



KAWA CAPITAL MANAGEMENT, INC.

**21500 Biscayne Boulevard, Suite 700
Aventura, Florida 33180**

(305) 560-5200

www.kawa.com

March 28, 2019

This Brochure provides information about the qualifications and business practices of Kawa Capital Management, Inc. If you have any questions about the contents of this Brochure, please contact us at (305) 560-5200 or email Compliance@Kawa.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about Kawa Capital Management, Inc. is also available on the SEC’s website at www.adviserinfo.sec.gov.

Kawa Capital Management, Inc. is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training.

This Brochure is not an offering or solicitation of interest in the funds or other vehicles managed by Kawa Capital Management, Inc. or its affiliates.

PURSUANT TO AN EXEMPTION FROM THE COMMODITY FUTURES TRADING COMMISSION (“CFTC”) IN CONNECTION WITH ACCOUNTS OF QUALIFIED ELIGIBLE PERSONS, THIS BROCHURE OR ACCOUNT DOCUMENT IS NOT REQUIRED TO BE, AND HAS NOT BEEN, FILED WITH THE CFTC. THE CFTC DOES NOT PASS UPON THE MERITS OF PARTICIPATING IN ANY INVESTMENT VEHICLE OR UPON THE ADEQUACY OR ACCURACY OF COMMODITY POOL OPERATOR DISCLOSURE. CONSEQUENTLY, THE CFTC HAS NOT REVIEWED OR APPROVED THIS BROCHURE.

Item 2 – Material Changes

This Disclosure Brochure, dated March 28, 2019, is an update to the March 29, 2018 version previously circulated. Below is the list material changes Kawa has made to this Brochure since its last annual update. Because this section of the Brochure addresses only those material changes that have been incorporated since its last annual update, and because other amendments were made to this Brochure that are not discussed in this summary, please read the Brochure in its entirety.

- Kawa has updated the amount of assets under management provided in Item 4; and
- Kawa routinely makes changes throughout its brochure in an effort to improve and clarify the descriptions of its and its affiliates' business practices and compliance policies and procedures or in response to evolving industry and firm practices. There have been no other material changes since the last update, dated March 29, 2018.

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Item 4 – Advisory Business

Advisory Services

4.A. Advisory Firm Description

For purposes of this brochure, “Kawa”, “Adviser” or “we” means Kawa Capital Management, Inc., together (where the context permits) with certain of its affiliates that provide investment advisory services as described herein. Kawa is an independent asset manager founded in 2007 by Daniel Ades and Alexandre Saverin, both of whom are the principal owners of the firm. In October 2011, we became registered with the SEC as an investment adviser. We have been registered with the CFTC as a “commodity pool operator” since September 2012. The registration of Kawa with the SEC or CFTC must not be taken as an indication that either such agency has recommended or approved either Kawa or its advisory services.

4.B Types of Advisory Services

Kawa provides investment advisory and management services as an investment adviser to individual and institutional investors, through separately managed accounts (“SMAs”, and individually, “SMA”) as well as private investment funds, consisting of (i) an open-ended master-feeder fund structured as a British Virgin Islands limited company with an onshore feeder and an offshore feeder (collectively, “The Kawa Fund”), (ii) other private investment funds (either open-end or closed-end) focused on a particular sector and/or strategy described further in such fund’s offering documents (the “Strategic Funds”) and (iii) other closed-end private investment funds that were each created for a specific and limited investment (“SPE Funds” and, together with The Kawa Fund and the Strategic Funds, the “Private Funds” and each a “Private Fund”). The Private Funds are organized as domestic or foreign companies. Kawa’s primary focus is to provide uncorrelated, idiosyncratic returns to its Clients through unique transactions that are not always accessible to larger and more mainstream market participants. Kawa employs a diverse event-driven approach covering multiple asset classes including real estate, lending, renewable energy, sovereign debt, currencies and equity and debt of public and private companies across a wide variety of sectors. SMAAs and Private Funds are referred to collectively as “Clients”.

4.C. Client Investment Objectives/Restrictions

Investments for Private Funds are managed in accordance with the applicable Private Fund’s investment objective, strategies, and restrictions. Kawa adheres to the investment strategy set forth in each Private Fund’s offering document and does not modify its securities recommendations to the Private Funds based on the particular interests of the Private Funds’ underlying investors. Therefore, such investors should consider whether the applicable Private Fund meets their investment objectives and risk tolerance prior to investing. Information about each Private Fund can be found in its respective offering documents, including its private placement memorandum,

which will be available to current and prospective investors only through Kawa or another authorized party (e.g., an administrator).

Investments for SMAs are managed in accordance with each SMA Client's stated investment objectives, strategies, restrictions, and guidelines.

Although Kawa generally exercises investment discretion for each SMA account (with certain exceptions), the portfolio composition within the same investment objective may, at a given time, differ as to composition. As a result, the performance of an account within a particular investment objective may differ from other accounts within that same investment objective. SMA Clients should not expect the performance of their portfolios to be identical to any other Private Fund even if they share certain similarities as to investment strategy. These differences in portfolio composition are attributable to a variety of factors, including, but not limited to, the type of account (e.g., manner of trade execution), Clients' restrictions and guidelines, sizes and significant account activity (e.g., significant number of contributions and/or withdrawals). Furthermore, each SMA account, whether managed by Kawa on a discretionary or non-discretionary basis, should not expect Kawa to be obligated to recommend a transaction in any security or obligation for which a transaction has been or may be recommended or effected for any other Client, for Kawa, and/or for any affiliates, officers, partners, members or employees, or any family member thereof.

4.D. Wrap-Fee Programs

Kawa does not participate in, nor is it a sponsor of, any wrap fee programs.

4.E. Client Assets Managed as of 01/31/2019:

Discretionary basis: \$965,813,561

Non-discretionary basis: \$61,175,002

Total: \$1,026,988,563

These numbers, which are as of January 31, 2019, are based on estimated and unaudited information and are therefore subject to change.

Please note the amount of Client assets managed set out above differs from Kawa's regulatory assets under management, which is set forth in Item 5.F of the Part 1 of the Form ADV.

Item 5 – Fees and Compensation

Advisory Contracts and Fees

5.A. Adviser Compensation

Kawa (or one of its affiliates) typically receives two types of compensation from its Private Funds Clients –management compensation and/or performance-based compensation. Kawa reserves the right, in its sole discretion, to negotiate and to charge lower management compensation and/or performance-based compensation for certain accounts based on the Client’s particular needs as well as overall financial condition, goals, risk tolerance, and other factors unique to the Client’s particular circumstances. In addition, Kawa reserves the right, in its sole discretion, to waive or rebate all or any portion of the management and/or performance-based compensation with respect to any Client.

Separately Managed Accounts

Kawa’s fees for SMAs vary by investment strategy and each individual SMA Client, are negotiated on a case by case basis and are reflected in the agreement specifically governing the SMA account. Such fees may consist of management compensation based on the value of the assets that Kawa manages for such SMA Client, which generally may range up to 2% per annum. SMAs may also be charged performance-based compensation for Kawa’s investment advisory services, which generally may range up to 20% of the profits of an SMA (Item 6 provides more information about performance-based compensation). Kawa reserves the right, in its sole discretion, to waive or rebate all or any portion of the management and/or performance-based compensation with respect to any SMA investor.

Private Funds

Detailed descriptions of Private Fund fees are available in each Private Fund’s offering documents. A summary description is below, but investors should carefully read the offering documents for the applicable Private Fund.

The Kawa Fund

The management compensation for The Kawa Fund is calculated at a rate of 2% per annum of the net assets attributable to each series of units in The Kawa Fund. This asset-based management compensation is generally calculated monthly and deducted from The Kawa Fund’s accounts on a quarterly basis.

Kawa is also entitled to receive, for each financial quarter, performance-based compensation with respect to each series of units outstanding during such financial quarter. The performance-based compensation will be based upon an aggregate amount equal to 20% of the appreciation, if any, in the net asset value of each series of units in excess of the high water mark (as described below) for such calendar year for the relevant series, before giving effect to the performance-based compensation.

The performance-based compensation is subject to what is commonly referred to as a “high water mark” pursuant to which such performance fee is only payable on new appreciation in the net asset value of each series of units and only after all prior net losses attributable to a series (excluding performance-based compensation from the calculation of such net losses) have been recouped.

Once payable, performance-based compensation will not be reduced by losses incurred in later periods. Units of a series that are either purchased or redeemed during a financial year shall be subject to the payment of such performance-based compensation only for a portion of the financial year during which such units of that series were outstanding. Appropriate adjustments may be made to account for subscriptions and redemptions.

