its parent Regulated Entity and that the Blocker Subsidiary's participation in any such transaction be treated, for purposes of the Order, as though the parent Regulated Entity were participating directly. Applicants represent that this treatment is justified because a Blocker Subsidiary would have no purpose other than serving as a holding vehicle for the Regulated Entity's investments and, therefore, no conflicts of interest could arise between the Regulated Entity and the Blocker Subsidiary. The Regulated Entity's Board would make all relevant determinations under the conditions with regard to a Blocker Subsidiary's participation in a Co-Investment Transaction, and the Regulated Entity's Board would be informed of, and take into consideration, any proposed use of a Blocker Subsidiary in the Regulated Entity's place. If the Regulated Entity proposes to participate in the same Co-Investment Transaction with any of its Blocker Subsidiaries, the Regulated Entity's Board will also be informed of, and take into consideration, the relative participation of the Regulated Entity and the Blocker Subsidiary.

Applicants do not seek relief for transactions that would be permitted under other regulatory or interpretive guidance, including, for example, transactions effected consistent with Commission staff no-action positions.[12]

All existing entities that currently intend to rely on the Order have been named as Applicants and any existing or future entities that may rely on the Order in the future will comply with the terms and conditions of the Application.

II. GENERAL DESCRIPTION OF APPLICANTS

A.

The BDCs

Each BDC, except CCT II, was organized under the General Corporation Law of the State of Maryland for the purpose of operating as an externally-managed, non-diversified, BDC. CCT II was organized as a statutory trust under the laws of the State of Delaware for the purpose of operating as an externally-managed, non-diversified, BDC. Each BDC has elected to be treated for tax purposes, and intends to qualify annually, as a regulated investment company

("***RIC***") under the Internal Revenue Code of 1986, as amended (the "***Code***"). The shares of common stock of CCT I and FSIC are listed on the New York Stock Exchange ("***NYSE***").

11 The term "***Board***" refers to the board of directors or trustees of any Regulated Entity.

12 *See, e.g.*, Massachusetts Mutual Life Insurance Co. (pub. avail. June 7, 2000), Massachusetts Mutual Life Insurance Co. (pub. avail. July 28, 2000) and SMC Capital, Inc. (pub. avail. Sept. 5, 1995) (collectively, "***JT No-Action Letters***").

Each BDC's investment objectives are to generate current income and, to a lesser extent, long-term capital appreciation. Each BDC intends for its portfolio to be comprised primarily of investments in senior secured loans, second lien loans and subordinated loans, which are generally referred to as mezzanine loans, of private, U.S., small and middle market companies. In connection with each BDC's debt investments, it may receive equity interests such as warrants or options as additional consideration. Each BDC may also purchase minority interests in the form of common or preferred equity in its target companies, either in conjunction with one of its debt investments or through a co-investment with a financial sponsor.

Each of the BDCs' principal place of business is 201 Rouse Boulevard, Philadelphia, PA 19112.

Each BDC has a Board that is comprised of a majority of Independent Directors.[13]

B.

KIO

KIO was organized as a statutory trust under the laws of the State of Delaware on March 17, 2011. KIO is a diversified, closed-end management investment company registered under the 1940 Act whose primary investment objective is to seek a high level of current income with a secondary objective of capital appreciation. KIO's common shares are listed on NYSE. KIO seeks to achieve its investment objectives by employing a dynamic strategy of investing in a targeted portfolio of loans and fixed-income instruments of U.S. and non-U.S. issuers and implementing hedging strategies in order to seek to achieve attractive risk-adjusted returns. KIO's principal place of business is 555 California Street, 50th Floor, San Francisco, CA 94104.

KIO has a four member Board, of which three members are Independent Directors.

C.

FSM

FSM was organized as a statutory trust under the laws of the State of Delaware on April 9, 2018. FSM is a non-diversified, closed-end management investment company registered under the 1940 Act whose investment objective is to provide attractive total returns by investing in a diversified portfolio of liquid and illiquid alternative

investment strategies that generate income and growth. FSM seeks to achieve its investment objectives by using a "multi-manager" approach whereby FSM's assets are allocated among the FSM Advisor and one or more sub-advisers, including KKR Credit. FSM's principal place of business is 201 Rouse Boulevard, Philadelphia, PA 19112.

