



A3 ALTERNATIVE CREDIT FUND

NOVEMBER 2019

Disclosures

The material contained in this presentation is not intended to be a recommendation or investment advice, does not constitute a solicitation to buy or sell securities, and is not provided in a fiduciary capacity. The information contained does not take into account the specific objectives or circumstances of any specific investor, or suggest any particular course of action. Investment decisions should be made based on an investor's objectives and circumstances and in consultation with his or her advisors. For retail use.

Fixed income investments are subject to credit, liquidity, interest rate and, depending on the instrument, counterparty risk. These risks may be increased to the extent fixed income investments are concentrated in any one issuer, industry, region or country. The market value of fixed income investments generally will fluctuate with, among other things, the financial condition of the obligors on the underlying debt obligations, general economic conditions, the condition of certain financial markets, political events, developments or trends in any particular industry and changes in prevailing interest rates. In general, any interest rate increases can cause the price of a debt security to decrease vice versa. Asset-backed securities, including mortgage -backed securities, are legal entities that are sponsored by banks, broker-dealers or other financial firms specifically created for the purpose of issuing particular securities or instruments. Investors will receive payments that are part interest and part return of principal. These payments may vary based on the rate at which borrowers pay off their loans.

Because of the risks associated with investing in high-yield securities, any investment should be considered speculative and subject to the risks stated above. Leverage, including borrowing, may cause a portfolio to be more volatile than if the portfolio had not been leveraged.

Illustrative allocations and portfolios contained in this presentation are for illustrative purposes only and are subject to change at any time, without notice.

Past performance is not indicative of future returns. Any references to past performance are illustrative in nature and not to be considered recommendations of any security or investment product.

Some information contained in this presentation has been provided by third parties and has not been independently verified. Such information is subject to change without notice.

The A3 Alternative Credit Fund is a continuously- offered, non-diversified, registered closed-end fund with limited liquidity.

Distributor – Foreside Financial Services, LLC

You should consider the investment objectives, risks, charges and expenses of the Fund carefully before investing. The prospectus contains this and other information about the Fund and is available by calling 1-877-774-7724. Read it carefully before investing.

Disclosures

The Fund intends to invest a majority of its assets in “alternative investments,” which include Credit Investments and smaller segments of the debt markets. Alternative investments provide limited liquidity and should not constitute a complete investment program.

The Fund does not currently intend to attempt to insure its investments or the collateral supporting its investments. Should any type of uninsured loss occur, it may adversely affect the Fund’s investment performance.

To the extent a Credit Investment is secured, there can be no assurance as to the amount of any funds that maybe realized from recovering and liquidating any collateral or the timing of such recovery and liquidation and hence there is no assurance that sufficient funds (or, possibly, any funds) will be available to offset any payment defaults that occur under the Credit Investment. The value of the collateral may, at any point, be worth less than the value of the original investment.

Investment liquidity risk exists when particular investments of the Fund would be difficult to sell, possibly preventing the Fund from selling such illiquid investments at an advantageous time or price, or possibly requiring the Fund to dispose of other investments at unfavorable times or prices. Most of the Fund’s loan assets are not liquid.

The securities in which the Fund, directly or indirectly, may invest include privately issued securities of both public and private companies. Private securities have additional risk considerations than investments in comparable public investments.

When the Fund invests in asset-backed securities and mortgage-backed securities, the Fund is subject to the risk that, if the underlying borrowers fail to pay interest or repay principal, the assets backing these securities may not be sufficient to support payments on the securities.

CLOs are securities backed by an underlying portfolio of loans, typically syndicated loans or other loans to corporate borrowers. CLOs issue classes or “tranches” that vary in seniority, risk, and yield. CLOs may experience substantial credit losses and/or substantial declines in market value as result of actual collateral defaults (which may deteriorate the credit support supplied by the more subordinated tranches of the CLO), anticipated collateral defaults, or investor aversion to CLO securities as a class.

A CLN is a form of collateralized credit derivative. It is structured as a note issued by a bankruptcy-remote issuer, with an embedded credit default swap allowing the issuer to transfer a specific credit risk, such as default or failure to pay, to investors. Investors’ capital is 100% at risk and investors may lose all of their initial investment. The issuer is not obligated to repay the debt if a specified event occurs.

Firm Organization

A3 Financial Investments, LLC

Management



Chris Aymond

31 years of Investment
Management Experience



Gregg Bell

13 years of Investment
Management Experience



Tony Bosch

29 years of Investment
Management Experience



Kimberly Merriman

13 years of Investment
Management Experience



Lars Soderberg

37 years of Investment
Management Experience

Experience

- Seasoned team with over 110 years of combined investment experience
- Successfully invested in niche credit markets through peaks and troughs
- Track record of multi-billion dollar raises for various asset classes
- Experience structuring and sourcing capital for bespoke investments

Collective Work Experience

Absolute Investment Advisors

Janus

Arrowmark Partners

J.P. Morgan Chase

Aqueduct Capital Group

Putnam Investments

Berger Funds

Royal Bank of Scotland

Federated

SBAM

Fidelity Investments

Securities Exchange Commission

Goldman Sachs & Co.

Skadden, Arps, Slate, Meagher & Flom

Independence Capital Asset Partners

Silver Point Capital

A3 Alternative Credit Fund Overview

The A3 Alternative Credit Fund, a closed-end interval fund, offers investors efficient access to a diversified portfolio of income-generating assets. The Fund's strategy is to invest in niche market opportunities with strong cash flow characteristics and low correlations to public equity and bond markets. The Fund's primary objective is to provide a high level of current income. Capital appreciation will be considered a secondary objective. A3 Financial is led by an investment team with decades of experience investing in market niches. Interval funds provide investors such features as daily pricing, 1099 tax reporting, and quarterly liquidity with a fund-level gate of 5-25% of NAV. The interval fund structure allows non accredited investors the opportunity to access less liquid, potentially higher yielding alternative investments.