Kawa may elect to defer payment of all or any part of the management compensation and/or performance-based compensation pursuant to an agreement between Kawa and The Kawa Fund. If it does, Kawa will be paid at the end of the deferral period the deferred amount plus (or minus) an amount equal to the return that could be earned on the deferred amount, if it were invested in specified investments (which could include the return of The Kawa Fund).

Kawa reserves the right, in its sole discretion, to waive or rebate all or any portion of the management and/or performance-based compensation with respect to any investor in The Kawa Fund.

Strategic Funds

Kawa (or one of its affiliates) serves as the investment manager for the Strategic Funds. In the event a Strategic Fund has one or more entities that is a limited partnership in its structure, an affiliate of Kawa will serve in the capacity of a General Partner for such limited partnership entities of the Strategic Fund, and when this occurs, Kawa (or one of its affiliates) will also serve as investment manager to the Strategic Fund.

Generally, the management compensation received by Kawa (or one of its affiliates) as the investment manager for the Strategic Funds ranges from 1% to 2% per annum of the net assets of the Fund (although for certain Strategic Funds, the management compensation may be calculated based on gross assets) and the performance-based compensation ranges from 10% to 20% of each investor’s share of the profits of the Strategic Funds. Depending on the structure of the specific Strategic Fund, the performance-based compensation typically either takes the form of carried

interest or a performance fee. Kawa (or its applicable affiliate) reserves the right, in its sole discretion, to waive or rebate all or any portion of the management and/or performance-based compensation with respect to any investor in a Strategic Fund. Potential investors in these Strategic Funds should read the respective offering documents to understand the compensation associated with each such Strategic Fund.

SPE Funds

Kawa also manages SPE Funds. In the event a SPE Fund has one or more entities that is a limited partnership in its structure, an affiliate of Kawa will serve in the capacity of a General Partner for such limited partnership entities of the SPE Fund, and when this occurs, Kawa (or one of its affiliates) will also serve as investment manager to the SPE Fund.

Each SPE Fund has its own unique fee structure that is determined on a case by case basis and based upon the individual investment and its characteristics. In the event management compensation is charged for an SPE Fund, the management compensation received by Kawa (or one of its affiliates) as the investment manager for the SPE Fund generally ranges from 1% to 2% per annum of either the amount of an investor's total capital contribution to the SPE Fund or the amount of the investor's unreturned capital contribution to the SPE Fund, or it is the investor's pro rata share of a disclosed fixed annual amount that is determined based on the complexity of the asset. The performance-based compensation received by Kawa (or one of its affiliates) as the investment manager for the SPE Fund may be up to 50% of each investor's share of the profits of the SPE Funds. Depending on the structure of the specific SPE Fund, the performance-based compensation typically either takes the form of carried interest or a performance fee. Furthermore, Kawa typically also charges investors a one-time up-front diligence fee at the inception of an SPE Fund. Kawa (or its applicable affiliate) may, in its sole discretion, waive or rebate all or any portion of any component of such compensation with respect to any investor in the SPE Funds. Potential investors in these SPE Funds should read the respective offering documents to understand the compensation associated with each such SPE Fund.

5.B. Direct Billing of Fees

Typically, Kawa deducts compensation directly from Client assets, but in certain circumstances (in particular for SMA investors) may also bill Clients for compensation incurred.

5.C. Other Fees and Expenses

The compensation paid to Kawa does not include custodial and transaction costs paid to custodians, broker-dealers, or any other third parties. Such fees are charged to each Client. In addition to and/or in clarification of the compensation and fees described above, Clients will bear indirectly other fees and expenses incurred by the Private Funds or Separately Managed Accounts including, but not limited to, the following, as applicable: (i) direct and indirect expenses and costs

(such as, but not limited to, brokerage commissions and other transaction-execution costs; dealer spreads, give-up fees; National Futures Association fees; exchange-related fees, externally incurred costs of establishing and utilizing electronic trading, computer, software and systems connections directly or indirectly with brokers and counterparties or with third parties to facilitate electronic trading with brokers and counterparties; clearing fees; valuation and portfolio pricing; interest charges; custodial fees and charges and financing charges; and applicable withholding and other taxes); (ii) all expenses related to the purchase, sale, transmittal or custody of trading assets and related items; (iii) costs and expenses associated with or deriving from obtaining and maintaining exchange memberships and credit ratings; (iv) any taxes and duties payable in any jurisdiction in connection with the particular Client's operations; (v) compliance costs of regulatory and governmental inquiries, subpoenas and proceedings (in each case, to the extent involving the particular Client or us in our capacity as investment adviser to the Client); (vi) costs associated with possible reorganizations or restructurings of the Client; (vii) costs of any litigation or investigation involving Client activities and any indemnification payments, if any; (viii) legal, financial and tax accounting, auditing and other professional fees and expenses, including consulting and appraisal fees and expenses pertaining to the Client; (ix) external administrative costs (including the fees and out-of-pocket expenses of any third-party administrator); (x) establishing computer and systems connectivity with the administrator and other third-party service providers; (xi) any paying agency, transfer agency, accounting verification (if any) and/or investor registrar services; (xii) due diligence expenses, including due diligence relating to anti-money laundering, know your customer and other inquiries; (xiii) costs of maintaining a Client's registered office in any applicable jurisdiction; (xiv) costs associated with the offering and sale of beneficial interests in a Private Fund (including, without limitation, all ongoing offering expenses of the Private Fund; professional fees and expenses in connection with the update of the offering documents, constitutional documents and other relevant documents; communication expenses with respect to investor services and all expenses relating to investor meetings, if any; and costs of preparing, printing and distributing financial and other reports, forms, proxies and similar documents); (xv) legal, compliance, tax, accounting and audit costs, fees and expenses relating to the Client's regulatory and self-regulatory filings, registrations, memberships and reporting (including, but not limited to, expenses incurred in connection with complying with applicable U.S. and non-U.S. reporting obligations, such as those required by the SEC, the CFTC and their counterparts in other jurisdictions, as applicable, as well as out-of-pocket costs of preparing regulatory filings related to the Client or us with respect to the Client, including but not limited to Form PF and Form CPO-PQR); (xvi) the costs and fees attributable to any third-party proxy voting or class actions service or consultant; (xvii) the Client's insurance costs, including without limitations, errors and omissions insurance and directors and officers insurance, if any; and any other operating or administrative expenses related to accounting, research, third-party consultants, and reporting; (xviii) organizational and registration expenses; and (xix) background investigation fees for investigations performed on nonaffiliated third parties. Investors should review all fees charged by Kawa and the expenses charged to the Private Funds and SMAs to fully understand the total amount of fees and expenses to be paid by the Client.

If more than one Client holds an investment giving rise to fees and expenses detailed above, then such fees and expenses will be allocated pro rata among such Clients based on amounts invested or to be invested in such investment; *provided* that such fees and expenses may be allocated among such Clients on any other basis if a determination is made in good faith that such other basis is

more equitable. Certain expenses borne by a Client may have the effect of benefiting one or more investors or group of investors in such Client vehicle without benefiting all investors in such vehicle. Please also refer to the terms of the governing documents for each investment product for a more detailed description of the expenses to be borne by a particular investment product. Kawa or its affiliates, as applicable, are entitled to reimbursement from a Client to the extent Kawa or its affiliates pays or incurs a fee, cost or expense on behalf of that Client vehicle that should otherwise be borne by such Client.

Item 12 further describes the factors that Kawa considers in selecting or recommending broker-dealers for Client transactions and determining the reasonableness of their compensation (e.g., commissions).

5.D. Advance Payment of Fees

In some circumstances, management compensation is paid to Kawa in advance for the relevant fiscal period (which may be monthly, quarterly, semi-annually or annually). Such compensation will be prorated for any period that is less than the applicable full fiscal period. If our investment services end prior to the last day of the relevant fiscal period (such as due to a redemption by an investor or the end of the term of a Fund), any prepaid amount in excess of the prorated compensation shall be returned to the investor.

5.E. No Compensation for Sale of Securities or Other Investment Products

Kawa's supervised persons do not accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

Item 6 – Performance-Based Fees and Side-By-Side Management

Kawa has special fee arrangements with some of our Clients, including the use of performance-based compensation. Any performance-based compensation charged by Kawa will be in compliance with Rule 205-3 under the Investment Advisers Act of 1940, as amended (“Advisers Act”), unless that rule is inapplicable by reason of Advisers Act Section 205(b) or interpretive positions of the staff of the U.S. Securities and Exchange Commission (“SEC”).

