



Kennedy Lewis Capital Holdings LLC
Part 2A of Form ADV
Brochure

225 Liberty Street, Suite 4210
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This brochure provides information about the qualifications and business practices of Kennedy Lewis Capital Holdings LLC (the “Adviser”). If you have any questions about the content of this brochure, please contact Rachel Presa, Chief Compliance Officer, at rachel.presa@klimllc.com. The information in this brochure has not been approved or verified by the Securities Exchange Commission (the “SEC”) or by any state securities authority. Registration with the SEC does not imply a certain level of skill or training. Additional information about the Adviser is also available on the SEC’s website at: www.adviserinfo.sec.gov.

Item 2. Material Changes

Since the Adviser's last annual update, the Adviser has made changes to reflect a change in a passive interest holder in the Adviser (see Item 10). All recipients of this brochure are encouraged to read it carefully in its entirety.

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 investment vehicle***
- ***a complete discussion of the features, risks, or conflicts associated with any investment vehicle or advisory service***

As required by the Investment Advisers Act of 1940, as amended (“Advisers Act”), the Adviser provides this brochure to current and prospective clients and can also, in its discretion, provide this brochure to current or prospective investors in an investment vehicle, together with other relevant documents, such as the investment vehicle’s offering or private placement memorandum, organizational documents, and related transaction documents, as applicable, prior to, or in connection with, such persons’ investment. Additionally, this brochure is available through the SEC’s Investment Adviser Public Disclosure website.

Although this publicly-available brochure describes investment advisory services and products of the Adviser, persons who receive this brochure (whether or not from the Adviser) should be aware that it is designed solely to provide information about the Adviser as necessary to respond to certain disclosure obligations under the Advisers Act. As such, the information in this brochure could differ from information provided in relevant documents. More complete information about each investment vehicle is included in relevant documents, certain of which are provided to current and eligible prospective investors only by the Adviser. To the extent that there is any conflict between discussions herein and similar or related discussions in any applicable relevant documents, such relevant documents shall govern and control.

Item 3. Table of Contents

Item 1	Cover Page	
Item 2.	Material Changes	1
Item 3.	Table of Contents.....	3
Item 4.	Advisory Business	4
Item 5.	Fees and Compensation.....	5
Item 6.	Performance-Based Fees and Side-By-Side Management.....	9
Item 7.	Types of Clients	10
Item 8.	Methods of Analysis, Investment Strategies and Risk of Loss	11
Item 9.	Disciplinary Information	19
Item 10.	Other Financial Industry Activities and Affiliations	20
Item 11.	Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading	23
Item 12.	Brokerage Practices.....	25
Item 13.	Review of Accounts	26
Item 14.	Client Referrals and Other Compensation	27
Item 15.	Custody	28
Item 16.	Investment Discretion	29
Item 17.	Voting Client Securities	30
Item 18.	Financial Information	31

Item 4. Advisory Business

The Adviser was formed on February 22, 2022 and its headquarters are located in New York, NY. The Adviser is owned by Kennedy Lewis Investment Management LLC, which is controlled by David Chene and Darren Richman. The Adviser has entered into a resource sharing agreement (“Resource Sharing Agreement”) with Kennedy Lewis Management LP, an investment adviser that is registered with the SEC under the Advisers Act (“Kennedy Lewis Management,” and together with its affiliates “Kennedy Lewis”), pursuant to which Kennedy Lewis Management makes certain personnel and resources available to the Adviser to provide certain investment advisory services to the Adviser’s Client. Together Messrs., Richman and Chene manage Kennedy Lewis with the assistance of their staff.

The Adviser is the investment adviser to Kennedy Lewis Capital Company (the “Client”), an externally managed, diversified closed-end management investment company that has elected to be regulated as a business development company under the Investment Company Act of 1940, as amended (the “1940 Act”).

For information about the investment strategy of the Adviser, see the discussion under Item 8 below. Further, details regarding the Client can be found in the Client’s private placement memorandum, bylaws, and other governing documents (the “Governing Documents”).

As of December 31, 2023, the Adviser had approximately \$ 454,313,571 in regulatory assets under management, all of which are managed on a discretionary basis.

Item 5. Fees and Compensation

Advisory Fees and Compensation.

Under an investment advisory agreement between the Client and the Adviser (the “Advisory Agreement”), the Client pays the Adviser a fee for investment management services consisting of a base management fee (the “Base Management Fee”) and an incentive fee (the “Incentive Fee”), as more fully discussed in the Client’s Governing Documents.

Base Management Fee. The Client pays the Adviser a Base Management Fee equal to an annual rate of 1.25% of the average of the Client’s net assets, at the end of the two most recently completed quarters. The Base Management Fee is payable quarterly in arrears.

Incentive Fee. The Incentive Fee consists of two components that are independent of each other, with the result that one component may be payable even if the other is not. A portion of the Incentive Fee is based on a percentage of income, which is payable quarterly in arrears if the pre-incentive fee net investment income returns in any calendar quarter exceed the hurdle rate of 1.25% per quarter (5.0% annualized) and a portion is based on a percentage of capital gains, payable in arrears as of the end of each calendar year in an amount equal to 12.5% of cumulative realized capital gains from inception through the end of such calendar, each as described in more detail in the Client’s Governing Documents.

Expenses.

