

Item 1
Cover Page

Kize Capital LP
Form ADV Part 2A
Firm Brochure

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March 28, 2024

This brochure (this “*Brochure*”) provides information about the qualifications and business practices of Kize Capital LP. If you have any questions about the contents of this Brochure, please contact Jacqueline Walsh, Chief Compliance Officer, by email at compliance@kizecapital.com.

The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“*SEC*”) or by any state securities authority.

Kize Capital LP is registered as an investment adviser with the SEC. Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about Kize Capital LP and its affiliates is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2

Material Changes

Kize Capital LP (“*Kize*” or the “*Firm*”) is required to identify and discuss any material changes made to this Brochure since the last annual update (which was made in March 2023). Since the annual Brochure update, Kize notes the following changes, some of which may be considered material:

- Item 10 and Item 13 have been updated to reflect certain changes with respect to Kize’s Strategic Investor (as reflected in the November 17, 2023 update).
- In February 2024, Kize’s principal office and place of business changed to:
 - 333 Hudson Street, Suite 301, New York, NY 10013
- Clarifications of certain risk factors in Item 8.
- Item 14 has been updated to reflect the fact that Kize has engaged a placement agent to solicit or refer potential Investors into the Kize Partners Funds.

Kize recommends that you read this Brochure in its entirety. If Kize makes any material changes to this Brochure, this item will be revised to include a summary of such changes.

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Item 4

Advisory Business

A. General Description of Advisory Firm

Kize, a Delaware limited partnership formed on July 9, 2019 and registered with the SEC since December 2019, is an investment adviser to private fund clients and qualified managed accounts. Kize was founded by Daniel Moss, CEO and Portfolio Manager. The general partner of Kize is Kize Capital GP LLC, a Delaware limited liability company. Mr. Moss, as the managing member of Kize Capital GP LLC, controls Kize and has ultimate responsibility for all management, operations and investment decisions.

Kize has its principal place of business in New York, New York.

B. Description of Advisory Services

Kize provides investment advisory services on a discretionary basis to the following private fund clients: Kize Partners LP, Kize Partners Offshore LP, and Kize Partners Intermediate LP, which invest, directly or indirectly, substantially all of their assets in Kize Partners Master LP (collectively, the “*Kize Partners Funds*”).

Kize also provides advisory services to a separately managed account (the “*SMA*”) and to Kize Partners II Feeder LLC, a dedicated, non-commingled investment vehicle that invests, directly or indirectly, in Kize Partners II Investments LP (the “*Fund of One*” and together with the Kize Partners Funds, the “*Fund Clients*”).

References throughout this document to “*Clients*” refer to the Kize Partners Funds, the Fund of One and the SMA and to any other private funds, separately managed accounts, and similar investment vehicles Kize may advise in the future.

In providing advisory services, Kize pursues a value-oriented investment strategy, taking long and short positions in public and private securities across the corporate capital structure. As part of its investment program, Kize may establish special investments for certain investments that it determines to be illiquid (each, a “*Special Investment*”). Special Investments are expected to include, but are not limited to, private equity, private fixed income assets, real estate, and illiquid public debt and equity securities. If Kize determines that an investment opportunity will be deemed a Special Investment, allocations of such investment opportunity will generally be made to Clients based on the participation elections made by the investors in such Clients.

The SMA and the Fund of One hold certain legacy illiquid investments. Neither the SMA nor the Fund of One will make new investments and will distribute proceeds once the assets held in each respective vehicle are realized.

Please see “*Item 8: Methods of Analysis, Investment Strategies, and Risk of Loss*” for a description of the Kize’s investment strategies and certain related risks.

Kize has established, and may establish in the future, a real estate investment trust, used to facilitate the acquisition of an investment on behalf of its Clients. Such vehicle does not itself receive investment advice from Kize and is not considered a separate client of Kize.

The securities of Fund Clients are offered and sold on a private placement basis under exemptions promulgated under the Securities Act of 1933, as amended, and other exemptions of similar import under U.S. state laws and the laws of other jurisdictions where any offering may be made. Investors in the Fund Clients must meet the qualifications set forth in the applicable offering documents. Persons reviewing this Brochure should not construe this as an offer to sell or solicitation of an offer to buy the securities of any of the Fund Clients described herein. Any such offer or solicitation will be made only by means of a confidential private placement memorandum.

C. Tailored Advisory Services for Clients

Kize manages assets in accordance with the stated investment objectives of each Client, as described in any relevant investment management agreement or similar agreement (an “*IMA*”) or in an offering memorandum or a Client’s organizational documents (together with the IMA and the offering memorandum, the “*Offering Documents*”). Investment advice is provided directly to Clients and not individually to the investors in Clients (the “*Investors*”). In the case of the SMA, Kize manages those assets in accordance with the stated investment objectives of the SMA’s IMA.

D. Wrap Fee Programs

Kize does not currently participate in wrap fee programs.

E. Assets Under Management

Kize manages, all on a discretionary basis, approximately \$331,548,000 of Client regulatory assets under management. This figure for regulatory assets under management was determined as of December 31, 2023.

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Fees and Compensation

A. Advisory Services and Fees

Kize, either directly or indirectly through affiliated entities, receives management and performance-based incentive fees or allocations in connection with the management of the Clients. The fees and/or allocations applicable to each Client are set forth in detail in each Client's Offering Documents and/or the applicable IMA.

A brief summary of such fees and allocations for the Fund Clients is provided below.

Management Fee

Fund Client Investors generally are charged an investment management fee of 1.25% per annum (the "*Management Fee*"). The Management Fee is based upon the Investor's net asset value as of the beginning of the fiscal quarter. The Management Fee charged on Special Investments is based on the lower of initial cost or fair value.

Incentive Allocation

At the end of each fiscal year, Kize, through its affiliated entities, will be entitled to receive an incentive allocation based on investment performance of the Fund Clients (the "*Incentive Allocation*") generally in an amount between 17.5% and 20% of realized and unrealized gains for the year (excluding unrealized gains on Special Investments) above one or more fixed or variable benchmark amounts, subject to the recovery of underperformance amounts from prior years. The Incentive Allocation for Special Investments is calculated upon the realization of such investments.

In the sole discretion of Kize and its affiliated entities, the Management Fee and Incentive Allocation described above may be waived, reduced or calculated differently with respect to any Fund Client Investor, including, without limitation, Kize-related Investors.

In addition, Kize occasionally enters into side letter arrangements with certain Investors in which Kize grants such Investors different or additional terms. These terms include, but are not limited to, different and more favorable Incentive Allocation rates and information rights.

Kize also charges the SMA a management fee and incentive fee based on the value and performance of the assets in such account, determined in accordance with the applicable IMA.

B. Payment of Fees

Management fees are paid quarterly in advance. Incentive fees or allocations are paid in arrears as set forth in a Client's Offering Documents and/or IMA.

C. Additional Expenses

The fees described above are exclusive of other expenses associated with the provision of investment advisory services that are paid by Clients. Unless stated otherwise in a Client's Offering Documents and/or IMA, each Client generally bears all of its own expenses, including but not limited to expenses related to its operations and the investment of its assets.

Each Client shall bear those expenses as set forth in the applicable Offering Documents and/or IMA, as amended from time to time, including but not limited to some or all of the following: (i) expenses related to the research, due diligence, financing, monitoring and disposition of actual and prospective investments, whether or not such investment is consummated, including, without limitation, the following: third-party investment sourcing fees (including, without limitation, performance-based fees); fees and expenses related to obtaining research and market data (including, without limitation, any information technology hardware, software or other technology incorporated into the cost of obtaining such research and market data, and including fees and expenses related to obtaining, processing and analyzing research or market data); due diligence expenses including, without limitation, consulting and appraisal fees; travel expenses; brokerage, prime brokerage and futures commission merchant fees, commissions and expenses; expenses relating to block trades; expenses relating to short sales; clearing and settlement charges; custodial fees and expenses; bank service fees; interest expenses and fees related to financings or refinancings; fees and expenses of proxy research and voting and class action-related services; fees and expenses of third-party professionals, including without limitation, consultants, investment bankers, attorneys and accountants; (ii) organizational and reorganizational expenses; (iii) the Clients' direct or indirect *pro rata* share of any compensation payable in connection with the management of any Special Investment by an unaffiliated third party or management team, which may include both asset-based fees and performance-based fees or allocations (which, for the avoidance of doubt, will not offset the Management Fee or Incentive Allocation); (iv) fees and expenses relating to information technology hardware, software or other technology (including, without limitation, costs of software licensing, implementation, data management and recovery services and custom development) used to research investments, evaluate and manage risk, facilitate valuations and/or facilitate compliance with the rules of any self-regulatory organization or applicable law (including, without limitation, reporting obligations), facilitate and manage the order execution of investments or otherwise manage Clients or any trading subsidiary or special purpose vehicle such as Bloomberg terminals, portfolio management systems, risk management systems and order management systems; and fees and expenses of third-party risk management products, models and services; (v) fees and expenses of third-party professionals, including, without limitation, consultants, investment bankers, valuation service providers, attorneys, accountants and third-party administrative fees and expenses and including, without limitation, the costs of engaging or appointing a Money Laundering Reporting Officer, a Deputy Money Laundering Reporting Officer and an Anti-Money Laundering Compliance Officer; (vi) the costs of any litigation or investigation involving activities of the Clients or any trading subsidiary or special purpose vehicle; (vii) taxes and third-party audit and tax preparation expenses; (viii) insurance expenses, including, without limitation, premiums for cybersecurity insurance and liability insurance covering Kize and its affiliates; (ix) costs of preparing and distributing reports and notices (including, without limitation, all costs incurred to audit such reports, provide access

to a database or other internet forum and any other operational, legal, secretarial or postage expenses associated with distribution of the same); (x) expenses incurred in connection with negotiating and complying with provisions of any side letters and expenses incurred in connection with any transfers of interests or an Investor's admission or withdrawal, unless otherwise charged to or borne by the applicable transferee or Investor; (xi) fees and expenses related to compliance with the rules of any self-regulatory organization or applicable law in connection with the activities of the Clients or any trading subsidiary or special purpose vehicle, including, without limitation, any governmental, regulatory, licensing, filing or registration fees or taxes (including, without limitation, fees and expenses incurred in connection with the preparation and filing of Form PF, Section 13 filings, Section 16 filings and other similar regulatory filings); (xii) expenses incurred in connection with the offering and sale of the interests and other similar expenses related to the Clients (excluding fees payable to any placement agent); (xiii) expenses incurred in connection with any amendments, modifications, revisions or restatements to the constituent documents of the Clients or any trading subsidiary or special purpose vehicle (other than any such amendments, modifications, revisions or restatements solely to benefit Kize); and (xiv) extraordinary expenses, including, without limitation, indemnification expenses and fees and expenses incurred in connection with any tax audit by any tax authority, including, without limitation, any related administrative settlement and judicial review; and fees and expenses incurred in connection with the reorganization, dissolution, winding-up or termination of the Clients or any trading subsidiary or special purpose vehicle.

To the extent that expenses to be borne by a Client are paid by Kize and its affiliates, the Client will reimburse such parties for such expenses.

To the extent that Client expenses are attributable to multiple Clients, such amounts will be allocated in accordance with Kize's expense allocation policies, pursuant to which Kize will generally allocate such expenses *pro rata* based upon the respective net asset values of such applicable Kize Clients, the size of the investment made by each Client to which such expense relates (if applicable), or in such other manner as the Kize and/or the Fund General Partners consider fair and equitable.

D. Prepayment of Fees

Management Fees are paid quarterly in advance.

E. Additional Compensation and Conflicts of Interest

Neither Kize nor its personnel receive a brokerage commission or any other compensation attributable to the sale of securities or other investment products.

Kize may, from time to time, receive directors' fees or similar fees, payments or compensation (whether in the form of cash, options, warrants, stock or otherwise) in connection with investments made by Clients. These fees, payments, or compensation shall be credited to Clients (upon their reduction to cash, if applicable) on a pro-rata basis if other Clients have invested in the investment generating such payment, in the form of a management fee offset or as may be otherwise agreed by the Clients and Kize.

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

Kize, or its affiliates, receives performance-based fees or allocations from its Clients. Kize does not manage any clients accounts that are not subject to performance-based fees or allocations. As a result, Kize does not face certain conflicts of interest that may arise when an investment adviser accepts performance-based fees or allocations from some clients, but not from other clients.

The performance-based incentive fees or allocations paid to Kize and/or its affiliates may create an incentive for Kize to make investments that are riskier or more speculative than would be the case if a performance-based compensation arrangement were not in effect. These conflicts are disclosed in each Fund Client's Offering Documents.