Not all Kawa Clients are charged performance-based compensation. Moreover, the performance-based compensation charged for each Client may differ. Therefore, the performance-based compensation arrangements create conflicts of interest because Kawa can potentially receive higher fees from Clients with performance-based compensation or performance-based compensation set higher than others. As a result, Kawa may have an incentive to direct the best investment ideas to, or to allocate or sequence trades in favor of, the Client that pays performance compensation.

Performance-based compensation provides an incentive for Kawa to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Performance-based compensation received by Kawa is typically based primarily on net realized and unrealized gains and losses. As a result, performance-based compensation earned could be based on unrealized gains that Clients may never realize. In addition, some Clients are not charged performance-based compensation. When a Client is charged performance-based compensation, it may be indicative that the investment strategy being provided is somehow different from those for which no performance-based compensation is being charged, and this may account for differences in holdings, leverage or targeted volatility. As a fiduciary, we recognize our duties to act in good faith and with fairness in all of our dealings with all Clients, and it is our policy to allocate securities trades and opportunities across all our Clients in a fair and equitable manner.

Generally, the SMAs do not invest *pari passu* with The Kawa Fund or the other Private Funds. However, there are transactions or trades deemed appropriate for an SMA account pursuant to their specific investment guidelines that may also be appropriate for The Kawa Fund or the Strategic Funds. In most such instances, trades are transacted for the SMA investors after they are transacted for The Kawa Fund or the Strategic Funds, and this may lead to results that are not as beneficial to the SMA investors. SMA investors should not expect that the performance of their portfolios will be identical to The Kawa Fund or Strategic Fund average for a particular investment objective. Furthermore, each SMA account, whether managed by Kawa on a discretionary or non-discretionary basis, should not expect Kawa to be obligated to recommend a transaction in any security or obligation for which a transaction has been or may be recommended or effected for any

other Client, for Kawa, and/or for any affiliates, officers, partners, members or employees, or any family member thereof.

Item 7 – Types of Clients

Kawa provides investment management services to high net worth individuals or institutions, including without limitation trusts, limited liability companies, corporations, non-profit organizations, privately offered pooled investment vehicles and other types of entities, in each case organized as domestic or foreign companies.

Separately Managed Accounts

The minimum account size for an SMA is \$10,000,000. Kawa reserves the right to manage SMAs below our stated minimum account size under certain circumstances.

Private Funds

The Private Funds typically qualify for the exemption from the definition of “investment company” under Section 3(c)(1), Section 3(c)(5) or Section 3(c)(7) of the Investment Company Act of 1940, as amended (“40 Act”) and offer interests to investors pursuant to Regulation D promulgated under the Securities Act of 1933, as amended (“33 Act”) and/or Regulation S under the 33 Act. The Private Funds have investor suitability criteria which are set forth in their respective offering documents and subscription application materials. Investors will be required to make certain representations when investing in a Private Fund, including but not limited to that (i) they are acquiring interests for their own accounts, (ii) they received or had access to all information they deem relevant to evaluate the merits and risks of the prospective investment, and (iii) they have the ability to bear the economic risk of an investment in the applicable Private Fund.

The Kawa Fund

Kawa manages The Kawa Fund, which is Kawa’s flagship product. The Kawa Fund is relying on the exemption from the definition of “investment company” under Section 3(c)(7) of the 40 Act and has a minimum initial investment of \$1,000,000, although Kawa is entitled to accept (and has, in certain circumstances, accepted) a lower amount in its sole discretion so long as Kawa and The Kawa Fund comply with applicable law.

Other Private Funds

In addition, Kawa also manages several Strategic Funds and SPE Funds (the “Other Private Funds”). Such Other Private Funds rely on an exemption from the definition of “investment company” under either Section 3(c)(1), Section 3(c)(5) or Section 3(c)(7) of the 40 Act. Investment opportunities in the Other Private Funds are not provided to all current investors or SMAs, and Kawa is not obligated to provide any such opportunity to existing Clients prior to other prospective

investors. Such Other Private Funds have minimum initial investments determined on a case by case basis depending on the particular opportunity resulting in the formation of such Other Private Fund.

This Brochure is designed solely to provide information about Kawa and should not be considered an offer of interests in any Private Fund.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

Please refer to each Private Fund's offering documents for a more detailed discussion of our investment strategy and related risks. The investment strategies described below involve a substantial degree of risk and Clients may lose all or a substantial portion of the value of their investments. Material risks relating to the investment strategies are described in more detail in the applicable Private Fund's offering documents as well as in Item 8B below.

8.A. Methods of Analysis and Investment Strategies

The Kawa Fund and SMAs

Kawa's principal investment objective for The Kawa Fund and its SMAs is to deliver substantial returns while limiting downside risk through diversification. Kawa seeks to obtain diversification by having an uncorrelated set of investment themes in global capital markets and seeks positive absolute returns during an entire market cycle, independent of equity market returns, by limiting concentration in specific assets and performing hedges as deemed necessary.

Kawa's strategy is to achieve consistent investment results over time, relatively independent of the returns generated by the overall equity markets. The strategy focuses on investments in securities where Kawa believes the market price does not adequately reflect the securities' valuation, i.e., its intrinsic value. Kawa invests in both liquid and illiquid tradable markets for The Kawa Fund and the SMAs, through regulated exchanges and by over the counter trades, and divides these investments according to themes or books. Each book will have its own risk parameters, which are subject to change.

Kawa generally bases its investment decisions on internal research and, from time to time, on research obtained from outside sources. Kawa evaluates the downside/upside potential of positions in The Kawa Fund and SMAs based on what it believes to be the most relevant publicly available material information. Kawa also attempts to minimize loss exposure in specific situations by having position size determined by downside potential as well as by engaging in stop-loss techniques.

Kawa pursues an active money management style which seeks to achieve capital appreciation independent of the cycles and returns normally found in the equity markets. Its investment philosophy is value- and event-oriented, specializing in the identification and analysis of securities that Kawa believes can benefit from extraordinary transactions. Kawa's strategy has in the past with respect to certain of its Private Funds, and may from time to time in the future, employ leverage for investment purposes or to fund redemptions and may engage in short sales.

The portfolio managers are responsible for investment decision-making, including asset allocation, security selection, portfolio construction, and portfolio risk management. Kawa generally sells positions of The Kawa Fund and/or SMAs when (i) Kawa believes they have reached the estimated fair value; (ii) conditions change whereby Kawa believes the risk/reward at market prices is deemed to be no longer attractive; or (iii) Kawa has determined that reallocation of capital would be beneficial to the portfolio. For any closed-end Private Fund or other special purpose transaction, the expected life cycle of such investment will be disclosed to investors in such Private Fund prior to making the investment.

Notwithstanding the above, SMAs may, pursuant to their own specific investment guidelines, restrict Kawa from making certain types of investments on their behalf or implementing certain strategies, such as certain hedging techniques that are more susceptible to risk or certain illiquid investments. Therefore, while the overall investment objective and strategy (investing in assets where Kawa believes the market price does not adequately reflect the assets' valuation) may be consistent across The Kawa Fund and certain of the SMAs, certain investments and strategies that Kawa will employ on behalf of The Kawa Fund may not be implemented on behalf of such SMAs.

Strategic Funds

From time to time, Kawa will identify a specific sector or strategy where it is deemed advantageous to have a separate Strategic Fund. Such Strategic Funds will generally have a more specific mandate than The Kawa Fund and therefore be less diversified than The Kawa Fund, however, the strategy generally is to focus on investments in securities where Kawa believes the market price does not adequately reflect the securities' valuation, i.e., its intrinsic value. To the extent a particular investment is suitable for a Strategic Fund, on the one hand, and other Clients, on the other hand, Kawa as a fiduciary will be fair and equitable to its Clients. Being fair and equitable over time to its Clients does not mean that all investors will be offered equal opportunity for investment in all Kawa products, and Kawa is entitled to determine in its sole discretion which Client to allocate such investment opportunity to and is not obligated to provide any such investment opportunity to any particular Client or prospective Client. Such criteria in making this determination by Kawa is summarized in Item 12 below. Each Strategic Fund will differ as to liquidity, trading, strategy, leverage targets and risk parameters. Such information is described in more detail in the offering documents for the applicable Strategic Fund.

SPE Funds

From time to time Kawa will identify a special situation or an opportunity in a certain sector or product where it is deemed advantageous to have a single purpose closed-end fund. The strategy in how to determine this opportunity is generally consistent with Kawa's strategy as it relates to the other Private Funds and SMAs – Kawa believes that the market price does not adequately reflect the assets' valuation, i.e., its intrinsic value.