Investment Strategy Focus

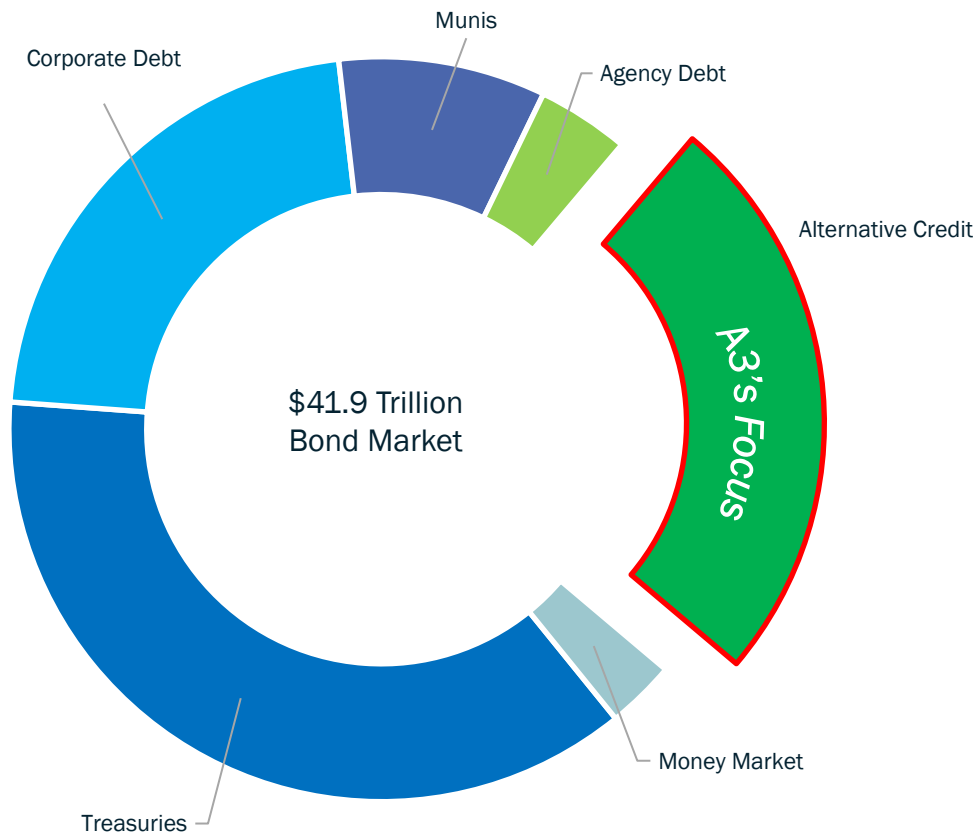
The anticipated portfolio is to consist primarily of investments in income-generating credit related assets, which will be sourced directly from originators, underwriters and market makers. Additionally, the strategy may invest in corporate credit, loans and private placements that are directly originated. At least 80% of the assets are expected to be invested in credit investments including:

- Credit linked notes
- Collateralized loan obligations
- Direct asset-backed loan origination
- Asset-backed securities
- Agency reverse mortgage-backed securities
- Short Duration commercial mortgage-backed securities

AAACX is uniquely offering this type of credit strategy in an interval fund structure

Interval funds provide investors such features as daily pricing, 1099 tax reporting and quarterly liquidity with a fund level gate of 5% to 25% of NAV. The interval fund structure allows investors the opportunity to access less liquid, potentially higher yielding alternative investments without using a private equity or hedge fund structure.

Alternative Credit Market Opportunity



*Alternative credit securities offer diversification and investment opportunities that can be targeted to specific return objectives and risk tolerance levels.**

U.S. Bond Market \$41.9 Trillion			
Treasuries	\$15,608	Municipals	\$3,821
Corporate	\$9,201	Money Market	\$1,076
Alternative Credit	\$10,331	Federal Agency	\$1,842
<ul style="list-style-type: none"> ▪ Agency Mortgage Backed Securities¹ ▪ Non-Agency Mortgage Backed Securities² ▪ Collateralized Loan Obligations³/ Collateralized Debt Obligations⁴/ Commercial Mortgage-Backed Securities⁵ ▪ Asset Backed Securities⁶ 			

Source: SIFMA, Federal Reserve as of Q42018

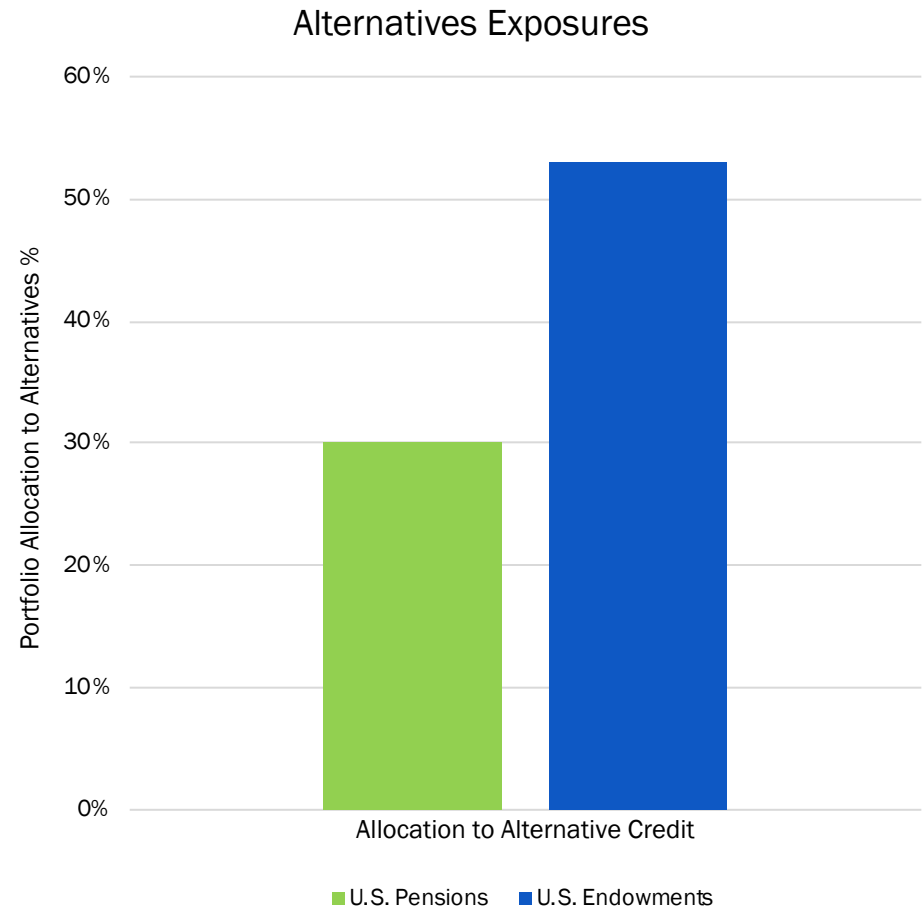
Please refer to important disclosures on page 2.

