

INVESTMENT ADVISER BROCHURE

KINGSWOOD CAPITAL MANAGEMENT, L.P.

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This Investment Adviser Brochure (“Brochure”) provides information about the qualifications and business practices of Kingswood Capital Management, L.P. (the “Adviser”). If you have any questions about the contents of this Brochure, please contact us at 424-200-6600. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state authority.

The Adviser is an investment adviser registered with the SEC under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). However, such registration does not imply a certain level of skill or training.

Additional information regarding the Adviser is also available on the SEC’s website at www.adviserinfo.sec.gov.

MATERIAL CHANGES

Since the last update in September 2021, this Brochure has been amended to reflect an updated list of clients and assets under management and to add a risk related to the war in Ukraine.

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ADVISORY BUSINESS

The Adviser, a Delaware limited partnership and a registered investment adviser, and its affiliated investment advisers (collectively, “**Kingswood**”) provide investment advisory services to investment funds privately offered to qualified investors in the United States and elsewhere. Kingswood commenced operations in February 2013. The Adviser is controlled by principal owner Alex Wolf.

Kingswood’s clients include the following (each a “**Fund**,” and collectively with any future private investment funds to which Kingswood or its affiliates provide investment advisory services, the “**Funds**”):

- Kingswood Capital Opportunities Fund I, L.P. (“**Main Fund I**”);
- Kingswood Capital Opportunities Fund I-A, L.P. (“**Fund I-A**” and together with Main Fund I, “**Fund I**”);
- Kingswood Capital Opportunities Fund I Feeder, LLC (“**Feeder Fund I**” and together with Main Fund I and Fund I-A, “**Fund I**”);
- Kingswood Capital I, L.P. (“**Kingswood Capital I**”);
- Kingswood Genesis Fund I Holdings, LLC (“**Genesis Holdings**”); and,
- Axle Aggregator, LLC (“**Axle Fund**” and together with Genesis Holdings, the “**SPVs**”).

The following general partners and relying adviser entities are affiliated with the Adviser:

- Kingswood Capital GP, LLC (“**Kingswood Capital GP**”);
- Kingswood Capital Opportunities Fund I GP, L.P. (“**Fund I GP**” and, together with Kingswood Capital GP and any future general partners that may be formed from time to time, each a “**General Partner**” and collectively, “**General Partners**”); and
- Kingswood Capital Management, LLC (the “**Relying Adviser**”).

Each General Partner and the Relying Adviser are subject to the Advisers Act pursuant to the Adviser’s registration in accordance with SEC guidance. This Brochure also describes the business practices of the General Partners and the Relying Adviser, which operate as a single advisory business together with the Adviser.

The Funds are private equity funds and invest through negotiated transactions in operating entities, generally referred to herein as “**portfolio companies**.” Kingswood’s investment advisory services to the Funds consist of identifying and evaluating investment opportunities, negotiating the terms of investments, managing and monitoring investments and achieving dispositions for such investments. From time to time, where such investments consist of portfolio companies, the

senior principals or other personnel of Kingswood or its affiliates generally serve on such portfolio companies' respective boards of directors or otherwise act to influence control over management of portfolio companies in which the Funds have invested.

The advisory services to the Funds are detailed in the applicable Fund's private placement memoranda or other offering documents (each, a "**Memorandum**"), limited partnership or other operating agreements (each, a "**Partnership Agreement**" and, as applicable, together with any relevant Memorandum, the "**Governing Documents**") and are further described below under "Methods of Analysis, Investment Strategies and Risk of Loss." Investors in the Funds participate in the overall investment program for the applicable Fund, but may be excused from a particular investment due to legal, regulatory or other agreed-upon circumstances pursuant to the relevant Governing Documents. The Funds or the General Partners generally enter into side letters or other similar agreements ("**Side Letters**") with certain investors that have the effect of establishing rights under, or altering or supplementing the terms (including economic or other terms) of, the relevant Governing Documents with respect to such investors.

Additionally, from time to time and as permitted by the relevant Governing Documents, Kingswood expects to provide (or agree to provide) co-investment opportunities (including the opportunity to participate in co-invest vehicles) to certain investors or other persons, including other sponsors, market participants, finders, Operations Group members (as defined below), consultants and other service providers, Kingswood personnel and/or certain other persons associated with Kingswood and/or its affiliates. Such co-investments typically involve investment and disposal of interests in the applicable portfolio company at the same time and on the same terms as the Fund making the investment. However, from time to time, for strategic and other reasons, a co-investor or co-invest vehicle may purchase a portion of an investment from one or more Funds after such Funds have consummated their investment in the portfolio company (also known as a post-closing sell-down or transfer). Any such purchase from a Fund by a co-investor or co-invest vehicle generally occurs shortly after the Fund's completion of the investment to avoid any changes in valuation of the investment. Where appropriate, and in Kingswood's sole discretion, Kingswood is authorized to charge interest on the purchase to the co-investor or co-invest vehicle (or otherwise equitably to adjust the purchase price under certain conditions), and to seek reimbursement to the relevant Fund for related costs. However, to the extent such amounts are not so charged or reimbursed, they generally will be borne by the relevant Fund.

As of December 31, 2021, Kingswood managed approximately \$482,751,254 in client assets on a discretionary basis.

FEES AND COMPENSATION

Fees generally are paid as set forth in each Fund's Governing Documents. In general, Kingswood receives a carried interest in connection with advisory services provided to the Funds. Kingswood also receives a management fee (the "**Management Fee**") from Fund I. Kingswood and/or its affiliates receive additional compensation in connection with management and other services performed for portfolio companies of Funds. With respect to Fund I, such additional compensation will offset in whole or in part the management fees otherwise payable to Kingswood in accordance with the relevant Governing Documents. In addition, in certain circumstances Kingswood receives compensation for management and other services performed in connection

with co-investments made in portfolio companies of the Funds. Investors in a Fund also bear certain expenses.

Kingswood Capital I and the SPVs pay to Kingswood, at the time of the funding of a new investment, certain fees that do not offset any other compensation received by Kingswood in connection with Kingswood Capital I or the SPVs. Portfolio companies of the SPVs pay to Kingswood certain monitoring fees as more fully described in the relevant Governing Documents. Such fees from portfolio companies do not offset any other compensation received by Kingswood in connection with Kingswood Capital I or the SPVs. Investors should review the relevant Fund's Governing Documents for full details regarding fee structure and expenses.

Management Fees

Fund I pays a Management Fee equal to 2.0% on an annual basis of aggregate capital commitments ("**Commitments**") of investors that are not designated as "affiliated partners" by the General Partner. Payments are made quarterly in advance. Commencing with the first Management Fee payment date after the expiration of Fund I's investment period or earlier upon the occurrence of certain events as set forth in the Governing Documents, the Management Fee will equal 2.0% of (i) the aggregate investment contributions made (or payable to Fund I pursuant to capital call notices then issued or to be issued to repay indebtedness incurred by the Fund and used to fund an investment), less (ii) the aggregate amount of investment contributions with respect to the portion of each investment that has been disposed of or permanently written-down, in each case with respect to investors not designated as "affiliated partners"; provided that the Management Fee will be reduced pursuant to a formula specified in the Governing Documents and there will be a corresponding reduction in the General Partner's cash capital contribution obligations.

Investors participating in a subsequent closing after the initial closing date will be assessed Management Fees retroactive to the beginning of the effective date of Fund I, with interest. Installments of the Management Fee payable for any period other than a full quarterly period are adjusted on a *pro rata* basis according to the actual number of days in such period.

Fund I's Management Fee will be reduced, but not below zero, by all or a portion of "**Portfolio Company Fees**" attributable to investors not designated as "affiliated partners" by the General Partner. Portfolio Company Fees include: (i) directors' fees, financial consulting fees or advisory fees paid to the General Partner with respect to any Fund I investment; (ii) transaction fees paid to the General Partner with respect to any Fund I investment; and (iii) break-up fees with respect to Fund I transactions not completed that are paid to the General Partner, in each case net of certain expenses (including those described below) as set forth in the Governing Documents; but not including, in any event, any amount received by the General Partner, the Operations Group (or a member thereof) or other person from a portfolio company (a) as reimbursement for expenses directly related to such portfolio company, (b) as payment for services provided to such portfolio company in the ordinary course of such portfolio company's business, (c) as compensation for services provided by the General Partner or other person as an employee of or in a similar capacity for such portfolio company or (d) as compensation (including fees, incentive equity or other stock awards) for services rendered by the Operations Group (or a member thereof) to a portfolio company or prospective portfolio company.

In the event that the amount of such Portfolio Company Fee reduction exceeds the Management Fee for such quarterly period, such excess shall be carried forward to reduce the Management Fee payable in following quarterly periods, as set forth in the applicable Partnership Agreement. Any excess amount at the end of each year may be distributed to Fund I. Various costs and expenses will reduce Portfolio Company Fees (and therefore such amounts will not reduce the Management Fee), including out-of-pocket costs and expenses (including travel expenses) incurred by the General Partner in connection with any consummated or unconsummated transaction or in connection with generating any such Portfolio Company Fees. To the extent that any other fund or any other entity or individual co-invests alongside Fund I in any portfolio company investment, any Portfolio Company Fees will be allocated pursuant to the negotiated terms in the relevant services agreement. Accordingly, the Fund will, in most cases, only benefit from the Management Fee reduction described above with respect to its allocable portion of any such Portfolio Company Fee and not the portion of any fee allocable to any other investor in a portfolio company. For the avoidance of doubt, any other fees earned with respect to any co-investment vehicle will not reduce the Management Fee payable by the Fund. Similarly, in certain circumstances, co-investors or other parties could negotiate the right to share a portion of such fees from a particular investment, in which case the above-described offset percentage will be applied after excluding any amounts paid to such persons. Additionally, as further described below and in the applicable Governing Documents of the Fund, it is Kingswood's practice to use or retain certain Operations Group members to provide services to (or with respect to) certain portfolio companies in which one or more Funds invest. Such Operations Group members generally receive compensation and other amounts described herein from the relevant portfolio companies or Funds to which they provide services, but no such amounts will result in additional offsets to the Management Fee.

The Fund I Governing Documents generally permit the General Partner to waive or agree to reduce the Management Fee. Certain waived portions of the Management Fee will be treated by the Governing Documents as a deemed capital contribution by the relevant General Partner, which is effectively invested in the relevant Fund on such General Partner's behalf, and operates to reduce the amount of capital such General Partner would otherwise be required to contribute to the Fund. The limited partners of the Fund ("**Limited Partners**") typically will be required to make a *pro rata* contribution according to their respective Commitments to fund any contribution that would otherwise be required of the General Partner in connection with any such waiver or reduction as described above and, as a result, the exercise of such waiver may result in an acceleration (or delay) of investor capital contributions. Waived or reduced Management Fees are not subject to the Management Fee offsets described above, and the amount of such waived or reduced Management Fees has the potential to be significant. Due to waived or reduced Management Fees by Kingswood and/or timing of receipt of compensation subject to offsets (as described above), it is possible that Management Fee offsets will be delayed.

