

ITEM 1: COVER PAGE

FORM ADV 2A

KOBALT CAPITAL LIMITED

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AUGUST 30, 2012

*This brochure provides information about the qualifications and business practices of **Kobalt Capital Limited** (“KCL” or the “Adviser”). If you have any questions about the contents of this brochure, please contact us at +44 (0) 207 401 5500. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or any state securities authorities. KCL may refer to itself as a “registered investment adviser” or “RIA”. You should be aware that registration with the SEC or a state securities authority does not imply a certain level of skill or training. Additional information about KCL is also available on the SEC’s website at www.adviserinfo.sec.gov.*

ITEM 2: MATERIAL CHANGES

This is an initial Brochure of Kobalt Capital Limited (“KCL” or the “Adviser”) prepared and filed in conjunction with Firm’s application for registration with the SEC.

*In the future, this **Item 2** will discuss only specific material changes that are made to the Brochure and will provide clients with a summary of such changes. The Adviser will also reference the date of the last annual update of the Brochure. Clients will receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of the Adviser’s business’ fiscal year.*

Material changes in this last annual update of the Broschure dated August 30, 2012 versus the initial Broschure dated April 30, 2012:

4 (f): Assets Under Management is now \$63,050,000 (previously \$35,500,000)

13 (b): Quarterly unaudited Net Asset Value statements will be provided to investors – these statements include a change in value corresponding to the profit and loss of the most recent quarter and year to date period.

IMPORTANT NOTE ABOUT THIS BROCHURE

This Brochure is not:

- **an offer or agreement to provide advisory services to any person**
- **an offer to sell interests (or a solicitation of an offer to purchase interests) in any Fund**
- **a complete discussion of the features, risks or conflicts associated with any Fund or Advisory Service**
- **to be relied on in determining whether to invest or establish an advisory relationship**

As required by the Investment Advisers Act of 1940, as amended (“Advisers Act”), KCL provides this Brochure to current and prospective clients and may also, in its discretion, provide this Brochure to current or prospective investors in a KCL Fund, together with other relevant offering materials (such as subscription agreements, offering memoranda, operating agreements or advisory contracts), prior to, or in connection with, such persons’ establishment or consideration of an investment advisory relationship with KCL or an investment in a KCL Fund. Additionally, this Brochure is available through the Securities and Exchange Commission’s (“SEC’s”) Investment Adviser Public Disclosure website.

Although this publicly available Brochure describes investment advisory services and products of KCL, persons who receive this Brochure (whether or not from KCL) should be aware that it is designed solely to provide information about KCL as necessary to respond to certain disclosure obligations under the Advisers Act. As such, the information in this Brochure may differ from information provided in relevant offering materials. In addition, more complete information about each KCL Fund, as well as KCL’s investment advisory services, is included in relevant offering materials, certain of which may be provided to current and eligible prospective clients or investors only by KCL or an Administrator or Placement Agent. To the extent that there is any conflict between discussions herein and similar or related discussions in any offering materials, the relevant offering materials shall govern and control.

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ITEM 4: ADVISORY BUSINESS

a) Background

Kobalt Capital Limited (“KCL” or the “Adviser”) is incorporated in the United Kingdom and is a 100% subsidiary of Kobalt Music Group Ltd (incorporated in England and Wales with company number 4018752). Both entities have their registered office at 4 Valentine Place SE1 8QH, London. The Adviser was founded in July 2010 and is regulated by the Financial Services Authority (FSA).

The Directors of Kobalt Capital Ltd are;

- Willard B. Ahdritz, CIO Kobalt Capital Ltd, Founder and CEO Kobalt Music Group Ltd
- Johan Ahlström, CEO Kobalt Capital Ltd
- James Fitzherbert-Brockholes, Group CFO Kobalt Music Group Ltd
- Timothy Bunting, General Partner Balderton Capital

b) Advisory Services

KCL is the advisory investment arm of the Kobalt Music Group is among the largest music publishers in the world. The Adviser focuses the management of investments made in Music Copyrights & Publishing. The Adviser currently advises Kobalt Music Royalties SCA SICAV-SIF, a Luxembourg investment fund that invests in music copyrights by making royalty advances and by full or partial acquisitions of copyrights.

c) Principal Investment Strategies

KCL provides investment advisory services to investors in music copyrights by making royalty advances and by copyrights acquisitions. The Adviser focuses on copyrights where value uplift can be achieved through more efficient royalty collections and value enhancement through active management.

