

October 12, 2018

Dear Investor:

We are providing the enclosed U.S. federal income tax-reporting information with respect to your investment in NB Distressed Debt Investment Fund Limited Global Share Class. (“NBDDIF”)

**Passive Foreign Investment Company (PFIC) Information – NB Distressed Debt Investment Fund Limited**

We believe that NBDDIF is a PFIC for U.S. federal income tax purposes, based on the information provided to us. Accordingly, a U.S. investor is considered a U.S. shareholder in a PFIC and is subject to the rules contained in Sections 1291 through 1297 of the Internal Revenue Code (the “Code”). A U.S. investor may elect to treat the arrangement as a “qualified electing fund” or QEF pursuant to Section 1295(b) of the Code with respect to the shareholder’s ownership interest in the PFIC. Once a QEF election has been made, the election applies to all subsequent years.

Should an investor follow the appropriate procedures to make a QEF election, the U.S. investor is taxed on its proportionate share of NBDDIF earnings computed under U.S. tax principles for each year in which the Issuer is considered a PFIC. Electing U.S. investors report their share of earnings from the QEF by filing IRS Form 8621, Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund.

The amounts reflected on the enclosed PFIC Annual Information Statement represent NBDDIF’s ordinary earnings, net short term capital gain, and net long term capital gain for the designated tax year. As an investor, if a QEF election is effective, you should report your pro rata share of the Issuer’s income for the number of days during the year that you held the investment. An investor who has made a QEF election may elect to defer paying the tax on the undistributed income of the PFIC, if any, on Form 8621. If this election is made, the investor will be subject to an interest charge on the deferred tax.

It is suggested that investors consult with their tax advisor and the offering memorandum to determine whether to make a QEF election with respect to their ownership interest in NBDDIF.

**Passive Foreign Investment Company (PFIC) Information – London Lake Michigan (Global) LP**

NBDDIF owns shares of London Lake Michigan (Global) LP (“Lake Michigan”), a Cayman Islands partnership that has elected to be treated as a corporation for U.S. federal income tax purposes. We believe Lake Michigan is a PFIC under U.S. tax principles. As such, U.S. investors fall within the same PFIC rules outlined above for their indirect ownership of the Lake Michigan shares.

The information to complete Form 8621 is below. Please note that the amounts presented in the table below represent the total amounts for the Global share class. To determine your indirect ownership in Lake Michigan, you will need to multiply the amounts below by your ownership percentage of the respective share class.

**Name of PFIC:** London Lake Michigan (Global) LP

**Address of PFIC:** Ugland House, South Church Street

**Tax Year of PFIC:** January 1, 2017 to December 31, 2017

**EIN:** 98-1199987

1. Description of each class of Lake Michigan shares:	Common
2. Number of Lake Michigan shares acquired during tax year 2017:	NONE
3. Fair market value of Lake Michigan shares held on December 31, 2017:	\$8,074
4. Total number of NBDDIF shares on December 31, 2017:	98,733,540

5. Total number of Lake Michigan shares held on December 31, 2017:	100
6. 3/30/2017 cash distribution by Lake Michigan to NBDDIF during 2017:	\$310,564
7. NBDDIF Shares on 3/30/2017:	100,153,797
8. 6/14/2017 cash distribution by Lake Michigan to NBDDIF during 2017:	\$800,000
9. NBDDIF Shares on 6/14/2017:	99,538,548
10. Property distributed by Lake Michigan to NBDDIF during 2017:	NONE
11. Lake Michigan 2017 Ordinary Earnings:	NONE
12. Lake Michigan 2017 Short-Term Capital Gain:	NONE
13. Lake Michigan 2017 Long-Term Capital Gain:	NONE

Lake Michigan will permit you to inspect and copy its permanent books of account, records, and other such documents as may be maintained by Lake Michigan that are necessary to establish that PFIC ordinary earning and net capital gain, as provided in Section 1293(e) of the Internal Revenue Code, are computed in accordance with U.S. income tax principles.