Kingswood does not receive a management fee from either Kingswood Capital I or the SPVs.

Carried Interest

As more fully described in the applicable Governing Documents, Kingswood receives carried interest with respect to Kingswood Capital I and the SPVs equal to between 20% and 30%

of profits in excess of an 8% compounded preferred return, depending on the multiple of invested capital returned to investors.

As more fully described in the applicable Governing Documents, Kingswood will receive a carried interest with respect to Fund I equal to 20% of profits in respect of realized investments in excess of an 8% compounded preferred return. The carried interest distributed to Kingswood is subject to a potential giveback at the end of life of Fund I if Kingswood has received excess cumulative distributions and at certain interim intervals as provided in the Governing Documents.

It is expected that any future Funds will have a similar fee structure as Fund I.

Other Information

Kingswood is permitted to exempt certain “affiliated partner” investors in the Funds from payment of all or a portion of Management Fees and/or carried interest, including Kingswood entities and any other person designated by Kingswood, such as “friends and family” of Kingswood or its personnel, or other investors meeting certain qualification requirements based on commitment size or other strategic or relationship factors. Any such exemption or reduction from fees and/or carried interest may be made by a direct exemption or reduction, a rebate by Kingswood and/or its affiliates, or through other Funds which co-invest with a Fund. For example, in instances where a Kingswood professional (or an affiliated entity thereof) invests in a Fund, such professional (or such affiliated entity) generally will be exempt from payment of the Management Fee and carried interest with respect to such Fund. Additionally, to the extent permitted by the relevant Governing Documents, the General Partner has the right to permit investors, affiliated with Kingswood or otherwise, to invest through the relevant General Partner or other vehicles that do not bear Management Fees or carried interest. In general, the Management Fee offsets described above apply only with respect to the capital commitments of fee-paying investors.

The Funds generally invest on a long-term basis. Accordingly, investment advisory and other fees are expected to be paid, except as otherwise described in the Governing Documents, over the term of the relevant Fund, and investors generally are not permitted to withdraw or redeem interests in the Funds.

Principals or other current or former employees of Kingswood generally receive salaries and other compensation derived from, and in certain cases including a portion of, the Management Fee, carried interest or other compensation received by Kingswood or its affiliates.

In addition to the Management Fee and carried interest payable to Kingswood, each Fund bears certain expenses. As set forth more fully in the applicable Governing Documents of each Fund, each Fund will pay, or reimburse the General Partner for, all other fees, costs, expenses, liabilities and obligations relating to the Fund’s and/or its subsidiaries’ activities, business, portfolio companies or actual or potential investments (to the extent not borne or reimbursed by a portfolio company or potential portfolio company), including all fees, costs, expenses, liabilities and obligations relating or attributable to: (i) activities with respect to origination and sourcing of investment opportunities for the Fund, including meeting with broker-dealers, investment banks and other sources of investments and developing an investment pipeline; (ii) activities with respect

to the structuring, organizing, negotiating, consummating, financing, refinancing, diligencing (including any subscriptions to periodicals or databases), acquiring, bidding on, owning, managing, monitoring, operating, holding, hedging, restructuring, trading, taking public or private, selling, valuing, winding up, liquidating, dissolving or otherwise disposing of, as applicable, the Fund's portfolio companies and its actual and potential investments (including follow-on investments) or seeking to do any of the foregoing (including any associated legal, financing, commitment, transaction or other fees and expenses payable to attorneys, accountants, tax professionals, investment bankers, lenders, third-party diligence software and service providers, consultants and similar professionals in connection therewith and any fees and expenses related to transactions that may have been offered to co-investors), whether or not any contemplated transaction or project is consummated and whether or not such activities are successful; (iii) indebtedness of, or guarantees made by, the Fund, Kingswood, the General Partner or any "affiliated partner" on behalf of the Fund (including any credit facility, letter of credit or similar credit support), including repayment of principal and interest with respect thereto, or seeking to put in place any such indebtedness or guarantee; (iv) financing, commitment, origination and similar fees and expenses; (v) broker, dealer, finder, underwriting (including both commissions and discounts), loan administration, private placement fees, sales commissions, investment banker, finder and similar services; (vi) brokerage, sale, custodial, depository (including a depository appointed pursuant to the AIFMD or any law, rule or regulation relating to the implementation thereof in any relevant jurisdiction), Swiss representative and paying agent (pursuant to the Swiss Collective Investment Schemes Act (as amended) including any law, rule or regulation relating to the implementation thereof), trustee, record keeping, account and similar services; (vii) legal, accounting, research, auditing, administration (including fees and expenses associated with the Fund's third-party administrator and administration, tracking or reporting software, if any), information, appraisal, advisory, valuation (including third-party valuations, appraisals or pricing services), consulting (including consulting and retainer fees and other compensation paid to the Operations Group or any of its members, consultants performing investment initiatives and other similar consultants), tax and other professional services provided that the aggregate compensation payable directly by the Fund (for the avoidance of doubt, not including amounts paid by portfolio companies) to the Operations Group or any of its members in any calendar year shall not exceed, without approval of the advisory board of the fund (the "**Advisory Board**"), \$850,000 (net of any reimbursements from portfolio companies); and provided further that the aggregate compensation payable directly by the Fund to the Operations Group or any of its members shall not exceed, without Advisory Board approval, \$2,000,000 (net of reimbursements from portfolio companies) over the life of the Fund; (viii) reverse breakup, termination and other similar fees; (ix) directors and officers liability, errors and omissions liability, crime coverage and general partnership liability premiums and other insurance and regulatory expenses, including any costs and expenses related to any retention or deductibles; (x) filing, title, transfer, registration and other similar fees and expenses; (xi) printing, communications, marketing and publicity; (xii) the preparation, distribution or filing of Fund-related or investment-related financial statements or other reports, tax returns, tax estimates, Schedule K-1s, other communications with investors, or any other administrative, compliance or Fund-related or investment-related regulatory filings or reports (including Form PF), including fees and costs of any third-party service providers and professionals related to the foregoing; (xiii) Kingswood's, the General Partner's and the Fund's compliance with the requirements of the AIFMD (excluding, for clarity, the initial and/or preliminary registrations, filings and compliance related thereto), as implemented in any relevant

jurisdiction and including any secondary legislation, regulations, rules and/or associated guidance, and any related requirements; (xiv) developing, licensing, implementing, maintaining or upgrading any web portal, extranet tools, computer software or other administrative or reporting tools (including subscription-based services) for the benefit of the Fund or the Limited Partners; (xv) any activities with respect to protecting the confidential or non-public nature of any information or data; (xvi) to the extent provided in the Governing Documents, or otherwise approved by the General Partner in its sole discretion, activities or proceedings of the Advisory Board (including any costs and expenses incurred by representatives of the General Partner, the Advisory Board members, permitted observers and other persons in attending or otherwise participating in meetings of the Advisory Board); (xvii) indemnification (including any fees, costs and expenses incurred in connection with indemnifying any General Partner and/or Limited Partner (collectively, the “**Partners**”) or other person pursuant to the Governing Documents and advancing fees, costs and expenses incurred by any such person in defense or settlement of any claim that may be subject to a right of indemnification pursuant to the Governing Documents), except as otherwise set forth in the Governing Documents; (xviii) actual, threatened or otherwise anticipated litigation, mediation, arbitration or other dispute resolution process, including the costs and expenses of any discovery related thereto and any judgment, other award or settlement entered into in connection therewith; (xix) any annual Limited Partner meeting or other periodic, if any, meetings of the Limited Partners, any other conference or meeting with any Limited Partner(s) and any periodic executive forum of portfolio company management and other persons; (xx) except as otherwise determined by the General Partner in its sole discretion, any fee, cost, expense, liability or obligation relating to any alternative investment vehicle or its activities, business, portfolio companies or actual or potential investments (to the extent not borne or reimbursed by a portfolio company of such alternative investment vehicle) that would be a Fund expense or organizational expense if it were incurred in connection with the Fund, and any expenses incurred in connection with the formation, management, operation, termination, winding up and dissolution of any feeder vehicles related to the Fund to the extent not paid by the investors investing in such entities and any other costs and expenses related to any structuring or restructuring of the Fund and/or its affiliated entities; (xxi) the termination, liquidation, winding up or dissolution of the Fund; (xxii) defaults by Partners in the payment of any capital contributions; (xxiii) amendments to, and waivers, consents or approvals pursuant to, the constituent documents of the Fund, the General Partner and related entities and any alternative investment vehicle of the Fund, including the preparation, distribution and implementation thereof; (xxiv) complying with any law, regulation or policy related to the activities of the Fund (including any legal fees and expenses related thereto and any regulatory expenses of the General Partner incurred in connection with the operation of the Fund); (xxv) any litigation or governmental inquiry, investigation or proceeding involving the Fund, including any costs and expenses of discovery related thereto and the amount of any judgments, settlements or fines paid in connection therewith, except as set forth in the Governing Documents; (xxvi) any third-party experts, including independent appraisers, engaged by the General Partner in connection with the Fund considering, making or holding an investment in the same entity as one or more investment vehicles (other than the Fund) managed or controlled by the General Partner or any of its affiliates; (xxvii) unreimbursed costs and expenses incurred in connection with any transfer or proposed transfer by a Limited Partner; (xxviii) any taxes, fees and other governmental charges levied against the Fund and all expenses incurred in connection with any tax audit, investigation settlement or review of the Fund (except to the extent that the Fund is reimbursed therefor by a Partner or such tax, fee or charge is treated as having been distributed to

the partners pursuant to the Governing Documents); (xxix) distributions to the partners and other expenses associated with the acquisition, holding and disposition of the Fund's investments, including extraordinary expenses; (xxx) unreimbursed expenses and unpaid fees of the Operations Group or its members, employees or other persons engaged by the Operations Group; (xxxi) compliance or regulatory matters related to the Fund, except as otherwise set forth in the Governing Documents; (xxxii) any travel (including, where appropriate as determined by the General Partner, the cost of using or chartering private aircraft or other private air travel at a cost not to exceed the cost of corresponding first class commercial airfare), lodging, meals or entertainment relating to any of the foregoing, including in connection with consummated and unconsummated investment and disposition opportunities; (xxxiii) any Organizational Expenses; (xxxiv) any Placement Fees; and (xxxv) any other fees, costs, expenses, liabilities or obligations approved by the Advisory Board.

As described above, in certain circumstances, the relevant General Partner is expected to permit certain investors to co-invest in portfolio companies alongside one or more Funds, subject to Kingswood's related policies and the relevant Governing Documents and/or Side Letter(s). Where a co-invest vehicle is formed, such entity generally will bear expenses related to its formation and operation, many of which are similar in nature to those borne by the Funds. In the event that a transaction in which a co-investment was planned, including a transaction for which a co-investment was believed necessary in order to consummate such transaction or would otherwise be beneficial, in the judgment of the General Partner, ultimately is not consummated, the full amount of any fees and expenses generated in the course of evaluating any such proposed transaction generally would be borne by the Fund, and not by any potential co-investors, that were to have participated in such transaction.