* Diversification does not assure a profit or protect against loss in a declining market.

1. Source: Janus Henderson "The Case for Agency Mortgage-Backed Securities (MBS). Mortgage-backed securities are collections of mortgages with similar characteristics that are packaged together, or securitized, and sold to investors. Agency MBS are either issued by a government-sponsored entity, such as Fannie Mae or Freddie Mac, or guaranteed by Ginnie Mae, a government agency.
2. Source: Nasdaq. Mortgage back securities sponsored by private companies other than government sponsored enterprises such as Fannie Mae or Freddie Mac.
3. Source: Nasdaq. Collateralized Loan Obligations (CLO) – A security backed by a pool of commercial or personal loans, structured so that there are several classes of bondholders with varying maturities, called tranches.
4. Source: TheStreet.com. Collateralized Debt Obligation (CDO) – CDO's are a kind of asset back security, holding a pool of collateralized debt (such as mortgages and auto loans) that may be subdivided into various tranches(representing different levels of risk).
5. Source: Lord Abbett Investment Brief: Commercial Mortgage Back Securities (CMBS) March, 7, 2017. CMBS are fixed-income securities backed by commercial real estate loans.
6. Source: Investopedia. Asset Backed Securities An asset-backed security (ABS) is a financial security such as a bond or note which is collateralized by a pool of assets such as loans, leases, credit card debt, royalties, or receivables.

Importance of Alternative Credit

- Recent research shows that institutions are making significant allocations to alternative investments to potentially generate higher income and total returns.
- Historically, Alternative Credit, which includes private markets, has only been available to High Net Worth Investors and Institutions.
- By investing in Alternative Credit you get broader diversification and the potential for higher yields