### **Passive Foreign Investment Company (PFIC) Information – London Lake Erie (Global) LP**

NBDDIF owns shares of London Lake Erie (Global) LP (“Lake Erie”), a Cayman Islands partnership that has elected to be treated as a corporation for U.S. federal income tax purposes. We believe Lake Erie is a PFIC under U.S. tax principles. As such, U.S. investors fall within the same PFIC rules outlined above for their indirect ownership of the Lake Erie shares.

The information to complete Form 8621 is below. Please note that the amounts presented in the table below represent the total amounts for the Global share class. To determine your indirect ownership in Lake Erie, you will need to multiply the amounts below by your ownership percentage of the respective share class.

**Name of PFIC:** London Lake Erie (Global) LP  
**Address of PFIC:** Ugland House, South Church Street  
**Tax Year of PFIC:** January 1, 2017 to December 31, 2017  
**EIN:** 98-1227711

1. Description of each class of Lake Erie shares:	Common
2. Number of Lake Erie shares acquired during tax year 2017:	NONE
3. Fair market value of Lake Erie shares held on December 31, 2017:	NONE
4. Total number of NBDDIF shares on December 31, 2017:	98,733,540
5. Total number of Lake Michigan shares held on December 31, 2017:	100
6. Cash distributed by Lake Erie to NBDDIF during 2017:	NONE
7. Property distributed by Lake Erie to NBDDIF during 2017:	NONE
8. Lake Erie 2017 Ordinary Earnings:	NONE
9. Lake Erie 2017 Short-Term Capital Gain:	NONE
10. Lake Erie 2017 Long-Term Capital Gain:	NONE

Lake Erie will permit you to inspect and copy its permanent books of account, records, and other such documents as may be maintained by Lake Erie that are necessary to establish that PFIC ordinary earning and net capital gain, as provided in Section 1293(e) of the Internal Revenue Code, are computed in accordance with U.S. income tax principles.

### **Additional Information**

Distributions from NBDDIF are not “qualified dividends” and thus are not eligible for the reduced rate of tax provided by the 2003 Jobs and Growth Reconciliation Tax Act.

A U.S. investor who received distributions during the calendar year may receive IRS Form 1099-DIV from the trustee or paying agent stating the cash payment. An investor who has made a QEF election should disregard the 1099-DIV to be sure to avoid double-counting earnings from this investment.

It is suggested that investors consult with their tax advisor with regard to the above.

**Issuer: NB Distressed Debt Investment Fund Limited (Global Share Class)**  
**P.O. Box 285, Elizabeth House**  
**Les Ruettes Brayes, St. Peter Port, Guernsey, GY1 1WA**

**Passive Foreign Investment Company (PFIC) Annual Information Statement**  
**For Tax Year Ended: December 31, 2017**

- (1) This Information Statement applies to the taxable year of Issuer beginning on January 1, 2017 and ending on December 31, 2017.
- (2) The below amounts represent income for the entire Global Share class for the period from January 1, 2017 to December 31, 2017:

	<u>Total</u>
Ordinary Earnings	\$ 1,167,134
Net Capital Gain	\$ 328,366

To determine your share of income, divide the total income by your per share ownership per day using the share detail in Appendix A.

- (3) The amount of cash and fair market value of other property distributed or deemed distributed by Issuer to the Global Share class during the taxable year.

	<u>Total</u>	<u>Per Share</u>
Cash Distribution	NONE	NONE
Fair Market Value of Other Property	NONE	NONE

- (4) Issuer will permit you to inspect and copy Issuer's permanent books of account, records, and other such documents as may be maintained by Issuer that are necessary to establish that PFIC ordinary earning and net capital gain, as provided in Section 1293(e) of the Internal Revenue Code, are computed in accordance with U.S. income tax principles.