Kingswood generally has discretion over whether to charge transaction fees, monitoring fees or other compensation to a portfolio company and, if so, the rate, timing, method and/or amount of such compensation. In most circumstances, such compensation is not reviewed or approved by an independent third party. The receipt of such compensation generally will give rise to potential conflicts of interest between the Funds, on the one hand, and Kingswood and/or its affiliates on the other hand.

Operations Group Members

Additionally, as further described herein and in the applicable Governing Documents of each Fund, it is Kingswood's practice to use or retain certain operating professionals (collectively, the "**Operations Group**"), comprised of persons employed, retained or engaged by Kingswood to provide services to (or with respect to) one or more Funds or certain current or prospective portfolio companies in which one or more Funds invest. Operations Group members generally will provide operational due diligence for prospective and consummated transactions, as well as assist with post-closing operating initiatives for portfolio companies, including, without limitation, manufacturing, sales, marketing, finance, tax, technology, operations, financing, legal, consulting, real estate/facilities management, human resources, acquisition integration/rationalization and/or other operations services, acquisition or other due diligence, or similar services to a Fund, any alternative investment vehicle or any portfolio company or prospective portfolio company of a Fund or any alternative investment vehicle. In certain circumstances, these services also include serving in management or policy-making positions for portfolio companies. Kingswood expects

that Operations Group members are expected to receive compensation, including, without limitation, cash fees, profits or equity interests in a portfolio company, a share of proceeds upon sale of a portfolio company and/or other incentive-based compensation to the Operations Group member, which may be determined according to one or more methods, including the value of the time (including an allocation for overhead and other fixed costs) of the Operations Group member, a percentage of the value of the portfolio company, the invested capital exposed to such portfolio company, amounts charged by other providers for comparable services and/or a percentage of cash flows from such company. Additionally, portfolio companies may provide opportunities for Operations Group members to invest in such portfolio company and reimburse costs and expenses incurred by Operations Group members. Operations Group members also could receive remuneration from the General Partner and/or the Fund or affiliates and/or be entitled to other forms of compensation, including equity grants in portfolio companies. Such investment opportunities, reimbursements and other compensation paid to the Operations Group members will not offset the Management Fee. Operations Group members may have a limited partner or profit interest in a Fund, a General Partner, one or more other investment funds sponsored by Kingswood or in an affiliate of Kingswood. The use of the Operations Group subjects Kingswood to conflicts of interest, as discussed under “Conflicts of Interest,” below.

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As described under “Fees and Compensation,” Kingswood receives a carried interest allocation on certain realized profits in the Funds.

The existence of performance-based compensation has the potential to create an incentive for the General Partner to make more speculative investments on behalf of a Fund than it would otherwise make in the absence of such arrangement, although Kingswood generally considers performance-based compensation to better align its interests with those of its investors.

TYPES OF CLIENTS

Kingswood provides investment advice to the Funds. The Funds include investment partnerships or other investment entities formed under domestic or foreign laws and operated as exempt investment pools under the Investment Company Act of 1940, as amended. The investors participating in the Funds may include individuals, banks or thrift institutions, other investment entities, university endowments, sovereign wealth funds, family offices, pension and profit-sharing plans, trusts, estates or charitable organizations or other corporations or business entities and may include, directly or indirectly, principals or other employees of Kingswood and its affiliates and members of their families, Operations Group members, consultants or other service providers retained by Kingswood.

The Funds may include alternative investment vehicles established from time to time in order to permit one or more investors to participate in one or more particular investment opportunities in a manner desirable for tax, regulatory, accounting or other reasons. Alternative investment vehicle sponsors generally have limited discretion to invest the assets of these vehicles independent of limitations or other procedures set forth in the organizational documents of such vehicles and the related Fund.

Kingswood Capital I and the SPVs generally do not have a minimum investment amount. Fund I generally has a minimum investment amount of \$10 million for third-party investors, and Fund interests are offered and generally sold solely to “accredited investors,” as defined in Regulation D promulgated under the U.S. Securities Act of 1933, as amended, and, unless waived in the discretion of the General Partners, “qualified purchasers” as that term is defined under the Investment Company Act (or certain qualified knowledgeable Kingswood personnel).

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

General

Kingswood is a private investment firm focused on deep value, control investments in companies that are headquartered in North America and characterized by operational, transactional, and/or structural complexity, and which are believed to benefit from Kingswood’s deep transactional and operational experience. Investments are predominantly of non-public companies although investments in public companies are permitted.

Kingswood’s investment strategy focuses on companies with ownership issues, transitions in management or leadership, and financial and/or operational distress where Kingswood believes it can make a significant and positive impact by leveraging its operational and strategic expertise and that of its Operations Group. Kingswood intends for the Funds to participate in complex buyouts including, but not limited to, corporate carve-outs, take-privates, roll-ups, minority squeeze-outs and out-of-court restructurings.

There can be no assurance that Kingswood will achieve the investment objectives of any Fund and a loss of investment is possible.

Investment and Operating Strategy

Sourcing Approach. Kingswood discovers investment opportunities through a combination of key sources, and draws on its network of longstanding relationships with companies, deal advisors and brokers, restructuring firms, and operators to generate significant volume of deal flow that is compatible with its deep value, complex buyout strategy. Kingswood also accesses deal flow from its network of operating executives, who are actively interacting with owners and operators of businesses reaching inflection points in their life cycles.

Due Diligence, Structuring and Execution. Due diligence is managed by the senior professionals at Kingswood and includes both investment and operations personnel from Kingswood as well as Operations Group members. From early in Kingswood’s due diligence process, often beginning with the first meeting with management, Kingswood’s investment team seeks to leverage multiple members of the Operations Group, including functional experts, executives-in-waiting, and senior advisors or consultants, to assist with underwriting and developing relationships with management and key stakeholders at the target company. The Operations Group members generally work on a defined scope of diligence developed by the collective deal team.

Value Creation. Prior to completing a transaction, Kingswood typically forms a bespoke group of Operations Group members to address the specific challenges and opportunities

associated with a target company. The profiles of Operations Group members differ meaningfully from transaction to transaction, but often include subject matter experts, advisors, and potential C-suite executives or board members. Operations Group members are typically involved in a transaction from the initial due diligence period through the execution of operating initiatives related to their area of expertise, which may conclude within the first 30, 60, or 90 days of an investment for a functional expert or may continue through the exit of an investment for an advisor or executive that joins the company in a full-time capacity post-acquisition. During the pre-closing period and during the first 90 days after Kingswood's initial investment, Kingswood is typically engaged with a company multiple times each day. Throughout due diligence and closing, Kingswood focuses on installing a strong foundation of infrastructure and governance best practices, as well as aligning interests and strategic priorities with the right senior executives. Kingswood works with management to develop an initial strategy and 30/60/90-day plan, recruit key team additions and replacements, and set clear expectations. Kingswood and the management team then finalize the strategic plan, including a resource plan, and finalize employment contracts, equity programs, and other incentives.

Exit. Over the life of each investment, Kingswood works to improve the quality and depth of management talent, right-size cost structures, upgrade processes, systems, and controls, execute on growth strategies, and diversify revenue sources, all with the goal of maximizing value at exit. Kingswood seeks to build companies that represent valuable acquisition targets for strategic and financial buyers.

Risks of Investment

Each Fund and its investors bear the risk of loss that Kingswood's investment strategy entails. The risks involved with Kingswood's investment strategy and an investment in a Fund include, but are not limited to, those described below:

Business Risks. The Fund's investment portfolio is expected to consist primarily of securities issued by privately held companies, and operating results in a specified period will be difficult to predict. Such investments involve a high degree of business and financial risk that can result in substantial losses.

Investment in Junior Securities. The securities in which the Fund will invest may be among the most junior in a portfolio company's capital structure and, thus, subject to the greatest risk of loss. Generally, there will be no collateral to protect the Fund's investment once made.

Concentration of Investments. The Fund will participate in a limited number of investments and may seek to make several investments in one industry or one industry segment or within a short period of time. As a result, the Fund's investment portfolio could become highly concentrated, and the performance of a few holdings or of a particular industry has the potential to substantially affect its aggregate return. Furthermore, to the extent that the capital raised is less than the targeted amount, the Fund may invest in fewer portfolio companies and thus be less diversified.

Lack of Sufficient Investment Opportunities. The business of identifying, structuring and completing private equity transactions is highly competitive and involves a high degree of

uncertainty. It is possible that the Fund will never be fully invested if enough sufficiently attractive investments are not identified. However, Limited Partners will typically be required to bear Management Fees through the Fund during the investment period based on the entire amount of the Limited Partners' Commitments and other expenses as set forth in the Governing Documents.

Dynamic Investment Strategy. While the General Partner generally intends to seek attractive returns for the Fund primarily through making control-oriented, operationally-focused investments in businesses undergoing some level of stress as described herein, the General Partner is permitted to pursue additional investment strategies and may modify or depart from its initial investment strategy, investment process and investment techniques as it determines appropriate. The General Partner is permitted to pursue investments outside of the industries and sectors in which the principals have previously made investments or have internal operational experience.

Impact of Government Regulation, Reimbursement and Reform. Certain industry segments in which the Fund invests are (or may become) (i) highly regulated at both the federal and state levels in the U.S. and internationally and (ii) subject to frequent regulatory change. Certain segments may be highly dependent upon various government (or private) reimbursement programs. While the Fund intends to invest in companies that seek to comply with applicable laws and regulations, the laws and regulations relating to certain industries are complex, may be ambiguous or may lack clear judicial or regulatory interpretive guidance. An adverse review or determination by any applicable judicial or regulatory authority of any such law or regulation, or an adverse change in applicable regulatory requirements or reimbursement programs, could have a material adverse effect on the operations and/or financial performance of the companies in which the Fund invests.

Illiquidity; Lack of Current Distributions. An investment in the Fund should be viewed as an illiquid investment. It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments may be realized before gains on successful investments are realized. The return of capital and the realization of gains, if any, generally will occur only upon the partial or complete disposition of an investment. While an investment may be sold at any time, it is generally expected that this will not occur for a number of years after the initial investment. Before such time, there may be no current return on the investment. Furthermore, the expenses of operating the Fund (including the Management Fee payable to the General Partner) may exceed its income, thereby requiring that the difference be paid from the Fund's capital, including unfunded Commitments.