All investment professionals of the Adviser, when and to the extent engaged in providing investment advisory and management services to the Client, and the compensation and routine compensation-related overhead expenses of personnel allocable to these services to the Client, are provided and paid for by the Adviser and not by the Client. The Client bears all other out-of-pocket costs and expenses of its operations and transactions, including, without limitation, those relating to:

- all direct and indirect costs and expenses incurred by the Adviser for office space rental, office equipment, utilities, and other non-compensation related overhead allocable to performance of investment advisory services under the Advisory Agreement by the Adviser, including the costs and expenses of due diligence of potential investments, monitoring performance of the Client’s investments, serving as trustees and officers of portfolio companies, providing managerial assistance to portfolio companies, enforcing the Client’s rights in respect of its investments and disposing of investments;
- organizational and offering expenses;
- expenses incurred in valuing the Client’s assets and computing its net asset value per share (including the cost and expenses of any independent valuation firm);
- expenses incurred by the Client’s administrator or payable to third parties, including agents, consultants, or other advisors, in monitoring financial and legal affairs for the Client and in monitoring the Client’s investments and performing due diligence on the Client’s

prospective portfolio companies or otherwise related to, or associated with, evaluating and making investments;

- interest payable on debt, if any, incurred to finance the Client's investments and other fees and expenses related to the Client's borrowings;
- expenses related to unsuccessful portfolio acquisition efforts;
- offerings of the Client's common shares ("Common Shares") and other securities (including underwriting, placement agent, and similar fees and commissions);
- Base Management Fees and Incentive Fees;
- third-party investor hosting and similar platforms and service providers;
- administration fees;
- transfer agent and custody fees and expenses;
- federal and state registration fees;
- all costs of registration and listing the Client's Common Shares on any securities exchange;
- federal, state, and local taxes;
- fees and expenses of trustees who are not "interested persons" as defined in Section 2(a)(19) of the 1940 Act ("Independent Trustees");
- costs of preparing and filing reports or other documents required by the SEC or other regulators;
- costs of any reports, proxy statements, or other notices to shareholders, including printing costs;
- the costs associated with individual or group shareholders;
- the Client's allocable portion of the fidelity bond, trustees and officers/errors and omissions liability insurance, and any other insurance premiums;
- direct costs and expenses of administration and operation, including printing, mailing, long distance telephone, copying, secretarial, and other staff, independent auditors, third-party investor hosting and similar platforms and service providers, and outside legal costs; and
- all other expenses incurred by the Client or the Adviser in connection with administering the Client's business, such as the allocable portion of overhead under the administration

agreement with the Client's administrator, including rent, and the allocable portion of the cost of the Client's Chief Financial Officer and Chief Compliance Officer and their respective staffs.

From time to time, the Adviser has and will engage individuals as third-party advisors, "consultants," "contractors," "advisers," and other consultants (collectively, "Advisors") who are not employees of the Adviser or its affiliates, but are paid fees for services provided to one or more clients managed by the Adviser and/or its affiliates, including services related to the Adviser's investment process. Additionally, certain research providers and consultants ("Research Providers") are engaged with respect to the clients. The terms of these engagements, including compensation arrangements for Advisors and Research Providers, are generally agreed upon at the time of engagement and will vary depending upon the nature of the services provided. These fees and expenses (including travel and lodging expenses) are generally allocated to the client(s) that benefit from the services and are not borne by the Adviser or its affiliates even if the services are not utilized during the entire term of the engagement.

The allocation of expenses by the Adviser between it, the Client, the Adviser's affiliates, and clients of the Adviser's affiliates represents a conflict of interest for the Adviser. To address this conflict, the Adviser has adopted and implemented policies and procedures for the allocation of expenses. If a particular expense relates to one or more clients or other accounts, the Adviser and its affiliates will allocate the expense in a manner it considers equitable to all accounts and in accordance with its policy. Under this policy, expenses are allocated between and among clients pro rata based on net asset value, total commitments, or actively invested capital, as applicable. In addition, certain expenses specific to an investment opportunity may be allocated based on the allocation of the investment opportunity, rather than pro rata. Similarly, if an expense is allocable to both the Adviser or its affiliate and the Client, the Adviser will allocate in a manner it considers equitable to all accounts and in accordance with its policy.

The Client has entered into an expense support and conditional reimbursement agreement (as amended, the "Expense Support Agreement") with the Adviser, pursuant to which the Adviser has contractually agreed to pay Other Operating Expenses (as defined below) of the Client on the Client's behalf (each such payment, a "Required Expense Payment" such that Other Operating Expenses of the Client does not exceed 1.00% (on an annualized basis) of the Client's applicable quarter-end net asset value. "Other Operating Expenses" include the Client's organizational and offering expenses (including the Client's allocable portion of compensation and overhead (including rent, office equipment, and utilities) and other expenses incurred by the Client's administrator in performing its administrative obligations under an administration agreement, excluding Base Management Fees and Incentive Fees owed to the Adviser and any interest expenses owed by the Client.

At such times as the Adviser determines, the Adviser may elect to pay certain additional expenses of the Client on the Client's behalf (each such payment, a "Voluntary Expense Payment" and together with a Required Expense Payment, the "Expense Payments"). In making a Voluntary Expense Payment, the Adviser will designate, as it deems necessary or advisable, what type of expense it is paying (including, whether it is paying organizational or offering expenses).

Following any calendar quarter in which Available Operating Funds (as defined below) exceed the cumulative distributions accrued to the Client's shareholders based on distributions declared with respect to record dates occurring in such calendar quarter (the amount of such excess referred to as "Excess Operating Funds"), the Client will pay such Excess Operating Funds, or a portion thereof, to the Adviser until such time as all Expense Payments made by the Adviser to the Client within three years prior to the last business day of such calendar quarter have been reimbursed. Any payments required to be made by the Client under the Expense Support Agreement are referred to as a "Reimbursement Payment." "Available Operating Funds" means the sum of (i) the Client's net investment company taxable income (including net short-term capital gains reduced by net long-term capital losses), (ii) the Client's net capital gains (including the excess of net long-term capital gains over net short-term capital losses); and (iii) dividends and other distributions paid to the Client on account of investments in portfolio companies (to the extent such amounts listed in clause (iii) are not included under clauses (i) and (ii) above).

The amount of the Reimbursement Payment for any calendar quarter will equal the lesser of (i) the Excess Operating Funds in such quarter and (ii) the aggregate amount of all Expense Payments made by the Adviser to the Client within three years prior to the last business day of such calendar quarter that have not been previously reimbursed by the Client to the Adviser; provided that the Adviser may waive its right to receive all or a portion of any Reimbursement Payment in any particular calendar quarter, in which case such waived amount will remain unreimbursed Expense Payments reimbursable in future quarters pursuant to the terms of the Expense Support Agreement.

Additional detail is included in the Client's Governing Documents.

