

## Introduction

KPC Terrapin Group LLC ("KPC Group") is an investment adviser registered with the SEC. Investment advisory and brokerage services and fees differ, and it is important for you to understand the differences. This document gives you a summary of the types of services we provide and how we are compensated. Please feel free to ask us for more information - some suggested questions are provided as examples. Additionally, free and simple tools are available to you to assess firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/crs), which also provides free educational materials about broker-dealers, investment advisers, and investing.

## What investment services and advice can you provide me?

KPC Group provides advisory services to retail investors and other clients. We provide discretionary services, where we have full investment authority, through separate accounts employing a predominantly technical growth equity strategy. We also offer non-discretionary services, where clients retain ultimate authority in investment decisions, with regard to the selection of private funds. The types of investments and level of discretion, as well as other important terms, are established in your advisory agreement with us. Managed accounts are tailored to your investment objectives and are monitored either under a distinct fee, for non-discretionary portfolios, or as a part of our standard service for discretionary accounts. You may request restrictions on your account by incorporating them into your advisory agreement. The minimum client account for discretionary services is \$100,000 and the minimum client portfolio for non-discretionary services is \$250,000, however, we may accept lower amounts at our sole discretion.

Additional information about KPC Group's services is provided in our [Form ADV Part 2A Brochure](#) under Items 4, 7 and 8.

### Conversation Starters - Questions to Ask Us:

- *Given my financial situation, should I choose an investment advisory service? Why or why not?*
- *"How will you choose investments to recommend to me?"*
- *What is your relevant experience, including your licenses, education and other qualifications? What do those qualifications mean?*

## What fees will I pay?

We are compensated through an asset-based fee. Asset-based fees present a potential conflict of interest in that the more assets there are in your account, the more you will pay us in fees. Thus we have an incentive to encourage you to increase the assets in the account. The amount and manner in which fees are assessed depends on the type of advisory service you receive and are set forth in your advisory agreement:

**Non-discretionary clients** pay a management fee of up to 1.25% per year of the value of the portfolio. These fees are negotiable and may vary based on the size of the portfolio and the scope of the mandate. Portfolios are generally valued annually and the fee is billed quarterly in arrears. This fee rate covers two distinct services - one attributable to sourcing and recommending investments and one attributable to ongoing monitoring, reporting, and portfolio allocation and analytical services. Investments recommended by us and subject to the Monitoring Fee include those in which you invest within 3 years of our recommendation and are due with respect to such investments for as long as you remain an investor in that fund. The Firm may also charge a portfolio analysis fee for any ad-hoc reports provided to you as set forth in the Advisory Agreement.

**Discretionary clients** pay a management fee of up to 2.00% per year of the value of the portfolio. This fee is negotiable and depends on the size of your account. It is billed quarterly in arrears and calculated based in the account value on the last trading day of each quarter.

Where accounts are invested for only a portion of a quarter, we adjust the fee pro rata for the number of days that the advisory agreement is in effect. In addition to the fees charged by KPC Group, you may incur additional expenses including, but not limited to, custodian charges, brokerage fees, and other reporting and administrative costs. Similarly, investments in underlying funds in your portfolio, whether ETFs or private placements, incur various expenses which are ultimately paid by fund investors. These fund expenses are related to their operations and may include, but are not limited to, advisory fees; performance-based fees, where earned; transaction costs; custodian charges; any borrowing expenses; and legal, accounting and other administrative expenses.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

Additional information about the fees you will incur can be found in Items 5 and 6 of our [Form ADV Part 2A](#).

**Conversation Starters - Questions to Ask Us:**

- Help me understand how these fees and costs may affect my investments. If I give you \$100,000 to invest, how much will go to fees and costs and how much will be invested for me?

**What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?**

When we act as your investment adviser, we must act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice, we provide you. Here is an example to help you understand what this means.

*Negotiable or Varying Fee Rates.* Differences in fee rates introduces an incentive to favor higher-paying accounts in the allocation of investment opportunities. To mitigate this, KPC Group has adopted procedures designed to detect inappropriate trading or allocations

*Affiliated Adviser.* KPC Group is under common control with two other investment advisers, Kelly Park Investment LLC and Kelly Park Management II LLC (the "Affiliates"). To the extent that we were to recommend products and services offered by the Affiliates as part of our advisory services, the firms' owners would stand to increase revenue. To mitigate this, we do not recommend to KPC Group clients the services of the Affiliates. While the non-discretionary investment universe of KPC Group and the Affiliates does overlap, prospective clients of the Affiliates are not expected to overlap with those of KPC Group.

*Common Founder.* Having founded three firms, Mr. Rubino's time is divided among these firms, as well as any other endeavors. Mr. Rubino seeks to mitigate this conflict by synergizing his efforts across the clients of the three advisory firms and maintaining a common sourcing and evaluation process.

Additional information about our financial industry affiliations and conflicts of interest can be found in Items 10 and 11 of our [Form ADV Part 2A](#).

**Conversation Starters - Questions to Ask Us:**

- How might your conflicts of interest affect me, and how will you address them?

**How do your financial professionals make money?**

KPC Group's financial professionals are compensated by salary and a bonus based on the profitability of the firm and other factors. Additionally, KPC Group's principals may be compensated through their ownership in the firm.

**Do you or your financial professionals have legal or disciplinary history?**

No. Visit [Investor.gov/CRS](https://www.investor.gov/crs) for a free and simple search tool to research our firm and our financial professionals.

**Conversation Starters - Questions to Ask Us:**

- As a financial professional, do you have any disciplinary history? For what type of conduct?

**Additional Information**

You can find additional information about our firm's advisory services on the SEC's website at [www.adviserinfo.sec.gov](https://www.adviserinfo.sec.gov). A copy of this document is available on our website, [www.kellyparkcapital.com](https://www.kellyparkcapital.com). You may also contact our firm at (212) 710-4111 to request a copy of this relationship summary, our Form ADV Part 2 and other current information.

**Conversation Starters - Questions to Ask Us:**

- Who is my primary contact person?
- Is he or she a representative of an investment adviser or a broker-dealer?
- Who can I talk to if I have concerns about how this person is treating me?