Leveraged Investments. The Fund is expected make use of leverage by having a portfolio company incur debt to finance a portion of its investment in such portfolio company, including in respect of companies not rated by credit agencies. Leverage generally magnifies both the Fund's opportunities for gain and its risk of loss from a particular investment. The cost and availability of leverage is highly dependent on the state of the broader credit markets (and such credit markets may be impacted by regulatory restrictions and guidelines), which state is difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. The use of leverage also imposes restrictive financial and operating covenants on a company, in addition to the burden of debt service, and may impair its ability to operate its business as desired and/or finance future operations and capital needs. The leveraged capital structure of portfolio companies will increase the exposure of the Fund's investments to any deterioration in a

company's condition or industry, competitive pressures, an adverse economic environment or rising interest rates and could accelerate and magnify declines in the value of the Fund's investments in the leveraged portfolio companies in a down market. In the event any portfolio company cannot generate adequate cash flow to meet its debt service, the Fund may suffer a partial or total loss of capital invested in the portfolio company, which could adversely affect the returns of the Fund. Furthermore, should the credit markets be limited or costly at the time the Fund determines that it is desirable to sell all or a part of a portfolio company, the Fund may not achieve an exit multiple or enterprise valuation consistent with its forecasts. Moreover, the companies in which the Fund will invest generally will not be rated by a credit rating agency.

The Fund may also borrow money or guaranty indebtedness (such as a guaranty of a portfolio company's debt) or otherwise be liable therefor, and in such situations, it is not expected that the Fund would be compensated for providing such guarantee or exposure to such liability. The use of leverage by the Fund also will result in interest expense and other costs to the Fund that may not be covered by distributions made to the Fund or appreciation of its investments. The Fund is permitted to incur leverage on a joint and several basis with one or more other investment funds and entities managed by the General Partner or any of its affiliates and may have a right of contribution, subrogation or reimbursement from or against such entities. In addition, to the extent the Fund incurs leverage (or provides such guaranties), such amounts generally are expected to be secured by capital commitments made by the Fund's investors and such investors' contributions may be required to be made directly to the lenders instead of the Fund.

Subscription Lines. The Fund has entered into a subscription line with one lender in order to finance its operations (including the acquisition of the Fund's investments). Fund-level borrowing subjects limited partners to certain risks and costs. For example, because amounts borrowed under a subscription line typically are secured by pledges of the relevant General Partner's right to call capital from the limited partners, limited partners may be obligated to contribute capital on an accelerated basis if the Fund fails to repay the amounts borrowed under a subscription line or experiences an event of default thereunder. Moreover, any limited partner claim against the Fund would likely be subordinate to the Fund's obligations to a subscription line's creditors.

In addition, Fund-level borrowing will result in incremental partnership expenses that will be borne by investors. These expenses typically include interest on the amounts borrowed, unused commitment fees on the committed but unfunded portion of a subscription line, an upfront fee for establishing a subscription line, and other one-time and recurring fees and/or expenses, as well as legal fees relating to the establishment and negotiation of the terms of the borrowing facility. Because a subscription line's interest rate is based in part on the creditworthiness of the relevant Fund's limited partners and the terms of the Governing Documents, it may be higher than the interest rate a limited partner could obtain individually. To the extent a particular limited partner's cost of capital is lower than the Fund's cost of borrowing, Fund-level borrowing can negatively impact a limited partner's overall individual financial returns even if it increases the Fund's reported net returns in certain methods of calculation.

A credit agreement may contain other terms that restrict the activities of a Fund and the limited partners or impose additional obligations on them. For example, a subscription line may impose restrictions on the relevant General Partner's ability to consent to the transfer of a limited

partner's interest in the Fund. In addition, in order to secure a subscription line, the relevant General Partner may request certain financial information and other documentation from limited partners to share with lenders. The General Partner will have significant discretion in negotiating the terms of any subscription line and may agree to terms that are not the most favorable to one or more limited partners.

Fund-level borrowing involves a number of additional risks. For example, drawing down on a subscription line allows the General Partner to fund investments and pay partnership expenses without calling capital, potentially for extended periods of time. Calling a large amount of capital at once to repay the then current amount outstanding under a subscription line could cause short-term liquidity concerns for limited partners that would not arise had the relevant General Partner called smaller amounts of capital incrementally over time as needed by a Fund. This risk would be heightened for a limited partner with commitments to other funds that employ similar borrowing strategies or with respect to other leveraged assets in its portfolio; a single market event could trigger simultaneous capital calls, requiring the limited partner to meet the accumulated, larger capital calls at the same time. A Fund may also utilize Fund-level borrowing when the General Partner expects to repay the amount outstanding through means other than Limited Partner capital, including as a bridge for equity or debt capital with respect to an investment. If the Fund ultimately is unable to repay the borrowings through those other means, limited partners would end up with increased exposure to the underlying investment, which could result in greater losses.

Restricted Nature of Investment Positions. Generally, there is no readily available market for Fund investments, and hence, most of the Fund's investments will be difficult to value. Certain investments may be distributed in kind to the partners of the Fund and it may be difficult to liquidate the securities received at a price or within a time period that is determined to be ideal by such partners. After a distribution of securities is made to the partners, many partners may decide to liquidate such securities within a short period of time, which could have an adverse impact on the price of such securities. The price at which such securities may be sold by such partners may be lower than the value of such securities determined pursuant to the Governing Documents, including the value used to determine the amount of carried interest available to Kingswood with respect to such investment.

Projections. Projected operating results of a company in which the Fund invests normally will be based primarily on financial projections prepared by such company's management, with adjustments to such projections made by the General Partner in its discretion. In all cases, projections are only estimates of future results that are based upon information received from the company and third parties and assumptions made at the time the projections are developed. There can be no assurance that the results set forth in the projections will be attained, and actual results may be significantly different from the projections. Also, general economic factors, which are not predictable, can have a material effect on the reliability of projections.

Need for Follow-On Investments. Following its initial investment in a given portfolio company, the Fund may decide to provide additional funds to such portfolio company or may have the opportunity to increase its investment in a successful portfolio company (whether for opportunistic reasons, to fund the needs of the business, as an equity cure under applicable debt documents or for other reasons). There is no assurance that the Fund will make follow on investments or that the Fund will have sufficient funds to make all or any of such investments.

Any decision by the Fund not to make follow on investments or its inability to make such investments may have a substantial negative effect on a portfolio company in need of such an investment (including an event of default under applicable debt documents in the event an equity cure cannot be made). Additionally, such failure to make such investments may result in a lost opportunity for the Fund to increase its participation in a successful portfolio company or the dilution of the Fund's ownership in a portfolio company if a third party invests in such portfolio company.

Non-U.S. Investments. The Fund may invest in portfolio companies that are organized and/or headquartered or have substantial sales or operations outside of the U.S., its territories, and possessions. Such investments typically will be subject to certain additional risks due to, among other things, potentially unsettled points of applicable governing law, the risks associated with fluctuating currency exchange rates, capital repatriation regulations (as such regulations may be given effect during the term of the Fund), the application of complex U.S. and non U.S. tax rules to cross-border investments, possible imposition of non-U.S. taxes on the Fund and/or the partners with respect to the Fund's income, and possible non-U.S. tax return filing requirements for the Fund and/or the partners.

Additional risks of non-U.S. investments include: (i) economic dislocations in the host country; (ii) less publicly available information; (iii) less well-developed and/or more restrictive laws, regulations, regulatory institutions and judicial systems; (iv) greater difficulty of enforcing legal rights in a non-U.S. jurisdiction; (v) civil disturbances; (vi) government instability; and (vii) nationalization and expropriation of private assets. Moreover, non-U.S. companies may not be subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those that apply to U.S. companies.

Hedging Arrangements; Related Regulations. The General Partner may (but is not obligated to) endeavor to manage the Fund's or any portfolio company's currency exposures, interest rate exposures or other exposures, using hedging techniques where available and appropriate. The Fund may incur costs related to such hedging arrangements, which may be undertaken in exchange-traded or over-the-counter ("OTC") contexts, including futures, forwards, swaps, options and other instruments. There can be no assurance that adequate hedging arrangements will be available on an economically viable basis or that such hedging arrangements will achieve the desired effect, and in some cases hedging arrangements may result in losses greater than if hedging had not been used.

In some cases, particularly in OTC contexts, hedging arrangements will subject the Fund to the risk of a counterparty's inability or refusal to perform under a hedging contract, or the potential loss of assets held by a counterparty, custodian or intermediary in connection with such hedging. OTC contracts may expose the Fund to additional liquidity risks if such contracts cannot be adequately settled.

Certain hedging arrangements may create for the General Partner and/or one of its affiliates an obligation to register with the U.S. Commodity Futures Trading Commission ("CFTC") or other regulator or comply with an applicable exemption. Losses may result to the extent that the CFTC or other regulator imposes position limits or other regulatory requirements on such hedging

arrangements, including under circumstances where the ability of a Fund or a portfolio company to hedge its exposures becomes limited by such requirements.

Public Company Holdings. The Fund's investment portfolio may contain securities and debt issued by publicly held companies. Such investments may subject the Fund to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of the Fund to dispose of such securities and debt at certain times, increased likelihood of shareholder litigation and insider trading allegations against such companies' executives and board members, including the principals, and increased costs associated with each of the aforementioned risks.

Distressed Investments. The Fund may invest in the securities and obligations, including debt obligations that are in covenant or payment default, of companies experiencing significant financial difficulties and material operating issues, including companies that may have been, are or will become involved in bankruptcy proceedings or other restructuring, recapitalization or liquidation processes. Investments in such companies involve a substantial degree of risk that is generally higher than the risk involved in investing in companies that are not in financial or operational distress. Given the heightened difficulty of the financial analysis required to evaluate distressed companies, there can be no assurance that the General Partner will correctly evaluate the value of the assets of a distressed company securing its debt and other obligations or correctly project the prospects for the successful restructuring, recapitalization or liquidation of such company. Therefore, in the event that a portfolio company does become involved in bankruptcy proceedings or a restructuring, recapitalization or liquidation is required, the Fund may lose some or all of its investment or may be required to accept illiquid securities with rights that are materially different than the original securities in which the Fund invested.

Uncertain Economic, Social and Political Environment. Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises or other sources of political, social or economic unrest. Such erosion of confidence may lead to or extend a localized or global economic downturn. A climate of uncertainty may reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. In addition, limited availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, in an uncertain environment or economic downturn may have an adverse effect on the economy generally and on the ability of the Fund and its portfolio companies to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of businesses. This may slow the rate of future investments by the Fund and result in longer holding periods for investments. Furthermore, such uncertainty or general economic downturn may have an adverse effect upon the Fund's portfolio companies.

On February 24, 2022, Russia commenced a military attack on Ukraine. The outbreak of hostilities between the two countries could result in more widespread conflict and could have a severe adverse effect on the region and the markets. In addition, sanctions imposed on Russia by the United States and other countries, and any sanctions imposed in the future could have a significant adverse impact on the Russian economy and related markets. The price and liquidity

of investments may fluctuate widely as a result of the conflict and related events. How long such conflict and related events will last and whether it will escalate further cannot be predicted.