[13] The term "***Independent Directors***" refers to the directors or trustees of any Regulated Entity who are not "interested persons" within the meaning of Section 2(a)(19) of the 1940 Act.

FSM has a five member Board, of which three members are Independent Directors.

D.

FS/KKR Advisor

FS/KKR Advisor serves as the investment adviser to each BDC. FS/KKR Advisor is controlled by KKR Credit. FS/KKR Advisor was formed as a Delaware limited liability company on January 8, 2018 and is registered as an investment adviser with the Commission under the Advisers Act.

E.

FSM Advisor

FSM Advisor serves as the investment adviser to FSM. FSM Advisor is a subsidiary of FS Investments. FSM Advisor was formed as a Delaware limited liability company and is registered as an investment adviser with the Commission under the Advisers Act.

For FSM, KKR Credit, as one of the sub-advisers to FSM, will have the ability to monitor and comply with the Conditions of this Application in respect of FSM's investments in the Co-Investment Program. However, as FSM Advisor is a Section 17 affiliate of FSM, FSM Advisor has been added as an Applicant in order to be able to rely on the Order.

F.

KKR Entities

Founded in 1976, KKR is a leading global investment firm with offices around the world. It operates an integrated global platform for sourcing and executing investments across multiple industries, asset classes and geographies.

Structured as a holding company, KKR conducts its business through various subsidiaries, which include investment advisers and broker-dealers that are registered or licensed by regulatory authorities in the jurisdictions in which they operate. These business activities include managing and advising a number of investment funds, structured finance vehicles, co-investment vehicles, finance companies, managed accounts and other entities and providing a broad range of capital markets services. KKR also holds various financial assets in a principal capacity.

KKR Credit, a subsidiary of KKR, serves as the investment adviser to KIO and a sub-adviser to FSM. KKR Credit is a Delaware limited liability company that has been continuously registered as an investment adviser with the Commission since 2008. Each Regulated Entity will be advised by KKR Credit or another KKR Credit Adviser that is a registered investment adviser.

A Regulated Entity may engage an investment adviser or a sub-adviser other than a KKR Credit Adviser that is a registered investment adviser. Such investment adviser or sub-adviser will neither identify nor recommend Potential Co-Investment Transactions to the KKR Credit Adviser advising such Regulated Entity and will not be the source of any Potential Co-Investment Transactions under the requested Order. The KKR Credit Adviser to any Regulated Entity will be responsible for monitoring and complying with the conditions of this Order, subject to the oversight of the applicable Board.

For management reporting purposes, KKR organizes its business into four business segments: Private Markets, Public Markets, Capital Markets and Principal Activities.

1.

Private Markets

Through its Private Markets segment, KKR manages and sponsors a group of private equity funds and co-investment vehicles that invest capital for long-term appreciation, either through controlling ownership of a company or strategic minority positions. KKR also manages and sources investments in infrastructure, natural resources and real estate.

2.

Public Markets

Through the Public Markets segment, an Existing KKR Credit Adviser manages KFN, a specialty finance company, as well as a number of investment funds, structured finance vehicles and separately managed accounts that invest capital in (i) leveraged credit strategies, such as leveraged loans and high yield bonds and (ii) alternative credit strategies such as mezzanine investments, special situations investments, direct senior lending and revolving credit. KKR's Public Markets segment also includes its hedge funds business, which consists of strategic manager partnerships with third party hedge fund managers, in which KKR owns minority stakes. KKR's strategic manager partners offer a variety of investment strategies including hedge fund of funds, equity hedge funds, credit hedge funds and funds focused on natural catastrophe and weather risks.

3.

Capital Markets

Through its Capital Markets segment, KKR conducts a broad range of capital markets activities, including acting as an underwriter, placement agent, or other form of arranger or provider of debt and equity financing and carrying out other types of capital markets services and broker-dealer activities. These activities are conducted through the KCM Companies, each of which is an indirect, wholly- or majority-owned subsidiary of KKR. The KCM Companies include entities registered or authorized as broker-dealers or their foreign equivalents in various countries in North

America, Europe, Asia and Australia. In the United States, KKR conducts its broker-dealer activities through KKR Capital Markets LLC and MCS Capital Markets LLC, which have been registered with the Commission as broker-dealers since 2007 and 2010, respectively, and are members of the Financial Industry Regulatory Authority (FINRA). In addition to providing its capital markets and/or broker-dealer activities, a KCM Company may, from time to time, hold various financial assets in a principal capacity.