8.B. Material Risks of Investment Strategies

There can be no guarantee of success of the strategies and products offered by Kawa. Investment portfolios may be adversely affected by general economic and market conditions such as interest rates, availability of credit, inflation rates, changes in laws and political circumstances. These factors may affect the level and volatility of security pricing and the liquidity of an investment. The Kawa Fund generally does not employ limitations on particular sectors, industries or securities. Trading in the portfolios of any Client may affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

While the below risks are inherent in our strategies and products, investors in Strategic Funds and SPE Funds should pay particular attention to the risks associated with such Strategic Funds and SPE Funds, as set forth in their respective offering documents. The portfolios of the Strategic Funds and the SPE Funds consist of an investment in a particular strategy or sector or a single investment or single type of investment, and therefore are subject to other risks specific to the nature of such investment.

Management Risk. Our judgments about the attractiveness, value and potential appreciation of a particular asset class or individual security or asset may be incorrect and there is no guarantee that individual securities or assets will perform as anticipated. The value of an individual security or asset can be more volatile than the market as a whole or our intrinsic value approach may fail to produce the intended results. Our estimate of intrinsic value may be wrong or even if our estimate of intrinsic value is correct, it may take a long period of time before the price and intrinsic value converge.

Overall Investment Risk. All investments risk the loss of capital. The investment techniques and strategies and the nature of the securities and/or instruments to be purchased and traded by Kawa may increase these risks. While Kawa will devote its best efforts to the management of Client portfolios, there can be no assurance that Clients will not incur substantial losses. Many unforeseeable events may cause sharp market fluctuations which could adversely affect performance. Changes in the macroeconomic environment including, for example, interest rates, inflation rates, industry conditions, energy and commodity availability and prices, competition, technological developments, political events and trends, changes to tax laws, currency exchange

rate, regulatory policy, employment and consumer demand and innumerable other factors, could substantially and adversely affect performance. Investments could also be materially adversely affected by natural disasters and terrorist acts. None of these conditions will be within the control of Kawa.

Short Selling. Short sales are speculative transactions and involve special risks. In order to initiate a short position, a security must be borrowed. Strategies that execute short sales may incur a loss if the price of the security sold short increases in value between the date of the short sale and the date when we purchase the security to replace the borrowed security. Losses are potentially unlimited in a short sale transaction.

Use of Leverage. Leverage is the use of borrowed funds to pay for a portion of the purchase price of an investment. Using leverage will maximize the initial amount of securities able to be purchased and potentially enhance performance. The use of leverage, however, will add to the risk of the investments, as declines in the price of a security could result in a substantial loss of the investment in the security if forced to sell the security as the result of a demand to repay any amounts borrowed. As with any leveraged investment, the use of leverage may result in losses in excess of the amount invested. Utilization of leverage will also increase a Private Fund's expenses due to the interest charges on the borrowed funds, thus potentially adversely affecting the performance for Clients.

Hedging Risks. A Private Fund may attempt to create "hedged positions" consisting of investments in a number of different instruments. The valuation models and trading techniques which will be used to determine the constituents of the "hedged position" are extremely complex, and the series of transactions required to create the "hedged position" are often difficult to execute. In some instances, during the process of setting up a hedged position, the position may remain temporarily unhedged for a significant period of time. The "hedged positions" will generally not be hedged against all known risks. For example, a "hedged position" consisting of a long foreign convertible bond and a short position in the underlying stock is potentially exposed to changes in interest rates and foreign exchange rates. A Private Fund marks to market the restricted positions held in its portfolio once such positions have been hedged, giving rise to a possible risk to such Private Fund that the relevant investment adviser may be compensated based on such restricted positions.

Illiquid securities. Markets which have traditionally been very liquid may suddenly lose liquidity, and we consequently may be unable to sell its positions or unable to sell at fair value. Additionally, we may acquire investments in securities that are already illiquid and, should there be an urgent need to sell, buyers may not emerge or may not emerge at fair value, causing an adverse effect to performance.

Trading in Derivatives. In order to hedge its investments or to take a directional view on an investment in which no exchange-traded alternative exists, we may invest a portion of its assets in

derivatives and related instruments as tools in the management of its assets. A derivative is a security or other instrument which derives its value from the value or performance of other instruments or assets, interest or currency exchange rates, or indexes. Derivative products include futures contracts, options, forward contracts, structured notes and various other over-the-counter instruments.

Risks of Derivatives. The risks posed by derivatives include (1) credit risks (the exposure to the possibility of loss resulting from a counterparty's failure to meet its financial obligations); (2) market risks (adverse movements in the price of a financial asset or commodity); (3) legal risks (an action by a court or by a regulatory or legislative body that could invalidate a financial contract); (4) operations risks (inadequate controls, deficient procedures, human error, system failure or fraud); (5) documentation risks (exposure to losses resulting from inadequate documentation); (6) liquidity risks (exposure to losses created by the inability to prematurely terminate a derivative); (7) systematic risks (the risk that financial difficulties in one institution or a major market disruption will cause uncontrollable financial harm to the financial system); (8) concentration risks (exposure to losses from concentration of closely-related risks such as exposure to a particular industry or exposure linked to a particular entity); and (9) settlement risks (the risk that the portfolio has when it has performed its obligations under a contract but has not yet received value from its counterparty).

General Risks of Arbitrage Transactions. The success of arbitrage strategies depends often on the ability to execute two or more simultaneous transactions at desired prices. Should such transactions not be executed simultaneously at the desired prices, losses may be incurred on both sides of the transaction. Additionally, separate costs are incurred on both sides of an arbitrage transaction, and substantial favorable price moves may be required before a profit can be realized. Merger arbitrage transactions are inherently volatile. The short-term performance of portfolio securities may fluctuate significantly. If the proposed transaction is not consummated or delayed, the value of such securities purchased may decline significantly.

Special Situations. Investments in companies involved in (or the target of) acquisition attempts or tender offers or companies involved in work-outs, liquidations, spin-offs, reorganizations, bankruptcies and similar transactions are subject to the risk that the transaction in which such business enterprise is involved either will be unsuccessful, will take considerable time or will result in a distribution of cash or a new security the value of which will be less than the purchase price of the security or other financial instrument in respect of which such distribution is received. In connection with such transactions (or otherwise), securities may be purchased on a when-issued basis, which means that delivery and payment take place sometime after the date of the commitment to purchase and is often conditioned upon the occurrence of a subsequent event, such as approval and consummation or a merger, reorganization or debt restructuring.

Strategic Funds and SPE Funds. By their nature, investing in a Strategic Fund or SPE Fund is not a diversified investment as Strategic Funds are generally limited to a particular strategy or sector and SPE Funds are generally limited to a single purpose investment. Each Strategic Fund and SPE Fund will have a concentrated investment program and expects to have a relatively concentrated exposure to a particular security, industry and/or market sector. Such a lack of diversification increases the risks to the portfolios of each Strategic Fund and SPE Fund. Furthermore, investors in Strategic Funds and SPE Funds are encouraged to read carefully the risk factors in the offering documents for the relevant Strategic Fund or SPE Fund as they will contain more detailed risk disclosure as to the specific Private Fund.

Investments in Real Estate. Certain of our strategies' investment programs involve investing directly in real estate or non-recourse mortgages. Some of the risks associated with real estate investments include (i) lack of demand for commercial real estate in a locale, (ii) changes in general economic or local conditions, (iii) changes in supply of, or demand for, similar or competing properties in an area, (iv) uncertainty of cash flow to meet loan or other fixed obligations, (v) wars, natural disasters, severe weather patterns, terrorist attacks and similar events, (vi) changes in interest rates, unavailability of mortgage financing which may render the sale or refinancing of property difficult, and (vii) changes in tax, real estate, environmental and zoning laws. Additionally, in connection with the ownership (direct or indirect) of real properties, owners may face potential costs and liabilities related to environmental laws, such as those related to the removal of hazardous and toxic substances.

Potential Conflicts of Interest. We manage a number of different investment strategies which present the possibility of overlapping investments, and thus the potential for conflicts of interest. If any matter arises that we determine in our good faith judgment constitutes an actual conflict of interest between accounts or investment vehicles, we may take such actions as may be necessary or appropriate to prevent or reduce the conflict. Please see Item 12 below for further discussion of possible conflicts of interest.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of them or the integrity of their management. Kawa has no disclosure applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

10.A. No Registered Representatives

Kawa's management persons are not registered, nor do any management persons have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

10.B. No Other Registrations

Kawa is registered as a Commodity Pool Operator with the CFTC. Additionally, many of Kawa's management persons are Principals or Associated Persons of the Commodity Pool Operator and are therefore registered with the CFTC.