Material Non-Public Information; Other Regulatory Restrictions. As a result of the operations of Kingswood and its affiliates, Kingswood from time to time comes into possession of confidential or material, non-public information. Therefore, Kingswood and its affiliates are expected to have access to material, non-public information from time to time that may be relevant to an investment decision to be made by the Fund. Consequently, the Fund may be restricted from initiating a transaction or selling an investment which, if such information had not been known to it, may have been undertaken on account of applicable securities laws or Kingswood's internal policies. Due to these restrictions, the Fund may not be able to make an investment that it otherwise might have made or sell an investment that it otherwise might have sold.

Similarly, anti-money laundering, anti-boycott and economic and trade sanction laws and regulations in the United States and other jurisdictions may prevent Kingswood or the Fund from entering into transactions with certain individuals or jurisdictions. The United States Department of the Treasury's Office of Foreign Assets Control ("OFAC") and other governmental bodies administer and enforce laws, regulations and other pronouncements that establish economic and trade sanctions on behalf of the United States. Among other things, these sanctions may prohibit transactions with or the provision of services to, certain individuals or portfolio companies owned or operated by such persons, or located in jurisdictions identified from time to time by OFAC. Additionally, antitrust laws in the United States and other jurisdictions give broad discretion to the U.S. Federal Trade Commission, the United States Department of Justice and other U.S. and non-U.S. regulators and governmental bodies to challenge, impose conditions on, or reject certain transactions. In certain circumstances, antitrust restrictions relating to one Fund's acquisition of a portfolio company may preclude other Funds from making an attractive acquisition or require one or more other Funds to sell all or a portion of certain portfolio companies owned by them.

As a result of any of the foregoing, the Fund may be adversely affected because of Kingswood's inability or unwillingness to participate in transactions that may violate such laws or regulations, or by remedies imposed by any regulators or governmental bodies. Any such laws or regulations may make it difficult or may prevent the Fund from pursuing investment opportunities, require the sale of part or all of certain portfolio companies on a timeline or in a manner deemed undesirable by Kingswood or may limit the ability of one or more portfolio companies from conducting their intended business in whole or in part. Consequently, there can be no assurance that the Fund will be able to participate in all potential investment opportunities that fall within its investment objectives.

Unfunded Pension Liabilities of Portfolio Companies. Certain court decisions have found that, where an investment fund owns 80% or more (or under certain circumstances less than 80%) of a portfolio company, such fund (and any other 80%-owned portfolio companies of such fund) might be found liable for certain pension liabilities of such a portfolio company to the extent the portfolio company is unable to satisfy such liabilities. Although the Fund intends to manage its investments to minimize any such exposure, the Fund may, from time to time, invest in a portfolio company that has unfunded pension fund liabilities, including structuring the investment in a manner where the Fund may own an 80% or greater interest in such a portfolio company. If the Fund (or other 80%-owned portfolio companies of the Fund) were deemed to be liable for such

pension liabilities, this could have a material adverse effect on the operations of the Fund and the companies in which the Fund invests. This discussion is based on current court decisions, statute and regulations regarding control group liability under the Employee Retirement Income Security Act of 1974, as amended, as in effect as of the date of this Brochure, which may change in the future as the case law and guidance develops.

Valuation of Assets. There is not expected to be an actively traded market for most of the securities owned by the Fund. When estimating fair value, the General Partner will apply a methodology it determines to be appropriate based on accounting guidelines and the applicable nature, facts and circumstances of the respective investments. However, the process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and the resulting values may differ from values that would have been determined had an active market existed for such securities and may differ from the prices at which such securities ultimately may be sold. The exercise of discretion in valuation by the General Partner could give rise to conflicts of interest, including in connection with determining the amount and timing of distributions of carried interest and the calculation of Management Fees.

Cybersecurity Risks. Recent events have illustrated the ongoing cybersecurity risks to which operating companies are subject. To the extent that a portfolio company is subject to cyber-attack or other unauthorized access is gained to a portfolio company's systems, such portfolio company may be subject to substantial losses in the form of stolen, lost or corrupted (i) customer data or payment information; (ii) customer or portfolio company financial information; (iii) portfolio company software, contact lists or other databases; (iv) portfolio company proprietary information or trade secrets; or (v) other items. In certain events, a portfolio company's failure or deemed failure to address and mitigate cybersecurity risks may be the subject of civil litigation or regulatory or other action. Any of such circumstances could subject a portfolio company, or the Fund, to substantial losses. In addition, in the event that such a cyber-attack or other unauthorized access is directed at Kingswood or one of its affiliates or service providers holding its financial or investor data, Kingswood, its affiliates or the Fund may also be at risk of loss.

Public Health Emergencies; COVID-19. Pandemics and other widespread public health emergencies, including outbreaks of infectious diseases such as SARS, H1N1/09 flu, avian flu, ebola and the current outbreak of COVID-19 (as defined below), have and are resulting in market volatility and disruption, and future such emergencies have the potential to materially and adversely impact economic production and activity in ways that are impossible to predict, all of which may result in significant losses to the Fund.

There is an ongoing outbreak of a novel and highly contagious form of coronavirus ("COVID-19"), which the World Health Organization formally declared in March 2020 to constitute a global "pandemic." This outbreak has caused a worldwide public health emergency, straining healthcare resources and resulting in extensive and growing numbers of infections, hospitalizations and deaths. In an effort to contain COVID-19, national, regional and local governments, as well as private businesses and other organizations, have taken severely restrictive measures, including instituting local and regional quarantines, restricting travel (including closing certain international borders), prohibiting public activity (including "stay-at-home" and similar orders), and ordering the closure of large numbers of offices, businesses, schools, and other public venues. As a result, COVID-19 has significantly diminished global economic production and

activity of all kinds and has contributed to both volatility and a severe decline in all financial markets. Among other things, these unprecedented developments have resulted in material reductions in demand across most categories of consumers and businesses, dislocation (or in some cases a complete halt) in the credit and capital markets, labor force and operational disruptions, slowing or complete idling of certain supply chains and manufacturing activity, and strain and uncertainty for businesses and households, with a particularly acute impact on industries dependent on travel and public accessibility, such as transportation, hospitality, tourism, retail, sports and entertainment.

The ultimate impact of COVID-19 — and the resulting precipitous decline in economic and commercial activity across several of the world's largest economies — on global economic conditions, and on the operations, financial condition and performance of any particular industry or business, is impossible to predict, although ongoing and potential additional materially adverse effects, including a further global or regional economic downturn (including a recession) of indeterminate duration and severity, are possible. The extent of COVID-19's impact will depend on many factors, including the ultimate duration and scope of the public health emergency and the restrictive countermeasures being undertaken, as well as the effectiveness of other governmental, legislative and financial and monetary policy interventions designed to mitigate the crisis and address its negative externalities, all of which are evolving rapidly and may have unpredictable results. Even if and as the spread of the COVID-19 virus itself is substantially contained, it will be difficult to assess what the longer-term impacts of an extended period of unprecedented economic dislocation and disruption will be on future macro- and micro-economic developments, the health of certain industries and businesses, and commercial and consumer behavior.

The ongoing COVID-19 crisis and any other public health emergency could have a significant adverse impact and result in significant losses to the Fund. The extent of the impact on the Fund and its portfolio companies' operational and financial performance will depend on many factors, all of which are highly uncertain and cannot be predicted, and this impact may include significant reductions in revenue and growth, unexpected operational losses and liabilities, impairments to credit quality and reductions in the availability of capital. These same factors may limit the ability of the Fund to source, diligence and execute new investments and to manage, finance and exit investments in the future, and governmental mitigation actions may constrain or alter existing financial, legal and regulatory frameworks in ways that are adverse to the investment strategy the Fund intends to pursue, all of which could adversely affect the Fund's ability to fulfill its investment objectives. They may also impair the ability of portfolio companies or their counterparties to perform their respective obligations under debt instruments and other commercial agreements (including their ability to pay obligations as they become due), potentially leading to defaults with uncertain consequences. In addition, the operations of the Fund, its portfolio companies, the General Partner and Kingswood may be significantly impacted, or even temporarily or permanently halted, as a result of government quarantine measures, restrictions on travel and movement, remote-working requirements and other factors related to a public health emergency, including its potential adverse impact on the health of any such entity's personnel. These measures may also hinder such entities' ability to conduct their affairs and activities as they normally would, including by impairing usual communication channels and methods, hampering the performance of administrative functions such as processing payments and invoices, and diminishing their ability to make accurate and timely projections of financial performance.

Conflicts of Interest

Kingswood and its related entities engage in a broad range of advisory and non-advisory activities, including investment activities for their own account and for the account of other Funds, and providing transaction-related, legal, management and other services to Funds and portfolio companies. Kingswood will devote such time, personnel and internal resources as are necessary to conduct the business affairs of the Funds in an appropriate manner, as required by the relevant Governing Documents, although the Funds and their respective investments will place varying levels of demand on these over time. In the ordinary course of Kingswood conducting its activities, the interests of a Fund might conflict with the interests of Kingswood, one or more other Funds, portfolio companies or their respective affiliates. Certain of these conflicts of interest are discussed herein. As a general matter, Kingswood will determine all matters relating to structuring transactions and Fund operations using its reasonable judgment considering all factors it deems relevant, but in its sole discretion, subject in certain cases to the required approvals by the advisory committees of the participating Funds.

During the commitment period of a Fund, all appropriate investment opportunities will be pursued by Kingswood principals through such Fund, subject to certain limited exceptions set forth in the Fund's Governing Documents and Kingswood's allocation policies. Without limitation, Kingswood principals currently manage, and expect in the future to manage, several other investments similar to those in which a Fund will be investing, and may direct certain relevant investment opportunities to those investments. Kingswood's principals and Kingswood's investment staff will continue to manage and monitor such investments until their realization. Such other investments that Kingswood principals control or manage could potentially compete with companies acquired by a Fund. Following the commitment period of a Fund, Kingswood principals likely will focus their investment activities on other opportunities and areas unrelated to such Fund's investments.

From time to time, Kingswood will be presented with investment opportunities that would be suitable not only for a Fund, but also for other Funds and other investment vehicles operated by advisory affiliates of Kingswood. In determining which investment vehicles should participate in such investment opportunities, Kingswood and its affiliates are subject to conflicts of interest among the investors in such investment vehicles. Except as required by the relevant Governing Documents, Kingswood is not obligated to recommend any investment to any particular investment vehicle. Investments by more than one client of Kingswood in a portfolio company will also raise the risk of using assets of a client of Kingswood to support positions taken by other clients of Kingswood.

Kingswood must first determine which Fund(s) will, or are required to, participate in the relevant investment opportunity. Kingswood generally assesses whether an investment opportunity is appropriate for a particular Fund based on the Fund's Governing Documents, as well as factors including but not limited to: investment restrictions and objectives (including those set forth in the relevant Governing Documents, where applicable), strategy, capital structure, risk profile, time horizon, investment size, tax sensitivity, tolerance for turnover, asset composition, cash level (if any), applicable regulatory restrictions, life cycle and structure. For example, a newly organized Fund generally will seek to purchase a disproportionate amount of investments until it is substantially invested. A Fund could invest together with other Funds advised by an affiliated

adviser of Kingswood in the manner set forth in the relevant Governing Documents. Kingswood will determine the allocation of investment opportunities among Funds in a manner that it believes is fair and equitable consistent with its obligations and may take into consideration factors such as those set forth above.