Item 7

Types of Clients

Kize provides investment advisory services to the Fund Clients and the SMA, as described above. Investors may include high net worth individuals, family offices, fund of funds, endowments, foundations, trusts, charitable organizations, pension funds, corporate business entities, and other sophisticated investors.

The Kize Partners Funds typically require a minimum initial investment of \$1,000,000, subject to the discretion of Kize to accept a lower amount. Investors generally must be “*Accredited Investors*” and “*Qualified Purchasers*” (each as defined under federal securities laws).

Item 8
Method of Analysis, Investment Strategies and Risk of Loss

A. Methods of Analysis and Investment Strategies

The investment objective of the Kize Partners Funds is to generate attractive long-term returns pursuant to a long-biased, value-oriented investment strategy. Kize attempts to do so by taking long and short positions in public and private securities across the corporate capital structure at what it believes to be material discounts (or, in the case of short positions, premiums) to the conservatively estimated intrinsic value of the security while seeking to maintain a strong margin of safety and, therefore, attempting to minimize the likelihood of a permanent impairment of invested capital. Kize seeks to identify investment opportunities through a proprietary and research-intensive process that stresses independent thinking and fundamental analysis.

Kize employs a variety of investment strategies on behalf of the Kize Partners Funds that are likely to be characterized by, among other things, the following:

- Fundamental approach: Kize employs a research-intensive and proprietary analytical approach when evaluating prospective investments. An emphasis is placed on evaluating the factors that drive a business's intrinsic value such as a company's unit economics, competitive advantages, growth/reinvestment outlook, capital allocation policies and overall free cash flow profile. The research process includes, among other things, extensive review of source documents, consultation and engagement with industry experts, customers and suppliers, proprietary surveys, accounting/regulatory/legal due diligence, site visits and management meetings.
- Identifiable research advantage: Kize focuses on complex and misunderstood situations where the expectation for excess return can be clearly articulated. Such opportunities include, but are not limited to, companies and industries undergoing significant competitive transition, distress, or that are under-covered or under-followed, spin-offs, restructurings, liquidations and stocks with elevated short interest.
- Significant concentration: Kize believes that a concentrated portfolio consisting of high-conviction investments is likely to outperform a highly diversified portfolio while also allowing for a more intensive, in-depth research process.
- Flexible investment mandate: Although the investment strategy of Kize is long-biased with a focus on developed-market, publicly-traded equities, the Kize Partners Funds may invest in other assets on a global basis. At any given point in the market cycle, it may be the case that the most attractive investment opportunities will be in different geographies, industries and asset classes. Furthermore, it is expected that the Kize Partners Funds will, among other things, enter into single-name alpha shorts, invest in fixed income instruments and opportunistically make investments in both private equity and credit (subject to an Investor's Special Investment election). The Kize Partners Funds may also enter into

fundamental hedges to limit the economic exposure of investments to fluctuations in interest rates, commodities, foreign exchange rates and other fundamental risks.

The investment objective of the SMA is to generate attractive long-term returns on a pre-existing portfolio of certain legacy investments; the SMA will not make new investments.

The Fund of One is no longer making new investments and will distribute proceeds once the assets it holds are realized.

B. Material, Significant or Unusual Risks Relating to Investment Strategies

The investment program that Kize pursues on behalf of its Clients is speculative and involves substantial risks. There can be no assurance that Clients will achieve their investment objectives. An investment in any Client carries with it the inherent risks associated with investments in equity securities, corporate debt, and other instruments.

Risk Factors

Prospective Investors should carefully consider the risks involved in an investment in a Client, including, but not limited to, those discussed below.

As the SMA and Fund of One hold certain illiquid investments, some (but not all) of the risks discussed below are not applicable to the SMA and/or Fund of One. For a complete explanation of all relevant investment strategies and their associated risks, prospective Investors should review the applicable Offering Documents, which may contain explanations of additional strategies and corresponding risks not discussed below.

Risks Relating to Investment Strategy

Risk of Loss. Kize has broad discretion in making investments for the Clients. Investments may be affected by, among other things, business, financial market or legal uncertainties. No guarantee or representation is made that the Clients' investment program, including, without limitation, the Clients' investment objective, diversification strategies or risk monitoring goals will be successful. Investment results may vary substantially over time. No assurance can be made that profits will be achieved or that substantial or complete losses will not be incurred. Past investment results of the investment professionals of Kize are not necessarily indicative of their future performance.

Investment in Undervalued Securities. The Clients invest in securities of companies which Kize believes to be undervalued. However, the identification of investment opportunities in undervalued securities is a difficult task, and there are no assurances that such opportunities will be successfully recognized or acquired. Furthermore, there is a risk that the securities markets may continue indefinitely to undervalue the investments made by the Clients or that such investments may fail to appreciate, as anticipated by Kize.

Contrarian Strategy. The Clients frequently invest in securities, geographies, industries and asset classes that are out of favor by other investors. There is a risk that the securities purchased may

continue indefinitely to be out of favor by other investors and, as a result, fail to appreciate as anticipated by Kize.

Fundamental Analysis. Kize employs a fundamental approach to analyzing investments. Data on which fundamental analysis relies may be inaccurate or may be generally available to other market participants. To the extent that any such data is inaccurate or that other market participants have developed, based on such data, trading strategies similar to the Clients' trading strategies, the Clients may not be able to realize their investment goals. In addition, fundamental market information is subject to interpretation. To the extent that Kize misinterprets the meaning of certain data, Clients may incur losses.

Diversification and Concentration. The portfolio of the Clients is concentrated in a limited number of positions. By concentrating investments in a small number of positions, a loss in any such position could materially reduce the performance and asset base of Clients, to the extent not offset by other gains. In addition, the Clients' portfolio(s) may become significantly concentrated in securities related to a single or a limited number of issuers, industries, sectors, strategies, countries or geographic regions. This limited diversification may result in the concentration of risk, which, in turn, could expose Clients to losses disproportionate to market movements in general if there are disproportionately greater adverse price movements in such securities.

Long-Term Strategy. The success of the Clients' long-term investment strategy depends upon Kize's ability to identify and purchase securities that are undervalued and hold such investments so as to maximize value on a long-term basis. In pursuing any long-term strategy, the Clients may forego value in the short-term or temporary investments in order to be able to avail the Clients of additional and/or longer-term opportunities in the future. Consequently, the Clients may not capture maximum available value in the short-term, which may be disadvantageous, for example, for Investors who withdraw all or a portion of their interests in a Client before such long-term value may be realized by the Clients.

Volatility. The Clients' investment program may involve the purchase and sale of relatively volatile securities and/or investments in volatile markets. This is especially true due to Kize's focus on maximizing long-term returns even if doing so may expose Clients to short-term volatility. Fluctuations or prolonged changes in the volatility of securities and/or markets can adversely affect the value of investments held by the Clients.

Short-Term Market Considerations. Although the Clients have a long-term investment horizon, Kize may at times make trading decisions on the basis of short-term market considerations.

Event-Driven Investments. The Clients may invest in securities whose performance is dependent on the occurrence of an event. The success of the Clients' event-driven investments depends upon Kize's ability to make predictions about (i) the likelihood that an event will occur and (ii) the impact such event will have on the value of a company's securities. If the event fails to occur or it does not have the effect foreseen, losses can result. For example, the adoption of new business strategies or completion of asset dispositions or debt reduction programs by a company may not be valued as highly by the market as Kize had anticipated, resulting in losses. In addition, a company may announce a plan of restructuring which promises to enhance value, but then fails to implement it,

which can result in losses to investors. In liquidations and other forms of corporate reorganization, the risk exists that the reorganization will be unsuccessful, will be delayed or will result in a distribution of cash or a new security, the value of which will be less than the purchase price paid by the Clients for the security in respect of which such distribution was made. Because of the inherently speculative nature of event-driven investing, the results of the Clients' operations may be expected to fluctuate from period to period. Accordingly, Investors should understand that the results of a particular period will not necessarily be indicative of results that may be expected in future periods.

Short-Selling. The success of the Clients' short-selling investment strategy depends upon Kize's ability to identify and sell short securities that are overvalued. A short sale creates the risk of a theoretically unlimited loss, in that the price of the underlying security could theoretically increase without limit, thus increasing the cost to the Clients of buying those securities to cover the short position. There can be no assurance that the Clients will be able to maintain the ability to borrow securities sold short. In such cases, the Clients can be "bought in" (*i.e.*, forced to repurchase securities in the open market to return to the lender). There also can be no assurance that the securities necessary to cover a short position will be available for purchase at or near prices quoted in the market. Purchasing securities to close out a short position can itself cause the price of the securities to rise further, thereby exacerbating the loss. Short strategies can also be implemented synthetically through various instruments and be used with respect to indices or in the over-the-counter market and with respect to futures and other instruments. In some cases of synthetic short sales, there is no floating supply of an underlying instrument with which to cover or close out a short position and the Clients may be entirely dependent on the willingness of over-the-counter market makers to quote prices at which the synthetic short position may be unwound. There can be no assurance that such market makers will be willing to make such quotes. Short strategies can also be implemented on a leveraged basis. Lastly, even though the Clients secure a "good borrow" of the security sold short at the time of execution, the lending institution may recall the lent security at any time, thereby forcing the Clients to purchase the security at the then-prevailing market price, which may be higher than the price at which such security was originally sold short by the Clients.

Lack of Control. The Clients may invest in debt instruments and equity securities of companies that they do not control, which the Clients may acquire through market transactions or through purchases of securities directly from the issuer or other shareholders. Such securities will be subject to the risk that the issuer may make business, financial or management decisions with which the Clients do not agree or that the majority stakeholders or the management of the issuer may take risks or otherwise act in a manner that does not serve the Clients' interests. In addition, the Clients may share control over certain investments with co-investors, which may make it more difficult for the Clients to implement its investment strategy or exit the investment when it otherwise would. The occurrence of any of the foregoing could have a material adverse effect on the Clients' investments therein.

Hedging Transactions. The Clients may utilize securities for risk management purposes in order to: (i) protect against possible changes in the market value of the Clients' respective investment portfolio resulting from fluctuations in the markets and changes in interest rates; (ii) protect the Clients' unrealized gains in the value of their investment portfolio; (iii) facilitate the sale of any securities; (iv) enhance or preserve returns, spreads or gains on any security in the Clients' respective portfolio; (v) hedge against a directional trade; (vi) hedge the interest rate, credit or currency exchange rate on any of the Clients' securities; (vii) protect against any increase in the

price of any securities the Clients anticipate purchasing at a later date; or (viii) act for any other reason that Kize deems appropriate. Clients are not required to hedge any particular risk in connection with a particular transaction or its portfolio generally. Kize may be unable to anticipate the occurrence of a particular risk and, therefore, may be unable to attempt to hedge against it. While the Clients may enter into hedging transactions to attempt to reduce risk, such transactions may result in a poorer overall performance for the Clients than if they had not engaged in any such hedging transaction. Moreover, the portfolio will always be exposed to certain risks that cannot be hedged.

Leverage and Borrowing. The Clients may employ financial leverage to buy additional long positions or borrow against the Clients' respective long portfolio in order to purchase additional long positions. There are no restrictions on the amount of such leverage. In the event that the Clients do so, the following risk factors may apply.

Leverage for Investment Purposes. The use of leverage will allow the Clients to make additional investments, thereby increasing its exposure to assets, such that its total assets may be greater than its capital. However, leverage will also magnify the volatility of changes in the value of the Clients' respective portfolios. The effect of the use of leverage by the Clients in a market that moves adversely to their investments could result in substantial losses to the Clients, which would be greater than if the Clients were not leveraged.

Borrowing for Cash Management Purposes. The Clients have the authority to borrow for cash management purposes, such as to satisfy withdrawal requests. The rates and terms on which the Clients can borrow will affect the operating results of the Clients.

Collateral. The instruments and borrowings utilized by the Clients to leverage investments may be collateralized by all or a portion of the Clients' respective portfolio. Accordingly, the Clients may pledge their securities in order to borrow or otherwise obtain leverage for investment or other purposes. Should the securities pledged to brokers to secure the Clients' margin accounts decline in value, the Clients could be subject to a "margin call", pursuant to which the Clients must either deposit additional funds or securities with the broker or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. The banks and dealers that provide financing to the Clients can apply essentially discretionary margin, "haircut", financing and collateral valuation policies. Changes by counterparties in any of the foregoing may result in large margin calls, loss of financing and forced liquidations of positions at disadvantageous prices. Lenders that provide other types of asset-based or secured financing to the Clients may have similar rights. There can be no assurance that the Clients will be able to secure or maintain adequate financing.

Costs. Borrowings will be subject to interest, transaction and other costs, and other types of leverage also involve transaction and other costs. Any such costs may or may not be recovered by the return on the Clients' respective portfolio.