4.

Principal Activities

Through its Principal Activities segment, KKR manages its own assets and deploys capital to support and grow its businesses. KKR uses its Principal Activities assets to support its investment management and capital markets businesses. KKR may also use its own capital to seed investments for new funds, to bridge capital selectively for its funds' investments or finance strategic acquisitions and partnerships.

KKR's Principal Activities assets also provide the required capital to fund the various commitments of its Capital Markets business when underwriting or syndicating securities, or when providing term loan commitments for transactions involving its portfolio companies and for third parties. KKR's Principal Activities assets also may be utilized to satisfy regulatory requirements for its Capital Markets business and risk retention requirements for its CLO business.

KKR also makes opportunistic investments through its Principal Activities segment, which include co-investments alongside its Private Markets and Public Markets funds, as well as Principal Activities investments that do not involve its Private Markets or Public Markets funds.

III. RELIEF FOR PROPOSED CO-INVESTMENTS

A. Co-Investment in Portfolio Companies by Regulated Entities and Affiliated Investors

1.

Mechanics of the Co-Investment Program

As previously described, FS/KKR Advisor serves as the investment adviser and administrator to the BDCs. Consistent with its fiduciary duties, FS/KKR Advisor is responsible for the overall management of the activities of each of the BDCs. KKR Credit serves as KIO's investment adviser and is responsible for the overall management of KIO, including its investment portfolios, consistent with its fiduciary duties. KKR Credit also serves as FSM's sub-adviser and is responsible for the management of a sleeve of FSM's portfolio, consisting primarily of private middle-market debt and equity investments, as well as traded debt securities.

FSM Advisor serves as FSM's investment adviser and is responsible for the overall management of FSM, but will not be responsible for FSM's investments through its Co-Investment Program.

It is anticipated that a KKR Credit Adviser will periodically determine that certain investments recommended for a Regulated Entity by the KKR Credit Adviser would also be appropriate investments for one or more other Regulated Entities and one or more Affiliated Investors. Such a determination may result in a Regulated Entity, one or more other Regulated Entities and/or one or more Affiliated Investors co-investing in certain investment opportunities.

Opportunities for Potential Co-Investment Transactions may arise when advisory personnel of a KKR Credit Adviser become aware of investment opportunities that may be appropriate for a Regulated Entity, one or more other Regulated Entities and/or one or more Affiliated Investors. FSM Advisor and any adviser to a Regulated Entity or an Affiliated Fund whose sub-adviser is an Adviser will not source any Potential Co-Investment Transactions under the requested Order. Following issuance of the requested Order, in such cases, the Adviser to a Regulated Entity will be notified of such Potential Co-Investment Transactions, and such investment opportunities may result in Co-Investment Transactions. For each such investment opportunity, the Adviser to a Regulated Entity will independently analyze and evaluate the investment opportunity as to its appropriateness for each Regulated Entity for which it serves as investment adviser taking into consideration the Regulated Entity's Objectives and Strategies[14] and any Board-Established Criteria.[15] If the Adviser to the Regulated Entity determines that the opportunity is appropriate for one or more Regulated Entities (and the applicable Adviser approves the investment for each Regulated Entity for which it serves as adviser), and one or more other Regulated Entities and/or one or more Affiliated Investors may also participate, the Adviser to a Regulated Entity will present the investment opportunity to the Eligible Directors[16] of the Regulated Entity prior to the actual investment by the Regulated Entity. As to any Regulated Entity, a Co-Investment Transaction will be consummated only upon approval by a required majority of the Eligible Directors within the meaning of Section 57(o) of such Regulated Entity ("***Required Majority***").[17]