Following such determination of allocation among Funds, Kingswood will determine if the amount of an investment opportunity in which one or more Funds will invest exceeds the amount that would be appropriate for such Fund(s) and any such excess may be offered to one or more potential co-investors, including third parties, as determined by the Funds' Governing Documents, Side Letters and Kingswood's procedures regarding allocation. Kingswood's procedures permit it to take into consideration a variety of factors in making such determinations, including but not limited to: relevant industry knowledge, prior co-investing experience, expressed interest in co-investment opportunities, likelihood that an investor may invest in a future fund sponsored by the General Partner or its affiliates, speed and certainty of closing, prior, current and potential future commitment levels, and tax, regulatory and securities laws and/or other legal considerations (*e.g.*, qualified purchaser or qualified institutional buyer status).

Furthermore, decisions regarding whether and to whom to offer co-investment opportunities may be made by Kingswood or its related persons in consultation with other participants in the relevant transactions, such as a co-sponsor. Co-investment opportunities may, and typically will, be offered to some and not to other Kingswood investors, and the consideration of the factors set forth above may result in certain investors receiving multiple opportunities to co-invest while others expressing interest in co-investments may receive none. When and to the extent that employees and related persons of Kingswood and its affiliates make capital investments in or alongside certain Funds, Kingswood and its affiliates are subject to conflicting interests in connection with these investments. There can be no assurance that any Fund's return from a transaction would be equal to and not less than another Fund participating in the same transaction or that it would have been as favorable as it would have been had such conflict not existed.

Kingswood's allocation of investment opportunities among the persons and in the manner discussed herein may not, and often will not, result in proportional allocations among such persons, and such allocations may be more or less advantageous to some such persons relative to others. While Kingswood will allocate investment opportunities in a manner that it believes in good faith is fair and equitable to its clients under the circumstances over time and considering relevant factors, there can be no assurance that a Fund's actual allocation of an investment opportunity, if any, or the terms on which that allocation is made, will be as favorable as they would be if the conflicts of interest to which Kingswood could be subject, discussed herein, did not exist.

Potential conflicts could arise when a Fund makes investments in conjunction with an investment being made by another Fund, or if it were to invest in the securities of a company in which another Fund has already made an investment. A Fund may not, for example, invest through the same investment vehicles, have the same access to credit or employ the same hedging or investment strategies as other Funds. This could result in differences in price, terms, leverage and associated costs. Further, there can be no assurance that the relevant Fund and the other Fund(s) or vehicle(s) with which it co-invests will exit such investment at the same time or on the same terms. Kingswood and its affiliates could express inconsistent views of commonly held investments or of market conditions more generally. There can be no assurance that the return on

one Fund's investments will be the same as the returns obtained by other Funds participating in a given transaction. Given the nature of the relevant conflicts there can be no assurance that any such conflict can be resolved in a manner that is beneficial to both Funds. In that regard, actions may be taken for one or more Funds that adversely affect other Funds.

Subject to any relevant restrictions or other limitations contained in the Governing Documents of the Funds, Kingswood will allocate fees and expenses in a manner that it believes in good faith is fair and equitable to its clients under the circumstances and considering such factors as it deems relevant, but in its sole discretion. In exercising such discretion, Kingswood could be faced with a variety of potential conflicts of interest.

As a general matter, Fund expenses typically will be allocated among all relevant Funds or co-invest vehicles eligible to reimburse expenses of that kind. In all such cases, subject to applicable legal, contractual or similar restrictions, expense allocation decisions will generally be made by Kingswood or its affiliates using their reasonable judgment, considering such factors as they deem relevant, but in their sole discretion. The allocations of such expenses might not be proportional, and any such determinations involve inherent matters of discretion, *e.g.*, in determining whether to allocate *pro rata* based on number of Funds or co-invest vehicles receiving related benefits or proportionately in accordance with asset size, or in certain circumstances determining whether a particular expense has greater benefit to a Fund or Kingswood. Such Funds might have different expense reimbursement terms, including with respect to Management Fee offsets, which could result in the Funds bearing different levels of expenses with respect to the same investment.

The Funds primarily make controlling investments in portfolio companies. As a result of the Funds' controlling interests in portfolio companies, Kingswood and/or its affiliates typically have the right to appoint portfolio company board members (including current or former Kingswood personnel or persons serving at their request), or to influence their appointment, and to determine or influence a determination of their compensation. From time to time, portfolio company board members approve compensation and/or other amounts payable to Kingswood and/or its affiliates. Except to the extent such amounts are subject to the Governing Documents' offset provisions, they will be in addition to any Management Fees or carried interest paid by a Fund to Kingswood.

Additionally, a portfolio company typically will reimburse Kingswood or service providers retained at Kingswood's discretion for expenses (including without limitation travel expenses) incurred by Kingswood or such service providers in connection with its performance of services for such portfolio company. This subjects Kingswood and its affiliates to conflicts of interest because the Funds generally do not have an interest or share in these reimbursements, and the amount of such reimbursements over time is expected to be substantial. Kingswood determines the amount of these reimbursements for such services in its own discretion, subject to the relevant Governing Documents and its internal reimbursement policies and practices. Although the amount of individual reimbursements typically is not disclosed to investors in any Fund, their effect is expected to be reflected in each Fund's audited financial statements, and any fee paid or expense reimbursed to Kingswood or such service providers generally is subject to: agreements with or review by sellers, buyers and management teams; the review and supervision of the board of

directors of or lenders to portfolio companies; and/or third party co-investors in its transactions. Kingswood believes these factors help to mitigate related potential conflicts of interest.

Kingswood generally exercises its discretion to recommend to a Fund or to a portfolio company thereof that it contract for services with (i) Kingswood or a related person of Kingswood (which may include a portfolio company of such Fund), (ii) an entity with which Kingswood or its affiliates or current or former members of their personnel has a relationship or from which Kingswood or its affiliates or their personnel otherwise derives financial or other benefit or (iii) certain limited partners or their affiliates. For example, Kingswood might be presented with opportunities to receive financing and/or other services in connection with a Fund's investments from certain limited partners or their affiliates that are engaged in lending or related business. This discretion subjects Kingswood to potential conflicts of interest, because although Kingswood intends to initiate transactions and select service providers that it believes are aligned with its operational strategies and will enhance portfolio company performance and, relatedly, returns of the relevant Fund, Kingswood could have an incentive to recommend the related or other person (including a Limited Partner) because of its financial or other business interest. There is a possibility that Kingswood, because of such belief or for other reasons (including whether the use of such persons could establish, recognize, strengthen and/or cultivate relationships that have the potential to provide longer-term benefits to the relevant Funds or Kingswood), may favor such retention or continuation even if a better price and/or quality of service could be obtained from another person. Whether or not Kingswood has a relationship or receives financial or other benefit from recommending a particular service provider, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

In addition, as described above, portfolio companies (and, to a lesser extent, the Funds) typically pay certain fees to Operations Group members and other consultants (including consultants introduced or arranged by Kingswood and/or its affiliates that regularly provide services to one or more portfolio companies), and such fees do not offset the Management Fee as described herein. Certain Operations Group members generally make use of Kingswood resources (*e.g.*, office space, Kingswood email address or other indicia of employment) or otherwise are associated with Kingswood. Kingswood and/or its affiliates could agree to compensate certain of such persons to the extent portfolio company-related compensation falls below certain specified levels on an aggregate annualized basis, or provide other compensation. Operations Group members generally receive investment opportunities, reimbursements and other compensation that do not offset the Management Fee of any Fund, as described herein. Additionally, Operations Group members could have a limited partner or profit interest in a Fund, a General Partner, one or more other investment funds sponsored by a General Partner or in an affiliate of a General Partner. Although the use of Operations Group members and the allocation of compensation paid to them by Kingswood, its affiliates, the Funds and/or the portfolio companies subjects Kingswood and/or its affiliates to potential conflicts of interest, Kingswood believes that such potential conflicts may be reduced by the anticipated cost savings to portfolio companies (which is expected to be to the benefit of the applicable Fund(s)) that will result if the cost of the Operations Group members is lower than market rates for the services provided and/or if the services of the Operations Group members align with Kingswood's model for the portfolio company and improve portfolio company performance. Although Kingswood seeks to retain or employ Operations Group members with a view to reducing costs to portfolio companies (and, ultimately, the Funds) and/or

improving portfolio company performance, a number of factors may result in limited or no cost savings from such retention. Kingswood also seeks to reduce potential conflicts of interest resulting from such arrangements by structuring compensation packages for such persons in a manner that Kingswood believes will align such persons' interests with those of the Funds' limited partners, and seeks to retain or employ only Operations Group members and service providers which it believes provide a level of service at a value generally consistent with other relevant market alternatives. However, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

Although uncommon, from time to time Kingswood might cause a Fund to enter into a transaction whereby the Fund purchases securities from, or sells securities to, other Funds managed by Kingswood, or co-investors or co-investment vehicles. Such transactions could arise in the context of re-balancing an investment among parallel investing entities or in contexts where a portfolio company owned by one Fund is acquired by a portfolio company acquired by another Fund. Any such transactions raise potential conflicts of interest, including where the investment of one Fund supports the value of portfolio companies owned by another Fund. These conflicts are heightened to the extent the relevant securities are illiquid or do not have a readily ascertainable value, and there generally can be no assurance that the price at which such transactions are entered into represent what would ultimately be the underlying investment's fair value. Kingswood intends that any such transactions be conducted in a manner that it believes in good faith to be fair and equitable to each Fund under the circumstances, including a consideration of the potential present and future benefits with respect to each Fund.

Although Kingswood generally structures Funds to avoid cross-guarantees and other circumstances in which one Fund bears liability for all or part of the obligations of another Fund, in certain circumstances lenders and other market parties negotiate for the right to face only select Fund entities, which may result in a single Fund being solely liable for other Funds' share of the relevant obligation and/or joint and several liability among Funds. In each such case, Kingswood intends to cause the relevant other Funds to enter into a back-to-back guarantee, indemnification or similar reimbursement arrangement, although the Fund undertaking the obligation in the first instance generally will not receive compensation for being primarily liable under these arrangements.