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

As disclosed above, the Adviser could receive performance fees from the Client. Performance fees can provide an incentive for the Adviser to select or recommend investments for the Client paying such fees that are more risky or speculative than those that would be recommended under a different fee arrangement. The fact that the Adviser will be compensated based on realized profits can create an incentive for the Adviser to delay the realization of certain investments or to make investments on behalf of clients that are riskier or more speculative than would be the case in the absence of such compensation. In addition, certain Kennedy Lewis personnel are compensated on a basis that includes a performance-based component.

Item 7. Types of Clients

As previously described, the Adviser provides investment advice to the Client, which currently consists of a BDC that primarily invests in debt or other debt-like securities across the capital structure of middle market companies located in the United States and, selectively, in other North American countries and in Europe, with the ability to consider investments focused on other geographic markets.

The Client imposes minimum investment limits on investors of \$10,000 as set forth in the Client's Governing Documents.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss**METHODS OF ANALYSIS**

The Adviser seeks to achieve its Client's investment objectives, which are to maximize the total return to its shareholders in the form of current income and, to a lesser extent, capital appreciation. The Adviser seeks to meet the Client's investment objectives by:

- utilizing the experience and expertise of Kennedy Lewis, along with its broader resources, network of relationships (including founders, management teams, minority equity owners, portfolio companies, banks, prior financing relationships, etc.), and human capital, including its capabilities as it relates to sourcing, evaluating, and structuring transactions;
- employing a defensive investment approach focused on long-term credit performance and principal protection;
- focusing on investing primarily in debt or other debt-like securities across the capital structure of middle market companies located in the United States and, selectively, in other North American countries and in Europe, with the ability to consider investments focused on other geographic markets;
- investing primarily in established, stable, enterprises with positive cash flow, strong competitive positioning in their industries, experienced management teams, and diverse customer and supplier bases; and
- maintaining rigorous portfolio monitoring in an attempt to anticipate and pre-empt negative credit events within the Client's portfolio.

As part of the opportunistic credit strategy that Kennedy Lewis manages through its family of opportunistic private credit funds, Kennedy Lewis regularly sources loans that are appropriate for the Client's investment strategy. These loans are generally first lien instruments in performing companies with return characteristics that the Adviser believes are appropriate for the Client to meet its investment objectives. These are loans that flow from Kennedy Lewis' existing deal origination efforts across a range of industries and corners of the market that exhibit uncorrelated or counter-cyclical characteristics.

In addition to investing in self-originated instruments, the Client invests in broadly syndicated senior secured loans. The Adviser expects to generate returns for the Client primarily from both current income – generally derived from interest income and fees – and, to a lesser extent, capital appreciation, which collectively contribute to the Client's expected total investment return.

Most of the debt instruments the Client invests in are unrated or rated below investment grade, which is often an indication of size, credit worthiness, and speculative nature relative to the capacity of the borrower to pay interest and principal. Generally, if the Client's unrated investments were rated, they would be rated below investment grade. These securities, which are often referred to as "junk" or "high yield", have predominantly speculative characteristics with

respect to the issuer's capacity to pay interest and repay principal. They may also be difficult to value and are illiquid.

The Adviser also considers environmental, social, and governance ("ESG") factors in the investment decision making process, in accordance with the Adviser's ESG policy, including a negative screen for certain industries as well as an analysis of the likelihood of material ESG-related risk based on the industry and industry subsector of the potential portfolio company, with further diligence and analysis based on this categorization as well as other factors identified during diligence.

This strategy involves substantial risks that should be considered carefully. Certain risk factors that may be considered applicable to the strategy are outlined below. Additional risk factors are outlined in the Governing Documents for the Client. It should be noted, however, that there may be other risk factors applicable that are not identified but that might still result in material losses. Although the Adviser may attempt to manage these risks through careful research, ongoing monitoring of investments, and appropriate hedging techniques, there can be no assurance that the securities and other instruments purchased which are the focus of its strategies will increase in value or that the Client will not incur significant losses.

RISKS RELATING TO THE BUSINESS STRUCTURE

Importance of Kennedy Lewis; Reliance on Key Personnel. The authority to make decisions and exercise business discretion on behalf of the Client is delegated to the Adviser. The success of the Client is therefore expected to significantly depend on the diligence, skill, and network of key personnel, who are business contacts of the senior investment professionals of Kennedy Lewis. The loss of any key personnel may limit the Client's ability to achieve its investment objectives and operate its business. This could have a material and adverse effect on the financial condition, results of operations, and cash flows of the Client and the Adviser.

Dependence on Strong Referral Relationship. The Adviser's business model depends to a significant extent upon strong referral relationships. Any inability of the Kennedy Lewis personnel to maintain or develop these relationships, or the failure of these relationships to generate investment opportunities, could adversely affect the Adviser's business.

Dependence on Information Systems. The Client's business is highly dependent on the communications and information systems of the Adviser. In addition, certain of these systems are provided to the Adviser by third-party service providers. Any failure or interruption of such systems, including as a result of the termination of an agreement with any such third-party service provider, could cause delays or other problems in the Client's activities. This, in turn, could have a material adverse effect on the Client's operating results and negatively affect the Client.

Conflicts of Interest. Kennedy Lewis personnel serve, or may serve, as officers, directors, members, or principals of entities that operate in the same or a related line of business as the Client. Similarly, Kennedy Lewis has other clients with similar, different, or competing investment objectives. In serving these multiple capacities, they may have obligations to other clients or investors in those entities, the fulfillment of which may not be in the best interests of the Client or

its investors. There may be times when the Adviser or its personnel have interests that differ from those of the Client's investors, giving rise to a conflict of interest. While the Adviser will endeavor to handle these investment and other decisions in a fair and equitable manner, the Client and its investors could be adversely affected by these decisions.

Inside Information; Substantial Positions. Kennedy Lewis personnel may receive material non-public information about or relating to issuers of securities in which the Client invests or proposes to invest. Under various securities laws (or the Adviser's internal policies), this could restrict the Adviser's ability to cause the Client to purchase or sell securities of a company for substantial periods when doing so may have an adverse effect on the Client.