Each Adviser, acting through an investment committee, will carry out its obligation under condition 1 to make a determination as to the appropriateness of the Potential Co-Investment Transaction for any Regulated Entity. In the case of a Potential Co-Investment Transaction, the applicable Adviser would apply its allocation policies and procedures in determining the proposed allocation for the Regulated Entity consistent with the requirements of condition 2(a). We note that each Adviser, as a registered investment adviser with respect to the Regulated Entities and as a registered investment adviser or a relying adviser with respect to the Affiliated Funds, has developed a robust allocation process as part of its overall compliance policies and procedures. The allocation policy for KKR Credit and all of the Advisers is designed to allocate investment opportunities fairly and equitably among its clients over time. While each client of an Adviser may not participate in each investment opportunity because, for example, the client's allocation would be less than its minimum investment size, over time each client of the Adviser would participate in investment opportunities fairly and equitably. We note that each Adviser shares the allocation policies and procedures of KKR Credit that take into account the allocation policies and procedures for the Regulated Entities. These procedures are in addition to, and not instead of, the procedures required under the conditions, and will not deprive a Regulated Entity of an opportunity to participate in a Potential Co-Investment Transaction.

[14] "***Objectives and Strategies***" means a Regulated Entity's investment objectives and strategies, as described in the Regulated Entity's registration statement on Form N-2, other filings the Regulated Entity has made with the Commission under the Securities Act of 1933, as amended (the "***1933 Act***"), or under the Securities and Exchange Act of 1934, as amended (the "***1934 Act***"), and the Regulated Entity's reports to shareholders.

[15] "***Board-Established Criteria***" means criteria that the Board of a Regulated Entity may establish from time to time to describe the characteristics of Potential Co-Investment Transactions regarding which each Adviser to the Regulated Entity should be notified under condition 1. The Board-Established Criteria will be consistent with a Regulated

Entity's Objectives and Strategies. If no Board-Established Criteria are in effect, then each Adviser to a Regulated Entity will be notified of all Potential Co-Investment Transactions that fall within the Regulated Entity's then-current Objectives and Strategies. Board-Established Criteria will be objective and testable, meaning that they will be based on observable information, such as industry/sector of the issuer, minimum EBITDA of the issuer, asset class of the investment opportunity or required commitment size, and not on characteristics that involve a discretionary assessment. Each Adviser to a Regulated Entity may from time to time recommend criteria for the Board's consideration, but Board-Established Criteria will only become effective if approved by a majority of the Independent Directors. The Independent Directors of a Regulated Entity may at any time rescind, suspend or qualify its approval of any Board-Established Criteria, though Applicants anticipate that, under normal circumstances, the Board would not modify these criteria more often than quarterly.

[16] The term "***Eligible Directors***" means the directors or trustees who are eligible to vote under section 57(o) of the 1940 Act.

[17] In the case of a Regulated Entity that is a registered closed-end fund, the directors or trustees that make up the Required Majority will be determined as if the Regulated Entity were a BDC subject to Section 57(o).

With respect to any Regulated Entity or Affiliated Fund that has an adviser that is not an Adviser (including FSM Advisor), the adviser and the applicable Adviser to such Regulated Entity or Affiliated Fund have agreed, or, to the extent such Regulated Entity is a Future Regulated Entity, will agree as a condition to relying on the Order, that, with respect to any Potential Co-Investment Transaction that would be within the investment objectives and strategies of such Regulated Entity or Affiliated Fund, the Adviser shall have the primary responsibility for the investment, including making the initial investment recommendation, and day-to-day monitoring of the investment. The Adviser will be responsible for complying with the conditions of the Order that relate to any such Regulated Entity or Affiliated Fund. By handling Potential Co-Investment Transactions for such Regulated Entities or Affiliated Funds in this manner, the Adviser can ensure that it is taking the conditions of the Order into account, as well as taking into account the interests of all of the Regulated Entities that are participating in the co-investment program.

We acknowledge that some of the Affiliated Investors may not be funds advised by an Adviser because they are KKR Proprietary Accounts or KCM Companies. KKR Proprietary Accounts are balance sheet entities advised by an Adviser pursuant to an investment management agreement that hold financial assets in a principal capacity. KCM Companies are regulated broker-dealers that may hold financial assets in a principal capacity. We do not believe the participation of these Proprietary Affiliates in Co-Investment Transactions should raise issues under the conditions of this Application because KKR's and an Adviser's allocation policies and procedures provide that investment opportunities are offered to client accounts before they are offered to Proprietary Affiliates, even if the Proprietary Affiliates are the first to learn of an investment opportunity. We do not believe that the participation of Proprietary Affiliates in the Co-Investment Program would raise any regulatory or mechanical concerns different from those discussed with respect to the Affiliated Investors that are clients.