Date: 10-15-18

NB Distressed Debt Investment Fund Limited

By: 

Title:

~~David Mancilla~~  
Authorized Signatory

## APPENDIX A

### Global Share Class 2017 Share Registrar

Date	Shares
1/4/2017	100,575,809
1/5/2017	100,575,808
1/6/2017	100,575,785
1/9/2017	100,575,781
1/10/2017	100,575,827
1/11/2017	100,575,795
1/12/2017	100,575,794
1/13/2017	100,575,743
1/16/2017	100,575,788
1/17/2017	100,575,819
1/18/2017	100,575,774
1/19/2017	100,575,757
1/20/2017	100,575,739
1/23/2017	100,575,793
1/24/2017	100,575,736
1/25/2017	100,575,809
1/26/2017	100,575,809
1/27/2017	100,575,797
1/30/2017	100,575,737
1/31/2017	100,575,742
2/1/2017	100,575,803
2/2/2017	100,575,762
2/3/2017	100,568,823
2/6/2017	100,568,786
2/7/2017	100,568,778
2/8/2017	100,568,816
2/9/2017	100,568,762
2/10/2017	100,518,790
2/13/2017	100,518,836
2/14/2017	100,498,785
2/15/2017	100,458,763
2/16/2017	100,438,795
2/17/2017	100,438,794
2/20/2017	100,438,747
2/21/2017	100,438,824
2/22/2017	100,438,769
2/23/2017	100,438,759
2/24/2017	100,438,812
2/27/2017	100,438,806
2/28/2017	100,438,787
3/1/2017	100,438,829
3/2/2017	100,438,753
3/3/2017	100,418,814
3/6/2017	100,398,758
3/7/2017	100,398,792

3/8/2017	100,398,742
3/9/2017	100,398,799
3/10/2017	100,398,743
3/13/2017	100,368,789
3/14/2017	100,368,790
3/15/2017	100,348,736
3/16/2017	100,348,815
3/17/2017	100,298,766
3/20/2017	100,248,752
3/21/2017	100,228,820
3/22/2017	100,203,818
3/23/2017	100,153,826
3/24/2017	100,153,812
3/27/2017	100,153,761
3/28/2017	100,153,826
3/29/2017	100,153,824
3/30/2017	100,153,797
3/31/2017	100,153,754
4/3/2017	100,153,832
4/4/2017	100,128,762
4/5/2017	100,128,774
4/6/2017	100,103,750
4/7/2017	100,078,790
4/10/2017	100,053,759
4/11/2017	100,003,823
4/12/2017	99,978,761
4/13/2017	99,953,748
4/18/2017	99,903,771
4/19/2017	99,873,539
4/20/2017	99,873,555
4/21/2017	99,873,607
4/24/2017	99,873,600
4/25/2017	99,848,555
4/26/2017	99,848,601
4/27/2017	99,848,633
4/28/2017	99,848,558
5/2/2017	99,773,552
5/3/2017	99,773,586
5/4/2017	99,773,621
5/5/2017	99,763,631
5/8/2017	99,763,585
5/9/2017	99,738,587
5/10/2017	99,703,639
5/11/2017	99,653,611
5/12/2017	99,653,608
5/15/2017	99,653,597
5/16/2017	99,653,565
5/17/2017	99,623,632
5/18/2017	99,623,551
5/19/2017	99,613,620
5/22/2017	99,538,574

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5/23/2017	99,538,637
5/24/2017	99,538,593
5/25/2017	99,538,616
5/26/2017	99,538,540
5/30/2017	99,538,534
5/31/2017	99,538,611
6/1/2017	99,538,566
6/2/2017	99,538,552
6/5/2017	99,538,577
6/6/2017	99,538,629
6/7/2017	99,538,612
6/8/2017	99,538,609
6/9/2017	99,538,552
6/12/2017	99,538,601
6/13/2017	99,538,568
6/14/2017	99,538,548
6/15/2017	99,538,549
6/16/2017	99,538,628
6/19/2017	99,538,547
6/20/2017	99,538,558
6/21/2017	99,538,561
6/22/2017	99,538,606
6/23/2017	99,538,616
6/26/2017	99,538,567
6/27/2017	99,538,609
6/28/2017	99,538,591
6/29/2017	99,538,630
6/30/2017	99,538,610
7/3/2017	99,538,621
7/4/2017	99,538,582
7/5/2017	99,528,596
7/6/2017	99,528,543
7/7/2017	99,528,613
7/10/2017	99,528,537
7/11/2017	99,508,618
7/12/2017	99,488,600
7/13/2017	99,478,536
7/14/2017	99,438,575
7/17/2017	99,398,596
7/18/2017	99,398,551
7/19/2017	99,398,553
7/20/2017	99,398,573
7/21/2017	99,398,607
7/24/2017	99,398,593
7/25/2017	99,398,613
7/26/2017	99,398,571
7/27/2017	99,398,604
7/28/2017	99,398,603
7/31/2017	99,398,623
8/1/2017	99,378,587
8/2/2017	99,378,577