Portfolio Turnover. The Clients have historically had, and in the future are expected to have, low portfolio turnover relative to many other funds and investment vehicles. As a result, the Clients may be subject to higher brokerage commissions for execution services, in order to also obtain

research and other services, than the commissions that would otherwise be payable for execution, research and other services if its trading volume was higher. Alternatively, if the portfolio turnover of the Clients were to increase, it could result in significant trading related expenses.

Risks Relating to Market Conditions Generally

General Economic and Market Conditions. The success of the Clients' activities will be affected by general economic and market conditions, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of the Clients' investments), trade barriers, currency exchange controls, and national and international political circumstances (including wars, terrorist acts or security operations). These factors may affect the level and volatility of the prices and the liquidity of the Clients' investments. Volatility or illiquidity could impair the Clients' profitability or result in losses. The Clients may maintain substantial trading positions that can be adversely affected by the level of volatility in the financial markets.

Governmental Interventions. Extreme volatility and illiquidity in markets have in the past led to, and may in the future lead to, extensive governmental interventions in equity, credit, currency and other markets. Generally, such interventions are intended to reduce volatility and precipitous drops in value. In certain cases, governments have intervened on an "emergency" basis, suddenly and substantially eliminating market participants' ability to continue to implement certain strategies or manage the risk of their outstanding positions. In addition, these interventions have typically been unclear in scope and application, resulting in uncertainty. It is impossible to predict when these restrictions will be imposed, what the interim or permanent restrictions will be and/or the effect of such restrictions on the Clients' strategies.

Potential Interest Rate Increases. The United States has experienced a sustained period of historically low interest rate levels. In recent years, however, short-term and long-term interest rates have risen. The uncertainty of the U.S. and global economy, changes in U.S. government policy and changes in the federal funds rate, increase the risk that interest rates will remain volatile in the future. Sustained future interest rate volatility may cause the value of the fixed income securities held by the Clients to decrease, which may result in substantial withdrawals from the Clients that, in turn, force the Clients to liquidate such securities at disadvantageous prices negatively impacting the performance of the Clients.

Risks Relating to the Operations and Investment Activities of the Clients

Limited Operating History. The Clients, Kize and its affiliates have a limited operating history upon which prospective Investors can evaluate their anticipated performance. The investment professionals of Kize have been using investment strategies similar to some of the investment strategies described herein for several years. However, there can be no assurance that the Clients or Kize will be successful.

Investment and Due Diligence Process. Due diligence generally entails evaluation of, among other things, important and complex business, financial, tax, accounting, environmental and legal issues. Before making investments, Kize will conduct due diligence that it deems reasonable and

appropriate based on the facts and circumstances applicable to each investment. When conducting due diligence and making an assessment regarding an investment, Kize will rely on the resources reasonably available to it. For example, outside consultants, legal advisors, accountants and other third parties may be involved in the due diligence process to varying degrees depending on the type of investment and the facts and circumstances related thereto, and Kize may rely on the advice of such parties. However, whether or not known to Kize at the time, such resources may not be sufficient, accurate, complete or reliable and due diligence may not reveal or highlight matters that could have a material adverse effect on the value of an investment. For example, there can be no assurance that Kize will be able to detect or prevent irregular accounting, employee misconduct or other fraudulent practices during the due diligence phase of an investment or during its efforts to monitor an investment on an ongoing basis.

Furthermore, Kize may select investments on the basis of information and data filed by the issuers of such securities with the SEC or made directly available to Kize by the issuers of the securities and other instruments or through sources other than the issuers. Although Kize evaluates all such information and data and seeks independent corroboration when it considers it appropriate and when it is reasonably available, Kize is not in a position to confirm the completeness, genuineness or accuracy of such information and data.

Although Kize conducts deep industry and company research prior to making any investment, at times, the investment opportunities pursued by the Clients may require rapid execution, and investment analyses and due diligence and decisions by Kize may be required to be undertaken on an expedited basis. In such cases, the information available to Kize at the time of an investment decision may be limited, and Kize may not have access to detailed information regarding the investment opportunity. Therefore, no assurance can be given that Kize will have knowledge of all circumstances that may adversely affect an investment. It frequently is difficult to obtain information as to the true condition of an issuer and Kize may rely upon the accuracy and completeness of representations made by issuers and/or their owners in the due diligence process when it makes an investment.

In countries where generally accepted accounting principles and practices differ significantly from those practiced in the United States, the evaluation of potential investments and the ability to perform due diligence may also be affected. The financial information appearing on the financial statements of a company operating in one or more non-U.S. countries may not reflect its financial position or results of operations in the way they would be reflected if the financial statements had been prepared in accordance with GAAP.

Systems and Operational Risks. The Clients depend on Kize to develop and implement appropriate systems for the Clients' activities. On a daily basis, the Clients rely heavily on financial, accounting and other data processing systems to execute, clear and settle transactions across numerous and diverse markets and to evaluate certain securities, to monitor their portfolio and capital, and to generate risk management and other reports that are critical to oversight of the Clients' activities. In addition, the Clients rely on information systems to store sensitive information about the Clients, Kize, and Investors. Certain of the Clients' and Kize's activities will be dependent upon systems operated by third parties, including prime brokers, the administrator of the Clients (the "*Administrator*"), market counterparties and other service providers, and Kize may not be in

a position to verify the risks or reliability of such third-party systems. Failures in the systems employed by Kize, prime brokers, the Administrator, counterparties, exchanges and similar clearance and settlement facilities and other parties could result in mistakes made in the confirmation or settlement of transactions, or in transactions not being properly booked, evaluated or accounted for. Disruptions in the Clients' operations may cause the Clients to suffer, among other things, financial loss, the disruption of their business, liability to third parties, regulatory intervention or reputational damage. Any of the foregoing failures or disruptions could have a material adverse effect on the Clients and Investors' investments therein.

Cybersecurity Risk. As part of its business, Kize processes, stores and transmits large amounts of electronic information, including information relating to the transactions of the Clients and personally identifiable information of Investors. Similarly, service providers of Kize and the Clients, especially the Administrator, may process, store and transmit such information. Kize has procedures and systems in place that it believes are reasonably designed to protect such information and prevent data loss and security breaches. However, such measures cannot provide absolute security. The techniques used to obtain unauthorized access to data, disable or degrade service, or sabotage systems change frequently and may be difficult to detect for long periods of time. Hardware or software acquired from third parties may contain defects in design or manufacture or other problems that could unexpectedly compromise information security. Network connected services provided by third parties to Kize may be susceptible to compromise, leading to a breach of Kize's network. Kize's systems or facilities may be susceptible to employee error or malfeasance, government surveillance, or other security threats. On-line services provided by Kize to Investors may also be susceptible to compromise. Breach of Kize's information systems may cause information relating to the transactions of the Clients and personally identifiable information of Investors to be lost or improperly accessed, used or disclosed.

The service providers of Kize and the Clients are subject to the same electronic information security threats as Kize. If a service provider fails to adopt or adhere to adequate data security policies, or in the event of a breach of its networks, information relating to the transactions of the Clients and personally identifiable information of Investors may be lost or improperly accessed, used or disclosed.

The loss or improper access, use or disclosure of Kize's or the Clients' proprietary information may cause Kize or the Clients to suffer, among other things, financial loss, the disruption of their business, liability to third parties, regulatory intervention or reputational damage. Any of the foregoing events could have a material adverse effect on the Clients and Investors' investments therein.

Use of Systems. Kize relies on the use of computer systems, hardware, software and telecommunications equipment. Kize makes use of its own equipment as well as equipment, systems and services (including so-called "cloud" based storage and other services) provided by third parties. Accordingly, the Clients are exposed to the risk that computer hardware, software, electronic equipment and other services used by Kize may cease to be available, for example, due to the insolvency of the provider, the discontinuation of services or software updates, or the interruption of communication access. In such circumstances, Kize would seek to obtain

equivalent hardware, software and services from an alternative supplier, which could take time to accomplish and which could be costly.

Counterparty Risk. Except with respect to the SMA, the Clients will establish relationships to obtain financing, derivative intermediation and prime brokerage services that permit the Clients to trade in any variety of markets or asset classes over time. However, there can be no assurance that the Clients will be able to establish or maintain such relationships. An inability to establish or maintain such relationships could limit a Client's trading activities, create losses, preclude such Client from engaging in certain transactions or prevent such Client from trading at optimal rates and terms. Moreover, a disruption in the financing, derivative intermediation and prime brokerage services provided by any such relationships could have a significant impact on a Client's business due to such Client's reliance on such counterparties. Although the Clients intend to enter into transactions only with counterparties that Kize believes to be creditworthy and Kize will proactively manage counterparty exposure in Clients, there can be no assurance that a counterparty will not default and that the Clients will not sustain a loss on a transaction as a result. The Clients are not restricted from dealing with any particular counterparty or from concentrating any or all of their transactions with one counterparty. Concentration of transactions with a limited number of counterparties could increase the potential for losses by the Clients.

The Clients may effect transactions in the "over-the-counter" ("*OTC*") derivatives markets. The stability and liquidity of OTC derivatives transactions depends in large part on the creditworthiness of the parties to the transactions. In the OTC markets, the Clients enter into a contract directly with dealer counterparties which may expose the Clients to the risk that a counterparty will not settle a transaction in accordance with its terms because of a solvency or liquidity problem with the counterparty. Delays in settlement may also result from disputes over the terms of the contract (whether or not bona fide). In addition, the Clients may have a concentrated risk in a particular counterparty, which may mean that if such counterparty were to become insolvent or have a liquidity problem, losses would be greater than if the Clients had entered into contracts with multiple counterparties. Certain OTC derivative contracts require that the Clients post collateral.

If there is a default by a counterparty, the Clients under most normal circumstances will have contractual remedies pursuant to the agreements related to the transaction. However, exercising such contractual rights may involve delays or costs which could result in the net asset value of the Clients being less than if the Clients had not entered into the transaction. Furthermore, there is a risk that any of such counterparties could become insolvent and/or the subject of insolvency proceedings. In such case, the recovery of the Clients' securities from such counterparty or the payment of claims therefor may be significantly delayed and the Clients may recover substantially less than the full value of the securities entrusted to such counterparty. In addition, there are a number of proposed rules that, if they were to go into effect, may impact the laws that apply to insolvency proceedings and may impact whether the Clients may terminate their respective agreement with an insolvent counterparty.

Collateral that the Clients post to their counterparties that is not segregated with a third-party custodian may not have the benefit of customer-protected "segregation" of such funds. In the event that a counterparty were to become insolvent, the Clients may become subject to the risk that they may not receive the return of their collateral or that the collateral may take some time to return.

In addition, the Clients may conduct business with counterparties located in jurisdictions outside the United States. Such local counterparties usually are subject to laws and regulations in non-U.S. jurisdictions that are designed to protect customers in the event of their insolvency. However, the practical effect of these laws and their application to the Clients' assets are subject to substantial limitations and uncertainties. Because of the range of possible factual scenarios involving the insolvency of a counterparty and the potentially large number of entities and jurisdictions that may be involved, it is impossible to generalize about the effect of such an insolvency on the Clients and their assets. Investors should assume that the insolvency of any such counterparty would result in significant delays in recovering the Clients' securities from or the payment of claims therefor by such counterparty and a loss to the Clients, which could be material.

Significant Positions in Securities; Regulatory Requirements. In the event the Clients acquire a significant stake in certain issuers of securities and such stake exceeds certain percentage or value limits, the Clients may be subject to regulation and regulatory oversight that may impose notification and filing requirements or other administrative burdens on the Clients and Kize. Any such requirements may impose additional costs on the Clients and may delay the acquisition or disposition of the securities or the Clients' ability to respond in a timely manner to changes in the markets with respect to such securities.

In addition, "position limits" may be imposed by various regulators that may limit the Clients' ability to effect desired trades. Position limits are the maximum amounts of gross, net long or short positions that any one person or entity may own or control in a particular issuer's securities. All positions owned or controlled by the same person or entity, even if in different accounts, may be aggregated for purposes of determining whether the applicable position limits have been exceeded. To the extent that the Clients' position limits are aggregated with an affiliate's position limits, the effect on the Clients and resulting restriction on their investment activities may be significant. If at any time positions managed by Kize were to exceed applicable position limits, Kize may be required to liquidate positions, which might include positions of the Clients, to the extent necessary to come within those limits. Further, to avoid exceeding any position limits, the Clients might have to forego or modify certain of their contemplated trades.