In accordance with each Adviser's allocation policies and procedures, which are consistent with a registered investment adviser's duties under the Advisers Act, Potential Co-Investment Transactions will be offered to, and allocated among, Adviser-advised funds, including the Regulated Entities, based on each client's particular Objectives and Strategies and Board-Established Criteria and in accordance with the conditions. If the aggregate amount recommended by an Adviser to be invested by Adviser-advised funds, including the Regulated Entities, in a Potential Co-Investment Transaction were equal to or more than the amount of the investment opportunity, a Proprietary Affiliate would not participate in the investment opportunity. If the aggregate amount recommended by an Adviser to be invested by Adviser-advised funds, including the Regulated Entities, in a Potential Co-Investment Transaction were less than the amount of the investment opportunity, a Proprietary Affiliate would then have the opportunity to participate in the Potential Co-Investment Transaction in a principal capacity. We note that a KCM Company may seek to privately place such an investment opportunity to one or more unaffiliated third-parties before a Proprietary Affiliate invests in the investment opportunity in a principal capacity. The Advisers have implemented a robust allocation process to ensure that each Regulated Entity is treated fairly in respect of the allocation of Potential Co-Investment Transactions. The initial amount proposed by an Adviser to be allocated to each applicable Regulated Entity is documented in a written allocation statement. If the amount proposed to be allocated to a Regulated Entity changes from the time the final written (on paper or electronically) allocation statement is prepared and the date of settlement of the transaction, the updated allocation statement will also be recorded (on paper or electronically) and reviewed by a member of the Regulated Entity's compliance team. Each Regulated Entity's Board will be provided with all relevant information regarding the Adviser's proposed allocations to such Regulated Entity and Affiliated Investors, including Proprietary Affiliates, as contemplated by the conditions hereof. With respect to Affiliated Investors that are relying on the Order, each Adviser is subject to the same robust allocation process. As a result, all Potential Co-Investment Transactions that are presented to an Adviser would also be presented to every other Adviser which, as required by condition 1, would make an independent determination of the appropriateness of the investment for the Regulated Entities. This is true because KKR Credit's business is operated as a single integrated business platform and the various investment committees responsible for liquid credit, originated credit, special situations and any other credit strategies report to the same management team. In addition, written records of the decisions of the investment committee are maintained by KKR Credit. Therefore, we believe these allocation policies and procedures will ensure the Applicants' ability to comply with the conditions with respect to Affiliated Investors.

To allow for an independent review of co-investment activities, the Board of each Regulated Entity will receive, on a quarterly basis, a record of all investments made by Affiliated Investors during the preceding quarter that: (1) were consistent with such Regulated Entity's then current Objectives and Strategies and Board-Established Criteria, but (2) were not made available to such Regulated Entity. This record will include an explanation of why such investment opportunities were not offered to the Regulated Entity. Each Adviser's allocation process is capable of tracking all of the information required by condition 4, which will be presented to the applicable Regulated Entity's Board on a regular basis.

2.

Delayed Settlement

All Regulated Entities and Affiliated Investors participating in a Co-Investment Transaction will invest at the same time, for the same price and with the same terms, conditions, class, registration rights and any other rights, so that none of them receives terms more favorable than any other. However, the settlement date for an Affiliated Fund in a Co-Investment Transaction may occur up to ten business days after the settlement date for a Regulated Entity, and vice versa, for one of two reasons. First, this may occur when the Affiliated Fund or Regulated Entity is not yet fully funded because, when the Affiliated Fund or Regulated Entity desires to make an investment, it must call capital from its investors to obtain the financing to make the investment, and in these instances, the notice requirement to call capital could be as much as ten business days. Accordingly, if a fund has called committed capital from its investors but the investors have not yet funded the capital calls, it may need to delay settlement during the notice period. Second, delayed settlement may also occur where, for tax or regulatory reasons, an Affiliated Fund or Regulated Entity does not purchase new issuances immediately upon issuance but only after a short seasoning period of up to ten business days. Nevertheless, in all cases, (i) the date on which the commitment of the Affiliated Funds and Regulated Entities is made will be the same even where the settlement date is not and (ii) the earliest settlement date and the latest settlement date of any Affiliated Fund or Regulated Entity participating in the transaction will occur within ten business days of each other.