10.C. Material Relationships or Arrangements

Kawa Capital Management, Inc. ("KCM") is the investment adviser to The Kawa Fund and manages the SMAs. KCM is a wholly-owned subsidiary of Kawa Capital Partners LLC ("KCP"), which is a relying adviser based on its 100% ownership and shared management with KCM.

Typically, KCP or a subsidiary thereof acts as the managing member of certain of the SPE Funds and Strategic Funds. In addition, typically, KCP or a subsidiary thereof manages real estate projects and other lending transactions in which Clients may be able to participate, although in certain circumstances these are managed by KCM.

Invitations to participate in any transaction structured by KCM or KCP are not made to all Clients. See Item 12 for more information.

Kawa SBA Opportunities Manager, LLC, Kawa SBA Opportunities Manager II, LLC and Kawa SBA Manager III, LLC are affiliates of KCM and relying advisers. They each serve as an investment adviser to certain Strategic Funds.

A Private Fund ("Investor Fund") may subscribe to another Private Fund ("Investee Fund") under certain circumstances, for which Kawa also charges fees. Therefore, conflicts of interests potentially exist. To avoid the duplication of fees and the potential for conflicts of interest, management compensation or performance compensation of the Investee Fund are either waived or rebated for such Investor Funds. Clients of the Investor Fund are only subject to the fees applicable to the Investor Fund as more fully described in Items 5 and 6.

Kawa and its affiliates and its employees own interests in certain of the Private Funds. We do not believe that this causes a conflict of interest between Kawa and its Clients, as the interests of our affiliates and employees are aligned with our Clients in this respect.

Other Affiliates.

From June 2012 until January 1, 2018, a subsidiary of Kawa was a partner in a joint venture, Adler Kawa Real Estate Advisors, LLC ("AKREA") and Adler Kawa Real Estate Services, LLC ("AKRES" and, together with AKREA, the "AK Joint Venture"). The AK Joint Venture acted as an asset and property manager and investor of real estate. Effective as of January 1, 2018, the

other majority investor in the AK Joint Venture, Adler Real Estate Partners (“Adler”) purchased the interests of Kawa in the AK Joint Venture.

Although Kawa is no longer a member in the AK Joint Venture, as part of the consideration to be received by Kawa in connection with the sale of its interests to Adler, Kawa is entitled to receive, as deferred compensation, a percentage of management fees and carried interest attributable to those Kawa Clients who invested in the AK Joint Venture-managed vehicles during the time of Kawa’s ownership as well as to the extent they invest in Adler managed vehicles until January 1, 2024.

Kawa may recommend to its Clients, on a non-discretionary basis, investment in real estate projects managed by Adler and/or certain real estate funds sponsored directly or indirectly by Adler. Accordingly, this recommendation involves a conflict of interest as Kawa may be entitled to receive compensation from Adler in connection with such recommendation as described above. From time to time, Kawa may engage with affiliated companies that provide services to one or more Clients. The payment of fees by Clients to a service provider owned in whole or in part by Kawa or by other Clients may give rise to potential conflicts of interest to the extent Kawa directed or initiated such transaction. For example, Kawa Capital Partners LLC and Perennial Fee Investors, LLC formed a joint venture PKV Investment Management Company, LLC (“PKV”). PKV is a real estate asset management company that currently has been engaged as asset manager for certain real estate properties owned and/or controlled by Kawa and/or the Strategic Funds or SPEs managed by Kawa. If Kawa believes that this gives rise to a conflict of interest, Kawa will address such conflicts based on the facts and circumstances presented by each situation and attempt to employ measures to ensure that the Clients using PKV’s services are charged arm’s-length prices for the services they receive.

10.D. Recommendation of Other Investment Advisers

Kawa does not recommend or select other investment advisers for Clients, except as stated in the previous paragraph.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

11.A. Code of Ethics Document

Kawa has adopted a Code of Ethics pursuant to Advisers Act Rule 204A-1 for all employees of the firm other than employees who perform solely clerical functions (“Covered Persons”) describing our high standards of business conduct, fiduciary duty to our Clients, and rules surrounding personal securities trading by our Covered Persons. A basic tenet of Kawa’s Code of

Ethics is that the interests of Clients are always placed first. The Code of Ethics also requires that all Covered Persons comply with ethical restraints relating to Clients and their accounts, including restrictions on gifts and provisions intended to prevent violations of laws prohibiting insider trading.

All Covered Persons must accept in writing the terms of the Code of Ethics upon employment, quarterly, or as amended.

Kawa Clients or prospective investors may request a copy of the firm's Code of Ethics by contacting the firm's Compliance Department, at 305-560-5200 or at legal@kawa.com.

11.B. Recommendations of Securities and Material Financial Interests

Although Kawa generally does not engage in (and has not engaged in) cross trades between The Kawa Fund and/or the other Private Funds and/or SMA Clients, in certain circumstances, Kawa may engage in cross trades when it believes it is not disadvantageous to such Clients (e.g., for rebalancing of portfolios). A cross trade may permit Kawa to execute trades without impacting the market price of securities, can save brokerage commissions and, in certain cases, related transaction costs like custody expenses and transfer taxes. In the event Kawa engages in a cross trade, the cross trade will be transacted in accordance with Kawa's policies and procedures. All cross trades must be approved by Kawa's Chief Compliance Officer or his or her designee.

Kawa may also have a conflict of interest related to performance-based compensation charged to investors in the Private Funds and/or SMA Clients. Please refer to Item 6 of this document which provides details on the conflict and how Kawa addresses the conflict.

A Private Fund ("Investor Fund") may subscribe to another Private Fund ("Investee Fund") under certain circumstances, for which Kawa also charges fees. Therefore, conflicts of interests potentially exist. To avoid the duplication of fees and the potential for conflicts of interest, management compensation or performance compensation of the Investee Fund are either waived or rebated for such Investor Funds. Clients of the Investor Fund are only subject to the compensation applicable to the Investor Fund as more fully described in Items 5 and 6.

11.C and 11.D. Personal Trading and Timing of Personal Trading

Kawa has adopted a Code of Ethics to ensure that personal investing activities by Kawa's employees are consistent with Kawa's fiduciary duty to its Clients. The Code of Ethics includes standards of business conduct requiring covered persons to comply with the federal securities laws and the fiduciary duties an investment adviser owes to its Clients. For purposes of its Code of Ethics, Kawa has determined that all employees (other than those employees who perform solely clerical functions) are Covered Persons.

In order to avoid potential conflicts that could be created by personal trading among Kawa Covered Persons, Kawa has implemented restrictions on personal securities transactions by its Covered Persons. Kawa does not permit employees to conduct personal securities transactions in their personal accounts unless an employee has received pre-clearance for such transaction from Kawa's Chief Compliance Officer (or his or her designee). Generally, the Chief Compliance Officer (or his or her designee) will consider the following factors when determining whether to approve a proposed personal securities transaction: (i) whether any Client has a pending "buy" or "sell" order in that security or has completed a recent purchase or sale of that security; (ii) whether a security is on an internally maintained restricted securities list, (iii) whether the amount or nature of the personal securities transaction or person effecting the transaction is likely to affect the price of or market for the security; and (iv) whether the personal securities transaction would create the appearance of impropriety, regardless of whether an actual conflict exists. However, if warranted by the nature of the personal securities transaction, the Chief Compliance Officer or his or her designee has the authority to approve or deny a personal securities transaction on any other basis. Employees are permitted to engage in "exempt" transactions without preclearance which include investments in (1) direct obligations of the Government of the United States; (2) bankers' acceptances, bank certificates of deposit, commercial paper and high quality short-term debt instruments; (3) money market funds; (4) open-end mutual funds (directly or through a unit investment trust); (5) securities held in accounts where the Covered Person has no "direct" or "indirect" influence or control; (6) securities that are part of an automatic investment plan; (7) index based unit investment trusts listed on a national securities exchange; and (8) broad based exchanged traded funds based on an index that reflects the movement of the market.

All Covered Persons are required to submit quarterly personal securities transactions and annual holdings reports to the Chief Compliance Officer (or his or her designee), who will, in turn, review these reports for trading conflicts with Client accounts. Covered Persons are also required to provide copies of all brokerage statements to Kawa on at least a quarterly basis. The Chief Compliance Officer (or his or her designee) will maintain documentation of personal securities transactions, including any violations that occur and their resulting actions.

The Code of Ethics also requires that all Covered Persons comply with ethical restraints relating to Clients and their accounts, including restrictions on gifts and provisions intended to prevent violations of laws prohibiting insider trading.

Kawa and its affiliates make recommendations to its Clients to invest in certain investment vehicles for which Kawa or an affiliate acts as either general partner, manager, or in another capacity whereby Kawa or its affiliate receives management compensation and performance compensation either through a carried interest or as a fee. In each case, at the time of such recommendation, disclosure will be made regarding Kawa's relationship with such pooled vehicle and any potential conflict of interest that might arise out of such relationship.