In addition, if the Clients, acting alone or as part of a group, acquire beneficial ownership of more than 10% of a certain class of securities of a public company or places a director on the board of directors of such a company, under Section 16 of the U.S. Securities Exchange Act of 1934, as amended, the Clients may be subject to certain additional reporting requirements and may be required to disgorge certain short-swing profits arising from purchases and sales of such securities. Furthermore, in such circumstances, the Clients will be prohibited from entering into a short position in such issuer's securities, and therefore, be limited in its ability to hedge such investments. Similar restrictions and requirements may apply in non-U.S. jurisdictions.

Increased Regulatory Oversight. Increased regulation (whether promulgated under securities laws or any other applicable law) and regulatory oversight of and changes in law applicable to private investment funds and their managers may impose administrative burdens on the Firm and its Clients, including responding to examinations and other regulatory inquiries and implementing policies and procedures. Such administrative burdens may divert Kize's time, attention and resources from

portfolio management activities to responding to inquiries, examinations and enforcement actions (or threats thereof). Regulatory inquiries often are confidential in nature, may involve a review of an individual's or a firm's activities or may involve studies of the industry or industry practices, as well as the practices of a particular institution. In addition, such increased regulation may increase the Firm and its Clients' exposure to potential legal, compliance, reporting and other related costs or liabilities. Certain costs of complying with the applicable provisions of the Advisers Act, as amended, known as the Private Fund Advisers Rule (including preparation and delivery of quarterly reporting and notices required to be delivered to Investors with respect to preferential treatment or otherwise) will be borne by the Clients, to the extent that such costs are Client expenses (as described in the applicable Offering Documents).

Co-Investments with Third Parties. Kize and its affiliates may, from time to time, offer one or more Investors and/or other third-party investors (including Kize affiliates and Kize-related investors) the opportunity to co-invest with the Clients in particular investments. In addition, Kize and Kize-related investors may co-invest with the Clients whether or not the particular co-investment opportunity is offered to Investors or other third-party investors.

Third-party involvement with an investment may negatively impact the returns of such investment if, for example, the third-party co-investor has financial difficulties, has economic or business interests or goals that are inconsistent with those of the Clients or is in a position to take (or block) action in a manner contrary to the Clients' investment objectives. In circumstances where such third parties involve a management group, such third parties may enter into compensation arrangements relating to such investments, including incentive compensation arrangements. Such compensation arrangements will reduce the returns to participants in the investments.

Co-investments could also involve certain other risks. For example, in certain circumstances, the Clients could be liable for the actions of its co-investors, *e.g.*, if a co-investor fails to fund its portion of the co-investment, and co-investors may not bear (or may bear less than their proportionate share of) expenses incurred in relation to the sourcing, due diligence or negotiation of a co-investment, whether or not such co-investment is consummated. Such expenses that are not borne by such co-investors may increase expenses borne by Clients and the Investors.

Exposure to Material Non-Public Information. From time to time, Kize may, in the course of its activities with respect to the Clients, receive material non-public information with respect to an issuer of publicly traded securities. In addition, during the course of the research process, Kize may share and receive information from other market participants, which could increase the likelihood that Kize will receive material non-public information and be required to restrict trading in an issuer's securities. In such circumstances, Kize may restrict the Clients, or the Clients may be prohibited, by law, policy or contract, for a period of time from (i) unwinding a position in such issuer, (ii) establishing an initial position or taking any greater position in such issuer, and (iii) pursuing other investment opportunities related to such issuer. If these restrictions or prohibitions apply to securities in which the Clients are considering making an investment, such restrictions or limitations could prevent the Clients from accessing a profitable investment opportunity. If such restrictions or limitations apply to securities in which the Clients have an existing investment, then such restrictions or limitations could give rise to substantial investment

losses, which losses, in the case of a security in which the Clients have a short position, are theoretically unlimited.

Commodity Interest Trading Limit. Kize operates the Clients subject to the CFTC Rule 4.13(a)(3) *de minimis* exemption (the “4.13(a)(3) Exemption”). While the 4.13(a)(3) Exemption provides relief from certain CFTC reporting and recordkeeping requirements, it generally requires a Client to, among other things, have *de minimis* levels of commodity interest trading. Accordingly, Clients will operate with significant restrictions upon its trading of the instruments that are restricted under the 4.13(a)(3) Exemption, such as commodity futures, security futures options thereon and certain swaps. As a substitute for such instruments, Clients may trade other instruments that are not restricted under the 4.13(a)(3) Exemption. As a result, Clients may incur higher transaction costs or effect a less optimal hedge than it would otherwise be able to if it were not operated subject to the 4.13(a)(3) Exemption.

Assumption of Catastrophe Risks. The Clients may be subject to the risk of loss arising from direct or indirect exposure to various catastrophic events, including the following: hurricanes, earthquakes and other natural disasters (which may be caused, or enhanced in frequency and severity, by climate change factors); war, terrorism and other conflicts; cyberterrorism; major or prolonged power outages or network interruptions; and public health crises, including infectious disease outbreaks, epidemics and pandemics. To the extent that any such event occurs and has a material effect on global financial markets or specific markets or issuers in which the Clients invest (or has a material negative impact on the operations of Kize or its service providers), the risks of loss can be substantial and could have a material adverse effect on the Clients and the Investors’ investments therein. Furthermore, any such event may also adversely impact one or more individual Investors’ financial condition, which could result in substantial withdrawal requests by such Investors as a result of their individual liquidity situations and irrespective of Client performance.

Coronavirus Risks. In December 2019, the virus SARS-CoV-2, which causes the coronavirus disease known as COVID-19, was first identified in the human population. The disease spread around the world, resulting in the temporary closure of many corporate offices, retail stores, and manufacturing facilities across the globe, as well as the implementation of travel restrictions and remote working and “shelter-in-place” or similar policies by numerous companies and national and local governments. These actions caused the disruption of manufacturing supply chains and consumer demand in certain economic sectors, resulting in significant disruptions in local and global economies. Such disruptions continue to be felt, as many countries and U.S. states struggle to contain the virus and its variants. The long-term impact of COVID-19 on the operations of Kize and the performance of the Clients is difficult to predict. Any potential impact on such operations and performance will depend to a large extent on future developments and actions taken by authorities and other entities to contain COVID-19 and its economic impact. These potential impacts, while uncertain, could adversely affect the performance of the Clients.

Risks Relating to Specific Investments

Kize does not recommend a particular type of investment instrument to the Clients, but rather, Kize recommends and invests in multiple investment instruments. Given the broad discretion Kize has in managing the Clients, any one or more of the risks listed in the previous section may be incurred by the Clients.

However, because it may be useful in understanding Kize's investment program, set forth below is a non-exclusive list of certain risks related to investments and other instruments that may be utilized:

Equity Securities Generally. The value of equity securities of public and private, listed and unlisted companies and equity derivatives generally varies with the performance of the issuer and movements in the equity markets. As a result, the Clients may suffer losses if they invest in equity instruments of issuers whose performance diverges from Kize's expectations or if equity markets generally move in a single direction and Clients have not hedged against such a general move. The Clients also may be exposed to risks that issuers will not fulfill contractual obligations such as, in the case of convertible securities or private placements, delivering marketable common stock upon conversions of convertible securities and registering restricted securities for public resale.

Debt Securities. Debt securities of all types of issuers may have speculative characteristics, regardless of whether they are rated. The issuers of such instruments (including sovereign issuers) may face significant ongoing uncertainties and exposure to adverse conditions that may undermine the issuer's ability to make timely payment of interest and principal in accordance with the terms of the obligations.

Market Making by Dealers. The value of the Clients' fixed-income investments will be affected by general fixed income market conditions, such as the volatility and liquidity of the fixed income market, which are affected by the ability of dealers to "make a market" in fixed-income investments. In recent years, the market for bonds has significantly increased while dealer inventories have significantly decreased, relative to market size. This reduction in dealer inventories may be attributable to regulatory changes, such as capital requirements, and is expected to continue. As dealers' inventories decrease, so does their ability to make a market (and, therefore, create liquidity) in the fixed income market. Especially during periods of rising interest rates, this could result in greater volatility and illiquidity in the fixed income market, which could impair the Clients' profitability or result in losses.

Interest Rate Risk. Changes in interest rates can affect the value of the Clients' investments in fixed-income instruments. Increases in interest rates may cause the value of the Clients' debt investments to decline. The Clients may experience increased interest rate risk to the extent it invests, if at all, in lower-rated instruments, debt instruments with longer maturities, debt instruments paying no interest (such as zero-coupon debt instruments) or debt instruments paying non-cash interest in the form of other debt instruments.

Prepayment Risk. The frequency at which prepayments (including voluntary prepayments by the obligors and accelerations due to defaults) occur on debt instruments will be affected by a variety

of factors including the prevailing level of interest rates and spreads as well as economic, demographic, tax, social, legal and other factors. Generally, obligors tend to prepay their fixed rate obligations when prevailing interest rates fall below the coupon rates on their obligations. Similarly, floating rate issuers and borrowers tend to prepay their obligations when spreads narrow.

In general, “premium” securities (*i.e.*, securities whose market values exceed their principal or par amounts) are adversely affected by faster than anticipated prepayments, and “discount” securities (*i.e.*, securities whose principal or par amounts exceed their market values) are adversely affected by slower than anticipated prepayments. Since many fixed rate obligations will be discount instruments when interest rates and/or spreads are high and will be premium instruments when interest rates and/or spreads are low, such debt instruments may be adversely affected by changes in prepayment frequency in any interest rate environment.

The adverse effects of prepayments may impact the Clients’ respective portfolio in two ways. First, particular investments may experience outright losses, as in the case of an interest-only instrument in an environment of faster actual or anticipated prepayments. Second, particular investments may underperform relative to hedges that Kize may have constructed for these investments, resulting in a loss to the Clients’ overall portfolio(s). In particular, prepayments (at par) may limit the potential upside of many instruments to their principal or par amounts, whereas their corresponding hedges often have the potential for unlimited loss.

Zero-Coupon and Deferred Interest Bonds. Zero-coupon bonds and deferred interest bonds are debt obligations issued at a significant discount to face value. The original discount approximates the total amount of interest the bonds will accrue and compound over the period until maturity or the first interest accrual date at a rate of interest reflecting the market rate of the security at the time of issuance. While zero-coupon bonds do not require the periodic payment of interest, deferred interest bonds generally provide for a period of delay before the regular payment of interest begins. Such investments experience greater volatility in market value due to changes in interest rates than debt obligations that provide for regular payments of interest.

High-Yield. Bonds or other fixed-income securities that are “higher yielding” (including non-investment grade) debt securities are generally not exchange-traded and, as a result, these securities trade in the OTC marketplace, which is less transparent and has wider bid/ask spreads than the exchange-traded marketplace. High-yield securities face ongoing uncertainties and exposure to adverse business, financial or economic conditions, which could lead to the issuer’s inability to meet timely interest and principal payments. High-yield securities are generally more volatile and may or may not be subordinated to certain other outstanding securities and obligations of the issuer, which may be secured by substantially all of the issuer’s assets. High-yield securities may also not be protected by financial covenants or limitations on additional indebtedness. The market values of certain of these lower-rated and unrated debt securities tend to reflect individual corporate developments to a greater extent than do higher-rated securities, which react primarily to fluctuations in the general level of interest rates, and tend to be more sensitive to economic conditions than are higher-rated securities. Companies that issue such securities may be highly leveraged and may not have available to them more traditional methods of financing. In addition, the Clients may invest in bonds of issuers that do not have publicly traded equity securities, making it more difficult to hedge the risks associated with such investments.

The Clients may invest in obligations of issuers that are generally trading at significantly higher yields than had been historically typical of the applicable issuer's obligations. Such investments may include debt obligations that have a heightened probability of being in covenant or payment default in the future or that are currently in default and are generally considered speculative. The repayment of defaulted obligations is subject to significant uncertainties. Defaulted obligations might be repaid only after lengthy workout or bankruptcy proceedings, during which the issuer might not make any interest or other payments. Typically, such workout or bankruptcy proceedings result only in partial recovery of cash payments or an exchange of the defaulted security for other debt or equity securities of the issuer or its affiliates, which may in turn be illiquid or speculative.

Corporate Debt. Bonds, notes and debentures issued by corporations may pay fixed, variable or floating rates of interest, and may include zero-coupon obligations. Corporate debt instruments may be subject to credit ratings downgrades. Other instruments may have the lowest quality ratings or may be unrated. In addition, the Clients may be paid interest in kind in connection with their investments in corporate debt and related financial instruments (e.g., the principal owed to the Clients in connection with a debt investment may be increased by the amount of interest due on such debt investment). Such investments may experience greater market value volatility than debt obligations that provide for regular payments of interest in cash and, in the event of a default, the Clients may experience substantial losses.