Applicants believe that an earlier or later settlement date does not create any additional risk for the Regulated Entities. As described above, the date of commitment will be the same and all other terms, including price, will be the same. Further, the investments by the Regulated Entities and the Affiliated Funds will be independent from each other, and a Regulated Entity would never take on the risk of holding more of a given security than it would prefer to hold in the event that an Affiliated Fund or another Regulated Entity did not settle as expected.

3.

Permitted Follow-On Investments and Approval of Follow-On Investments

From time to time, the Regulated Entities and Affiliated Investors may have opportunities to make Follow-On Investments[18] in an issuer in which a Regulated Entity, one or more other Regulated Entities and/or one or more Affiliated Investors previously have invested and continue to hold an investment. If the Order is granted, Follow-On Investments will be made in a manner that, over time, is fair and equitable to all of the Regulated Entities and Affiliated Investors and in accordance with the proposed procedures discussed above and with the Conditions of the Order.

The Order would divide Follow-On Investments into two categories depending on whether the Regulated Entities and Affiliated Funds (and potentially Proprietary Affiliates) holding investments in the issuer previously participated in a Co-Investment Transaction with respect to the issuer and continue to hold any securities acquired in a Co-Investment Transaction for that issuer. If such Regulated Entities and Affiliated Funds (and potentially Proprietary Affiliates) have previously participated in a Co-Investment Transaction with respect to the issuer, then the terms and approval of the Follow-On Investment would be subject to the process discussed in Section III.A.3.a. below and governed by Condition 9. These Follow-On Investments are referred to as "***Standard Review Follow-Ons***." If such Regulated Entities and Affiliated Funds have not previously participated in a Co-Investment Transaction with respect to the issuer, then the terms and approval of the Follow-On Investment would be subject to the "onboarding process" discussed in Section III.A.3.b. below and governed by Condition 10. These Follow-On Investments are referred to as "***Enhanced Review Follow-Ons***."

a. Standard Review Follow-Ons

A Regulated Entity may invest in Standard Review Follow-Ons either with the approval of the Required Majority using the procedures required under Condition 9(c) or, where certain additional requirements are met, without Board approval under Condition 9(b).

18 "***Follow-On Investment***" means any additional investment in an existing portfolio company, the exercise of warrants, conversion privileges or other similar rights to acquire additional securities of the portfolio company.

A Regulated Entity may participate in a Standard Review Follow-On without obtaining the prior approval of the Required Majority if it is (i) a Pro Rata Follow-On Investment or (ii) a Non-Negotiated Follow-On Investment.

A "***Pro Rata Follow-On Investment***" is a Follow-On Investment (i) in which the participation of each Regulated Entity and each Affiliated Investor is proportionate to its outstanding investments in the issuer or security, as appropriate,[19] immediately preceding the Follow-On Investment, and (ii) in the case of a Regulated Entity, a majority of the Board has approved the Regulated Entity's participation in the pro rata Follow-On Investments as being in the best interests of the Regulated Entity. The Regulated Entity's Board may refuse to approve, or at any time rescind, suspend or qualify, its approval of Pro Rata Follow-On Investments, in which case all subsequent Follow-On Investments will be submitted to the Regulated Entity's Eligible Directors in accordance with Condition 9(c).

A "***Non-Negotiated Follow-On Investment***" is a Follow-On Investment in which a Regulated Entity participates together with one or more Affiliated Investors and/or one or more other Regulated Entities (i) in which the only term negotiated by or on behalf of the funds is price and (ii) with respect to which, if the transaction were considered on its own, the funds would be entitled to rely on one of the JT No-Action Letters.