In regards to Kobalt Music Royalties SCA SICAV-SIF, the principal strategy of the fund is to seek to generate income and make capital gains from investments made in a diversified portfolio of music copyrights through acquisitions, Advances and purchases of the right to receive income. The Fund mainly invests in music copyrights and makes Advances against music copyrights in addition Fund may also invest in other intellectual property assets including master recordings, so called “neighboring rights” and other royalty-generating content copyrights to the extent that opportunities become available.

Investments are made as full, or partial, acquisitions of copyrights and through advance deals.

A portfolio approach is used ensuring wide ranges of sources of royalty income, forms of investment and types of music (genre, maturity, geographical spread etc).

The Fund's focus is on assets where value enhancement can be achieved through:

- more efficient administration using the Copyright Administrator's unique proprietary administration and collection model; and
- active ongoing management using the Copyright Administrator's creative and synchronization services

d) Tailored Advice and Client-Imposed Restrictions

Each Fund advised by KCL has its own investment objectives, strategies and restrictions. Certain KCL Funds may focus on a narrow investment strategy while others may pursue a broader investment strategy. KCL prepares offering materials with respect to each KCL Fund that contain more detailed information, including a description of the investment objective and strategy or strategies employed and related restrictions

While Separate Accounts may be reasonably tailored based on the individual needs of a Client, as agreed to with KCL, the KCL Funds will not be tailored to meet the individualized investment needs of any particular investor ("Investor"). An investment in a KCL Fund does not create a client-adviser relationship between KCL and an Investor. Further discussion of the strategies, investments and risks associated with a KCL Fund or Separate Account management is included in the relevant materials for each type of Client.

Clients and Investors must consider whether a particular Fund or advisory relationship is appropriate to their own circumstances based on all relevant factors including, but not limited to, the Client's or Investor's own investment objectives, liquidity requirements, tax situation and risk tolerance. Prospective Clients and Investors are strongly encouraged to undertake appropriate due diligence, including but not limited to a review of relevant offering materials for the Funds and the additional details about KCL's investment strategies, methods of analysis and related risks in Item 8 of this Brochure, before making an investment decision.

e) Wrap Fee Disclosure

Not applicable.

f) Assets Under Management

As of August 30, 2012 the Adviser had \$63.05 million in Assets Under Management.

ITEM 5: FEES AND COMPENSATION

a) Compensation

KCL is compensated for its services through the receipt of a management fee and performance based fees. KCL compensation, as well as other costs associated with management by the Adviser, is discussed generally below and in more detail in relevant offering materials

Funds

KCL receives a management fee from the funds managed generally on a quarterly basis payable in arrears based on the assets under management in the fund. It also may receive a performance fee. Each Fund's prospectus or offering documents specifies the amount and range of management and performance fees, if applicable. The Fund may charge an upfront placement fee to investors (as stipulated in the Prospectus) which could be paid to KCL or an affiliate.

Managed Accounts

KCL may offer separate account management to clients with a fee equivalent to the one that the Adviser receives for managing its private funds. This fee may be negotiable depending on the account size, the total investment by that client in all products, the aggregate investment by related accounts, the complexity of any additional guidelines provided by the client and other discretionary factors.

b) Billing

Fees are automatically deducted from the Funds. Separate Account Clients are billed for fees incurred.

c) Other Expenses

Funds managed by KCL do incur other expenses separate and apart from the Adviser's management fees. These expenses typically include legal, organizational expenses, administrator's fees, custodian and trustee fees, directors' fees, audit fees, accountancy, printing, and postage, reasonable and attributable out-of-pocket expenses of placement agents, brokers and intermediaries. Any commissions payable to placement agents, brokers and intermediaries shall be borne by the Adviser.