Kingswood and/or its affiliates might also, from time to time, employ personnel with pre-existing ownership interests in portfolio companies owned by the Funds or other investment vehicles advised by Kingswood and/or its affiliates; conversely, former personnel or executives of Kingswood and/or its affiliates could serve in significant management roles at portfolio companies or service providers recommended by Kingswood. Similarly, Kingswood, its affiliates and/or personnel maintain relationships with (or may invest in) financial institutions, service providers and other market participants, including but not limited to managers of private funds, banks, brokers, advisors, consultants, finders (including executive finders and portfolio company finders), executives, attorneys, accountants, institutional investors, family offices, lenders, current and former employees, and current and former portfolio company executives, as well as certain family members or close contacts of these persons. Certain of these persons or entities will invest (or will be affiliated with an investor) in, engage in transactions with and/or provide services (including services at reduced rates) to, Kingswood and/or its affiliates, and/or the Funds or other investment vehicles they advise. Kingswood will have a conflict of interest with a Fund in recommending the

retention or continuation of a third-party service provider to such Fund or a portfolio company if such recommendation, for example, is motivated by a belief that the service provider or its affiliate(s) will continue to invest in one or more Funds, will provide Kingswood information about markets and industries in which Kingswood operates (or is contemplating operations) or will provide other services that are beneficial to Kingswood. Kingswood could have a conflict of interest in making such recommendations, in that Kingswood has an incentive to maintain goodwill between it and the existing and prospective portfolio companies for a Fund, while the products or services recommended may not necessarily be the best available to the portfolio companies held by a Fund.

Kingswood, its affiliates, and equity holders, officers, principals and employees of Kingswood and its affiliates are permitted to buy or sell securities or other instruments that Kingswood has recommended to a Fund. In addition, officers, principals and employees may buy securities in transactions offered to but rejected by a Fund. Such transactions are subject to any restrictions in the Fund's Governing Documents and any policies and procedures set forth in Kingswood's Code of Ethics. The investment policies, fee arrangements and other circumstances of these investments generally vary from those of any Fund. Employees and related persons of Kingswood have, and are expected to continue to have, capital investments in or alongside certain Funds, or in prospective portfolio companies directly or indirectly, as well as in investment vehicles (including private funds) sponsored by potential competitors, and therefore may have additional conflicting interests in connection with these investments.

Because certain expenses are paid for by a Fund and/or its portfolio companies or, if incurred by Kingswood, are reimbursed by a Fund and/or its portfolio companies, Kingswood will not necessarily seek out the lowest cost options when incurring (or causing a Fund or its portfolio companies to incur) such expenses.

Because there is a fixed investment period after which capital from investors in a Fund may only be drawn down in limited circumstances and because Management Fees are, at certain times during the life of a Fund, based upon capital invested by such Fund, this fee structure may create an incentive to deploy capital when Kingswood may not otherwise have done so. Since Kingswood is permitted to retain certain Portfolio Company Fees (as described under "Fees and Compensation") in connection with Fund investments, it could have a conflict of interest in connection with approving transactions and setting such compensation.

Kingswood and/or its affiliates have entered into, and may in the future enter into Side Letters with certain investors in a Fund providing such investors with different or preferential rights or terms, including but not limited to different fee structures, information rights, co-investment rights, and liquidity or transfer rights.

Kingswood has incentives to use or to recommend products or services of one portfolio company to another, which may involve fees, commissions, servicing payments or other compensation. Potential conflicts of interest arise in making such recommendations, as Kingswood has incentives to maintain goodwill between it and its former, existing and prospective portfolio companies, and as a result the products or services recommended may not necessarily be the best or lowest cost option. Discounted prices or better terms offered by a

portfolio company to Kingswood, any other portfolio company or third parties may affect the returns of the portfolio company.

Any of these situations subjects Kingswood and/or its affiliates to potential conflicts of interest. Kingswood attempts to resolve such conflicts of interest in light of its obligations to investors in its Funds and the obligations owed by Kingswood's advisory affiliates to investors in investment vehicles managed by them, and attempts to allocate investment opportunities among a Fund, other Funds and such investment vehicles in a fair and equitable manner. To the extent that an investment or relationship raises particular conflicts of interest, Kingswood will review the circumstances of such investment or relationship with a view to addressing and reducing the potential for conflict. Where necessary, Kingswood consults and receives consent to conflicts from an advisory committee consisting of limited partners of the relevant Fund(s) and such other investment vehicles.

DISCIPLINARY INFORMATION

Kingswood and its management persons have not been subject to any material legal or disciplinary events required to be discussed in this Brochure.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

The Adviser is affiliated with other Kingswood investment advisers registered with the SEC under the Advisers Act pursuant to the Adviser's registration in accordance with SEC guidance. These affiliated entities, including the General Partners and the Relying Adviser, operate as a single advisory business together with the Adviser and serve as managers or general partners of the Funds and other pooled vehicles and generally share common owners, officers, partners, employees, consultants or persons occupying similar positions.

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

Kingswood has adopted a Code of Ethics and Securities Trading Policy and Procedures (the "**Code**"), which sets forth standards of conduct that are expected of Kingswood principals and employees and addresses conflicts that arise from personal trading. The Code requires certain Kingswood personnel to report their personal securities transactions, prohibits or requires pre-clearance for Kingswood personnel from directly or indirectly acquiring beneficial ownership or disposing of securities in an initial public offering, and prohibits Kingswood personnel from directly or indirectly acquiring beneficial ownership of securities with limited exceptions, without first obtaining approval from Kingswood's Chief Compliance Officer (the "**Chief Compliance Officer**"). In addition, the Code requires such personnel to comply with procedures designed to prevent the misuse of, or trading upon, material non-public information. A copy of the Code will be provided to any investor or prospective investor upon request to the Chief Compliance Officer at 424-200-6605. Personal securities transactions by employees who manage client accounts are required to be conducted in a manner that prioritizes the client's interests in client eligible investments.

Kingswood and its affiliated persons may come into possession, from time to time, of material non-public or other confidential information about companies which, if disclosed, might

affect an investor's decision to buy, sell or hold a security. Under applicable law, Kingswood and its affiliated persons would be prohibited from improperly disclosing or using such information for their personal benefit or for the benefit of any person, regardless of whether such person is a client of Kingswood.

Accordingly, should Kingswood or any of its affiliated persons come into possession of material non-public or other confidential information with respect to any company, Kingswood generally would be prohibited from communicating such information to clients, and Kingswood will have no responsibility or liability for failing to disclose such information to clients as a result of following their policies and procedures designed to comply with applicable law. Similar restrictions may be applicable as a result of Kingswood personnel serving as directors of public companies and may restrict trading on behalf of clients, including a Fund.

Principals and employees of Kingswood and its affiliates generally will directly or indirectly own an interest in one or more Funds, including certain co-invest vehicles. To the extent that co-invest vehicles exist, such vehicles may invest in one or more of the same portfolio companies as a Fund. Co-invest opportunities may also be presented to certain affiliates of Kingswood, as well as third party investors and other persons, and such co-investments may be effected through co-invest vehicles or directly in a particular portfolio company. Such co-investment opportunities generally will be allocated in the manner described under "Methods of Analysis, Investment Strategies and Risk of Loss."

Kingswood and its affiliates, principals and employees may carry on investment activities for their own account and for family members, friends or others who do not invest in a Fund, and may give advice and recommend securities to vehicles which may differ from advice given to, or securities recommended or bought for, any Fund, even though their investment objectives may be the same or similar. The operative documents and investment programs of certain Funds may restrict, limit or prohibit, in whole or subject to certain procedural requirements, investments of certain other vehicles in issuers held by such Funds or may give priority with respect to investments to such Funds. Some of these restrictions could be waived by investors (or their representatives) in such Funds.

In borrowing on behalf of a Fund, Kingswood is subject to conflicts of interest between repaying its obligations and retaining such borrowed amounts for the benefit of the Fund, and in circumstances where interest accrues on any such outstanding borrowings at a rate lower than the relevant Fund's preferred return, is expected to have incentives to cause the Fund to borrow in this manner rather than drawing down capital commitments. Where a preferred return begins to accrue after capital contributions are due (regardless of when the Fund borrows, makes the relevant investment, or pays expenses) and ceases to accrue upon return of these capital contributions, the use of borrowing to shorten the period between calling and returning capital limits the amount of time the preferred return will accrue. In circumstances where there is not a preferred return on funds borrowed in advance or in lieu of calling capital, Fund-level borrowing typically will reduce the amount of preferred return to which the limited partners would otherwise be entitled had the General Partner called capital, and thus could result in the relevant General Partner receiving carried interest sooner than it would without borrowing. In addition, when the Management Fee is calculated as a percentage of invested capital, a limited partner may pay Management Fees on borrowed amounts used to fund investments that have not yet been realized even though such

amounts would not accrue preferred return as described above. It is expected that the costs relating to the establishment and/or maintenance of a subscription line of credit will be significant, and there can be no assurance that the benefits to limited partners will be commensurate with such costs.

Kingswood will effect such borrowings in a manner it believes to be fair and equitable to the relevant Fund, and consistent with Kingswood's obligations to the Fund under the Governing Documents.

BROKERAGE PRACTICES

Kingswood focuses on securities transactions of private companies and generally purchases and sells such companies through privately-negotiated transactions in which the services of a broker-dealer may be retained. However, Kingswood may also distribute securities to investors in a Fund or sell such securities, including through using a broker-dealer, if a public trading market exists. Although Kingswood does not intend to regularly engage in public securities transactions, to the extent it does so, it follows the brokerage practices described below.

If Kingswood sells publicly traded securities for a Fund, it is responsible for directing orders to broker-dealers to effect securities transactions for accounts managed by Kingswood. In such event, Kingswood will seek to select brokers on the basis of best price and execution capability. In selecting a broker to execute client transactions, Kingswood may consider a variety of factors, including: (i) execution capabilities with respect to the relevant type of order; (ii) commissions charged; (iii) the reputation of the firm being considered; and (iv) responsiveness to requests for trade data and other financial information.

Kingswood has no duty or obligation to seek in advance competitive bidding for the most favorable commission rate applicable to any particular client transaction or to select any broker on the basis of its purported or "posted" commission rate, but will endeavor to be aware of the current level of the charges of eligible brokers and to reduce the expenses incurred for effecting client transactions to the extent consistent with the interests of such clients. Although Kingswood generally seeks competitive commission rates, it may not necessarily pay the lowest commission or commission equivalent. Transactions may involve specialized services on the part of the broker involved and thereby entail higher commissions or their equivalents than would be the case with other transactions requiring more routine services.

Consistent with Kingswood seeking to obtain best execution, brokerage commissions on client transactions may be directed to brokers in recognition of research furnished by them, although Kingswood generally does not make use of such services at the current time and has not made use of such services since its inception.

To the extent Kingswood uses "soft dollars" on behalf of the Funds in the future, it will seek to do so within the safe harbor provided by Section 28(e) of the Securities Exchange Act of 1934, as amended.

Kingswood does not anticipate engaging in significant public securities transactions; however, to the extent that Kingswood engages in any such transactions, orders for purchase or sale of securities placed first will be executed first, and within a reasonable amount of time of

order receipt. To the extent that orders for Funds are completed independently, Kingswood may also purchase or sell the same securities or instruments for several Funds simultaneously. From time to time, Kingswood may, but is not obligated to, purchase or sell securities for several client accounts at approximately the same time. Such orders may be combined or “batched” to facilitate obtaining best execution and/or to reduce brokerage commissions or other costs. Batched transactions are executed in a manner intended to ensure that no participating Fund of Kingswood is favored over any other Fund. When an aggregated order is filled in its entirety, each participating Fund generally will receive the average price obtained on all such purchases or sales made during such trading day. To the extent such orders are not batched, they may have the effect of increasing brokerage commissions or other costs.