Mezzanine Debt. Mezzanine debt is typically junior to the obligations of a company to senior creditors, trade creditors and employees. The ability of the Clients to influence a company's affairs, especially during periods of financial distress or following an insolvency, will be substantially less than that of senior creditors. Mezzanine debt instruments are often issued in connection with leveraged acquisitions or recapitalizations in which the issuers incur a substantially higher amount of indebtedness than the level at which they had previously operated. Default rates for mezzanine debt instruments have historically been higher than for investment-grade instruments. In the event of the insolvency of a portfolio company of the Clients or similar event, the Clients' debt investment therein will be subject to fraudulent conveyance, subordination and preference laws.

Stressed Debt. Stressed issuers are issuers that are not yet deemed distressed or bankrupt and whose debt securities are trading at a discount to par, but not yet at distressed levels. An example would be an issuer that is in technical default of its credit agreement, or undergoing strategic or operational changes, which results in market pricing uncertainty. The market prices of stressed and distressed instruments are highly volatile, and the spread between the bid and the ask prices of such instruments is often unusually wide.

Non-Performing Nature of Debt. Certain debt instruments may be non-performing or in default. Furthermore, the obligor or relevant guarantor may also be in bankruptcy or liquidation. There can be no assurance as to the amount and timing of payments, if any, with respect to such debt instruments.

Troubled Origination. When financial institutions or other entities that are insolvent or in serious financial difficulty originate debt, the standards by which such instruments were originated,

the recourse to the selling institution, or the standards by which such instruments are being serviced or operated may be adversely affected.

Sovereign Debt. Several factors may affect (i) the ability of a government, its agencies, instrumentalities or its central bank to make payments on the debt it has issued (“*Sovereign Debt*”), including securities that Kize believes are likely to be included in restructurings of the external debt obligations of the issuer in question, (ii) the market value of such debt and (iii) the inclusion of Sovereign Debt in future restructurings, including such issuer’s (x) balance of trade and access to international financing, (y) cost of servicing such obligations, which may be affected by changes in international interest rates, and (z) level of international currency reserves, which may affect the amount of non-U.S. exchange available for external debt payments. Significant ongoing uncertainties and exposure to adverse conditions may undermine the issuer’s ability to make timely payment of interest and principal, and issuers may default on their Sovereign Debt.

Equitable Subordination. Under common law principles that in some cases form the basis for lender liability claims, if a lender (i) intentionally takes an action that results in the undercapitalization of a borrower or issuer to the detriment of other creditors of such borrower or issuer, (ii) engages in other inequitable conduct to the detriment of such other creditors, (iii) engages in fraud with respect to, or makes misrepresentations to, such other creditors or (iv) uses its influence as a stockholder to dominate or control a borrower or issuer to the detriment of other creditors of such borrower or issuer, a court may elect to subordinate the claim of the offending lender or bondholder to the claims of the disadvantaged creditor or creditors (a remedy called “equitable subordination”). If the Clients engage in such conduct, the Clients may be subject to claims from creditors of an obligor that debt held by the Clients should be equitably subordinated.

Small- and Medium-Capitalized Companies. Investments in securities of small- and medium-capitalized companies involve higher risks in some respects than do investments in securities of larger “blue-chip” companies. For example, prices of securities of small-capitalized and even medium-capitalized companies are often more volatile than prices of securities of large-capitalized companies and may not be based on standard pricing models that are applicable to securities of large-capitalized companies. Furthermore, the risk of bankruptcy or insolvency of many small- and medium-capitalized companies (with the attendant losses to investors) may be higher than for larger, “blue-chip” companies. Finally, due to thin trading in the securities of some small-capitalized companies, an investment in those companies may be illiquid.

Illiquid Investments. The Clients may invest in illiquid investments, whether or not designated by Kize as Special Investments, including both public and private investments (such as private equity investments, investments in vehicles whose principal assets are composed of real estate and unlisted securities of U.S. and non-U.S. companies and private companies on a global basis), and may acquire assets or securities that Kize believes either lack a readily assessable market value or should be held until the resolution of a special event or circumstance. Additionally, investments may become illiquid due to market conditions, given the relative size of the investment. The market prices, if any, for such securities tend to be volatile and may not be readily ascertainable, and the limited liquidity of these investments may subject them to more extensive fluctuations in value. Accordingly, the Clients may not be able to (i) sell them when they desire to do so (or may be

contractually prohibited from doing so) or (ii) realize what they perceive to be their fair value in the event of a sale. Such investments, in particular Special Investments (including Special Investments in which a particular Investor may not be participating), may consume a substantial amount of Kize's time. As a result, an investment in a Client is suitable only for certain sophisticated investors who do not require immediate liquidity for their investments.

The Clients intend to invest in partnerships, investment vehicles and joint ventures whose principal assets are composed of illiquid investments. The management and day-to-day operation of such partnerships, vehicles or joint ventures may not be subject to Kize's complete control. Although Kize may seek protective provisions, including, possibly, board representation, in connection with certain of its illiquid investments, to the extent that the Clients take minority positions in companies in which they invest, Kize may not be in a position to exercise control over the management of such companies, and, accordingly, may have a limited ability to protect its position in such companies. Notwithstanding the foregoing, Kize may engage with the management of such companies with a view to sharing ideas regarding the business and affairs of such companies.

In addition, the Clients expect to invest in private equity investments. Such securities are illiquid and difficult to price for a variety of reasons. Because those securities are not regularly traded, even among institutional investors, a reliable arms-length price often is not available as a pricing benchmark. Furthermore, the value of illiquid investments in private companies may depend heavily on the complex legal rights attached to the securities themselves that are difficult to evaluate. The Clients' investments in the private equity of companies may also be subject to substantial fees charged by third-party investment advisers to manage such investments. Such fees may include management or asset-based fees (fees that compensate an investment adviser on the basis of a share of net assets under management) and performance-based fees or allocations (fees or allocations that compensate an investment adviser on the basis of a share of capital gains upon or capital appreciation of the assets under management). The payment of such fees may adversely affect the return of the capital of the Clients. For example, considering that investments in the private equity of companies will only make up a portion of the Clients' respective portfolio, such third-party advisers may receive performance-based compensation in respect of such private equity investments during a period when the Clients' overall capital depreciated.

Bank Debt. The Clients may invest in bank loans and participations. Risks associated with these obligations include, but are not limited to: inadequate perfection of the security interest granted under the loan documents, the possible invalidation or compromise of a loan transaction as a fraudulent conveyance or preference under relevant creditors' rights laws; the validity and seniority of bank claims and guarantees; environmental liability that may arise with respect to collateral securing the obligations; adverse consequences resulting from participating in such instruments with other institutions with lower credit quality; long and less certain settlement periods; limitations on the ability of Kize to directly enforce its rights with respect to participations and illiquidity in the market for the resale of such loans.

Distressed Obligations. The obligations or securities of issuers in weak financial condition, experiencing poor operating results, having substantial capital needs or negative net worth, facing special competitive or product obsolescence problems (including companies involved in bankruptcy or other reorganization and liquidation proceedings) are likely to be particularly risky investments

although they also may offer the potential for correspondingly high returns. Among the risks inherent in investments in troubled entities is the risk that it frequently may be difficult to obtain information as to the true condition of such issuers. Such investments may also be adversely affected by laws relating to, among other things, fraudulent transfers and other voidable transfers or payments, lender liability and the bankruptcy court's power to disallow, reduce, subordinate, recharacterize debt as equity or disenfranchise particular claims. Such companies' obligations or securities may be considered speculative, and the ability of such companies to pay their debts on schedule could be affected by adverse interest rate movements, changes in the general economic climate, economic factors affecting a particular industry or specific developments within such companies. In addition, there is no minimum credit standard that is a prerequisite to the Clients' investments in any security. Obligations in which the Clients invest may be less than investment grade. The level of analytical sophistication, both financial and legal, necessary for successful investment in companies experiencing significant business and financial difficulties is unusually high. There is no assurance that the value of the assets collateralizing the Clients' investments will be sufficient or that the prospects for a successful reorganization or similar action will become available. In any reorganization or liquidation proceeding relating to a company in which the Clients invest, the Clients may lose their entire investment, may be required to accept cash or securities with a value less than their original investment and/or may be required to accept payment over an extended period of time. Under such circumstances, the returns generated from the Clients' investments may not compensate Investors adequately for the risks assumed. In addition, under certain circumstances, payments and distributions may be disgorged if any such payment is later determined to have been a fraudulent conveyance or a preferential payment.

In liquidation (both in and out of bankruptcy) and other forms of corporate reorganization, there exists the risk that the reorganization either will be unsuccessful (due to, for example, failure to obtain requisite approvals), will be delayed (for example, until various liabilities, actual or contingent, have been satisfied) or will result in a distribution of cash or a new security the value of which will be less than the purchase price paid by the Clients of the security in respect to which such distribution was made.

Private Lending. The Clients may from time to time make loans (or purchase debt from other non-bank entities) which may present additional risks as compared to other types of debt such as underwritten bonds or bank loans. In general, less creditworthy borrowers may turn to the private lending market, and a private fund or other non-bank lender has more latitude to lend to entities which may not have the creditworthiness to borrow from banks or raise debt in the bond market. Such private debt may lack a readily ascertainable value and have a limited market. As a result, private debt may be difficult and slow to sell. Additionally, private lender underwriting standards, due diligence requirements and loan terms may be less rigorous, less stringent and more flexible than is the case for underwritten debt and bank loans. Rights and obligations of the lenders and borrowers of private debt (for example, borrower covenants and the ability to pay interest in kind) may be more expansive or narrower than underwritten debt and bank loans. Consequently, private lending may be a riskier activity than investing in other forms of debt.

Loan Origination. The Clients may participate in certain loan origination activities. Such activities may subject the Clients or Kize to regulatory requirements under the laws of certain jurisdictions. If the Clients are unable to sell, assign or successfully close transactions for

participations in the loans that it originates, the Clients will be forced to hold their excess interests in such loans for an indeterminate period of time.

Preferred Stock. Investments in preferred stock involve risks related to priority in the event of the bankruptcy, insolvency or liquidation of the issuing company and how dividends are declared. Preferred stock ranks junior to debt securities in an issuer's capital structure and, accordingly, is subordinate to all debt in bankruptcy. Preferred stock generally has a preference as to dividends. Such dividends are generally paid in cash (or additional shares of preferred stock) at a defined rate, but unlike interest payments on debt securities, preferred stock dividends are payable only if declared by the issuer's board of directors. Dividends on preferred stock may be cumulative, meaning that, in the event the issuer fails to make one or more dividend payments on the preferred stock, no dividends may be paid on the issuer's common stock until all unpaid preferred stock dividends have been paid. Preferred stock may also be subject to optional or mandatory withdrawal provisions.

Convertible Securities. A convertible security may be subject to withdrawal at the option of the issuer at a price established in the convertible security's governing instrument. If a convertible security held by the Clients is called for withdrawal, the Clients will be required to permit the issuer to withdraw the security, convert it into the underlying common stock or sell it to a third party. Any of these actions could have an adverse effect on the Clients' ability to achieve their investment objective.

Real Estate. Real estate investments are not as liquid as other types of investments and this lack of liquidity may tend to limit a Client's ability to react promptly to changes in economic or other conditions. In addition, expenditures associated with real estate investments, such as mortgage payments, real estate taxes and maintenance costs, are generally not reduced when circumstances cause a reduction in income from the investments. The Clients may need to comply with certain legal, tax and other requirements prior to liquidating such investments.

Real Estate Insurance. The insurance coverage applicable to real estate investments contains policy specifications and insured limits customarily carried for similar properties, business activities and markets. There may be certain losses, including losses from floods and losses from earthquakes, acts of war, acts of terrorism or riots, that are not generally insured against or that are not generally fully insured against because it is not deemed to be economically feasible or prudent to do so. If an uninsured loss or a loss in excess of insured limits occurs with respect to a real estate investment, the Clients could experience a significant loss and could potentially remain obligated under any recourse debt associated with the property.

Potential Environmental Liability. Under various U.S. federal, state, and local laws, ordinances and regulations, a current or previous owner, developer or operator of real estate may be liable for the costs of removal or remediation of certain hazardous or toxic substances at, on, under or in its property. The costs of removal or remediation of such substances could be substantial. Such laws often impose liability without regard to whether the owner or operator knew of, or was responsible for, the release or presence of such hazardous substances. The Clients will attempt to assess such risks as part of their due diligence activities but cannot give any assurance that such conditions do not exist or may not arise in the future. The presence of such substances at

the Clients' real estate investments could adversely affect their ability to sell such investments or to borrow using such investments as collateral.