d) Advance Billing

As discussed above, with respect to the KCL Funds the management fee is payable quarterly in arrears five business days following the quarter end. Investors in the Funds who withdraw will generally not be refunded any portion of the management fee payable for that calendar quarter. With respect to managed accounts, management fees may be paid quarterly or monthly, in advance or in arrears, as agreed on with the Client. For Separate Accounts that are terminated prior to the end of the period, fees paid in advance will be refunded only if agreed to by the parties.

e) Sales-based Compensation

Neither the Adviser nor any of its employees or affiliates accepts additional compensation for the sale of any other securities, or other investment services or products.

ITEM 6: PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT

The Performance Fee is charged by the Adviser in compliance with Rule 205-3 under the Investment Advisers Act of 1940. The Adviser, in its sole discretion, may temporarily waive or reduce the Management Fee and/or the Performance Fee.

Performance-based compensation may result in certain conflicts and create an incentive for the Adviser to make investments that are riskier or more speculative than would be the case in the absence of the performance-based compensation.

As noted in Item 5 of this Brochure, KCL's compensation includes a performance-based component. In addition, KCL may compensate or provide discretionary bonuses to portfolio managers that are based on, among other things, the performance of Client accounts they manage or are otherwise responsible for. KCL or its personnel or affiliates may have other pecuniary interests in the Funds managed by the Adviser.

In regards to funds managed by the Adviser the General Partner, Investment Advisor, managers or advisors, the Depository Bank the Registrar and Transfer Agent, the Administrative Agent, the Copyright Administrator, together with their subsidiaries, affiliates, administrators, directors or shareholders (each a "Party" or collectively the "Parties") are, or may be, involved in other professional and financial activities that are liable to create a conflict of interest with the management and administration of the Fund. This includes the management of other funds, the purchase and sale of securities and copyrights, brokerage service, custody of securities and the fact of acting as a member of the board, director, consultant or representative with power of attorney of other funds or companies.

Each Party undertakes respectively to ensure that the execution of its obligations vis-à-vis the Fund is not compromised by such involvements. In the event of a proven conflict of interest, the General Partner and the Party concerned undertake to resolve this in an equitable manner within a reasonable period of time and in the interests of the Shareholders.

As a general matter, KCL addresses conflicts by following a thorough, detailed, and consistent investment decision-making process and by regular reviews of investments by the Firm's Investment Committee.

ITEM 7: TYPES OF CLIENTS

KCL provides investment advisory services to certain Private Equity Funds (the “Funds”) organized as limited partnerships. The Funds qualify for exemption from the definition of an “investment company” under the Investment Company Act of 1940, as amended (the “Investment Company Act”) under Section 3(c) (1) or Section 3(c) (7) of the Investment Company Act, and the Adviser offers interests to Investors pursuant to Regulation D under the Securities Act of 1933, as amended (the “1933 Act”).

Fund investors are qualified investors, such as state and corporate pension plans, university endowments, wealthy families and individuals, and funds of funds.,. Generally, the minimum commitment to a Fund is \$1,000,000. However, the minimum initial investment in a Fund can be waived by the General Partner.

The Adviser’s separately managed accounts generally include high net worth individuals and other institutions. There is no minimum for managed accounts subject to individual negotiation.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

a) Methods of Analysis and Investment Strategies

KOBALT MUSIC ROYALTIES SCA SICAV-SIF FUND

The Fund will seek to generate income and make capital gains from investments made in a diversified portfolio of music copyrights through acquisitions, Advances and purchases of the right to receive income. The Fund may also invest in other intellectual property assets including master recordings, so called “neighboring rights” and other royalty-generating content copyrights to the extent that opportunities become available.

The focus of the investment strategy will be on assets that are capable of generating long term stable cash flows, that offer scope for enhancement of the royalty income through more efficient copyright administration, active licensing and promotion of the copyrights and that will, on an aggregated basis, enhance the value of the total portfolio.