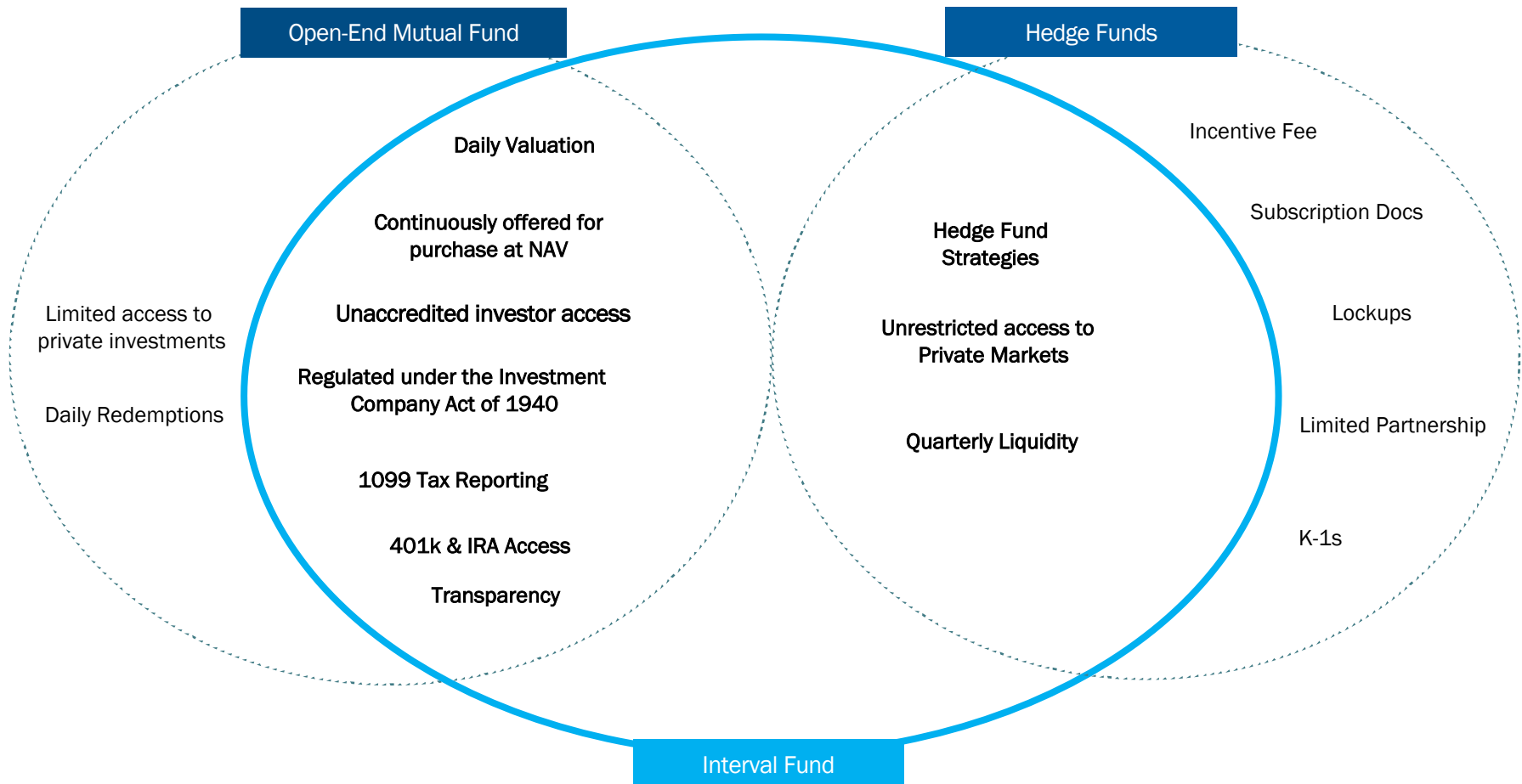


1. Please refer to important disclosures on page 2.

2. Past performance is no guarantee of future results. Sources: Thinking Ahead Institute/Willis Towers Watson, "Global Pension Assets Study 2019", National Association of College and University Business Officers and TIAA, "2018 NACUBO - TIAA Study of Endowments." Griffin Institutional Access Credit Fund.

Advantages of Interval Fund Structures

Access to private markets in a vehicle designed to be fully focused on investors needs. Interval funds share attractive attributes of both open-end mutual funds and private funds.



1. Please refer to important disclosures on page 2.

2. For illustrative purposes only. Represents some, but not necessarily all characteristics of open-end mutual funds, closed-end funds, hedge funds and interval funds.

Our Expertise in Alternative Credit

Investment Approach

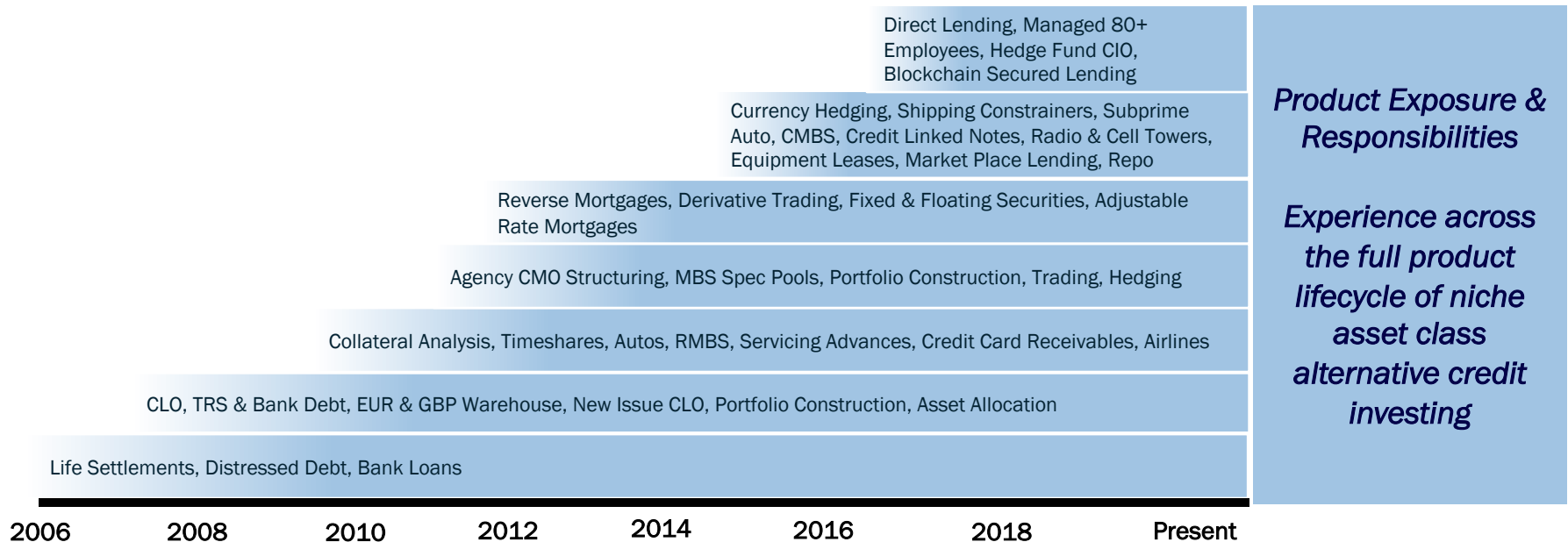
1. Risk Management & Principal Protection
2. Coupon Driven Return
3. Diversification with Low Correlation
4. Expense Focused Investable Product