Real Estate-Related Securities. Securities issued by entities which invest in real estate, including "real estate investment trusts" ("REITs"), generally will be subject to the risks incident to the ownership and operation of commercial real estate and/or risks incident to the making of nonrecourse mortgage loans secured by real estate. Such risks include the risks associated with both the domestic and international general economic climates; local real estate conditions; risks due to dependence on cash flow; risks and operating problems arising out of the absence of certain construction materials; changes in supply of, or demand for, competing properties in an area (as a result, for instance, of over-building); the financial condition of tenants, buyers and sellers of properties; changes in availability of debt financing; energy and supply shortages; changes in the tax, real estate, environmental, and zoning laws and regulations; various uninsured or uninsurable risks; natural disasters; and the ability of the Clients or third-party borrowers to manage the real properties. In addition, the Clients may incur the burdens of ownership of real property, which include the paying of expenses and taxes, maintaining such property and any improvements thereon, and ultimately disposing of such property.

Derivative Instruments. Certain swaps, options and other derivative instruments may be subject to various types of risks, including market risk, liquidity risk, credit risk, legal risk and operations risk. The regulatory and tax environment for derivative instruments in which the Clients may participate is evolving, and changes in the regulation or taxation of such securities may have a material adverse effect on the Clients.

Call and Put Options. The Clients may incur risks associated with the sale and purchase of call options and put options. Under a conventional cash-settled option, the purchaser of the option pays a premium in exchange for the right to receive upon exercise of the option (i) in the case of a call option, the excess, if any, of the reference price or value of the underlier (as determined pursuant to the terms of the option) above the option's strike price; or (ii) in the case of a put option, the excess, if any, of the option's strike price above the reference price or value of the underlier (as so determined). Under a conventional physically settled option structure, the purchaser of a call option has the right to purchase a specified quantity of the underlier at the strike price, and the purchaser of a put option has the right to sell a specified quantity of the underlier at the strike price.

A purchaser of an option may suffer a total loss of premium (plus transaction costs) if that option expires without being exercised. An option's time value (*i.e.*, the component of the option's value that exceeds the in-the-money amount) tends to diminish over time. Even though an option may be in-the-money to the purchaser at various times prior to its expiration date, the purchaser's ability to realize the value of an option depends on when and how the option may be exercised. For example, the terms of the transaction may provide for the option to be exercised automatically if it is in-the-money on the expiration date. Conversely, the terms may require timely delivery of a notice of exercise, and exercise may be subject to other conditions (such as the occurrence or non-occurrence of certain events, such as knock-in, knock-out or other barrier events) and timing requirements, including the "style" of the option.

Uncovered option writing (*i.e.*, selling an option when the seller does not own a like quantity of an offsetting position in the underlier) exposes the seller to potentially significant loss. The potential loss of uncovered call writing is unlimited. The seller of an uncovered call may incur large losses if the reference price or value of the underlier increases above the exercise price by more than the amount of any premiums earned. As with writing uncovered calls, the risk of writing uncovered put options is substantial. The seller of an uncovered put option bears a risk of loss if the reference price or value of the underlier declines below the exercise price by more than the amount of any premiums earned. Such loss could be substantial if there is a significant decline in the value of the underlier.

Index Futures. The price of index futures contracts may not correlate perfectly with the movement in the underlying index because of certain market distortions. First, all participants in the futures market are subject to margin deposit and maintenance requirements. Rather than meeting additional margin deposit requirements, shareholders may close futures contracts through offsetting transactions that would distort the normal relationship between the index and futures markets. Second, from the point of view of speculators, the deposit requirements in the futures market are less onerous than margin requirements in the securities market. Therefore, increased participation by speculators in the futures market also may cause price distortions. Successful use of index futures contracts by the Clients also is subject to Kize's ability to correctly predict movements in the direction of the market.

Index Options. The value of an index option fluctuates with changes in the market values of the assets included in the index. Because the value of an index or index option depends upon movements in the level of the index rather than the price of a particular asset, whether the Clients will realize appreciation or depreciation from the purchase or writing of options on indices depends upon movements in the level of instrument prices in the assets generally or, in the case of certain indices, in an industry or market segment, rather than movements in the price of particular asset.

Commodity Futures Contracts. The value of futures contracts depends upon the price of the securities, such as commodities, underlying them. The prices of futures contracts are highly volatile, and price movements of futures contracts can be influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, as well as national and international political and economic events and policies. In addition, investments in futures contracts are also subject to the risk of the failure of any of the exchanges on which the Clients' positions trade or of its clearing houses or counterparties. Futures positions may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits". Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a particular futures contract has increased or decreased by an amount equal to the daily limit, positions in that contract can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent the Clients from promptly liquidating unfavorable positions or from entering into desired trades and subject a Client to substantial losses. Also, low margin or premiums normally required in such trading may provide a large amount of leverage, and a relatively small change in the price of a security or contract can produce a disproportionately larger profit or loss. In extraordinary circumstances, a futures exchange or the CFTC could suspend

trading in a particular futures contract, or order liquidation or settlement of all open positions in such contract. Investments in futures also are subject to the risk of the failure of any of the exchanges on which the Clients' positions trade or of its clearinghouses or counterparties.

In the futures markets, margin deposits are typically low relative to the value of the futures contracts purchased or sold. In the forward, currency and certain other derivative markets, margin deposits may be even lower or may not be required at all. Such low margin deposits are indicative of the fact that any commodity futures contract trading typically is accompanied by a high degree of leverage. Low margin deposits mean that a relatively small price movement in a futures contract may result in immediate and substantial losses to the investor. For example, if at the time of purchase, 5% of the price of a futures contract is deposited as margin, a 5% decrease in the price of the futures contract would, if the contract is then closed out, result in a total loss of the margin deposit before any deduction for the brokerage commission. Thus, like other leveraged investments, any purchase or sale of a commodity contract may result in losses in excess of the amount invested.

Swaps. Whether the Clients' use of swap agreements or options on swap agreements will be successful will depend on Kize's ability to select appropriate transactions for the Clients. Swap agreements and options on swap agreements can be individually negotiated and structured to include exposure to a variety of different types of investments, asset classes or market factors. Depending on their structure, swap agreements may increase or decrease the holder's exposure to, for example, equity securities. Swap agreements can take many different forms and are known by a variety of names. Swap transactions may be highly illiquid and may increase or decrease the volatility of the Clients' portfolio(s). Moreover, the Clients bear the risk of loss of the amount expected to be received under a swap agreement in the event of the default or insolvency of its counterparty. The Clients will also bear the risk of loss related to swap agreements, for example, for breaches of such agreements or the failure of the Clients to post or maintain required collateral.

Trade Claims. The Clients may purchase creditor claims subsequent to the commencement of a bankruptcy case, including, without limitation, unsecured claims of a debtor's suppliers, vendors and service providers (such claims, "*trade claims*"). The price ultimately recovered on a trade claim could be less than the price originally paid by the Clients for such claim because there is no regulated market for, and no transparent pricing information with respect to, trade claims. The Clients may also be subject to actions during the bankruptcy case, including preference actions and, in certain circumstances, equitable subordination actions, based solely on prior conduct of the seller of such trade claim. Such actions may result in the reduction or disallowance of a trade claim, losses to the Clients (as the purchaser of such claim) and/or a delay in the realization of the value of such trade claim. Further, the Clients may also be subject to the risk that the seller of a trade claim will fail to deliver upon the terms of the investment. For example, in the event a seller of a trade claim subsequently becomes insolvent or itself files for bankruptcy protection, the Clients (as the purchaser of such claim) may not benefit from any warranties, representations or indemnities provided by the seller to the Clients in the purchase documents, and, with respect to insolvent claim sellers, be subject to credit and litigation risk. A trade claim may be also disallowed by the bankruptcy court if the court determines that the Clients (as the purchaser of such claim) have taken unfair advantage of an unsophisticated seller, which may result in the rescission of the transaction (presumably at the original purchase price) or forfeiture. Given the absence of a formal market, indices, or regulation of trade

claims, the market for trade claims may be illiquid and trading in trade claims may be subject to increased settlement risk. Trade claims are also subject to the credit and recovery risk of the bankrupt company, as well as the general risks associated with bankruptcy cases. In the event that any of these risks materialize with respect to trade claims purchased by the Clients, the Clients may suffer significant losses.

Initial Public Offerings. Investments in initial public offerings (or shortly thereafter) may involve higher risks than investments issued in secondary public offerings or purchases on a secondary market due to a variety of factors, including, without limitation, the limited number of shares available for trading, unseasoned trading, lack of investor knowledge of the issuer and limited operating history of the issuer. In addition, some companies in initial public offerings are involved in relatively new industries or lines of business, which may not be widely understood by investors. Some of these companies may be undercapitalized or regarded as developmental stage companies, without revenues or operating income, or the near-term prospects of achieving them. These factors may contribute to substantial price volatility for such securities and, thus, for the value of the Clients' interests in those securities.

Master Limited Partnerships. Investments in securities of Master Limited Partnerships ("*MLPs*") involve certain risks that differ from investments in common stock, including risks related to limited control and limited rights to vote on matters affecting MLPs, risks related to potential conflicts of interest between an MLP and the MLP's general partner, including those arising from incentive distribution payments, cash flow risks, dilution risks and risks related to the general partner's right to require unitholders to sell their common units at an undesirable time or price. Many of the Clients' investments in MLPs will be subject to legal and other restrictions on resale or will otherwise be less liquid than publicly traded securities. In addition, certain tax risks are associated with investments in MLPs.

ABS and MBS Generally. The investment characteristics of asset-backed securities ("*ABS*") and mortgage-backed securities ("*MBS*") differ from traditional debt securities. Among the major differences are that interest and principal payments are made more frequently, usually monthly, and that the principal may be prepaid at any time because the underlying loans or other assets generally may be prepaid at any time.

ABS and MBS Subordinated Securities. Investments in subordinated MBS and ABS involve greater credit risk of default than the senior classes of the issue or series. Default risks may be further pronounced in the case of MBS and ABS secured by, or evidencing an interest in, a relatively small or less diverse pool of underlying loans. Certain subordinated securities absorb all losses from default before any other class of securities is at risk, particularly if such securities have been issued with little or no credit enhancement or equity. Such securities, therefore, possess some of the attributes typically associated with equity investments.

Commercial MBS. Mortgage loans on commercial properties often are structured so that a substantial portion of the loan principal is not amortized over the loan term but is payable at maturity and repayment of the loan principal thus often depends upon the future availability of real estate financing from the existing or an alternative lender and/or upon the current value and

salability of the real estate. Therefore, the unavailability of real estate financing may lead to default.

Most commercial mortgage loans underlying MBS are effectively nonrecourse obligations of the borrower, meaning that there is no recourse against the borrower's assets other than the collateral. If borrowers are not able or willing to refinance or dispose of encumbered property to pay the principal and interest owed on such mortgage loans, payments on the subordinated classes of the related MBS are likely to be adversely affected. The ultimate extent of the loss, if any, to the subordinated classes of MBS may only be determined after a negotiated discounted settlement, restructuring or sale of the mortgage note, or the foreclosure (or deed in lieu of foreclosure) of the mortgage encumbering the property and subsequent liquidation of the property. Foreclosure can be costly and delayed by litigation and/or bankruptcy. Factors such as the property's location, the legal status of title to the property, its physical condition and financial performance, environmental risks, and governmental disclosure requirements with respect to the condition of the property may make a third party unwilling to purchase the property at a foreclosure sale or to pay a price sufficient to satisfy the obligations with respect to the related MBS. Revenues from the assets underlying such MBS may be retained by the borrower and the return on investment may be used to make payments to others, maintain insurance coverage, pay taxes or pay maintenance costs. Such diverted revenue is generally not recoverable without a court appointed receiver to control collateral cash flow.

ABS. ABS are not secured by an interest in the related collateral. Credit card receivables, for example, are generally unsecured and the debtors are entitled to the protection of a number of U.S. federal and state consumer loan laws, many of which give such debtors the right to set off certain amounts owed on the credit cards, thereby reducing the balance due. Most issuers of ABS backed by automobile receivables permit the servicers to retain possession of the underlying obligations. If the servicer were to sell these obligations to another party, there is a risk that the purchaser would acquire an interest superior to that of the holders of the related ABS. In addition, because of the large number of vehicles involved in a typical issuance and technical requirements under state laws, the trustee for the holders of the ABS may not have a proper security interest in all of the obligations backing such ABS. Therefore, there is a possibility that recoveries on repossessed collateral may not, in some cases, be available to support payments on these securities. The risk of investing in ABS is ultimately dependent upon payment of consumer loans by the debtor.

The collateral supporting ABS is of shorter maturity than certain other types of loans and is less likely to experience substantial prepayments. ABS are often backed by pools of any variety of assets, including, for example, leases, mobile home loans and aircraft leases, which represent the obligations of a number of different parties and use credit enhancement techniques such as letters of credit, guarantees or preference rights. The value of an ABS is affected by changes in the market's perception of the asset backing the security and the creditworthiness of the servicing agent for the loan pool, the originator of the loans or the financial institution providing any credit enhancement, as well as by the expiration or removal of any credit enhancement.