Item 12 – Brokerage Practices

12.A. Selection of Broker/Dealers

Kawa's objective in selecting brokers and dealers and in effecting portfolio transactions is to seek to obtain the best combination of price and execution with respect to its accounts' portfolio transactions. The best net price, giving effect to brokerage commissions, spreads and other costs, is normally an important factor in this decision, but a number of other judgmental factors are considered as they are deemed relevant. In applying these factors, Kawa recognizes that different broker-dealers may have different execution capabilities with respect to different types of securities. The factors include, but are not limited to:

- Kawa's knowledge of negotiated commission rates and spreads currently available;
- the nature of the security being traded;
- the size and type of the transaction;
- the nature and character of the markets for the security to be purchased or sold;
- the desired timing of the trade and speed of execution;
- the activity existing and expected in the market for the particular security;
- the broker-dealer's access to primary markets and quotation sources;
- the ability of the broker dealer to effect transactions when a large block of securities is involved or where liquidity is limited;
- confidentiality;
- the execution, clearance and settlement capabilities and history as well as the reputation and perceived soundness of the broker-dealer selected and others which are considered;
- Kawa's knowledge of actual or apparent operational problems of any broker-dealer;
- the broker-dealer's execution services rendered on a continuing basis and in other transactions;
- the broker-dealer's access to underwriting offerings and secondary markets;
- the broker-dealer's reliability in executing trades, keeping records and accounting for and correcting trade errors;
- the broker-dealer's ability to accommodate Kawa's needs with respect to one or more trades including willingness and ability to maintain quality execution in unusual or volatile market conditions and to commit capital by taking positions in order to complete trades;
- the quality of communication links between Kawa and the broker-dealer; and
- the reasonableness of spreads or commissions.

Research and Other Soft Dollar Benefits

Kawa may receive research from brokers in connection with Client securities transactions. Although Kawa does not directly receive money, this may be viewed as a “soft dollar” relationship. Kawa will limit the use of this benefit to services that constitute research and brokerage within the meaning of Section 28(e) of the Securities Exchange Act of 1934, as amended (“Section 28(e)”). Research services within Section 28(e) may include, but are not limited to, research reports (including market research); certain financial newsletters and trade journals; software providing analysis of securities portfolios; corporate governance research and rating services; attendance at certain seminars and conferences; discussions with research analysts; meetings with corporate executives; consultants’ advice on portfolio strategy; data services (including services providing market data, company financial data and economic data); advice from broker-dealers on order execution; and certain proxy services.

When Kawa participates in this practice to obtain Section 28(e) eligible research and brokerage products and services, Kawa periodically reviews and evaluates its soft dollar practices and to determine in good faith whether, with respect to any research, the commissions used to obtain those products and services were reasonable in relation to the value of the brokerage and research. This determination will generally be viewed in terms of Kawa’s overall responsibilities to its Client accounts. As a practical matter, in some cases Kawa could not, on its own, generate all the research that broker-dealers provide without materially increasing expenses. The management compensation paid by Clients is not reduced as a consequence of Kawa’s receipt of research and brokerage products and services. To the extent the Clients’ portfolio transactions are used to obtain such research and brokerage products and services, the brokerage commissions paid by the Clients might exceed those that might otherwise be paid for execution only. The brokerage and research and services furnished by broker-dealers may be useful and of value to Kawa in servicing any or all of its Clients and may not necessarily be used by Kawa in connection with the accounts that actually paid commissions, nor in proportion to the amount of commissions paid by accounts, to the broker-dealer providing the services.

The use of Client commissions (or markups or markdowns) to obtain research raises conflicts of interest. For example, Kawa will not have to pay for the products and services itself. This creates an incentive for Kawa to select or recommend a broker-dealer based on its interest in receiving those products and services. Kawa attempts to mitigate these potential conflicts through periodic review and oversight of the use of commissions.

Brokerage for Client Referrals

Kawa does not maintain any referral arrangement with broker/dealers.

Directed Brokerage

While Kawa generally selects broker-dealers for SMAs for which it has discretion, Kawa may accept, in limited instances, direction from SMAs as to which broker-dealer is to be used. If the SMA directs the use of a particular broker-dealer, Kawa asks that the SMA also specify in writing (i) general types of securities for which a designated firm should be used and (ii) whether the designated firm should be used for all transactions, even though Kawa might be able to obtain a more favorable net price and execution from another broker-dealer in particular transactions. SMAs, who, in whole or in part, direct Kawa to use a particular broker-dealer to execute transactions for their accounts should be aware that, in so doing, they may adversely affect Kawa's ability to, among other things, obtain volume discounts on bunched orders or to obtain best price and execution by, for example, executing over-the-counter stock transactions with the market makers for such securities. Kawa also cannot guarantee execution of trades that are directed to a certain broker.

Additionally, as noted below, transactions for an SMA that directs brokerage are generally unable to be combined or “bunched” for execution purposes with orders for the same securities for other accounts managed by Kawa. Accordingly, directed transactions may be subject to price movements, particularly in volatile markets, that may result in the SMA receiving a price that is less favorable than the price obtained for the bunched order. Under these circumstances, the direction by an SMA of a particular broker or dealer to execute transactions may result in higher commissions, greater spreads, or less favorable net prices than might be the case if Kawa could negotiate commission rates or spreads freely, or select brokers or dealers based on best execution. Consequently, best price and execution may not be achieved.

12.B. Aggregation of Orders

Kawa may determine that, in making investment decisions for Client accounts, securities considered for investment by one account may also be appropriate for another account managed by Kawa. On occasions when the purchase or sale of a security is deemed to be in the best interest of more than one account, Kawa may, but is not be obligated to, aggregate or “batch” orders for the purchase or sale of securities for all such accounts to the extent consistent with best execution and the terms of the relevant investment advisory agreements. Such combined or “batched” trades may be used to facilitate best execution, including negotiating more favorable prices, obtaining more timely or equitable execution or reducing overall commission charges.

Kawa may combine orders for the purchase and sale of securities on behalf of investment advisory Clients, including accounts and collective investment vehicles in which Kawa or its associated persons might have an interest, subject to the following conditions:

- fully disclose aggregation policies to all Clients;

- give individual investment advice to each account;
- combine trades only if consistent with duty to seek best execution and with the terms of the relevant Clients' investment advisory agreements; and
- specify the participating accounts and the relevant allocation method before the end of the day on which the trade was made.

Aggregation of transactions will occur only when Kawa believes that such aggregation is consistent with Kawa's duty to seek best execution and best price for Clients and is consistent with Kawa's investment advisory agreement with each Client for which trades are being aggregated.

Although Kawa is entitled to determine in its sole discretion which Client to allocate investment opportunities to and is not obligated to provide any such investment opportunity to any particular Client or prospective Client, Kawa does rely on certain factors in ensuring that it is fair and equitable over time to all of its Clients given Kawa's role as a fiduciary. Kawa will determine the allocation of the investment or opportunity in good faith in light of (1) the size, nature and type of investment or sale opportunity, (2) principles of diversification of assets, (3) the investment guidelines and limitations governing any particular Client, including instructions with respect to a specific investment and compressed ramp-up periods that are characteristics of certain investment vehicles, (4) cash availability, including cash that becomes available through leverage, (5) the magnitude of the investment, (6) redemption/withdrawal requests received by such Clients, (7) a determination by Kawa that the investment or sale opportunity is inappropriate, in whole or in part, for one or more Clients, (8) applicable transfer or assignment provisions, (9) proximity of a Client to end of its specified term, if any, (10) the investment focus of the Clients, (11) applicable contractual or legal obligations, and/or (12) such other factors as Kawa may reasonably deem relevant.

Directed brokerage accounts may be unable to participate in batched transactions. Kawa generally will not aggregate trades for accounts that may have limited Kawa's brokerage discretion or other Client accounts that it manages to the extent that those accounts have directed their brokerage to a particular broker-dealer. Not aggregating may result in higher costs or less favorable execution. Orders for such accounts will generally be aggregated only with similar accounts and allocated in the same manner as described above.

Kawa may include proprietary accounts (including the Private Funds in which Kawa or its affiliates may have significant ownership interest) in such aggregate trades subject to its duty to seek best execution and obligations under its Code of Ethics.

Trade Errors

It is the policy of Kawa that the utmost care is taken in making and implementing investment decisions of behalf of Client accounts. However, on those occasions when such an error does

occur, Kawa will reasonably determine how to correct the error. In general, if the trade error results in losses, such losses will not be reimbursed unless the trade error was determined to be solely attributable to Kawa's gross negligence. Therefore, accounts may be adversely impacted as a result of trade errors.