The Fund will be US dollar denominated. Under normal circumstances, the Fund will aim to be fully invested. Pending investment in music copyrights, the Fund may invest its assets in government and corporate debt securities. Such investments may include, but are not limited to: commercial papers, certificates of deposit, variable or floating rate notes, banker’s acceptances, time deposits and government securities. The Fund may also invest for such purposes in money market funds. In order to protect its assets against the fluctuation of currencies, the Fund may, but is under no obligation to, enter into transactions the object of which is the purchase or the sale of forward foreign exchange contracts, the purchase or the sale of currencies forwards as well as the purchase or the sale of call options or put options in respects of currencies.

Managed Accounts

Managed account investments will generally track the strategy employed in the fund managed by the Adviser and is subject to negotiation.

b) Material Risks Associated with the Investment Strategies

Investing in private funds in general involves risk of loss that clients should be prepared to bear. Each Fund has risks which are specific to its particular investment strategies. For more information about the risks of each Fund, please see the offering memorandum for that particular fund. While KCL seeks to manage investments so that risks are appropriate to the return potential for the strategy, it is often not possible or desirable to fully mitigate risks. The Adviser does not offer any products or services that guarantee rates of return on investments for any period to any Client or Investor. All Investors assume the risk that investment returns may be negative or below the rates of return of other investment advisers or products. Investors should

understand that they could lose some or all of their investment and should be prepared to bear the risk of such potential losses.

There are risks inherent in the investment strategies pursued, and the financial instruments and trading methods used, by KCL. Key risks of loss which apply to the principal investment strategies employed by KCL are listed below. More detailed descriptions and explanations of the key risks of loss are included in relevant Offering Materials.

Copyright Ownership. A copyright arises automatically and there is no formal manner in which copyrights can be registered (with the exception of the United States register), disputes regarding ownership are a risk which the Fund is exposed to. The royalty income arising from a copyright acquired by the Fund may be challenged by third parties claiming rights to the same royalty income and copyright. Investments made in copyrights, master recordings and other related rights are not perpetual rights but expire at the end of the relevant time period. At expiry, third parties may use the rights without payment of royalty and hence the income and value related to the relevant copyright will end.

Music Industry. There is significant uncertainty as to the nature and scale of the future development of the music industry. As such it is not certain that current royalty income sources will be maintained or replaced with other income sources of a similar value. In particular, the market for CDs is expected to continue to decline and could disappear entirely with no replacement which would materially reduce the value of investments in music copyrights.

Sourcing of Investments. The success of the Fund depends on the availability of suitable investments sourced and selected by the Investment Advisor and the General Partner. There can be no assurance that the Investment Advisor will be able to locate suitable investments opportunities and that the Fund can acquire these at appropriate price levels. Hence, the Fund may not be able to fully invest the committed capital and the return potential on a commitment may be reduced.

Dependence on Management Personnel. The Fund's success will be dependent upon its ability to retain and attract the services of qualified persons to assure the proper management and operation of the Fund's business. The Fund initially intends to depend upon the General Partner and the Investment Advisor to manage its affairs and provide the personnel needed to conduct its business. There can be no assurance that the Fund, General Partner or the Investment Advisor will be able to attract and retain such personnel.

Early Termination and Loss on Liquidation and Termination. In the event of an early termination of the Fund, the Fund may have to distribute to the Shareholders their *pro rata* interest in the assets of the Fund, although, due to the nature of the assets this may not be possible. It is possible that at the time of such sale or distribution, certain assets held by the Fund would be worth less than the initial cost of such assets, resulting in a loss to the Shareholders. In the event of liquidation and termination of the Fund, the proceeds, if any, realized from the liquidation of assets will be distributed to the Shareholders, but only after satisfaction of the claims of creditors. The ability of Shareholders to participate in the proceeds, if any, therefrom will depend on the amount of funds so realized and the claims to be satisfied therefrom.