BDC. Regulations governing the Client's operation as a BDC affect its ability to, and the way in which it, raises additional capital. As a BDC, the necessity of raising additional capital may expose the Client to risks, including the typical risks associated with leverage. The Client may issue debt securities or preferred stock and/or borrow money from banks or other financial institutions, which the Client refers to collectively as "senior securities," up to the maximum amount permitted by the 1940 Act. Under the provisions of the 1940 Act, the Client is permitted as a BDC that has satisfied certain requirements to issue senior securities in amounts such that its asset coverage ratio, as defined in the 1940 Act, equals at least 150.0% of its gross assets less all liabilities and indebtedness not represented by senior securities, after each issuance of senior securities. If the value of the Client's assets declines, it may be unable to satisfy this test. If that happens, the Client would not be able to borrow additional funds until it was able to comply with the 150.0% asset coverage ratio applicable to it under the 1940 Act. Also, any amounts that the Client uses to service its indebtedness would not be available for distributions to its shareholders. If the Client issues senior securities, it will be exposed to typical risks associated with leverage, including an increased risk of loss.

RISKS OF LOSS

Political and Economic Conditions. From time-to-time, capital markets may experience periods of disruption and instability. Since 2020, the U.S. capital markets have experienced extreme volatility and disruption, as evidenced by the volatility in global stock markets as a result of, among other things, uncertainty surrounding the COVID-19 pandemic, supply chain disruptions, interest rate and inflation rate environments, and the fluctuating price of commodities, such as oil. Despite actions of the U.S. federal government and foreign governments, these types of events contribute to unpredictable general economic conditions that materially and adversely impact the broader financial and credit markets and reduce the availability of debt and equity capital for the market as a whole. These conditions could continue for a prolonged period of time or worsen in the future.

Given the ongoing and dynamic nature of recent market disruption and instability, it is difficult to predict the full impact of these conditions on a Client's portfolio. The extent of any such impact will depend on future developments, which are highly uncertain, including the duration or reoccurrence of any potential business or supply chain disruption, changes in interest rates and inflation rates, the conflicts between Russia and Ukraine and Israel and Hamas, health epidemics and pandemics, and the actions taken by governments in response to these conditions.

During any such periods of market disruption and instability, companies may have limited access, if available, to alternative markets for debt and equity capital. Volatility and dislocation in the capital markets can also create a challenging environment in which to raise or access debt capital. The continuance or reappearance of market conditions similar to those experienced during portions of the last three fiscal years for any substantial length of time could make it difficult to extend the maturity of, or refinance existing, indebtedness or obtain new indebtedness with similar terms. Moreover, any failure to do so could have a material adverse effect on businesses. The debt capital that may be available in the future, if at all, may be at a higher cost and on less favorable terms and conditions.

Environmental, Social, and Governance Risk. The Client and/or the Adviser may face increasing public scrutiny related to ESG activities. A Client may risk damage to its brand and reputation if it fails to act responsibly with respect to environmental stewardship, corporate governance, and transparency and considering ESG factors in its investment processes. Adverse incidents with respect to ESG activities could impact the value of a Client's brand, the cost of its operations, and relationship with investors, all of which could adversely affect the business and result of operations. Additionally, new regulatory initiatives related to ESG could adversely affect the Client's business.

Climate Change Risk. Global climate change could impact the operations of the Client's portfolio companies. Climate change creates physical and financial risk and some of the Client's portfolio companies may be adversely affected by climate change. For example, the needs of customers of energy companies vary with weather conditions, primarily temperature and humidity. To the extent weather conditions are affected by climate change, energy use could increase or decrease depending on the duration and magnitude of any changes. Increases in the cost of energy could adversely affect the cost of operations of the Client's portfolio companies if the use of energy products or services is material to their business. A decrease in energy use due to weather changes may affect some of the Client's portfolio companies' financial condition, through decreased revenues. Extreme weather conditions in general require more system backup, adding to costs, and can contribute to increased system stresses, including service interruptions.

Legal, Regulatory, and Tax Risks. At any time, the federal income tax laws governing registered investment companies ("RICs") or the administrative interpretations of those laws or regulations may be amended. A number of tax law changes and proposals have been made in recent years, some of which include proposals to increase the corporate and individual tax rates, and impose a minimum tax on book income and profits of certain multinational corporations. Any new laws, regulations, or interpretations may take effect retroactively and could adversely affect the taxation of the Client or its investors. Therefore, changes in tax laws, regulations, or administrative interpretations or any amendments thereto could diminish the value of an investment in the Client's portfolios or the value or the resale potential of the Client's investments.

In addition, the Client and its portfolio companies are subject to regulation at the local, state, federal, and, in some cases, foreign levels. These laws and regulations, as well as their interpretation, are likely to change from time to time, and new laws and regulations will likely be enacted. Accordingly, any change in these laws or regulations, changes in their interpretation, or newly enacted laws or regulations, or any failure by the Client or its portfolio

companies to comply with these laws or regulations, could require changes to certain of the Client or its portfolio companies' business practices, negatively impact the Client or its portfolio companies' operations, cash flows, or financial condition, impose additional costs on the Client or its portfolio companies, or otherwise adversely affect the Client's business or the business of its portfolio companies. In addition to the legal, tax, and regulatory changes that are expected to occur, there may be unanticipated changes. The legal, tax, and regulatory environment for BDCs, investment advisers, and the instruments that they utilize (including derivative instruments) is continuously evolving.

Over the last several years, there also has been an increase in regulatory attention to the extension of credit outside of the traditional banking sector, raising the possibility that some portion of the non-bank financial sector will be subject to new regulation. While it cannot be known at this time whether any regulation will be implemented or what form it will take, increased regulation of non-bank credit extension could negatively impact the Client's operations, cash flows, or financial condition, impose additional costs on the Client, intensify the regulatory supervision of the Client, or otherwise adversely affect the Client's business.