A3 Advantage

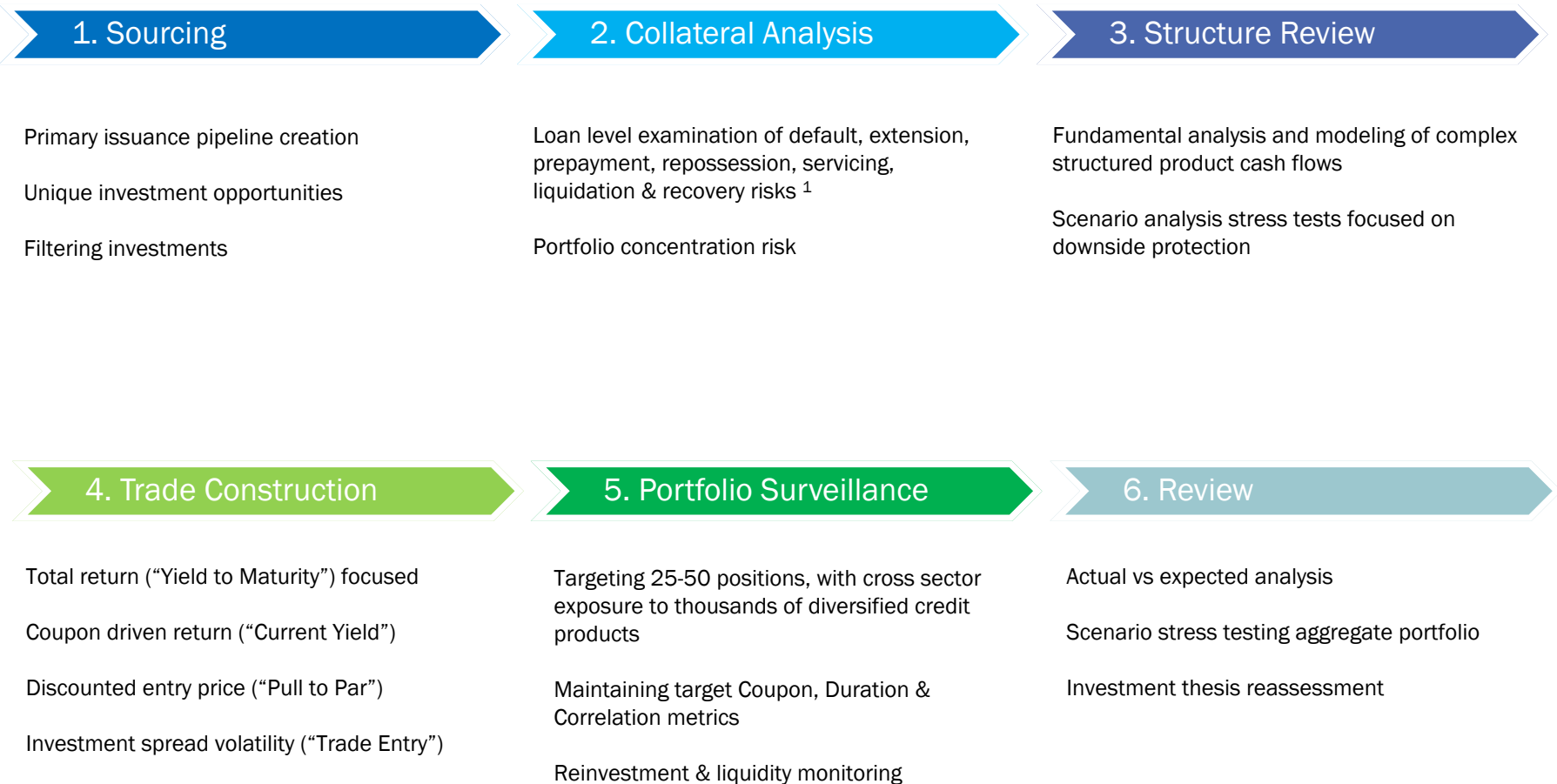
1. Extensive history across all stages of the structured product lifecycle
2. Focusing on niche assets is where our fundamental analysis is most valuable
3. Proactive sourcing of investment opportunities
4. Experience in credit structuring stage enables us to influence the key terms of the investment

Portfolio Management

- Led by Gregg Bell, Chief Investment Officer & Co-Founder.
- In his 13 years of investment experience, he has performed duties across the full life cycle for structured products, including risk analysis, structuring, trading and portfolio management.
- Prior employers include Silver Point Capital, RBS Securities, & Arrow Point Asset Management “ArrowMark”.
- Responsible for having built the reverse mortgage structuring and trading platform at RBS Securities into one of the firms most profitable risk weighted ROI businesses.
- Has performed investment and security selection for \$3+ Billion in structured credit.
- Allocated investments across 6 Collateralized Loan Obligations (“CLOs”).



Investment Process



1. Please refer to important disclosures on page 2.

2. Representative basket of risks. Each investment may have unique collateral risks which are to be analyzed.

Illustrative Strategy Allocation

Credit Linked Note

Notes with default risk linked to a portfolio of debt obligations

Collateralized Loan Obligations

Debt and equity tranches backed by a pool of funded corporate debt

Asset Backed Securities

Structured credit collateralized by a pool of assets

Direct Lending

Loans and subordinated private debt issued by non-bank lenders

Commercial Mortgage Credit

Structured securities backed by pools of commercial mortgages

Reverse Mortgages

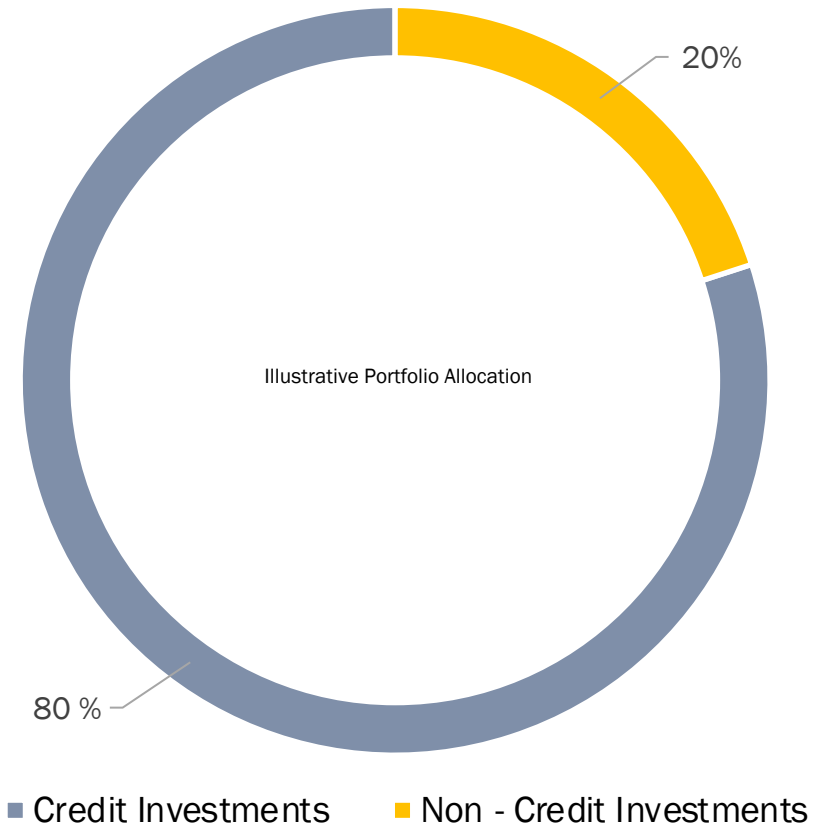
Securities backed by pools of home equity conversion mortgages