Investor Redemptions. Investors exercising the option to redeem all or part of their Shares at an Investor Redemption Date will be redeemed at a value that may be lower than the Net Asset Value as redemption proceeds will be paid in relation to the most recent book value that will not include any potential increase in value as a result of the valuation done by the external appraiser. Furthermore, the timing and amount paid to redeeming investors is not certain as the Fund has two years to make redemption payments. A redeeming investor may also not be fully redeemed should the aggregate of requested redemptions exceed 25% of the total capital of the Fund in a relevant series and the Fund elects to use the Gate.

Lack of Independent Experts Representing Shareholders. The General Partner and the Investment Advisor have consulted with counsel, accountants and other experts regarding the Fund and the preparation of these offering materials. Each prospective investor should consult its own legal, tax and financial advisors regarding the desirability of an investment in the Fund.

Tax Considerations. An investment in the Fund may involve complex tax considerations that will differ for each Shareholder. Under certain circumstances, the Shareholders could be required to recognize taxable income in a taxable year for income tax purposes, even if the Fund makes no distribution to the Shareholders during such taxable year.

Overall Investment Risk. An investment in the Fund is speculative, involves a high degree of risk and is suitable only for persons who are able to assume the risk of losing capital from their investment. The Fund, however, has been organized with limited liability for holders of Ordinary Shares. Therefore, each Shareholder's liability to the Fund will not exceed its investment in the Fund. All securities investments involve the risk of loss of capital. The nature of the securities to be purchased and traded by the Fund and the business strategy to be employed by the General Partner may increase this risk. Many unforeseeable events, including actions by various government agencies, domestic and international economic and political developments, may cause sharp market fluctuations that could adversely affect the performance and return of the Fund.

Illiquidity of Shares. The Fund will offer limited redemption possibilities at the request of Investors. No market will exist for the Shares. Because of the limitations on redemption rights and assignability described herein, an investment in the Fund is an illiquid investment. A subscription for the Shares should be considered only by persons financially able to maintain their investment who can afford the possible loss of their investment.

Leverage and Interest Rate Risk. The Fund may use borrowed money to finance its business which may improve its returns on invested capital; however, use of debt to make investments significantly increases the volatility of loss to the Fund. Leverage, including borrowing, may cause the Fund's returns to be more volatile than if the Fund had not been leveraged. This is because leverage tends to exaggerate the effect of any increase or decrease in the value of the Fund's investments and makes the Fund more sensitive to changes in prevailing economic conditions including fluctuations in interest rates. Moreover, if the Fund incurs indebtedness with the intent of refinancing all or a portion of such indebtedness, there is a risk that the Fund will be unable to complete successfully such a refinancing or such refinancing will occur at worse than anticipated terms and conditions, thus reducing the Fund's profitability and financial flexibility. This could lead to increased risk as a result of the Fund's indebtedness. It is possible that the

terms of any debt funding allow the lender to take control of some or all of the assets of the Fund under certain default conditions, and in the event that such defaults occur, the assets may be disposed of or realized in a manner or at a price which does not maximize the returns to Investors.

Currency and Hedging. The Fund will generally be exposed to significant currency risk as a substantial part of the income will be denominated in local currencies. To the extent that the US dollar appreciates relative to these other currencies, the US dollar value of such income is likely to be adversely affected. The Fund may employ hedging techniques designed to protect against adverse movements in currency or interest rates. While such transactions may reduce certain risks, such transactions themselves may entail certain other risks. Thus, while the Fund may benefit from the use of these hedging techniques, unanticipated changes in currency and interest rates may result in poorer overall performance than if such hedging transactions had not been entered into.

Indemnification. As stipulated in the Articles, the Fund may indemnify or be required to indemnify the General Partner, Investment Advisor and its respective affiliates for certain losses, claims, damages, liabilities, costs and expenses incurred by any of them as a result of their acts or omissions with respect to the Fund. These indemnification obligations could reduce the returns to the Shareholders. In addition, if the assets of the Fund are insufficient to satisfy the Fund's indemnification obligations the Shareholders will be obligated to contribute amounts (up to each Shareholder's unfunded commitment) sufficient to satisfy the Fund's indemnification obligations.