Risks Relating to Non-U.S. Investments and Non-U.S. Jurisdictions

Non-U.S. Exchanges. The Clients may trade on exchanges or markets located outside the U.S. Trading on such exchanges or markets is not regulated by the SEC and CFTC and may, therefore, be subject to more risks than trading on U.S. exchanges, such as the risks of exchange controls, expropriation, burdensome taxation, moratoria and political or diplomatic events. Risks in investments in non-U.S. securities may also include reduced and less reliable information about issuers and markets, less stringent accounting standards, illiquidity of securities and markets, higher brokerage commissions and custody fees.

Non-U.S. Investments. Investing in the securities of companies (and, from time to time, governments) outside of the United States involves certain considerations not usually associated with investing in securities of U.S. companies or the U.S. government, including political and economic considerations such as greater risks of expropriation, nationalization, confiscatory taxation, imposition of withholding or other taxes on interest, dividends, capital gains, other income or gross sale or disposition proceeds, limitations on the removal of assets and general social, political and economic instability; the relatively small size of the securities markets in such countries and the low volume of trading, resulting in potential lack of liquidity and in price volatility; the evolving and unsophisticated laws and regulations applicable to the securities and financial services industries of certain countries; fluctuations in the rate of exchange between currencies and costs associated with currency conversion; and certain government policies that may restrict the Clients' investment opportunities. In addition, accounting and financial reporting standards that prevail outside of the U.S. generally are not as high as U.S. standards and, consequently, less information is typically available concerning companies located outside of the U.S. than for those located in the U.S. As a result, the Clients may be unable to structure their transactions to achieve intended results or to mitigate all risks associated with such markets. It may also be difficult to enforce the Clients' rights in such markets. For example, securities traded on non-U.S. exchanges and the non-U.S. persons that trade these instruments are not subject to the jurisdiction of the SEC or the CFTC or the securities and commodities laws and regulations of the U.S. Accordingly, the protections accorded to the Clients under such laws and regulations are unavailable for transactions on non-U.S. exchanges and with non-U.S. counterparties.

Sanctions. The Clients' operations are or may become subject to economic sanctions laws and regulations of various jurisdictions. At any given time, whether under applicable law, by contractual commitment or as a voluntary risk management measure, the Clients may be required, or elect, to comply with various sanctions programs, including the Specially Designated Nationals and Blocked Persons List and Sectoral Sanctions programs administered by OFAC, the sanctions regimes administered by subsidiary organs of the United Nations Security Council, the Sanctions Orders of the Cayman Islands (including as extended to the Cayman Islands by Order of the government of the United Kingdom from time to time), and the Restrictive Measures adopted by the European Union. Some sanctions that may apply to the Clients prohibit or restrict dealings with particular identified persons. Other potentially applicable sanctions programs broadly prohibit or restrict dealings in certain countries or territories or with individuals and entities located in such countries or territories. In addition to such current sanctions, additional sanctions may be imposed in the future. Such sanctions may be imposed with little or no advance warning or "safe harbor" for compliance and may

be ambiguous, including as to the scope of financial activities that regulators may ultimately deem to be covered by the sanctions.

Depending on the scope and duration of a particular sanctions program, compliance by the Clients may result in a material adverse effect on the Clients and the Investors' investments therein. The Firm and/or the Clients may be subject to heightened or targeted regulatory scrutiny and information requests as a result of such sanctions. In addition, if the Firm and/or the Clients were to violate or be deemed in violation of any such sanction, it could face significant legal and monetary penalties. Sanctions may negatively impact the Clients' ability to effectively implement its investment strategy and have a material adverse impact on such Clients' investments in various ways, including by preventing or inhibiting such Clients from making certain investments, forcing such Clients to divest from investments previously made, and leading to substantial reductions in the revenues, profits and value of such Clients' investments. Finally, sanctions may have broader economic implications, such as influencing the price of certain commodities, which may have adverse effects on inflation and the value of the U.S. dollar, which may adversely affect investment objectives and strategies of the Clients.

Russia-Ukrainian Conflict. The Russian invasion of Ukraine that commenced on February 24, 2022 has resulted in complex, evolving and systemic economic effects that may influence financial benchmarks key to asset pricing, interest rates and lending availability, as well as financial and physical market liquidity, and the price and availability of essential commodities, in an unpredictable fashion for an uncertain duration. Acute effects to particular commodity and foreign securities markets are possible. Russia and Ukraine are major participants in certain commodities sectors, such as for agricultural (*e.g.*, wheat) and energy (*e.g.*, oil and natural gas) products. Furthermore, this conflict has also resulted in swift multilateral sanctions targeting Russia's financial sector and access to capital markets with designations of dozens of individuals and entities, including the Russian Central Bank, several large publicly-traded Russian banks and companies, Russia's sovereign wealth funds, and Russian oligarchs and other members of the Russian elite, including Russian Federation President Vladimir Putin. The sanctions imposed are complex and the prohibitions apply to various types of debt and equity transactions involving sanctioned persons, including bonds, loans, loan guarantees, extensions of credit, letters of credit, stocks, share issuances, and depository receipts, among others. For example, U.S. persons are prohibited from transacting, financing or otherwise dealing in certain new debt and equity of certain financial institutions and companies critical to the Russian economy. In addition, certain imports, exports, the transfer of U.S. dollar banknotes to Russia, and new investments involving the Russian energy sector are prohibited.

The unpredictable and evolving economic effects resulting from the Russia-Ukrainian conflict and the regulations, orders, and sanctions adopted by governments in response to this conflict may affect the value of the securities or the Clients' ability to acquire or dispose of such securities or investments in an efficient manner. These factors may have negative consequences for the valuation of the Clients' portfolio that the Firm may be unable to anticipate or hedge against.

Item 9
Disciplinary Information

There are no legal or disciplinary events that are material to a Client's or prospective Investor's evaluation of the Firm's advisory business or the integrity of the Firm's management.

Item 10
Other Financial Industry Activities and Affiliates

A. Broker-Dealer Registration

Neither Kize nor any of its management persons is registered, or has an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

B. Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor Registration

Neither Kize nor any of its management persons is registered, or has an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or is an associated person of any of the above.

Kize has claimed an exemption from CFTC registration under Rule 4.13(a)(3), which exempts commodity pool operators that (i) trade only a de minimis level of commodity interests, (ii) market to “accredited investors” and (iii) do not market trading in commodity interests.

C. Material Relationships and Conflicts of Interests with Industry Participants

Kize’s relationships and arrangements with its various Clients and other industry participants are material to its advisory business and may raise actual or potential conflicts of interest. Prospective Investors should carefully consider the risks involved in an investment in a Client, including, but not limited to, those discussed below. Prospective Investors should consult their own legal, tax and financial advisers as to all of these risks and as to an investment in a Client generally.

Affiliations with Other Investment Vehicles

As discussed in Item 4, “*Advisory Business*” above, Kize provides investment advisory services to multiple Clients. An affiliate of Kize serves as the general partner of each Fund Client. Kize has negotiated the investment management agreements or similar agreements for the Fund Clients. While these may be interested party agreements, the material terms of the applicable investment management arrangements are fully disclosed to all Investors prior to their investment.

Kize is not restricted from managing assets of other investment vehicles and accounts, from entering into other investment advisory relationships or from engaging in other business activities, even if such activities may be in competition with the Clients and/or may involve substantial time and resources of Kize. These activities could be viewed as creating a conflict of interest in that the time and effort of Kize will not be devoted exclusively to the business of the Clients but will be allocated between the business of the Clients and the other accounts and businesses. In addition, Kize may in the future offer investors in the Clients and/or other third-party investors (including without limitation, Kize affiliates and Kize-related investors) the opportunity to co-invest with the Clients in particular investments.

The investment activities of one or more Clients may result in the imposition of restrictions on the flexibility of other Clients. For example, if Kize obtains material non-public information concerning a company on behalf of one Client in connection with a privately negotiated transaction, other Clients may be unable to trade in securities of the same company. In addition, certain investment professionals of Kize may serve on the board of directors of private or public corporations in connection with investments made by the Clients. In certain circumstances, such services may restrict the Firm's ability to make investment decisions that otherwise would be in one or more Clients' interests.

Kize's practice of receiving incentive allocations or fees from Clients may create an incentive for Kize to make investments that are riskier or more speculative than would be the case if a performance-based allocation or fee arrangement were not in effect.

Strategic Investor

Effective November 1, 2023, Kize has entered into a strategic relationship pursuant to which an investor has made a significant investment in the Kize Partners Funds (the "*Strategic Investor*"). In connection with such investment, the Strategic Investor benefits from certain rights that are customary for strategic investors in a private fund including (i) the right to participate in certain revenue streams, (ii) more favorable fees, and (iii) certain reporting and transparency rights. The Strategic Investor does not have any governance rights regarding (nor any responsibility for) the day-to-day management, compliance or investment operations of Kize, and is not involved in any investment decisions for any Clients.

How Kize Addresses Potential Conflicts of Interest

To address potential conflicts of interests in its material relationships, Kize has adopted certain policies and procedures, including a Code of Ethics. For a more detailed discussion of the Code of Ethics, please see Item 11, "*Code of Ethics, Participation or Interest in Client Transactions and Personal Trading*," below.

D. Material Conflicts of Interest Relating to Other Investment Advisers

Kize does not recommend or select other investment advisers for its Clients.

Item 11

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

A. Code of Ethics

Kize has adopted a Code of Ethics that is designed to reinforce and enhance the Firm's ethical way of doing business and, in particular, to provide procedures consistent with SEC requirements and all other applicable laws. The Firm's Code of Ethics is based on the principle that Kize and its employees have a fiduciary duty to its Clients, and Kize must, in this fiduciary capacity, act in the best interest of its Clients. The Firm's Code of Ethics contains rules concerning conflicts of interest, personal securities transactions, gifts and entertainment, outside business activities, and employee screening. Additionally, Kize's Code of Ethics provides for a range of sanctions, as deemed appropriate by the Chief Compliance Officer, should anyone violate the Code of Ethics. Such sanctions include censure, fines, reversal of transaction(s) and disgorgement of profits, suspension or termination of employment.

The paragraph above is only a summary of key provisions in Kize's Code of Ethics. Kize will provide a copy of its entire Code of Ethics to any Client or any Investor that requests one. Copies of the Code of Ethics may be requested by contacting Kize at compliance@kizecapital.com.

B. Participation or Interest in Client Transactions

Kize and its employees, directly or indirectly, have investments in certain Clients. As a result, Kize and its employees have an interest in the investments that may also be recommended to Clients.

Kize does not intend to purchase or sell any securities for its own account and does not otherwise intend to engage in any principal transactions. However, on occasion and subject to a Client's applicable investment guidelines and restrictions, Kize may effect "cross" transactions between accounts in which one Client will purchase an investment held by another Client in which neither Kize nor a related person will receive compensation. Kize may determine that it would be in the best interests of the Clients to effect such cross transactions for a variety of reasons, including, without limitation, tax purposes, liquidity purposes, to rebalance the portfolios of Clients, or to reduce transaction costs that may arise in an open market transaction. If Kize decides to engage in a cross transaction, it will take steps to ensure that the transaction is consistent with its duty to obtain best execution for each of those Clients. Kize generally intends to execute cross transactions, if at all, with the assistance of a broker-dealer that executes and books the transaction at the close of the market on the day of the transaction. Alternatively, a cross transaction between two Clients may occur as an "internal cross", where Kize instructs the custodian for the Client to book the transaction at the price determined in accordance with Kize's valuation policies. If Kize effects an internal cross, it will not receive any fee in connection with the completion of the transaction.

When effecting cross transactions between Clients, Kize will have potentially conflicting division of loyalties and responsibilities with respect to each participating Client. To the extent that any such cross transaction may be viewed as a principal transaction due to an ownership interest in the Client by Kize or its personnel, Kize will comply with all applicable requirements of the Investment Advisers Act of 1940, as amended (the “*Advisers Act*”).

C. Personal Trading

Kize’s personal trading policies are part of its Code of Ethics and apply to its employees and any of their respective spouses, domestic partners or children living in the same household of such employees (each a “*Covered Person*”). Kize does not typically permit Covered Persons to trade Reportable Securities (as defined in the Code of Ethics, and which include single name equity and debt securities, options or other derivatives on securities, indices and currencies, and interests in private investment funds) in their personal accounts. On occasion, and subject to written pre-clearance from the Chief Compliance Officer, Covered Persons may be permitted to trade certain Reportable Securities if such transactions do not pose a conflict of interest. For example, Covered Persons may be permitted to sell positions acquired prior to joining Kize or to purchase certain positions that are not appropriate for Kize’s Clients. In addition, Covered Persons may purchase and sell mutual funds, ETFs, and other broad-based index securities. Covered Persons are required to provide the Chief Compliance Officer (or her designee) with duplicate statements or other documentation regarding transactions and holdings of Reporting Securities within 30 days of each calendar quarter end.