Services for Other Clients

Kawa may give advice and take action for itself or Clients, which differs from advice given to, or the timing or nature of action taken for, other Clients. Specific asset allocations within Client accounts may differ from those in other accounts managed by Kawa due to various factors, including but not limited, the availability of certain investments, market conditions, or the amount of Client funds available for investment or reinvestment. Kawa is not obligated to initiate any transactions for Clients in any securities or assets that Kawa may purchase or sell for its own accounts or the accounts of any other Client.

Item 13 – Review of Accounts

13.A. Frequency and Nature of Review

Daniel Ades and Alexandre Saverin, both Principals of Kawa and portfolio managers, are responsible, and have ultimate authority for, all trading and investment decisions made for the Client portfolios. Portfolio managers have real-time access to each account through our trade management system and perform various reviews on no less frequent than a monthly and quarterly basis.

In performing its investment management activities, Kawa allocates their respective personnel and their personnel's time among each of the Clients in which they may be involved. Although each will devote such time as deemed necessary to conduct such investment management activities in an appropriate manner, conflicts may arise in the allocation of personnel and their time among such Clients, particularly in connection with Clients that may involve substantially more time and recourses than others.

13.B. Factors That May Trigger An Account Review Outside of Regular Review

Generally, Client accounts are reviewed, as needed, depending on factors such as cash flows, changes in Client objectives or restrictions, or changing market conditions.

13.C. Content and Frequency of Reports

Investors in The Kawa Fund and the Strategic Funds, as well as certain of the SPE Funds for which we are deemed to hold custody, receive annual audited financial statements prepared by an independent accounting firm prepared in accordance with United States generally accepted

accounting principles. Reports with respect to The Kawa Fund and the Strategic Funds are also issued by the administrators of such funds no less than quarterly. With respect to the SPE Funds, due to the nature of the investments in the SPE Funds, investors may not receive regular statements but will receive statements no less than annually. Frequency of reports is further specified in the offering documents for each Private Fund.

A portfolio manager will meet with Clients when requested, or at other times, as may be mutually agreed upon by Kawa and the Client. Such meetings may be conducted in person or via teleconference. Accordingly, in addition to the information generally provided to investors in a particular investment vehicle or SMA, Kawa may provide certain investors with additional information or more frequent reports that other investors will not receive (e.g., diligence requests, certain co-investments, or other requests from Clients with differing needs for information).

In addition, Kawa Fund investors are provided, on at least a quarterly basis, with newsletters and fact sheets created by Kawa. Due to the nature of the investments in the other Private Funds, investors may not receive regular communications from Kawa, although they are available upon request.

The information in reports from Kawa may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 14 – Client Referrals and Other Compensation

14.A. Compensation from Non-Clients

Except as described above in Item 12 with respect to “soft dollars,” Kawa does not currently receive any economic benefit for providing investment advice or other advisory services to Kawa’s Clients.

14.B. Client Referrals and Other Compensation

Certain of our Clients and prospective investors retain investment consultants or other investment advisers (“Consultants”) to advise them on the selection and review of investment managers. Kawa has certain Clients that were introduced to us through Consultants. These Consultants or their affiliates may, in the ordinary course of their investment consulting or advisory business, recommend Kawa’s investment advisory services or otherwise place Kawa into selection processes for a particular Client.

Kawa has dealings with Consultants, both in the Consultants’ role as adviser for their Clients and through independent business relationships. Specifically, we provide Consultants with information on portfolios we manage for our mutual Clients, pursuant to our Clients’ direction. Kawa also provides information on our investment styles to Consultants, who use that information in connection with searches they conduct for their Clients.

Kawa has not done so, but may, pay third parties cash compensation for investor referrals from Kawa’s own resources sometimes in amounts based upon a portion of the advisory fees earned or assets under management with respect to investors introduced by the third party or on a fixed fee basis. The fact that Kawa may share with third parties a portion of the compensation Kawa receives for Kawa’s investment advisory services, or any fixed fee arrangement, will not result in any Client being charged investment advisory fees at a rate in excess of the rate or level of advisory fee customarily charged by Kawa to its investment advisory Clients for similar services to comparable accounts, nor will Kawa charge any Client any other amount for the purpose of offsetting its cost of obtaining an account through a third party referral. The cost of these referral fees would be paid entirely by Kawa and is not borne by the referred investor.

Kawa may engage external placement agents for placement of new fund interests, although it does not currently have any such engagements. If any placement agent receives compensation for its services, such compensation would be made on a fully disclosed basis as outlined in the applicable fund’s offering documentation.

In general, Kawa relies on each Consultant or third party agent to make appropriate disclosure to its Clients of any conflict that the Consultant or third party agent may believe to exist due to its relationship with Kawa.

Representatives of Kawa from time to time speak at conferences and programs sponsored by brokers or dealers that are directed at investors interested in investing in alternative investment funds or other products that Kawa has an interest. These conferences and programs may be a

means by which opportunities managed by Kawa can be introduced to prospective investors. In addition, brokers or dealers may refer such Kawa-managed products to, or arrange meetings with, potential investors who are also often accounts of such brokers or dealers. While these conferences, programs, and meetings (collectively, a “Capital Introduction Program”) may be arranged by brokers or dealers, there is no guarantee that any potential investor participating in a Capital Introduction Program will invest. Generally, other than the standard commission rates and customary brokerage fees paid by a Client (which Kawa believes are paid solely for trade execution and brokerage services), the brokers or dealers do not receive any compensation, directly or indirectly, for such participation in a Capital Introduction Program or any subsequent investments which may result from such participation. Further, the participation in a Capital Introduction Program is not a consideration when selecting or retaining brokers or executing trades.

Item 15 – Custody

Kawa is deemed to have custody of certain of the Private Funds, according to Advisers Act Rule 206(4)-2 (“Custody Rule”), because they, or an affiliate, serve in the capacity of managing member or general partner of such Private Funds. However, Client securities managed by Kawa or its affiliates, for SMAs and Private Fund accounts, are held at independent, qualified custodians. Investors in Private Funds should receive such Private Fund’s annual audited financial statements within 120 days of such Private Fund’s fiscal year-end. Such investors should review these statements carefully. If investors in the Private Funds do not receive audited financial statements in a timely manner, then they should contact Kawa immediately. To the extent any Private Fund for which Kawa holds custody does not deliver annual audited financial statements within 120 days of such Private Fund’s fiscal year end, Kawa shall engage an independent account for a surprise examination in accordance with the Custody Rule.

SMAs generally will receive statements directly from their account custodian at least quarterly. We urge Clients to carefully review those statements and compare them to the account statements we may provide to them, if any. The information in any such SMA reports provided by us may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Investors in The Kawa Fund will receive statements from the administrator to The Kawa Fund and investors in the Strategic Funds will receive statements from the administrator to the relevant Strategic Fund. Such investors should review these statements carefully. Due to the nature of the investments in the SPE Funds, investors may not receive regular statements from the custodian, but they are available upon request from Kawa. An investment review for the SPE Funds will be provided periodically to investors by Kawa.

Item 16 – Investment Discretion

Unless otherwise specified in an investment management agreement, Kawa is retained on a discretionary basis and is authorized to make the following determinations in accordance with the

Client's specified investment objectives and guidelines without Client consultation or consent before a transaction is effected:

- Which securities to buy or sell.
- The total amount of securities to buy or sell.
- The broker or dealer through whom securities are bought or sold.
- The commission rates at which securities transactions for Client accounts are affected.
- The prices at which securities are to be bought or sold, which may include dealer spreads or mark-ups and transaction costs.

Kawa usually receives and accepts discretionary authority to manage the assets in each Client's account. Kawa adheres to the investment limitations and restrictions that are outlined in each account's investment management agreement. Because of the differences in investment objectives and strategies, investment limitations and restrictions so outlined, there may be differences among Clients in invested positions and securities held.

Item 17 – Voting Client Securities

Kawa is responsible for voting Client proxies and has developed a written policy and procedures governing its activities in this area. In general, the policy requires Kawa to vote Client proxies in the interest of maximizing investor/shareholder value. In addition, Kawa maintains a record of proxy votes cast on behalf of Clients.