Tax and Regulatory Changes. The Fund and its affiliates intend to conduct its affairs so as (under its understanding of current practices) to not be subject to, or be subject to minimal, tax on its overall income. This includes corporate taxes paid in the jurisdictions the Fund operates and any withholding tax on payments received to or paid between the Fund's entities. In this regard, the Fund could be adversely impacted by any changes to tax treatment, which could materially affect the Funds income and hence returns to Investors. Furthermore, there may be changes to, or new, practices or regulations in any of the jurisdictions the Fund operates in that could result in increased costs for the Fund to operate and hence have an adverse affect on its income and returns to Investors.

Counterparty Risk. The Fund will engage a Copyright Administrator to manage the licensing of its assets and to collect related royalty and other income. The Copyright Administrator will collect all royalty income and pay such income to the Fund. As a result, the Fund assumes counterparty risk on the Copyright Administrator and in the case of a bankruptcy of the Copyright Administrator the Fund may incur the loss of the amount of income collected by the Copyright Administrator that has not yet been paid onwards to the Fund. The Fund may utilize hedging techniques and in such cases will be exposed to the counterparty risk of the 46 institutions it enters into the hedging transaction with. Furthermore there are a wide variety of counterparties which wither pay or pass through royalties on music copyrights. The bankruptcy of any of these counterparties may result in the non-payment of royalties earned and could therefore reduce the income collected for the Fund.

Alternative Investment Fund Managers Directive. In November 2010, the European Union (the "EU") enacted new legislation, the Alternative Investment Fund Managers Directive ("AIFMD"), that will regulate the activities of private fund managers undertaking fund management activities or marketing fund interests to investors within the EU. It is currently anticipated that the AIFMD will be implemented in stages between 2013 and 2018, with the new regime expected to apply to EU-based fund managers such as the General Partner and EU-based funds such as the Fund from mid-2013. The implementation of the AIFMD may result in the Fund incurring additional costs such as depositary fees, valuation fees and other costs and expenses incurred in complying with the AIFMD regime. The AIFMD may also, if applicable, restrict certain activities of the Fund in relation to EU portfolio companies.

Amortization of Establishment Costs. The Fund's financial statements will be prepared in accordance with Lux GAAP. Lux GAAP only permits the amortization of certain costs relating to the establishment of the Fund. Notwithstanding this, the Fund may, at the discretion of the General Partner, amortize its organizational costs over a period of time and if it does, the financial statements may therefore be qualified in this regard.

Concentration of Investments. Although it is the policy of the Fund to diversify its investment portfolio, the Fund may at certain times hold relatively few investments. The Fund could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected, including default of the issuer

Cross Class Liabilities. Although the Articles provide for the establishment of separate class accounts for each class of Shares and the attribution of assets and liabilities to the relevant class account, if the liabilities of a class exceed its assets, creditors of the Fund may have recourse to the assets attributable to the other classes.

Limitation of Liability of Service Providers to the Fund. The Fund has entered and may in the future enter into agreements with service providers to the Fund, including but not limited to the Investment Advisor, the Depositary Bank, the Administration Agent, the Auditor and the Fund's legal advisors and such agreements may limit the liability of such service providers to the Fund. Accordingly, the rights of the Fund to recover as a result of the relevant service provider's default may be limited, and that limitation may result in recovery by them being significantly lower than the loss it has suffered.

Voting Rights. Pursuant to Luxembourg law, each Share that entitles its holder to vote may only carry one vote. Voting rights may not therefore reflect a Share's relative economic value and an Investor's aggregate economic interest in the Fund as a proportion of the total economic value of the Fund.

ITEM 9: DISCIPLINARY INFORMATION

The Adviser and its supervised persons have not been involved in any legal or disciplinary events that are material to a client's or potential client's evaluation of our advisory business or the integrity of the Adviser's management.

a) Criminal or civil action

None

b) Administrative proceeding

None

c) Self-regulatory organization (SRO) proceeding

None

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

a) Registered Broker-Dealer or Registered Representative

Not Applicable

b) FCM, CPO, CTA or Associated Person

Not applicable.

c) Material Business Relationships with Certain Related Persons

KCL is a wholly owned subsidiary of Kobalt Music Group Limited, a UK registered company.