Investment Strategy. The evaluation models and trading techniques used by the Adviser in implementing the Client's investment strategy may not be successful and may thereby cause the Client to incur losses on the positions that the Adviser initiates. There can be no assurance that transactions will be successful, since their success depends, in part, on the ability of the Adviser to predict future changes in market conditions, interest rates, and prices of specific securities or assets.

Due Diligence Risks. Before making an investment, the Adviser will assess the strengths and weaknesses of the originators, borrowers, assets, and the underlying investment values, as well as other factors and characteristics that are material to the performance of the potential investment. In making the assessment and otherwise conducting customary due diligence, the Adviser will rely on resources available to it and, in some cases, an investigation by third parties. There can be no assurance that the due diligence process undertaken by the Adviser will uncover all relevant facts or that any investment will be successful.

Uncertain Exit Strategies. Due to the illiquid nature of some of the Client's positions, there can be no assurance that an exit strategy for any given position anticipated by the Adviser at the time the investment is initiated will necessarily be available. Exit strategies which appear to be viable when an investment is initiated may be precluded by economic, legal, political, or other factors by the time the investment is ready to be realized.

Interest Rate Risk. In general, the value of the Client's investments with interest rate risk, such as debt securities, will move in the direction opposite to movements in interest rates. If interest rates rise, the value of such securities may decline. Debt securities have varying levels of sensitivity to changes in interest rates. Typically, the longer the maturity (i.e., the term of a debt security) or duration (i.e., a measure of the sensitivity of a debt security to changes in market interest rates, based on the entire cash flow associated with the security) of a debt security, the greater the effect a change in interest rates could have on the security's price. Thus, the Client's sensitivity to interest rate risk will increase with any increase in the Client's overall duration. Short-term securities tend to react to changes in short-term interest rates, and long-term securities tend to react to changes in

long-term interest rates. The link between interest rates and debt security prices tends to be weaker with lower-rated debt securities than with investment grade debt securities. Floating rate securities (including loans) can be less sensitive to interest rate changes. Variable interest rates may reset only periodically and may not rise or decline as much as interest rates in general. In addition, to the extent that the Client holds borrowed securities and leveraged investments, an increase in interest rates will increase the Client's borrowing costs.

Future Financing Arrangements. Substantially all of the Client's assets may be required to be pledged as collateral under the Client's future financing arrangements. If the Client defaults on its obligations under such financing arrangements, the lenders may have the right to foreclose upon and sell, or otherwise transfer, the collateral subject to their security interests. In such event, the Client may be forced to sell its investments to raise funds to repay its outstanding borrowings to avoid foreclosure and these forced sales may be at times and at prices the Client would not consider advantageous. Moreover, such deleveraging of the Client could significantly impair its ability to effectively operate its business as previously planned. As a result, the Client could be forced to curtail or cease new investment activities and lower or eliminate the dividends paid to its investors.

Uncertain Value of Investments. The Client values portfolio holdings at their fair value in accordance the Adviser's valuation policies and procedures ("Valuation Policy"). Most of the Client's portfolio investments will take the form of securities that are not publicly traded. The fair value of loans, securities, and other investments that are not publicly traded may not be readily determinable, and, in accordance with Rule 2a-5 under the 1940 Act, the Client values these investments at fair value as determined in good faith by the Adviser. Valuations of illiquid investments require judgment, are inherently uncertain, can fluctuate, and are generally based on estimates. It is possible that the Adviser's determinations of fair value will differ materially from the values that would have been used if an active market for such investments existed. If the Adviser's determinations regarding the fair value of such investments are materially higher than the values that are ultimately realized upon the sale of such investments, the returns to Client would be adversely affected.

Cybersecurity Risks. The Adviser's business is highly dependent on its communications and information systems. Any failure, interruption, or unauthorized access to these systems, as well as the occurrence of events unanticipated in the Client's disaster recovery systems and management continuity planning could cause delays or other problems in the Adviser's securities trading activities, which could have a material adverse effect on the Client. System breaches in particular are evolving and include, but are not limited to, malicious software, attempts to gain unauthorized access to data, and other electronic security breaches that could result in disruptions of the Adviser's communications and information systems, unauthorized release of confidential or proprietary information, and damage or corruption of data. These events could lead to higher operating costs from remedial actions, loss of business and potential liability.

RISKS ASSOCIATED WITH TYPES OF SECURITIES THAT ARE PRIMARILY RECOMMENDED

Fixed Income Securities. The Client will invest in notes, bonds, or other fixed income securities, which may include, without limitation, notes, bonds and debentures issued by corporations,

government issued or guaranteed debt securities, commercial paper, and “higher-yielding” (including non-investment grade) and, therefore, higher risk debt securities. The Client will therefore be subject to credit, liquidity, and interest rate risks.

Generally, the value of fixed income securities will change inversely with changes in interest rates. As interest rates rise, the market value of fixed income securities tends to decrease. Conversely, as interest rates fall, the market value of fixed income securities tends to increase. This risk will be greater for long-term securities than for short-term securities. The Adviser may attempt to minimize the exposure of the portfolios to interest rate changes through the use of interest rate swaps, interest rate futures, and/or interest rate options. However, there can be no guarantee that the Adviser will be successful in fully mitigating the impact of interest rate changes.

Higher-yielding debt securities are generally unsecured and may be subordinated to certain other outstanding securities and obligations of the issuer, which may be secured on substantially all of the issuer’s assets. The lower rating of debt obligations in the higher-yielding sector reflects a greater probability that adverse changes in the financial condition of the issuer or in general economic conditions or both may impair the ability of the issuer to make payments of principal and interest. Non-investment grade debt securities may not be protected by financial covenants or limitations on additional indebtedness. In addition, evaluating credit risk for debt securities involves uncertainty because credit rating agencies throughout the world have different standards, making comparison across countries difficult. Also, the market for credit spreads is often inefficient and illiquid, making it difficult to accurately calculate discounting spreads for valuing financial instruments. It is likely that a major economic recession could disrupt severely the market for such securities and may have an adverse impact on the value of such securities. In addition, it is likely that any such economic downturn could adversely affect the ability of the issuers of such securities to repay principal and pay interest thereon and increase the incidence of default for such securities.