Esoteric Debt

Non-traditional asset backed debt instruments

Business Development Company (BDC) & Publicly Traded Real Estate Investment Trust (REIT)

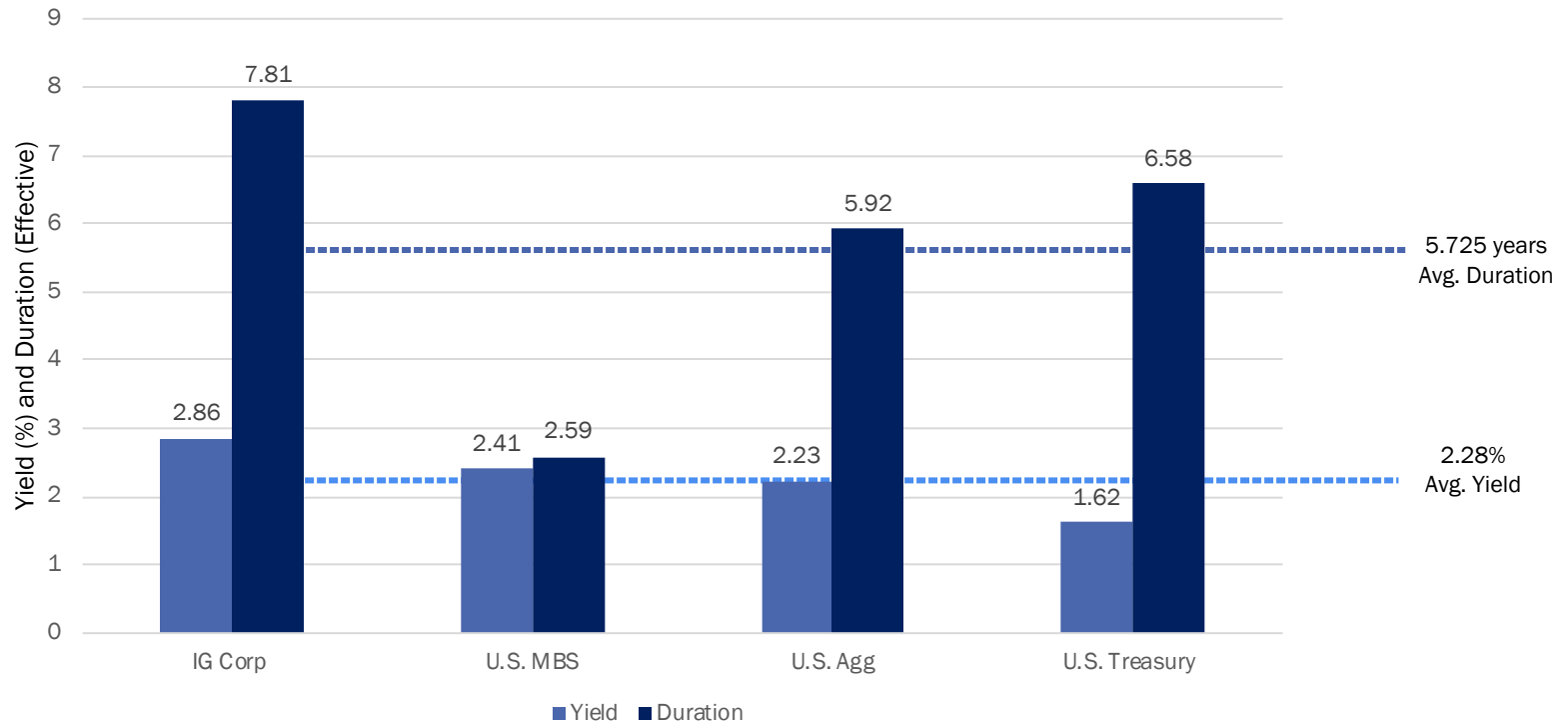
Credit related equities



The allocation percentages set forth above are ranges only and are subject to change based on markets conditions. Portfolio may also include hedges.

Yield Opportunity in Fixed Income

Traditional Yields and Durations in Core Fixed Income



1. Please refer to important disclosures on page 2.

2. Source: Bloomberg as of 8/20/2019

- Investment Grade Corporate Debt: Bloomberg Barclays U.S. Corporate Investment Grade Index - measures the investment grade, fixed-rate, taxable corporate bond market.
 - U.S. Mortgage Backed Securities: Bloomberg Barclays U.S. Mortgage Backed Securities Index - tracks agency mortgage pass-through securities (no longer incorporates hybrid ARM) guaranteed by Ginnie Mae (GNMA), Mae (FNMA), and Freddie Mac (FHLMC).

- U.S. Aggregate: Bloomberg Barclays U.S. Aggregate Bond Index - broad base bond market index representing intermediate term investment grade bonds traded in United States.