Circumstances may arise wherein Kawa may have a conflict of interest in voting proxies on behalf of its Clients and Kawa acknowledges its responsibility for identifying material conflicts of interest related to voting proxies. In order to ensure that Kawa is aware of the facts necessary to identify conflicts, senior management of Kawa must disclose to the Chief Compliance Officer (or his or her designee) any personal conflicts, such as officer or director positions held by them, their spouses or close relatives, in any portfolio company. Conflicts based on business relationships with Kawa, or any affiliate of Kawa, will be considered only to the extent that Kawa has actual knowledge of such relationships. If a conflict may exist, which cannot be otherwise addressed by the Portfolio Managers, Kawa may choose one of several options including: (1) voting as recommended by a third party service, if employed by Kawa; (2) "echo" or "mirror" voting the proxies in the same proportion as the votes of other proxy holders that are not Kawa Clients; (3) if possible, erecting information barriers around the person or persons making the voting decision sufficient to insulate the decision from the conflict; or (4) if agreed upon in writing with the Client, forwarding the proxies to affected Clients and allowing them to vote their own proxies.

Kawa shall make its proxy voting policy and records available to its Clients and investors upon request by contacting the Compliance Department at legal@Kawa.com or calling (305) 560-5200.

Item 18 – Financial Information

This Item is not applicable.



Form ADV 2B Supplement

Item 1- Cover Page



DANIEL ADES

Kawa Capital Management, Inc.

Aventura Optima Plaza
21500 Biscayne Boulevard, Suite 700
Aventura, Florida 33180
(305) 560-5200

March 28, 2019

This Brochure Supplement provides information about Daniel Ades, which is an addendum to the Kawa Capital Management, Inc. Brochure. You should have received a copy of the Brochure. Please contact Jeremy Traster at (305) 560-5200 if you did not receive the Brochure or if you have any questions about the contents of this supplement.

Item 2- Educational Background and Business Experience

Daniel Ades, Principal and Managing Partner

Year of Birth: 1980

Education:

Tufts University, B.A. Economics and International Relations, graduated cum laude

Tufts University, The Fletcher School, M.A. Law and Diplomacy

Business Background:

Kawa Capital Management, Inc. Aventura, FL

Principal and Managing Partner
2007 – Present

Horn Eichenwald Investments Corp. Miami, FL

Partner & Outside Director
2007 – 2009

Partner & Managing Director
2004 – 2007

Analyst
2003 - 2004

Item 3- Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to Mr. Ades.

Item 4- Other Business Activities

No reportable additional business activities.

Item 5- Additional Compensation

No reportable additional compensation.

Item 6 – Supervision

Mr. Ades is a principal and Managing Partner of Kawa Capital Management, Inc. He can be reached at (305) 560-5200. The Chief Compliance Officer, Jeremy M. Traster, is responsible for the supervision of Mr. Ades, and can be reached at (305) 560-5200.

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ALEXANDRE SAVERIN

Kawa Capital Management, Inc.

Aventura Optima Plaza
21500 Biscayne Boulevard, Suite 700
Aventura, Florida 33180

(305) 560-5200

March 28, 2019

This Brochure Supplement provides information about Alexandre Saverin, which is an addendum to the Kawa Capital Management, Inc. Brochure. You should have received a copy of the Brochure. Please contact Jeremy Traster at (305) 560-5200 if you did not receive the Brochure or if you have any questions about the contents of this supplement.

Item 2- Educational Background and Business Experience

Alexandre Saverin, Managing Director, Chief Risk Officer and Co-Portfolio Manager

Year of Birth: 1978

Education:

Cornell University, B.S. Computer Science

Business Background:

Kawa Capital Management, Inc. Aventura, FL

Managing Director, Chief Risk Officer and Co-Portfolio Manager
09/2007 - Present

Horn Eichenwald Investments Miami, FL

Senior Software Engineer
2005 - 2007

Motorola Chicago, IL

Software Engineer
2000 - 2005

Item 3- Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to Mr. Saverin.

Item 4- Other Business Activities

No reportable additional business activities.

Item 5- Additional Compensation

No reportable additional compensation.

Item 6 – Supervision

Mr. Saverin is a Managing Director of Kawa Capital Management, Inc., and portfolio manager, along with Mr. Ades. He can be reached at (305) 560-5200. Daniel Ades is responsible for the supervision of Mr. Saverin, and can be reached at (305) 560-5200.

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CARLOS FELIPE LEMOS

Kawa Capital Management, Inc.

Aventura Optima Plaza
21500 Biscayne Boulevard, Suite 700
Aventura, Florida 33180

(305) 560-5200

March 28, 2019

This Brochure Supplement provides information about Carlos Felipe Lemos, which is an addendum to the Kawa Capital Management, Inc. Brochure. You should have received a copy of the Brochure. Please contact Jeremy Traster at (305) 560-5200 if you did not receive the Brochure or if you have any questions about the contents of this supplement.

Item 2- Educational Background and Business Experience

Carlos Felipe Lemos, Managing Director, Business Development

Year of Birth: 1977

Education:

Duke University, B.A. History

Business Background:

Kawa Capital Management, Inc.

Aventura, FL

Managing Director, Business Development
09/2007 - Present

Balka Group

Miami, FL

President
2005 - 2007

Item 3- Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to Mr. Lemos.

Item 4- Other Business Activities

No reportable additional business activities.

Item 5- Additional Compensation

No reportable additional compensation.

Item 6 – Supervision

Mr. Lemos works closely with Mr. Ades in the management and operations of Kawa. Mr. Lemos can be reached at (305) 560-5200. Daniel Ades is responsible for the supervision of Mr. Lemos, and can be reached at (305) 560-5200.

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CRISTINA BALDIM

Kawa Capital Management, Inc.

Aventura Optima Plaza
21500 Biscayne Boulevard, Suite 700
Aventura, Florida 33180

(305) 560-5200

March 28, 2019

This Brochure Supplement provides information about Cristina Baldim, which is an addendum to the Kawa Capital Management, Inc. Brochure. You should have received a copy of the Brochure. Please contact Jeremy Traster at (305) 560-5200 if you did not receive the Brochure or if you have any questions about the contents of this supplement.

Item 2- Educational Background and Business Experience

Cristina Baldim, Managing Director, Investments

Year of Birth: 1975

Education:

Fundação Armando Alvares Penteado (São Paulo, Brazil), Business Administration
with emphasis in Finance

Business Background:

Kawa Capital Management, Inc. Aventura, FL

Managing Director, Investments
2010 – Present

CBC Advisory, LLC. Miami Beach, FL

Founder and Principal
2009 – 2010

Personal Leave Miami, FL

2007 - 2009

Citigroup Venture Capital International Miami, FL

Vice President and Associate Positions
03/2001 – 04/2007

JP Morgan Chase New York, NY

Associate
2000 – 2001

Chase Securities, Inc. Sao Paulo, Brazil
Analyst and Associate
1998 – 2000

Item 3- Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to Ms. Baldim.

Item 4- Other Business Activities

No reportable additional business activities.

Item 5- Additional Compensation

No reportable additional compensation.

Item 6 – Supervision

Ms. Baldim works closely with Mr. Ades in the management and operations of Kawa. Ms. Baldim can be reached at (305) 560-5200. Daniel Ades is responsible for the supervision of Ms. Baldim, and can be reached at (305) 560-5200.

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FERNANDO BRAGHIN

Kawa Capital Management, Inc.

Aventura Optima Plaza
21500 Biscayne Boulevard, Suite 700
Aventura, Florida 33180

(305) 560-5200

March 28, 2019

This Brochure Supplement provides information about Cristina Baldim, which is an addendum to the Kawa Capital Management, Inc. Brochure. You should have received a copy of the Brochure. Please contact Jeremy Traster at (305) 560-5200 if you did not receive the Brochure or if you have any questions about the contents of this supplement.

Item 2- Educational Background and Business Experience

Fernando Braghin, Director, Investments

Year of Birth: 1977

Education:

Worcester Polytechnic Institute, Electrical and Industrial Engineering

Business Background:

Kawa Capital Management, Inc.

Aventura, FL

Director, Investments
2017 – Present

Horn Eichenwald Investments Corp.

Miami, FL

Partner & Chief Compliance Officer
2006 – 2017

Bridgeloan Investors Inc.

Miami, FL

Director of Operations
2008 – 2017

Bridgeinvest LLC

Miami, FL

Partner and Board Member
2013 – 2017

The Hackett Group

Miami, FL

Consultant, Senior Consultant and Manager
2000 – 2006

Item 3- Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to Mr. Braghin.

Item 4- Other Business Activities

No reportable additional business activities.

Item 5- Additional Compensation

No reportable additional compensation.

Item 6 – Supervision

Mr. Braghin works closely with Mr. Ades in the management and operations of Kawa. Mr. Braghin can be reached at (305) 560-5200. Daniel Ades is responsible for the supervision of Mr. Braghin, and can be reached at (305) 560-5200.