Bank Loans. The Client invests in loans and participations therein originated by banks and other financial institutions. These investments may include highly leveraged loans to borrowers whose credit is rated below investment grade. Such loans are typically private corporate loans that are negotiated by one or more commercial banks or financial institutions and syndicated among a group of commercial banks and financial institutions. In order to induce the lenders to extend credit and to offer a favorable interest rate, the borrower often provides the lenders with extensive information about its business that is not generally available to the public. To the extent that the Client obtains such information and it is material and non-public, the Client will be unable to trade in the securities of the borrower until the information is disclosed to the public or otherwise ceases to be material, non-public information.

The Client may acquire interests in bank loans and other debt obligations either directly (by way of sale or assignment) or indirectly (by way of participation). The purchaser of an assignment typically succeeds to all the rights and obligations of the assigning institution and becomes a lender under the credit agreement with respect to the debt obligation; however, its rights can be more restricted than those of the assigning institution. A participation interest in a portion of a debt obligation typically results in a contractual relationship with only the institution acting as a lender under the credit agreement, not with the borrower. As a holder of a participation interest, the Client generally will have no right to exercise the rights of the lender under the credit agreement,

including the right to enforce compliance by the borrower with the terms of the loan agreement, approve amendments or waivers of terms, nor will the Client have any rights of set-off against the borrower, and the Client may not directly benefit from the collateral supporting the debt obligation in which the Client has purchased the participation. As a result, the Client will be exposed to the credit risk of both the borrower and the institution selling the participation.

Investments in Structured Products. The Client may invest in securities backed by, or representing interests in, certain underlying instruments or assets (“structured products”), including for example securities issued by collateralized loan obligations, collateralized debt obligations, collateralized bond obligations, or similar instruments. The cash flow on the underlying instruments or assets may be apportioned among the structured products to create securities with different investment characteristics such as varying maturities, payment priorities, and interest rate provisions, and the extent of the payments made with respect to the structured products is dependent on the extent of the cash flow on the underlying instruments. The performance of structured products will be affected by a variety of factors, including the availability of any credit enhancement, the level and timing of payments, and recoveries on and the characteristics of the underlying receivables, loans, or other assets that are being securitized, remoteness of those assets from the originator or transferor, the adequacy of and ability to realize upon any related collateral, and the capability of the servicer of the securitized assets. Structured products are typically sold in private placement transactions, and investments in structured products may therefore be illiquid in nature, with no readily available secondary market. Because certain structured products of the type in which the Client may invest may involve no credit enhancement, the credit risk of those structured products generally would be equivalent to that of the underlying instruments. The Client may invest in a class of structured products that is either subordinated or unsubordinated to the right of payment of another class. Subordinated structured products typically have higher yields and present greater risks than unsubordinated structured products.

Additionally, the yield to maturity of a tranche may be extremely sensitive to the rate of defaults in the underlying reference portfolio. A rapid change in the rate of defaults may have a material adverse effect on the yield to maturity. It is therefore possible that the Client may incur losses on its investments in structured products regardless of their original credit profile. Finally, the securities in which the Client is authorized to invest includes securities that are subject to legal or contractual restrictions on their resale or for which there is a relatively inactive trading market. Securities subject to resale restrictions may sell at a price lower than similar securities that are not subject to such restrictions.

Item 9. Disciplinary Information

This Item is not applicable.

Item 10. Other Financial Industry Activities and Affiliations

The advisers listed below are affiliated advisers (“Affiliated Advisers”) of the Adviser:

- Generate Advisors, LLC (“Generate”), an investment adviser that manages CLO assets. Generate and the Adviser are under common control and share the same physical location and certain supervised persons.
- Kennedy Lewis Advisors (Switzerland) SARL, a relying investment adviser of Kennedy Lewis Management that is based in Geneva, Switzerland. Kennedy Lewis Advisors (Switzerland) SARL and the Adviser are under common control and share certain supervised persons.
- Kennedy Lewis Management, which serves as investment adviser to the Kennedy Lewis Capital Partners Master Fund LP; Kennedy Lewis Capital Partners Master Fund II LP; Kennedy Lewis Capital Partners Master Fund III LP, their Delaware onshore feeders, and their Cayman Islands offshore feeder and intermediate funds, as well as certain parallel and co-investment funds. Kennedy Lewis Management and the Adviser are under common control and share the same physical location and certain supervised persons.
- Kennedy Lewis Residential Property Income Advisers LLC is a relying adviser of Kennedy Lewis Management, and it serves as the investment adviser to Kennedy Lewis Residential Property Income Company LP. Kennedy Lewis Residential Property Income Advisers LLC and the Adviser are under common control and share the same physical location and certain supervised persons.

Pooled investment vehicles managed by Petershill at Goldman Sachs Asset Management hold a minority passive interest in the parent of the Adviser, Kennedy Lewis Investment Management, and certain affiliated entities.

Conflicts of Interest.

There are numerous perceived and actual conflicts of interest among and between the Adviser, the Affiliated Advisers, its affiliates, the Client and Affiliated Adviser clients. The conflicts of interest that may be relevant to the Client include those discussed below, although such discussion does not describe all of the conflicts that may be faced by the Adviser. Dealing with conflicts is complex and difficult, and new and different types of conflicts are likely to subsequently arise.

Investments in the Same Portfolio Company.