The Firm’s Clients may purchase and sell investments in which certain Kize employees have a material financial interest. As described above, personal securities transactions are subject to the pre-clearance and reporting requirements described above. In addition, Kize’s employees have committed their own capital to certain Clients. Thus, although the Firm’s Clients may at times buy or sell securities in which Kize employees have a material financial interest, the interest that such persons personally have in the Client helps to eliminate potential conflicts that might exist.

D. Conflicts of Interest Created by Contemporaneous Trading

To the extent applicable, Kize seeks to allocate investment opportunities to Clients on a fair and equitable basis, to the extent practical and in accordance with applicable investment strategies of such Clients over a period of time. Investment opportunities will generally be allocated among Clients for which participation in the respective opportunity is considered appropriate, taking into account, among other considerations: (i) whether the risk-return profile of the proposed investment is consistent with a Clients’ objectives; (ii) the potential for the proposed investment to create an imbalance in a Clients’ portfolio; (iii) the liquidity requirements of a Client; (iv) potentially adverse tax consequences; (v) regulatory or contractual restrictions that would or could limit a Clients’ ability to participate in a proposed investment; (vi) the need to re-size risk in a Clients’ portfolio; (vii) withdrawal requests from a Client and anticipated future contributions into a Client; and (viii) proximity of a Client to the end of its specified term/commitment period.

Kize may offer co-investment opportunities to Investors and/or other third-party investors when, for example, the size of the opportunity exceeds the amount of capital that Kize believes should be invested by the Clients.

From time to time, due to actual or anticipated capital infusion, withdrawal, or other factors, investments in publicly traded companies, generally defined to include liquid portfolio securities with readily observable market prices (at the individual investment level or in the aggregate), held by specific Fund Clients may need to be rebalanced. In such situations, either separate trades may be conducted or an additional allocation, based on the new net assets of the relevant Fund Client, may be provided to the Fund Client.

From time to time, for administrative convenience, or for legal, tax, regulatory or other reasons, Kize's Clients may hold investments indirectly through special purpose entities or intermediate holding companies (which may or may not have co-mingled assets), that are managed by Kize or its affiliates.

Item 12

Brokerage Practices

Pursuant to the relevant Offering Documents and/or applicable IMA, Kize has discretion to select broker-dealers to effect transactions on behalf of its Clients. Accordingly, portfolio transactions will be allocated to such brokers-dealers based on best execution and in consideration of such broker-dealers' provision or payment of the costs of research and other services.

A. Selection of Broker-Dealers and Reasonableness of Compensation

Kize will place trades for execution only with approved brokers-dealers. Subject to best execution, when selecting broker-dealers (including prime brokers) to execute transactions, provide financing and securities on loan, hold cash and short balances and provide other services, Kize will consider the full range and quality of a broker-dealer's services (both qualitative and quantitative factors), including the ability of the brokers and dealers to effect the transaction; access to and quality of a broker's research; the brokers' or dealers' facilities, reliability and financial responsibility; and the provision by the brokers of capital introduction, talent introduction, marketing assistance, consulting with respect to technology, operations and equipment, commitment of capital, access to company management and access to deal flow. Accordingly, the prices and commission rates (or dealer markups and markdowns arising in connection with riskless principal transactions) charged to Clients by brokers-dealers may be higher than those charged by other brokers-dealers that may not offer such services.

Kize maintains a Brokerage Committee that periodically reviews the quality of its executions and various trading matters.

1. Research and Other Soft Dollar Arrangements

Kize pays broker-dealer commissions (or markups or markdowns with respect to certain types of riskless principal transactions) for executing Client portfolio transactions in excess of those which another broker-dealer might have charged for executing the transaction in recognition of the value of the brokerage and research services provided by the broker-dealer. Kize will effect such transactions, and receive such brokerage and research services, only to the extent that they fall within the safe harbor provided by Section 28(e) of the Exchange Act and subject to prevailing guidance provided by the SEC regarding Section 28(e).

Consistent with Section 28(e), Kize uses research services and products in connection with its advisory services for any of its Clients, not necessarily for only the Client that "paid" for them. That is, Kize might utilize research services that a broker-dealer provides for one of its Clients in connection with its advisory services for other accounts and vice versa. Kize does not seek to allocate soft dollar benefits to Clients in proportion to the commission and soft dollar credits the Clients generate. However, Kize aims to allocate soft dollar benefits to each Client in a fair and equitable manner.

To the extent that Kize uses “full service brokers” which provide research and other services to Kize and the commission (or markups or markdowns) associated with such services is greater than would otherwise be obtained using available floor brokers or electronic brokers, such commission could be deemed to comprise soft dollar arrangements. Kize may also enter into “commission sharing arrangements” with one or more brokerage firms. Under these arrangements, a portion of the commission is paid to that broker-dealer for execution services and the remainder of the commission is paid to other approved broker-dealers or third-party research providers for research services provided by such broker-dealers or vendors. Transactions executed under these commission sharing arrangements generate a higher commission rate than transactions executed with other broker-dealers.

When Kize uses brokerage commissions (or markups or markdowns) generated by any Client to obtain research or other products or services, Kize receives a benefit because it does not have to produce or pay for such products or services. While Kize is obligated to seek best execution for each Client, the fact that Kize can obtain or receive such products or services may create an incentive for it to select or recommend a particular broker-dealer more favorable to Kize’s interests, to the exclusion of another broker-dealer that offers business terms which are more favorable to one or more Clients.

On a periodic basis, the Chief Compliance Officer will evaluate the transactions executed under these arrangements to ensure that the brokerage and research services received by Kize are within the safe harbor provided under Section 28(e).

2. Brokerage for Client Referrals

Subject to best execution, Kize may consider, among other things, capital introduction with respect to Fund Client Investors in selecting or recommending broker-dealers and/or prime brokers. Even though Kize does not compensate broker-dealers (including prime brokers) for such services and does not commit to allocate a particular amount of brokerage to a broker-dealer and/or prime broker in return for capital introduction services, the use of capital introduction services could create a conflict of interest when deciding which prime brokers to use.

3. Directed Brokerage

Kize does not intend to recommend, request, or require that a Client direct Kize to execute transactions through a specified broker-dealer.

B. Aggregating Orders for Various Clients

To the extent applicable, consistent with its duty to seek the best possible execution for Clients, to the extent practicable, Kize will typically seek to aggregate (or “bunch” or “block”) orders that are placed for more than one Client. Aggregated orders include: (i) one order placed on behalf of more than one Clients and (ii) multiple orders placed on behalf of one or more Clients. When an aggregated order is filled through multiple trades at different prices on the same day, each participating Client will receive the average price, with transaction costs generally allocated *pro rata* based on the size of each Client's participation in the order (or allocation in the event of a

partial fill) as determined by Kize. In the event of a partial fill, allocations may be modified on a basis that Kize deems to be appropriate, including, for example, in order to avoid odd lots or *de minimis* allocations. When orders are not aggregated, trades generally will be processed in the order that they are placed with the broker or counterparty selected by Kize. As a result, certain trades in the same security for one Client may receive more or less favorable prices or terms than another Client, and orders placed later may not be filled entirely or at all, based upon the prevailing market prices at the time of the order or trade. In addition, some opportunities for reduced transaction costs and economies of scale may not be achieved.

Although Kize believes that bunching orders usually facilitates best execution and reduces transactional costs, it is possible that the average price received for a bunched order may be worse than that price which a Client could have received had it executed a smaller quantity of shares on its own. There may also be corresponding potential disadvantages when more than one Client simultaneously seeks to dispose of commonly held securities or other investment positions.

Item 13

Review of Accounts

A. Periodic Review of Clients' Accounts

Daniel Moss, as the CEO and Portfolio Manager, has ultimate responsibility for all investment decisions and, with the assistance of the investment team, continuously monitors Clients' investments, transactions, performance, and investment strategy to ensure that they conform with the investment objectives set forth in the Offering Documents and/or the applicable IMA.

B. Additional Review of Clients' Accounts

Relevant personnel assist Mr. Moss with monitoring for risks arising from Client- or Investor-imposed investment restrictions, leverage, counterparty risk, and risks related to operations and systems. On at least a quarterly basis, Kize reviews the valuation of its Clients' investments that lack a readily ascertainable market value.

C. Contents and Frequency of Account Reports to Fund Clients

Investors in Fund Clients will typically receive: (i) annual audited financial statements; (ii) periodic unaudited performance information; and (iii) if applicable, a statement of taxable income (Schedule K-1).

In addition to the information provided to all of its Fund Client Investors as explained above, Kize may arrange to provide certain Kize Partners Funds Investors (including the Strategic Investor) with additional information, including (i) position-level transparency, (ii) more frequent reports that other Investors will not receive, or (iii) answers to due diligence questionnaires upon request from such Investors. Such information may provide certain Investors (including the Strategic Investor) with greater insight into the Fund Client's activities and possibly affect such Investor's decision to request a redemption from a Fund Client. A prospective Kize Partners Funds Investor is responsible for asking questions or requesting information it believes is necessary to make its own investment decisions and must decide for itself whether the limited information typically provided by Kize to Kize Partners Funds Investors is adequate for its investment evaluation.

Item 14
Client Referrals and Other Compensation

Kize does not receive economic benefits from non-Clients for providing investment advice and other advisory services.

Kize has engaged a placement agent to solicit or refer potential Investors into the Kize Partners Funds. Such placement agent will be subject to a conflict of interest because they will be compensated in connection with their solicitation activities. In addition, the use of capital introduction services provided by executing or prime brokers may create a conflict of interest in that it may create an incentive for the Firm to direct additional brokerage to such executing brokers or prime brokers. The Firm has implemented policies and procedures designed to seek best execution and periodically monitor and evaluate service providers.

Item 15

Custody

Pursuant to Rule 206(4)-2 under the Advisers Act (the “*Custody Rule*”), Kize is deemed to have custody of the assets held by its Fund Clients. To comply with the Custody Rule, the assets of each Fund Client must be held by a qualified custodian, with the exception of certain privately offered securities. In addition, Kize intends to meet its custody reporting requirements through the provisions of the so called “Pooled Vehicle Annual Audit Exception”, which, among other things, requires that each Fund Client be subject to audit at least annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and requires that each Fund Client distribute its audited financial statements to all investors within 120 days of the end of its fiscal year.

Item 16

Investment Discretion

Kize has full discretionary investment authority with respect to its Clients, including the authority to determine, without obtaining specific Client consent, which securities and investments to buy or sell and the amount of securities and investments to buy or sell, the brokers through which Kize effects trades and the commission rates at which Kize effects trades. Despite this broad authority, Kize is committed to adhering to the investment strategy and program set forth in each of its Clients' Offering Documents and/or IMA.

Item 17

Voting Client Securities

Kize has the authority to vote its Clients' securities. As a result, Kize has adopted proxy voting policies and procedures pursuant to and in compliance with the Advisers Act Rule 206(4)-6. Kize's general policy is to vote proxy proposals, amendments, consents or resolutions in a prudent and diligent manner that will serve the applicable Client's best interests and in line with each Client's investment objectives.

Kize generally expects to vote proxies in accordance with the recommendations of company management. However, there are many complexities to proxy votes, and Kize will vote against a proposal or recommendation of management if it determines that such a vote is in the best interests of its Clients.

Kize will process every vote it receives for U.S. and non-U.S. proxies. Certain types of matters that are the subject of a proxy vote may require a more detailed analysis than the analysis required for some routine or uncontested matters. Kize will abstain from voting or affirmatively decide not to vote if it determines, after considering a variety of factors, that abstaining or not voting is in the best interests of Kize's Clients.

In effecting Kize's policy of voting proxies in the best interests of its Clients, there may be occasions where the voting of such proxies may present an actual or perceived conflict of interest between Kize and its Clients. Some of these potential conflicts of interest situations include, but are not limited to: (i) business relationships; (ii) personal relationships; or (iii) familial relationships.

Clients may obtain a copy of Kize's current written proxy voting policies and procedures and/or information concerning proxy votes on its behalf by contacting Kize at compliance@kizecapital.com.

Item 18
Financial Information

The Firm is not required to include a balance sheet for its most recent fiscal year, is not aware of any financial condition reasonably likely to impair its ability to meet contractual commitments to Clients, and has not been the subject of a bankruptcy petition at any time during the past ten years.