



37 Capital Expands Structured Credit Capabilities with Hiring of Industry Veterans to Focus on CLO Strategies for Marketplace

Alternative Investments Arm of Putnam Investments to Build Upon Firm's Extensive Experience in Leveraged Loan Investing

BOSTON, June 21, 2021 – 37 Capital, the alternative investments business of Putnam Investments, today announced that it has bolstered its collateralized loan obligation (CLO) and broader leveraged loan capabilities with the hiring of three highly-experienced investment professionals.

Scott M. D’Orsi (Portfolio Manager), Eric C. Vander Mel (Analyst) and Stephen L. Newton (Analyst), who worked together at First Eagle Investment Management for more than six years prior to joining Putnam, bring dedicated focus to the active build-out of 37 Capital-branded CLO offerings. D’Orsi reports directly to Putnam’s Michael V. Salm (Co-Chief Investment Officer of Fixed Income) and Brett S. Kozlowski (Co-Head of Structured Credit) and will work closely with Kaitlin M. May, Chief Operating Officer of 37 Capital, on the launch of this business initiative.

“We believe that structured credit offers a complexity premium that can be harvested by sophisticated investment managers who are able to combine fundamental credit analysis of underlying collateral with a deep understanding of the various securitization vehicles utilized in this space,” said Salm.

May, who will also become Head of Global Institutional Management at the end of the month upon the retirement of Jeffrey L. Gould, added, “In bringing onboard three highly-skilled credit investment professionals in Scott, Eric and Steve, we are making a strong commitment

to generating long-term value for institutional investors through new product opportunities that combine decades of corporate credit expertise with specific capabilities related to CLOs.”

Salm indicated that the three new hires, with deep backgrounds in leveraged loans, high yield bonds and fixed income trading, will join Putnam’s broader fixed income team with strong portfolio management and research expertise in non-investment grade credit markets. As a firm, Putnam has an extensive history of bringing structured product solutions to clients and currently manages approximately \$30 billion in structured credit, including RMBS, CMBS, and various prepayment strategies as of May 28, 2021.

Prior to joining Putnam, D’Orsi was a Managing Director, CLO Portfolio Manager and Head of Liquid Loans at First Eagle Investment Management, where he launched the CLO business of its predecessor company and led the launch of a number of CLOs. Earlier, D’Orsi held positions at Spear Leeds & Kellogg, CIBC World Markets, BancBoston Securities, Bank of Boston and Fleet Financial Group. He earned a B.A. in Economics from Yale University and an MBA from Babson College’s Franklin W. Olin Graduate School of Business.

Vander Mel has more than 25 years of credit experience including syndicated loan CLO management. Before joining Putnam, he was a Managing Director, Senior Analyst, at First Eagle Private Credit Advisors, where he specialized in broadly syndicated loan CLOs. Earlier, he held positions with Knight Capital, FBR Capital, Morgan Stanley, Fleet Securities and Fleet National Bank. He holds a B.A. in Economics from Colby College.

Newton brings more than 15 years of experience in fixed income research, CLO structuring and portfolio management. Most recently, he was a Director, Senior Credit Analyst, at First Eagle Private Credit Advisors. He previously held positions with Citizens Financial Group, Social Finance, Eaton Vance Management and Banc of America Securities. He earned a B.S. in Finance from Boston College and an MBA from Northwestern University’s Kellogg School of Management.

About 37 Capital

37 Capital is the global alternative asset management business of Putnam Investments, providing investment solutions across equities and credit. Portfolio managers employ an

opportunistic investment approach that combines intensive fundamental research with a consistent focus on downside protection.

About Putnam Investments

Founded in 1937, Putnam Investments is a global money management firm with over 80 years of investment experience. At the end of May 2021, Putnam had \$198 billion in assets under management. Putnam has offices in Boston, London, Frankfurt, Tokyo, Singapore, and Sydney. For more information, visit putnam.com.

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Collateralized loan obligations (CLOs) are complex investments and not suitable for all investors. Investors in CLOs generally receive payments that are part interest and part return of principal. These payments may vary based on the rate loans are repaid. Some CLOs may have structures that make their reaction to interest rates and other factors difficult to predict, make their prices volatile, and subject them to liquidity and valuation risk. An investment in CLO securities involves certain risks, including risks relating to the collateral securing the notes and risks relating to the structure of the notes and related arrangements. The collateral is subject to credit, liquidity and interest rate risk. Investing in bank loans involves particular risks. Bank loans may become nonperforming or impaired for a variety of reasons. Nonperforming or impaired loans may require substantial workout negotiations or restructuring that may entail, among other things, a substantial reduction in the interest rate and/or a substantial write-down of the principal of the loan. In addition, certain bank loans are highly customized and, thus, may not be purchased or sold as easily as publicly traded securities, any secondary trading market also may be limited and there can be no assurance that an adequate degree of liquidity will be maintained. The transferability of certain bank loans may be restricted. Risks associated with bank loans include the fact that prepayments may generally occur at any time without premium or penalty.