



**EAST  
LODGE**  
CAPITAL

Firm / Fund: East Lodge Capital

Document Type: Policy

Document Title: **Proxy Voting Policy**

Abstract: This policy discusses the procedures and process around proxy voting

Version: Tuesday, 14 February 2023

Status: FINAL

Last Update Wednesday, 30 November 2022

Date	Version	Updates Made
November 2020	1.0	Changes: updating the policy to the new format and annual review
December 2021	1.1	No changes
November 2022	1.2	Annual review
February 2023	1.3	Adding in designee wording, reference to how clients of the Firm may request information about how the Firm has voted in corporate actions relating to client securities, and breaking out more detail in relation to dematerialised and definitive securities.

---

## 1. Introduction

Alternative Investment Fund Managers (“AIFM”)s are expected to develop adequate and effective strategies for determining when and how any voting rights held in the Alternative Investment Fund (“AIF”) portfolios it manages are to be exercised, to the exclusive benefit of the AIF concerned and its investors.

Clients of the Firm may request information about how the Firm has voted in corporate actions relating to their securities by writing to the Firm’s CCO at [compliance@eastlodgecapital.com](mailto:compliance@eastlodgecapital.com).

The funds managed by East Lodge Capital Partners LLP (“ELC” or the “Firm”) utilise a structured credit strategy and generally do not invest in equities unless for speculative or hedging purposes.

This policy therefore seeks to set out the Firm’s policy and procedure regarding proxy voting to ensure it is done in a manner consistent with the best interests of the Firm’s clients/funds should the occasion ever occur. It does not seek to address every situation, but rather provides an overview of the Firm’s approach in ensuring good governance structures are in place.

This policy is reviewed at least annually and as necessary to reflect any changes to the Firm’s voting activities.

## 2. Policy

During the course of carrying out ELC’s activities as an investment manager, the Firm may exercise voting rights on behalf of its AIFs. Any voting rights must be voted with diligence and care and whenever voting rights are exercised it must be for the sole benefit of the AIF concerned and the AIF’s underlying investors.

### Monitoring relevant corporate actions

For each of the AIFs managed by ELC, the relevant custodian or prime broker will inform the Firm of any corporate actions relating to the securities held directly by the AIF. Information pertaining to the corporate action is then passed to the relevant portfolio manager at ELC who will assess the proposed corporate action and determine which course of action would be in the best interests of the AIF and its investors. The Chief Investment Officer (“CIO”) , or their designee, will give final approval. The Operations team receives the decision and it is communicated to the custodian/prime broker who will then vote the proxy on the Fund’s behalf.

### Voting Rights Exercised in Accordance with the Investment Objective and Policy of the Relevant AIFs

---

It is the policy of ELC to vote proxies in the interest of maximizing value for its clients. Consideration will be given to both the short and long term implications of the proposal to be voted on when considering the optimal vote. The ELC portfolio manager responsible for each security will be contacted whenever there is a proxy vote, to determine the appropriate vote to be cast. At times, the Firm may determine it is in its clients' best interests to abstain from voting.

### **Conflicts of Interest**

ELC is aware that conflicts of interest could arise between itself and its clients in the exercise of voting rights. The Firm takes into consideration whether it will be subject to any material conflict of interest in connection with each vote. Members of staff must notify the Chief Compliance Officer ("CCO"), if they are aware of any material conflict of interest associated with a vote. Examples of where conflicts of interest could arise include the following:

- a) Where ELC or an affiliate has a financial interest in the outcome of the exercise of a voting right;
- b) Where an issuer or some other third party offers ELC or a member of staff compensation in exchange for voting in a particular way; and
- c) Where a member of staff, or other relevant person has a personal or business relationship with an issuer.

### **3. Procedure**

For both mandatory and voluntary corporate actions: (a) in relation to dematerialised securities (i.e. held in Euroclear, Clearstream, or DTCC), the Firm instructs prime brokers or depositories holding the securities of the client to vote the proxies on the client's behalf, (b) in relation to definitive securities, an authorised signatory of the Firm, acting on behalf of the relevant client, instructs the issuer or the relevant agent engaged to run and tabulate the relevant corporate action.

