

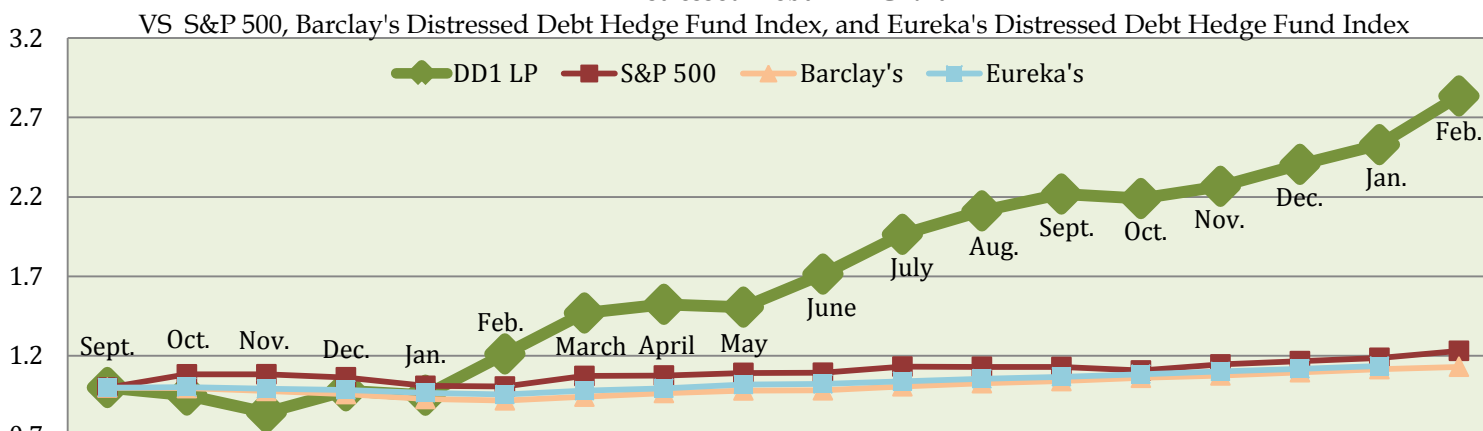


DISTRESSED DEBT 1 LP

When Performance Matters

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Distressed Debt LP 1 Chart



DD1 LP Monthly Performance (as percentage, net of all fees & expenses)

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	YTD
2015										-4.75	-11.60	16.30	-2.07%
2016	-2.82	27.30	21.26	3.72	-1.15	13.80	14.60	7.52	5.02	-1.28	3.52	6.11	145.59%
2017	5.16	12.11											17.89%

Distressed Debt 1 LP Selection Process

After our initial daily screening of global bond issues for yields and maturities:

1. We review the issuer's most recent quarter and year end financials and its relative performance to the industry segment it's within, for any signs or indications that their financial woes may have changed course.
2. If issuers show multiple signs of a turnaround (most do not, as they are simply just waiting for the climate that affected them to improve), we mark only the top tier for further review.
3. In more intensive review, we compare the debt load to revenues, income, gross profits, cash flow, cash on hand, asset valuations (vs. book valuations), ect. We believe debt asset valuation is important in minimal profits or low coverage ratios.
4. We then review its stock and current news to see if we can identify a changing trend or a new business cycle that corresponds to any improvement. We try to measure performance from the point of the change.
5. Finally, we take the idea to our team to see what additional risk they might see or find that hasn't been factored into the issue.

Distressed Debt 1 LP Ratios

Cumulative Return (10/1/15)	183.54%	Beta	-0.67
Compounded Rate of Return (Annual):	68.39%	Alpha	5.32
Best Monthly Return	27.30%	R	-0.26
Worst Monthly Return	-11.60%	Sharpe Ratio (RFR 3%)	0.51
Rolling 12 Month Return	134.05%	Information Ratio	1.87

Distressed Debt 1 LP Strategy

Distressed Debt 1 is looking for companies with the new plan and team beating each quarter since making the change. This often becomes a waiting game, as it can take 3 or 4 quarters before we see enough improvement in the quarterly financial metrics to believe that the new plan has a reasonably high degree of being successful.

If Distressed Debt 1 thinks that from the point of change the company's performance, as demonstrated in its actual financial reporting, indicates that there is a much greater chance of succeeding rather than of failing, and its debt is still priced as a bankrupt or distressed issue, we will look to acquire it for pennies on the dollar.

Accredited Investors Only

Minimum duration of investment is 1 year	Carved Out of Durig Capital	No Redemption Fee
Annual fee is 1.2%	Ashland Partners Auditor	Open For Contribution
Performance fee is 20%	No Leverage	30 Years of Investment Experience

Distressed Debt 1 LP Biography

Randy Durig has over 30 years of professional investment experience, having achieved senior vice president of a firm, now called RBC Dain Rauscher Corp. Mr. Durig's portfolios achieved extremely high levels of performance. Mr. Durig now manages his own firm, and has assembled a talented team of professionals that work tirelessly to provide you with premier Global Fixed Income services.