KCL is affiliated with Kobalt Music Royalties Sarl (KMR) the General Partner of Kobalt Music Royalties SCA SICAV- SIF, the fund. KMR is a 100% subsidiary of Kobalt Music Group Ltd.

d) Recommendation and Selection of Other Investment Advisers

Not applicable.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

a) Code of Ethics

KCL has adopted a Code of Ethics (the “Code”) pursuant to Advisers Act Rule 204A-1 that sets forth the Firm’s ethical standards and governs the business conduct of the Firm and persons associated with the Firm. The Code describes KCL’s policies regarding confidential Client information and regulates personal trading activity. Securities holdings and transactions of access persons and their immediate family members are reviewed to determine compliance with the requirements of the Code. The Code also contains other restrictions and reporting requirements designed to limit personal conflicts of interest. These provisions apply to all employees of the Firm. All personnel are also required to comply with applicable federal securities laws.

You may obtain a copy of our code of ethics upon request. Our contact information appears on the cover page of this Brochure.

b) Participation or Interests in Client Transactions

KCL and its related persons may invest their personal assets in the companies in which the Adviser’s client Funds invest or may hold an interest in the Funds themselves. The Adviser has established procedures intended to limit conflicts of interest in cases where the Adviser, a related person or any of their employees, buys or sells companies in which the Adviser’s client funds invest. None of KCL’s Supervised Persons (as defined in the Code) may knowingly sell to or buy any security from a Client without prior written permission from the Chief Compliance Officer (“CCO”) or the CCO’s designee. Additionally, all Access Persons (as defined in the Code, and which includes Supervised Persons meeting certain further criteria) must submit quarterly transactions reports detailing personal securities transactions. Such reports will be reviewed by the CCO or the CCO’s designee to ensure compliance with the Code.

c) Investment in Securities Recommended to Clients

KCL’s Supervised Persons are specifically prohibited from using their knowledge about pending transactions or investments currently being considered for personal profit, including by purchasing or selling such securities directly or indirectly. Further, as noted above, all “Access Persons” (as defined in the Code, and which includes Supervised Persons meeting certain further criteria) must submit quarterly transactions reports detailing personal securities transactions. Such reports will be reviewed by the CCO or the CCO’s designee to ensure compliance with the Code. KCL personnel may invest in funds managed by the Adviser either directly or through a co-investment vehicle.

d) Investment in Securities at or about the Same Time Recommended to Clients

See Part 11(c) above.

ITEM 12: BROKERAGE PRACTICES

a) Selection of Broker-Dealers

Not Applicable.

b) Soft-Dollars Arrangement

Not Applicable.

c) Brokerage for Client Referrals.

Not Applicable.

d) Directed Brokerage

Not Applicable.

e) Aggregation (Bunching) of Trades

Not Applicable.

ITEM 13: REVIEW OF ACCOUNTS

a) Periodic Account Review

The Adviser has detailed knowledge of the investments in each Fund. The investment professionals formally and informally meet several times a quarter to review the performance of each investment in each Fund and to ensure that transactions are within the parameters of the Funds' investment agreements.

b) Client Reports

Fund Investors will receive reports as disclosed in the offering memoranda of each Fund. Audited Financial Statements are sent to Fund investors within 120 days of the financial year end.

The General Partner of the fund advised by the Adviser will provide regular reporting to investors. It will provide quarterly Fund reports, which will include:

- Unaudited net asset value statements for the year to date;
- Audited annual financial statements to each Shareholder.

Investors will also receive an annual report for the Fund at the end of each year, which includes:

- Audited financial statements
- Performance (Internal Rate of Return) calculations
- Schedule of aggregate carried interest received
- Breakdown of fees and expenses
- Summary of capital calls and distributions
- Summary of the Fund's liquidity

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

The Adviser may enter into written solicitation arrangements in the future with third parties. Under a solicitation arrangement, the Firm may pay a referral fee to a Solicitor when the Solicitor successfully introduces a Client or fund investor to the Firm. The amount of compensation is based on a negotiated percentage of the management and incentive fees received by KCL from each Client. The solicitation arrangement does not affect the amount of fees paid by each Client. All arrangements will comply with the conditions and requirements of Rule 206(4)-3 under the Investment Advisers Act of 1940.