If the client's security is financed under a repurchase agreement, the counterparty to the agreement will follow the Firm's instructions, where voting rights are retained by the Firm, or may in its sole discretion vote in line with the Firm's wishes.

The Firm's actions are recommended by the relevant portfolio manager and approved by the CIO, or their designee, and the relevant corporate action is then instructed by the Firm, as set out above.

ELC ensures alignment with investment objectives of the Funds and the CCO ensures the prevention of any conflicts of interest arising from the exercise of voting rights.

ELC maintains a record of all proxy voting decisions for a period of seven (7) years.

## DISCLAIMER

East Lodge Capital LLP is authorised and regulated by the Financial Conduct Authority (No: 607146)

East Lodge Capital LLP is a registered investment advisor with the Securities Exchange Commission (CRD # 172215/SEC#:801-124766)

This material is confidential and may not be reproduced or redistributed in whole or in part without our written permission. It has been provided by East Lodge Capital Partners LLP ("ELC") for your information only – it is not intended to be used by anyone other than you.

ELC reserves the right to change any terms of its policies at any time. ELC makes no representation or warranty, express or implied, as to the fairness, accuracy or completeness of the information contained herein and nothing contained herein shall be relied upon as a promise or representation as to past or future positioning of any structure managed by ELC or its affiliates from time to time.

Where you have received this material either due to your request, or our legal obligation to provide it to you, you should be aware the material is intended only to facilitate your discussions with East Lodge Capital LLP as to the opportunities available to our clients. The given material is subject to change and, although based upon information which we consider reliable, and the currency of legislation as of its approval date, it is not guaranteed as to accuracy or completeness and it should not be relied upon as such.

If you are receiving this material as an investor or potential investors, you should be aware:

Offers and sales of interests in the funds may only be made in those jurisdictions permitted by law and once a qualified offeree receives a confidential private placement memorandum (a "Memorandum") (including investment objectives, policies, risk factors, fees, tax implications and relevant qualifications), complete documentation of the relevant fund and in accordance with the applicable securities laws; and this material is qualified in its entirety by reference to such documentation. In the case of any inconsistency between the descriptions or terms in this material and a Memorandum, the Memorandum shall prevail.

It is the responsibility of any person or persons in possession of this material to inform themselves of and to observe all applicable laws and regulations of any relevant jurisdiction. This material is not intended for distribution to, or use by any person or entity in any jurisdiction or country where such distribution or use would be contrary to local law or regulation.

This is a policy document, it is not an offer or solicitation with respect to the purchase or sale of any security (for the purpose of this material 'security' shall mean a security defined under the United States Securities Act of 1933, as amended (the "Securities Act"), and any other security, shares, unit, debenture, or any other interest (including partnership interest) of whatever kind in any fund or account or other entity advised or managed directly or indirectly by ELC or its affiliates, howsoever structured.

The information in the material is intended solely for sophisticated investors, who except as set out below are (a) professional investors as defined in Article 4 of the European Directive 2011/61/EU or (b) accredited investors (within the meaning given to such term in Regulation D under the U.S. Securities Act of 1933, as amended) and qualified purchasers (within the meaning given to such term in Section 2(a)(51) of the U.S Investment Company Act 1940, as amended). To the extent this material is a financial promotion, ELC has approved it for issue in the United Kingdom solely for the purposes of Section 21 of the Financial Services and Markets Act 2000.

United Kingdom/European Union: This material is not for distribution to retail clients and except strictly as set out below is directed exclusively to ELC's Professional Clients and Eligible Counterparties, as defined in the Markets in Financial Instruments Directive (2004/39/EC).

United States: This material is not intended for distribution in the United States or for the account of U.S. persons (as defined in Regulation S under the Securities Act) except to qualified purchasers accredited investors as defined above and Qualified Eligible Persons (as defined in Commodity Futures Trading Commission Regulation 4.7).

© 2023 East Lodge Capital LLP. All rights reserved.