The Client or Affiliated Adviser client may, from time to time, make an investment in a portfolio company in which another client has previously invested, or subsequently invests, in a different part of the portfolio company capital structure and vice versa. For example, one client could make a loan to a portfolio company, or otherwise invest in a senior security of a portfolio company, where another client has already invested in the equity of the portfolio company or subsequently does so. In making an investment from a client in a portfolio company in which another client

already holds an investment, the Adviser may be subject to a conflict of interest as the terms of the investment may have an impact on the value of the portfolio company and therefore the value of the existing investment. In addition, there may be instances where such a portfolio company may become insolvent or bankrupt and where one client's interest in the portfolio company conflicts with another's interest. If one client holds an interest in a portfolio company with rights, preferences, and privileges that are different than those held by another client in the same portfolio company, the Adviser could be presented with decisions when the interests of the clients are in conflict. It is possible that, in a bankruptcy proceeding, out-of-court restructuring, or other corporate action, one client's interest ends up subordinated or otherwise adversely affected by virtue of another client's investment and actions relating to its investment. Similar conflicts can arise in determining the terms of investments or if or when to exercise rights associated with investments. Decisions about what action should be taken in a troubled situation, including whether or not to enforce claims, whether or not to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any work-out or restructuring raise conflicts of interest. If additional capital is necessary as a result of financial or other difficulties, or to finance growth or other opportunities, a client that invested in the portfolio company may not be in a position to make a further investment due to where it is in its life cycle or for some other reason. Another client may or may not provide the additional capital, and if provided such client will supply the additional capital in such amounts, if any, as determined by the Adviser. The Adviser's incentives with respect to the clients in those cases may differ and even conflict.

Transactions with Affiliates.

From time to time, the Adviser or an Affiliated Adviser may determine that a sale of positions from one client or Affiliated Adviser client to another is in the best interests of both accounts. For example, an affiliate may acquire an investment from an unrelated seller or borrower in anticipation of offering it to an Adviser-sponsored vehicle or account at a future date if such vehicle or account does not have available capital to make the investment when it is being marketed by the unrelated seller. While these transactions with related parties may expand the universe of opportunities that is available to the clients, the clients will not necessarily derive a benefit from each such transaction, and the client and the other party to a particular transaction may have divergent interests. Moreover, there may be uncertainties regarding the valuation of investments that are subject to these transactions. In situations involving transactions with affiliates, or otherwise where required by applicable law, client consent may be required.

Conflicts Relating to Relationships of the Affiliated Parties.

The Adviser, its affiliates, and their respective partners, officers, principals, and employees (collectively, the "Affiliated Parties") generally, in their discretion, may contract with any related person of the Affiliated Parties (including but not limited to a portfolio company of the Client or another client account) to perform services for the Affiliated Parties in connection with its provision of services to the Client or another client account. When engaging a related person to provide such services, the Affiliated Parties will have an incentive to recommend the related person in an effort to financially benefit, even if another person is more qualified to provide the applicable services and/or can provide such services at a lesser cost.

The Affiliated Parties will from time to time, in their discretion, recommend to the Client or to a portfolio company thereof (in response to a solicitation for a recommendation or otherwise) that it contract for services with: (i) an Affiliated Party or a related person of an Affiliated Party (including but not limited to a portfolio company); or (ii) an entity with which an Affiliated Party or a member of their personnel has a relationship or from which an Affiliated Party or their personnel otherwise derives financial or other benefit. When making such a recommendation, an Affiliated Party, because of their financial or other business interest, may have an incentive to recommend the related or other person even if another person is more qualified to provide the applicable services and/or can provide such services at a lesser cost.

In this regard, Kennedy Lewis employs one affiliate to provide specialized servicing for certain portfolio investments of the firm's clients. In order to mitigate this conflict, the servicer will not operate as a profit center.

In addition portfolio companies in which a client has invested from time to time provide services to Kennedy Lewis, certain client investors, or prospective investors. This creates a conflict of interest, as Kennedy Lewis has an incentive to cause such a portfolio company to favor Kennedy Lewis relative to other portfolio company clients or customers in terms of pricing, access or otherwise, which could adversely affect the portfolio company's profitability to Kennedy Lewis's clients.

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

The Adviser has adopted and implemented a code of ethics (the “Code of Ethics”) pursuant to Rule 204A-1 under the Investment Advisers Act of 1940, as amended (the “Advisers Act”), which requires the Adviser and its employees to put the interests of the Client and any other Kennedy Lewis clients before their own interests and to act honestly and fairly in all respects to the Client and any other dealings with Kennedy Lewis clients. The Code of Ethics also requires all employees to comply with applicable federal securities laws.

The Code of Ethics describes rules surrounding personal securities transactions and applies to all the Adviser’s employees and to any other person who is deemed to be an “access person” (all such employees and other persons are referred to as “access persons”). Access persons are required to report certain personal securities transactions and holdings. Those personal securities transactions may raise potential conflicts with the interests of the Adviser’s clients. To mitigate potential conflicts of interest, the Adviser requires its access persons to pre-clear their personal transactions in any investments involving initial public offerings, private placements, as well as other “reportable securities” as defined in Rule 204A-1 under the Advisers Act. Kennedy Lewis, however, allows its access persons to trade exchange traded clients and exchange traded notes, as well as other securities that are not “reportable securities” without a prior written approval.

The Code of Ethics also provides guidance for the Adviser’s employees regarding: (i) engaging in activities outside of the Adviser’s business; (ii) documenting close personal or family relationships; and (iii) giving and receiving business related gifts and providing and receiving entertainment.

A copy of the Code of Ethics may be obtained by contacting the Chief Compliance Officer whose contact information is set forth on the cover of this Brochure.

Transaction in Securities where the Adviser has a Material Financial Interest.

The Adviser and its affiliates, as well as certain of the Adviser’s employees may, and currently do, invest in Kennedy Lewis clients, and, accordingly, will share any profits and losses generated by the clients’ investments. Furthermore, in certain situations, related persons of the Adviser may purchase interests in the same investments held by Kennedy Lewis clients, subject to pre-clearance and other Code of Ethics requirements. Conflicts of interest may arise if the Adviser or its employees recommend a particular transaction because of a financial interest held by any such person in such securities or interests. Such investments pose a risk that the Adviser will favor one or more of the Kennedy Lewis clients in which an investment is maintained.

Insider Trading Policy.

The Adviser, its Affiliate Advisers, or their respective related persons, in the course of their investment management and other activities, may come into possession of confidential or material nonpublic information about issuers, including issuers in which the Adviser, its affiliates, or their respective related persons have invested or seek to invest on behalf of the Client or other clients.