The Firm currently employs IVP Securities a FINRA registered Broker Dealer as a placement agent in the United States for the Kobalt Music Royalties SCA SICAV-SIF fund.

ITEM 15: CUSTODY

KCL will not, and cannot, have custody over any Fund assets, as per the Fund prospectus, KMR the General Partner, of the Fund retains custody of fund assets within the meaning of Rule 206(4)-2 under the Advisers Act. The assets of the Funds and other clients are held with “qualified custodians” such as banks.

Where KCL is deemed to have custody of the assets of a Separate Account, the custodian(s) for such account will send to the Client periodic account statements (generally on a quarterly basis) indicating the amounts of any funds or securities in the custodial account as of the end of the statement period and any transactions in the account during the statement period. Clients should review these statements carefully and should immediately contact KCL if account statements are not received from the custodian on at least a quarterly basis. To the extent KCL, pursuant to the relevant advisory contract or otherwise, separately provides reports or account statements, Clients should compare KCL’s statements carefully to the account statements received from the custodian. If there are any discrepancies between the account statements, please contact KCL immediately.

Where KCL is deemed to have custody of a Fund’s cash or securities, KCL provides (or causes to be provided) to each Investor in the Fund a copy of the Fund’s audited financial statements within 120 days following the relevant Fund’s fiscal year end. Investors who do not receive audited financial statements timely should contact KCL immediately.

ITEM 16: INVESTMENT DISCRETION

KCL does not retain discretion over client assets in regards to the KMR SICAV SIF fund. Discretion is held by the General Partner with KCL acting as an adviser. Clients may impose reasonable restrictions, limitations or other requirements with respect to their individual accounts.

ITEM 17: VOTING CLIENT SECURITIES

a) Proxy Voting Authority

KCL has adopted Proxy Voting Policies and Procedures pursuant to Rule 206(4)-6 of the Advisers Act designed to ensure that proxies are voted prudently and solely in the best interest of our clients. According to our policy, the Adviser will generally vote in accordance with management's recommendations in order to support the ability of management to run its business in a responsible and cost effective manner while staying focused on maximizing shareholder value. In the event that a conflict of interest exists between management's recommendation and the Adviser or its clients, the Adviser will vote in the manner which in its judgment and sole discretion is in the best interest of its clients. The following is a summary of its Policies and Procedures

- The Adviser is responsible for the voting of all proxies related to securities that it manages on behalf of its Funds.
- The Adviser believes proxy voting is included within its investment discretion and as such it will act prudently and in the Fund's best interest when voting proxies.
- All conflicts of interest are resolved in the best interests of the clients.

Conflicts can arise when the Adviser or any of its employees has any financial, business or personal relationship with the issuer of a proxy proposal for a security held in a Fund. With respect to potential conflicts of interest, proxies will be voted in accordance with the Adviser's predetermined guidelines in all instances where the Firm's guidelines state a vote "for" or "against" the particular proposal.

A copy of the entire Proxy Voting Policy and information as to specific votes are available to clients upon request.

b) Client Proxy Voting Authority

KCL operates a policy of exercising proxy votes for clients as permitted within client agreements. Voting policy is undertaken at all times in the best interests of clients and for their benefit. A copy of the full proxy voting policy is available upon request.

ITEM 18: FINANCIAL INFORMATION OF THE ADVISER

No financial events have occurred to KCL that would negatively affect the financial viability of the Adviser. There is no financial condition of KCL that is reasonably likely to impair KCL's ability to meet contractual commitments to clients.

a) Financial Disclosures

Not Applicable.

b) Material Financial Impairment

Not Applicable.

c) Bankruptcy Petitions

Not Applicable.