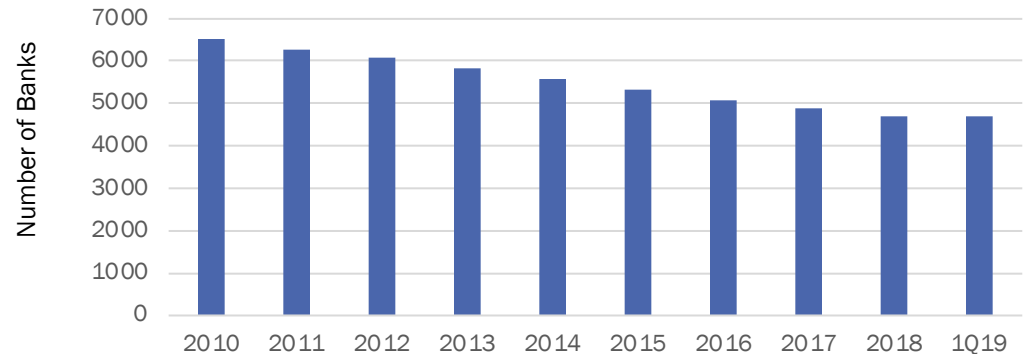
- U.S. Treasury: Bloomberg Barclays U.S. Treasury Index - measures US dollar-denominated, fixed-rate, nominal debt issued by the US Treasury.

3. Performance data represents past performance. Past performance does not guarantee future results. Realized performance may be lower or higher than performance data quoted. The realized return and principal value of an investment will fluctuate so that investor's shares, when redeemed, may be worth more or less than their original cost.

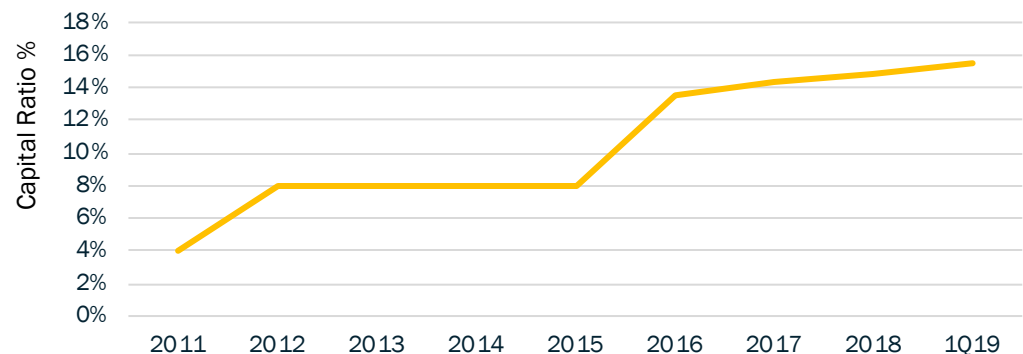
Yield Opportunity Drivers

- Bank consolidation is creating compelling yield premium for non-bank lender products
- Regulation (Volcker & Basel III) is driving banks to reduce leverage and risk, creating attractive asset sales on direct lending opportunities
- Real money investors are increasingly relied on to absorb supply with fewer bank participants
- Non-bank lenders are filling the void as banks retreat
- Bank deleveraging is causing forced liquidation selling