The Adviser is prohibited from improperly disclosing or using such information for its own benefit or for the benefit of any other person, regardless of whether such other person is the Client. The Adviser maintains and enforces written policies and procedures that prohibit the communication of such information to persons who do not have a legitimate need to know such information and to assure that the Adviser is meeting its obligations to the Client and remains in compliance with applicable law. In certain circumstances, the Adviser may possess certain confidential or material, nonpublic information that, if disclosed, might be material to a decision to buy, sell, or hold a security or financial instrument, but the Adviser will be prohibited from communicating such information to the Client or using such information for the Client's benefit. In such circumstances, the Adviser will have no responsibility or liability to the Client for not disclosing such information to the Client (or the fact that the Adviser possesses such information), or not using such information for the Client's benefit, as a result of following its policies and procedures designed to provide reasonable assurances that it is complying with applicable law.

Item 12. Brokerage Practices

Since the Client generally acquires and disposes of its investments in privately negotiated transactions, the Client infrequently uses brokers in the normal course of its business. The Adviser is primarily responsible for the execution of any publicly traded securities portfolio transactions and the allocation of brokerage commissions. The Adviser does not expect to execute transactions through any particular broker or dealer, but seeks to obtain the best net results for the Client, taking into account such factors as price (including the applicable brokerage commission or dealer spread), size of order, difficulty of execution, and operational facilities of the firm and the firm's risk and skill in positioning blocks of securities. While the Adviser generally seeks reasonably competitive trade execution costs, the Client will not necessarily pay the lowest spread or commission available. Subject to applicable legal requirements, the Adviser may select a broker based partly on brokerage or research services provided to it and the Client and any other clients. In return for such services, the Client may pay a higher commission than other brokers would charge if the Adviser determines in good faith that such commission is reasonable in relation to the services provided.

If, in the future, more than one client purchases or sells the same security, such orders will generally be aggregated in a single transaction unless the Adviser determines that aggregation is not the best interests of the relevant clients.

Item 13. Review of Accounts

Positions held by the Client will be continuously monitored and reviewed by the investment advisory personnel of the Adviser and will be subject to regular reviews in the context of the Client's stated investment objectives and guidelines. Additional reviews may be triggered by material changes in variables such as the Client's or individual circumstances, or the market, political, or economic environment.

Client Governing Documents will also specify the Adviser's reporting requirements. The Adviser has developed policies and procedures and appropriate systems and controls to ensure that it is able to meet the specific reporting requirements described in each Client Governing Document.

Item 14. Client Referrals and Other Compensation

The Adviser compensates third-party solicitors and other promoters to assist with distribution of the Client. The Adviser arrangements with third-party solicitors and other promoters vary. Any compensation paid pursuant to these arrangements creates an incentive for the third-party solicitor or other promoter to recommend the Adviser, resulting in a material conflict of interest.

Item 15. **Custody**

The Adviser does not have custody of the client's assets.

Item 16. Investment Discretion

The Adviser has discretionary authority to manage securities on behalf of the Client.

As investment adviser to the Client, the Adviser has been granted the discretionary authority in the relevant Governing Documents to determine which securities, and what quantities of such securities, are to be bought or sold, as well as the broker-dealer to be used and the commission rates to be paid, if any.

The Adviser and its affiliates have adopted and implemented policies and procedures relating to the allocation of investment opportunities between and among the Client and clients of the Adviser's affiliates. As mentioned above, the Adviser is required to provide fair and equitable treatment to the Client and any other client account which shares similar investment mandates and guidelines. However, because of differences in account size, account ramp-up or liquidation status, cash considerations, tax restrictions, regulatory restrictions, specific investment guidelines, liquidity, and other considerations, it is expected that the Client may not necessarily participate in, or will receive, a pro rata share of every investment opportunity.

The Adviser has obtained an exemptive order from the SEC that permits the Client, among other things, to co-invest with certain other persons, including certain affiliates of the Adviser and certain funds managed and controlled by the Adviser and its affiliates, subject to certain terms and conditions (the "Order"). Pursuant to the Order, the Client's board of trustees has established objective criteria ("Board Criteria") clearly defining co-investment opportunities in which the Client will have the opportunity to participate with other public or private Kennedy Lewis funds that target similar assets. If an investment falls within the Board Criteria, Kennedy Lewis must offer an opportunity for the Client to participate. The Client may determine to participate or not to participate, depending on whether the Adviser determines that the investment is appropriate for the Client (e.g., based on investment strategy). The co-investment would generally be allocated to the Client and the other Kennedy Lewis funds that target similar assets pro rata based on available capital in the asset class being allocated. If the Adviser determines that such investment is not appropriate for the Client, the investment will not be allocated to the Client, but the Adviser will be required to report such investment and the rationale for its determination for the Client to not participate in the investment to the Board at the next quarterly board meeting.

Item 17. Voting Client Securities

In accordance with its fiduciary duty to clients and Rule 206(4)-6 under the Advisers Act, the Adviser has adopted and implemented written policies and procedures governing the voting of client securities. All proxies that the Adviser receives will be treated in accordance with these policies and procedures.

Proxies must be voted with diligence, care, and loyalty. The Adviser votes each proxy in accordance with its fiduciary duty to its Client and Affiliated Adviser clients. The Adviser seeks to vote proxies in a way that maximizes the value of Client assets. Each proxy vote is ultimately cast on a case-by-case basis, as the Adviser considers the contractual obligations under Governing Documents and investment management agreements, and all other relevant facts and circumstances at the time of the vote.

The Adviser will abstain from voting or affirmatively decide not to vote if the Adviser determines that abstention or not voting is in the best interests of the Client. In making this determination, the Adviser will consider various factors, including, but not limited to: (i) the costs associated with exercising the proxy (e.g., translation or travel costs); and (ii) any legal restrictions on trading resulting from the exercise of a proxy.

If a material conflict of interest between the Adviser and the Client exists, the Adviser will determine whether voting in accordance with the guidelines set forth in its proxy voting policies and procedures is in the best interests of a Client or take some other appropriate action.

The Client may obtain a copy of the Adviser's proxy voting policies and procedures and information about how the Adviser voted a client's proxies by contacting submitting a request to the Chief Compliance Officer, whose contact information can be found on the cover page of this brochure.

Item 18. Financial Information

This Item is not applicable.