Applicants believe that these Pro Rata Follow-On Investments and Non-Negotiated Follow-On Investments do not present a significant opportunity for overreaching on the part of any Adviser and thus do not warrant the time or the attention of the Board. Pro Rata Follow-On Investments and Non-Negotiated Follow-On Investments remain subject to the Board's periodic review in accordance with Condition 11.

b. Enhanced Review Follow-Ons

One or more Regulated Entities and one or more Affiliated Investors holding Pre-Boarding Investments[20] may have the opportunity to make a Follow-On Investment that is a Potential Co-Investment Transaction in an issuer with respect to which they have not previously participated in a Co-Investment Transaction. In these cases, the Regulated Entities and Affiliated Investors may rely on the Order to make such Follow-On Investment subject to the requirements of Condition 10. These enhanced review requirements constitute an "onboarding process" whereby Regulated Entities and Affiliated Investors may utilize the Order to participate in Co-Investment Transactions even though they already hold Pre-Boarding Investments. For a given issuer, the participating Regulated Entities and Affiliated Investors need to comply with these requirements only for the first Co-Investment Transaction. Subsequent Co-Investment Transactions with respect to the issuer will be governed by Condition 9 under the standard review process.

[19] See note 34, below.

[20] "***Pre-Boarding Investments***" are investments in an issuer held by a Regulated Entity as well as one or more Affiliated Funds, one or more Proprietary Affiliates and/or one or more other Regulated Entities that: (i) were acquired prior to participating in any Co-Investment Transaction; (ii) were acquired in transactions in which the only term negotiated by or on behalf of such funds was price; and (iii) were acquired either: (x) in reliance on one of the JT No-Action Letters; or (y) in transactions occurring at least 90 days apart and without coordination between the Regulated Entity and any Affiliated Fund or other Regulated Entity.

4. Dispositions

The Regulated Entities and Affiliated Investors may be presented from time to time with opportunities to sell, exchange or otherwise dispose of securities in transactions that could be prohibited by Rule 17d-1 or Section 57(a)(4), as applicable. If the Order is granted, such Dispositions[21] will be made in a manner that, over time, is fair and equitable to all of the Regulated Entities and Affiliated Investors and in accordance with procedures set forth in the proposed Conditions to the Order, as discussed below.

The Order would divide these Dispositions into two categories: (i) if the Regulated Entities and Affiliated Funds (and potentially Proprietary Affiliates) holding investments in the issuer have previously participated in a Co-Investment Transaction with respect to the issuer and continue to hold any securities acquired in a Co-Investment Transaction for such issuer, then the terms and approval of the Disposition (hereinafter referred to as "***Standard Review Dispositions***") would be subject to the process discussed in Section III.A.4.a. below and governed by Condition 7; and (ii) if the Regulated Entities and Affiliated Funds have not previously participated in a Co-Investment Transaction with respect to the issuer, then the terms and approval of the Disposition (hereinafter referred to as "***Enhanced Review Dispositions***") would be subject to the same "onboarding process" discussed in Section III.A.3.b. above and governed by Condition 8.

a. Standard Review Dispositions

A Regulated Entity may participate in a Standard Review Disposition either with the approval of the Required Majority using the standard procedures required under Condition 7(c) or, where certain additional requirements are met, without Board approval under Condition 7(c).

A Regulated Entity may participate in a Standard Review Disposition without obtaining the prior approval of the Required Majority if (i) the Disposition is a Pro Rata Disposition or (ii) the securities are Tradable Securities and the Disposition meets the other requirements of Condition 7(c)(ii).

A "***Pro Rata Disposition***" is a Disposition (i) in which the participation of each Regulated Entity and each Affiliated Investor is proportionate to its outstanding investment in the security subject to Disposition immediately preceding the Disposition;[22] and (ii) in the case of a Regulated Entity, a majority of the Board has approved the Regulated Entity's participation in pro rata Dispositions as being in the best interests of the Regulated Entity. The Regulated Entity's Board may refuse to approve, or at any time rescind, suspend or qualify, their approval of Pro Rata Dispositions, in which case all subsequent Dispositions will be submitted to the Regulated Entity's Eligible Directors.

21 "***Dispositions***" means the sale, exchange or other disposition of an interest in a security of an issuer.