U.S. FDIC Insured Commercial Banks¹



Basel III Capital Requirements²

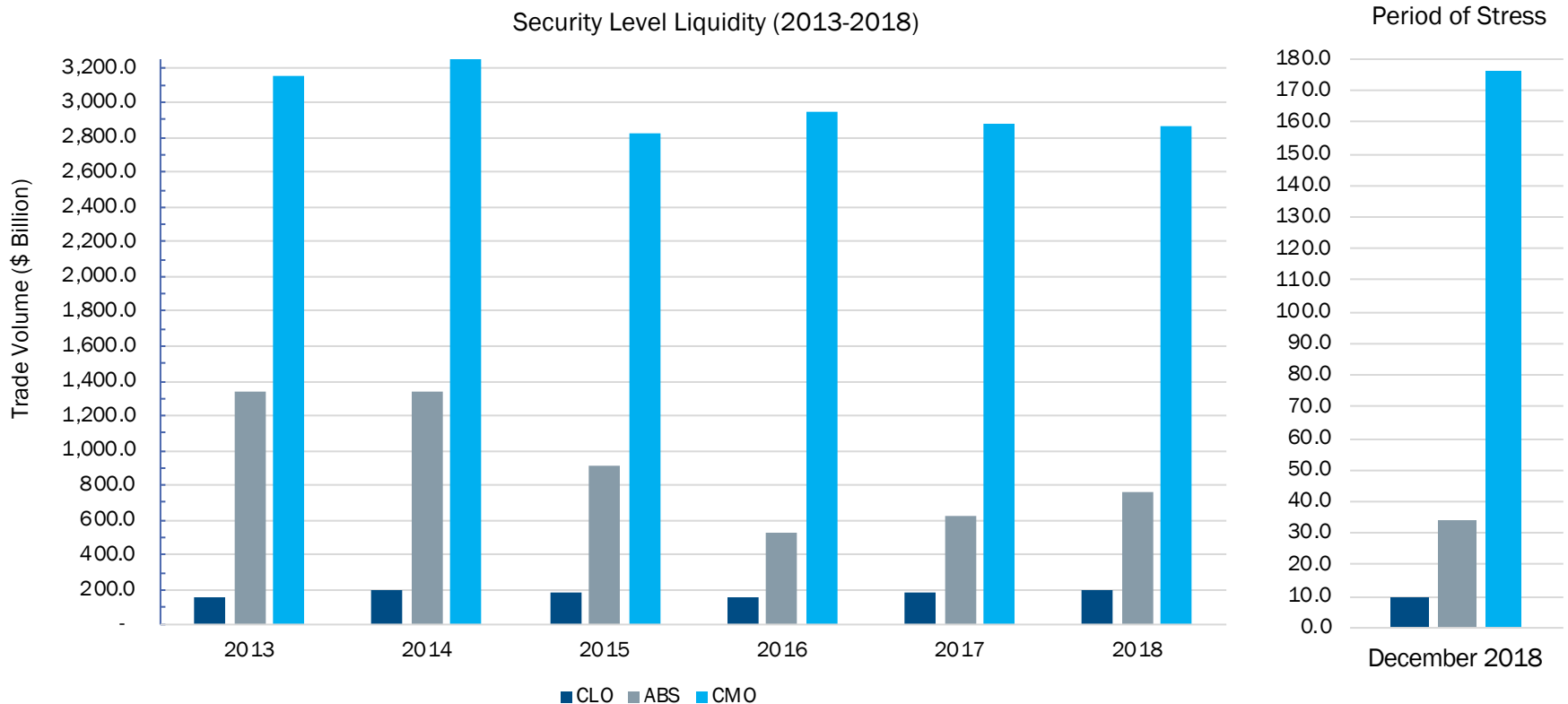


Source: (1) Federal Deposit Insurance Company, represents number of commercial banking institutions insured by FDIC, as of 3/31/2019 and (2) BIS

Liquidity Considerations

This chart reflects the liquidity levels in the underlying asset classes of the fund. Please remember, the fund itself has restricted liquidity terms.

Secondary trading is conducted through Bids wanted in Competition and private negotiation.



1. Please refer to important disclosures on page 2.

2. Source: TRACE Monthly Volume Report FINRA, J.P. Morgan, LCD – S&P Global Market Intelligence. A3 Financial Investments believes these figures approximate to the total trading activity of the market inclusive of secondary and primary US trading of each respective asset class: Collateralized Loan Obligations (“CLO”), Asset Backed Securities (“ABS”), Collateralized Mortgage Obligation (“CMO”). Trades and Par Value include 144A securities. Asset class and security level trading volume is believed to be representative of the liquidity for the assets class as a whole.

Team Biographies

- Christian Aymond has over 30 years of sales and marketing experience in the securities industry. Prior to co-founding A3 Financial Investments, Aymond was a Director at the alternative lending firm, SBAM, which pioneered the first blockchain backed loan. Aymond also developed alternative strategy products in the 40 act space as a Co-founder and Principal of Absolute Investment Advisers, LLC. He has also held various marketing and sales management positions at Putnam Investments and Federated Investors, Inc. Aymond received a B.A. in Economics from Denison University.
- Gregory Bell prior to co-founding A3 Financial Investments, was the Chief Investment Officer of SBAM. He has invested in credit across a variety of niche industries since 2006, working at two multi-billion dollar credit & structured product hedge funds. As a structured credit analyst and trader at Arrowpoint Asset Management, Bell was responsible for asset backed securities trading activity. He has participated in hundreds of structured credit securitizations throughout his career, acting in an investment banking capacity, as well as underwriter, structurer and trader. While at the Royal Bank of Scotland, he developed the reverse mortgage broker-dealer trading operations. Bell began his career at Silver Point Capital. Bell holds a B.S. from the Vanderbilt University School of Engineering.
- Anthony Bosch contributes more than 25 years of experience in the securities industry. Prior to co-founding A3 Financial Investments, Bosch was a member of SBAM. He was a Co-founder of Absolute Investment Advisers, LLC, an alternative investment advisory firm, in which he served as Principal and General Counsel. Previously, he served as General Counsel for Berger Financial Group and began his career with the Securities and Exchange Commission (SEC). Bosch received his Juris Doctorate from the University of Toledo and a B.S. in Chemistry from Miami University.
- Kimberly Merriman prior to co-founding A3 Financial Investments, was a Director at SBAM. Previously, she was a Client Advisor at J.P. Morgan's Private Bank and upon joining J.P. Morgan in 2014, she helped to develop the Private Bank's Incident and Client Advisory team, which advises on legal, regulatory, and compliance guidelines and initiatives. Prior to J.P. Morgan, Merriman was a Financial Investment Professional within the Private Wealth Management Division of Goldman Sachs & Co. in the New York and Houston offices. She began her career in the Corporate Finance group of Skadden, Arps, Slate, Meagher & Flom LLP in New York. Merriman received a Juris Doctorate from New York Law School and a B.S. in Pre-Law with a minor in Sociology from The Pennsylvania State University.
- Lars Soderberg has more than 37 years of experience in the alternative and traditional asset management industry. Before co-founding A3 Financial Investments, he was a Director at the alternative lending firm, SBAM, which pioneered the first blockchain backed loan. Preceding this, Soderberg was with Aqueduct Capital developing their private equity effort. From 2004 through 2015, he served at Independence Capital Asset Partners (ICAP) as Chief Marketing Officer for their hedge fund business and developed some of the asset management industries first alternative liquid 40 Act hedge fund and UCITS products. Soderberg was with Janus Capital Group from 1995 to 2004, where he was an Executive Vice President and Managing Director. In addition to his various responsibilities in managing the firm's Institutional distribution and marketing, he served on the executive committee and was President of Janus' broker dealer. Soderberg began his career with Fidelity Investments from 1981 to 1995, where he held a variety of retail and institutional sales roles in Boston and Los Angeles. Soderberg received a B.A. from Denison University.

Contact Information

Chris Aymond

303.378.0729
caymond@a3.financial

Gregg Bell

203.561.3200
gbell@a3.financial

Tony Bosch

720.333.1859
tbosch@a3.financial

Kimberly Merriman

917.685.4441
kmerriman@a3.financial

Lars Soderberg

303.918.0971
lsoderberg@a3.financial

Address:

90 Madison St.
Suite 303
Denver, CO 80206

Phone:

303.997.9010