8/3/2017	99,358,601
8/4/2017	99,358,605
8/7/2017	99,358,552
8/8/2017	99,318,579
8/9/2017	99,318,595
8/10/2017	99,318,615
8/11/2017	99,318,534
8/14/2017	99,318,571
8/15/2017	99,318,609
8/16/2017	99,318,576
8/17/2017	99,318,627
8/18/2017	99,318,591
8/21/2017	99,308,536
8/22/2017	99,308,546
8/23/2017	99,308,573
8/24/2017	99,308,554
8/25/2017	99,308,576
8/29/2017	99,273,586
8/30/2017	99,228,566
8/31/2017	99,228,610
9/1/2017	99,228,616
9/4/2017	99,203,549
9/5/2017	99,178,598
9/6/2017	99,153,631
9/7/2017	99,103,615
9/8/2017	99,103,619
9/11/2017	99,093,558
9/12/2017	99,093,583
9/13/2017	99,083,620
9/14/2017	99,073,554
9/15/2017	99,073,531
9/18/2017	99,053,537
9/19/2017	99,053,613
9/20/2017	99,038,597
9/21/2017	99,023,555
9/22/2017	99,008,537
9/25/2017	99,008,590
9/26/2017	99,008,569
9/27/2017	98,983,556
9/28/2017	98,963,545
9/29/2017	98,943,585
10/2/2017	98,923,586
10/3/2017	98,903,631
10/4/2017	98,883,576
10/5/2017	98,863,571
10/6/2017	98,863,578
10/9/2017	98,863,568
10/10/2017	98,863,596
10/11/2017	98,863,626
10/12/2017	98,863,623
10/13/2017	98,863,589

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10/16/2017	98,863,635
10/17/2017	98,863,594
10/18/2017	98,863,590
10/19/2017	98,863,584
10/20/2017	98,863,546
10/23/2017	98,863,632
10/24/2017	98,863,542
10/25/2017	98,813,570
10/26/2017	98,763,616
10/27/2017	98,763,571
10/30/2017	98,763,627
10/31/2017	98,763,627
11/1/2017	98,763,556
11/2/2017	98,763,571
11/3/2017	98,763,606
11/6/2017	98,763,567
11/7/2017	98,753,610
11/8/2017	98,753,587
11/9/2017	98,753,591
11/10/2017	98,753,610
11/13/2017	98,753,538
11/14/2017	98,753,609
11/15/2017	98,753,562
11/16/2017	98,753,596
11/17/2017	98,753,580
11/20/2017	98,753,602
11/21/2017	98,753,606
11/22/2017	98,753,547
11/23/2017	98,753,611
11/24/2017	98,753,615
11/27/2017	98,753,573
11/28/2017	98,753,533
11/29/2017	98,753,578
11/30/2017	98,753,559
12/1/2017	98,753,576
12/4/2017	98,743,533
12/5/2017	98,743,633
12/6/2017	98,743,616
12/7/2017	98,733,629
12/8/2017	98,733,556
12/11/2017	98,733,544
12/12/2017	98,733,548
12/13/2017	98,733,569
12/14/2017	98,733,542
12/15/2017	98,733,599
12/18/2017	98,733,557
12/19/2017	98,733,615
12/20/2017	98,733,548
12/22/2017	98,733,586
12/27/2017	98,733,593
12/29/2017	98,733,540