22 See note 32, below.

In the case of a Tradable Security,[23] approval of the required majority is not required for the Disposition if: (x) the Disposition is not to the issuer or any affiliated person of the issuer;[24] and (y) the security is sold for cash in a transaction in which the only term negotiated by or on behalf of the participating Regulated Entities and Affiliated Investors is price. Pro Rata Dispositions and Dispositions of a Tradable Security remain subject to the Board's periodic review in accordance with Condition 11.

b. Enhanced Review Dispositions

One or more Regulated Entities and/or one or more Affiliated Investors that have not previously participated in a Co-Investment Transaction with respect to an issuer may have the opportunity to make a Disposition of Pre-Boarding Investments in a Potential Co-Investment Transaction. In these cases, the Regulated Entities and Affiliated Investors may rely on the Order to make such Disposition subject to the requirements of Condition 8. As discussed above, with respect to investment in a given issuer, the participating Regulated Entities and Affiliated Investors need only complete the onboarding process for the first Co-Investment Transaction, which may be an Enhanced Review Follow-On or an Enhanced Review Disposition.[25] Subsequent Co-Investment Transactions with respect to the issuer will be governed by Condition 7 or 9 under the standard review process.

[23] "***Tradable Security***" means a security that meets the following criteria at the time of Disposition: (i) it trades on a national securities exchange or designated offshore securities market as defined in rule 902(b) under the Securities Act; (ii) it is not subject to restrictive agreements with the issuer or other security holders; and (iii) it trades with sufficient volume and liquidity (findings as to which are documented by the Advisers to any Regulated Entities holding investments in the issuer and retained for the life of the Regulated Entity) to allow each Regulated Entity to dispose of its entire position remaining after the proposed Disposition within a short period of time not exceeding 30 days at approximately the value (as defined by Section 2(a)(41) of the 1940 Act) at which the Regulated Entity has valued the investment.

[24] In the case of a Tradable Security, Dispositions to the issuer or an affiliated person of the issuer are not permitted so that funds participating in the Disposition do not benefit to the detriment of Regulated Entities that remain invested in the issuer. For example, if a Disposition of a Tradable Security were permitted to be made to the issuer, the issuer may be reducing its short term assets (i.e., cash) to pay down long term liabilities.

[25] However, with respect to an issuer, if a Regulated Entity's first Co-Investment Transaction is an Enhanced Review Disposition, and the Regulated Entity does not dispose of its entire position in the Enhanced Review Disposition, then before such Regulated Entity may complete its first Standard Review Follow-On in such issuer, the Eligible Directors must review the proposed Follow-On Investment not only on a stand-alone basis but also in relation to the total economic exposure in such issuer (i.e., in combination with the portion of the Pre-Boarding Investment not disposed of in the Enhanced Review Disposition), and the other terms of the investments. This additional review is required because such findings were not required in connection with the prior Enhanced Review Disposition, but

they would have been required had the first Co-Investment Transaction been an Enhanced Review Follow-On.

5.

Reasons for Co-Investing

It is expected that co-investment in portfolio companies by a Regulated Entity, one or more other Regulated Entities and/or one or more Affiliated Investors will increase favorable investment opportunities for each Regulated Entity. FS/KKR Advisor, KKR Credit and the Boards of each Existing Regulated Entity believe that the Existing Regulated Entities and their shareholders have in fact benefited from the ability to participate in Co-Investment Transactions, in reliance on the Prior Order, by being able to participate in a larger number and greater variety of transactions. As a result of its ability to participate in Co-Investment Transactions, each Existing Regulated Entity has been able to have greater bargaining power and more control over the investment when participating in an investment opportunity and had less need to bring in other external investors or structure investments to satisfy the different needs of external investors. Each Existing Regulated Entity has also been able to obtain better pricing on its investments by co-investing in investments originated by KKR compared to other opportunities, including secondary market transactions. In addition, by participating in transactions originated by KKR, each BDC has been able to take the greatest advantages of KKR's rigorous due diligence process, honed from decades of private equity control transactions, which KKR applies to all of its investments. Each Existing Regulated Entity believes that having KKR's processes in place with respect to originated investments helps them protect the downside risk for credit investments. The Advisers and the Board of each Regulated Entity believe that it will be advantageous for a Regulated Entity to co-invest with one or more other Regulated Entities and/or one or more Affiliated Investors and that such inv