When an aggregate order is partially filled, the securities purchased or sold will normally be allocated on a *pro rata* basis to each Fund participating in such buy or sell order in accordance with the amount of securities originally requested for such Funds.

The Funds generally will receive the average price obtained on all such purchases or sales made during such trading day. Exceptions to *pro rata* allocations are permissible provided they are fair and equitable to Funds over time.

In Kingswood’s private company securities transactions on behalf of the Funds, Kingswood may retain one or more broker-dealers or investment banks, the costs of which will be borne by the relevant Fund and/or its portfolio companies. In determining to retain such parties, Kingswood may consider a variety of factors, including: (i) capabilities with respect to the type of transaction being contemplated; (ii) commissions or fees charged; (iii) reputation of the firm being considered; and (iv) responsiveness to requests for information. As a result, although Kingswood generally will seek reasonable rates for such services, the market for such services involves more subjective evaluations than public securities brokerage transactions, and the Funds may not pay the lowest commission or fee for such services.

REVIEW OF ACCOUNTS

The investments made by the Funds are generally private, illiquid and long-term in nature. Accordingly, the review process is not directed toward a short-term decision to dispose of securities. However, Kingswood monitors companies in which the Funds invest, and the Chief Compliance Officer periodically checks to confirm that each Fund is maintained in accordance with its stated objectives.

Each Fund generally will provide to its limited partners (i) audited financial statements annually commencing with the first fiscal year in which a Fund either is in operation for the full year or makes an investment, (ii) unaudited financial statements for the first three quarters of each fiscal year commencing with the first fiscal quarter in which a Fund delivers a capital call notice, (iii) annual tax information necessary for each partner’s U.S. tax returns, and (iv) descriptive investment information for each portfolio company annually.

CLIENT REFERRALS AND OTHER COMPENSATION

Kingswood and/or its affiliates will provide certain business or consulting services to companies in a Fund’s portfolio and may receive compensation from these companies in

connection with such services. As described in the Governing Documents, this compensation may, in many cases, offset a portion of the Management Fees paid by such Fund. However, in other cases (*e.g.*, payments to Operations Group members and reimbursements for out-of-pocket expenses directly related to a portfolio company), these fees may be in addition to Management Fees. *See* “Fees and Compensation.”

From time to time, Kingswood will enter into solicitation arrangements pursuant to which it compensates third parties for referrals that result in a potential investor becoming a limited partner in a Fund. Any fees payable to any such placement agents will be borne by Kingswood indirectly through an offset against the Management Fee, although related expenses incurred pursuant to the relevant placement agent or similar agreement, including but not limited to placement agent travel, meal and entertainment expenses, typically are borne by the relevant Fund(s). Furthermore, Kingswood is permitted to exempt certain investors in the Funds from what would otherwise be such investor’s share of placement agent fees and, in such event, such partner will not receive the benefit of the Management Fee reduction described above with respect to such amount.

CUSTODY

Kingswood maintains custody of assets held in the name of one or more Funds with the following qualified custodians: BMO Harris Bank and First Republic Bank. Further, Kingswood intends, with respect to the Funds, to comply with the private fund audit requirements as provided in Rule 206(4)-2(b)(4) under the Advisers Act.

INVESTMENT DISCRETION

Kingswood has discretionary authority to manage investments on behalf of certain of the Funds. As a general policy, with respect to such Funds, Kingswood does not allow such Funds to place limitations on this authority. Pursuant to the terms of the Governing Documents, however, Kingswood and/or its affiliates have entered into, and may in the future enter into, Side Letters with certain limited partners whereby the terms applicable to such limited partner’s investment in a Fund have been altered or varied, including, in some cases, the right to opt-out of certain investments for legal, tax, regulatory or other similar reasons. Kingswood assumes this discretionary authority pursuant to the terms of the Governing Documents and powers of attorney executed by the limited partners of such Fund.

VOTING CLIENT SECURITIES

Kingswood has adopted a Proxy Voting Policies and Procedures (the “**Proxy Policy**”) to address how it will vote proxies, as applicable, for a Fund’s portfolio investments. The Proxy Policy seeks to ensure that Kingswood votes proxies (or similar instruments) in the best interest of the Funds, including where there may be material conflicts of interest in voting proxies. Kingswood generally believes its interests are aligned with those of each Fund’s investors, for example, through the principals’ beneficial ownership interests in such Fund and therefore will not seek investor approval or direction when voting proxies. In the event that there is or may be a conflict of interest in voting proxies, the Proxy Policy provides that Kingswood may address the conflict using several alternatives, including by seeking the approval or concurrence of a Fund’s

advisory board on the proposed proxy vote or through other alternatives set forth in the Proxy Policy. Additionally, a Fund's advisory board may approve Kingswood's vote in a particular solicitation. Kingswood does not consider service on portfolio company boards by Kingswood personnel or Kingswood's receipt of management or other fees from portfolio companies to create a material conflict of interest in voting proxies with respect to such companies. In addition, the Proxy Policy sets forth certain specific proxy voting guidelines followed by Kingswood when voting proxies on behalf of a Fund. Clients or investors that would like a copy of Kingswood's complete Proxy Policy or information regarding how Kingswood voted proxies for particular portfolio companies may contact the Chief Compliance Officer at 424-200-6605 and it will be provided at no charge.

FINANCIAL INFORMATION

Kingswood does not require prepayment of management fees more than six months in advance or have any other events requiring disclosure under this item of the Brochure.



PART 2B OF FORM ADV: BROCHURE SUPPLEMENT

Supervised Persons

Alexander Wolf

James Renna

Michael Niegsch

**Kingswood Capital Management, L.P.
11812 San Vicente Blvd., Suite 604
Los Angeles, CA 90049**

March 2022

This brochure supplement provides information about the Supervised Persons that supplements the Kingswood Capital Management, L.P. ("Kingswood" or the "Firm") brochure. You should have received a copy of that brochure. Please contact us at 424-200-6600 or <http://kingswood-capital.com/contact/> if you did not receive the Firm's brochure or if you have any questions about the contents of this supplement. Any capitalized terms used but not otherwise defined herein shall have the definitions ascribed to them in the Firm's brochure.

ALEXANDER WOLF – MANAGING PARTNER AND FOUNDER OF KINGSWOOD

Educational Background and Business Experience

Alexander Wolf (born in 1974) is Managing Partner and Founder of Kingswood, and a member of Kingswood's investment team.

Mr. Wolf founded Kingswood in February 2013. He oversees firm-wide management, the strategic direction of the Firm and leads the Firm's investment team. Mr. Wolf has been a private equity investor since 1997, having completed dozens of investments, with several billion dollars deployed across a wide range of industry sectors, including, software, media, telecommunications and technology, business services, gaming, manufacturing, upstream energy and energy services, paper and packaging, retail and consumer products. Mr. Wolf has significant expertise in M&A, corporate strategy, turnarounds, restructuring and merger integration.

Before founding Kingswood, Mr. Wolf was at two leading private equity firms, as an original member of both the Ares Management investment team and the Cerberus Capital Management private equity team. As a Partner and Managing Director in the Cerberus Capital Management private equity practice, Mr. Wolf for co-led the acquisitions of companies from global Fortune 500 corporations, entrepreneurs and the public equity markets. Mr. Wolf began his career in the leverage finance group of Wells Fargo.

Mr. Wolf founded Kingswood with the goal of creating a private investment firm focused on building a portfolio of high-quality companies operating in the lower-middle market. Kingswood's investment philosophy is to partner with management teams to create long-term, sustainable value for businesses in transition or exhibiting the potential for operational improvement.

Mr. Wolf received a B.A. from Duke University and an MBA from the Stanford University Graduate School of Business.

Disciplinary Information

There are no legal or disciplinary events to disclose with respect to Mr. Wolf.

Other Business Activities

Mr. Wolf is not engaged in any investment-related business outside of his roles with Kingswood.

Additional Compensation

Mr. Wolf does not receive any additional compensation that is required to be disclosed.

Supervision

Mr. Wolf shares responsibility for providing investment advice to the Funds advised by Kingswood. Mr. Wolf is subject to the provisions of Kingswood's Compliance Manual and Code of Ethics. Kingswood's Chief Compliance Officer, Ivane Chou, supervises the actions of Mr. Wolf with respect to compliance matters, including compliance with applicable investment guidelines set forth in the Memorandum and Partnership Agreement of the Funds provided to investors in the Funds. Ms. Chou can be reached at 424-200-6605.

JAMES RENNA – PARTNER AND LEAD OPERATING PARTNER OF KINGSWOOD

Educational Background and Business Experience

James Renna (born in 1970) is a Partner and lead Operating Partner of Kingswood, and a member of Kingswood's investment team.

Mr. Renna spent nearly a decade as a senior member of the Cerberus Operations and Advisory Company, where he was responsible for governance and oversight of Cerberus Capital Management-controlled portfolio companies in the healthcare services, biotech, consumer, pharmaceutical, manufacturing and media industries.

Mr. Renna most recently served as the Founder and Chief Executive Officer of Capital Leaps, an operations and advisory group that served middle-market private equity firms. Mr. Renna continues to serve in this capacity with Capital Leaps. Prior to that, he was the Executive Vice President and Chief Financial Officer at Steward Heath Care System, the nation's largest for-profit hospital network with over \$8 billion in annual revenues; his management responsibilities included controller, corporate finance, reimbursement, supply chain and decision support.

Prior to his time at the Cerberus Operations and Advisory Company, Mr. Renna served as a Corporate Vice President and Chief Restructuring Officer at MCI Communications/WorldCom. In that role, he was a member of the executive team that led the restructuring and sale to Verizon Communications.

Mr. Renna holds a Bachelor of Science from Princeton University and an MBA from Duke University.

Disciplinary Information

There are no legal or disciplinary events to disclose with respect to Mr. Renna.

Other Business Activities

Mr. Renna is not engaged in any investment-related business outside of his roles with Kingswood.

As discussed, Mr. Renna serves as Chief Executive Officer of Capital Leaps. Prior to Mr. Renna joining Kingswood, Capital Leaps provided operations and advisory services to middle-market private equity firms. Since Mr. Renna joining Kingswood, Capital Leaps provides services solely to portfolio companies with respect to certain pooled investment vehicles managed by Kingswood's investment advisory affiliate, Kingswood Capital Management, LLC. Mr. Renna receives compensation directly from Capital Leaps in connection with those services.

Additional Compensation

Mr. Renna does not receive any additional compensation that is required to be disclosed.

Supervision

Mr. Renna shares responsibility for providing investment advice to the Funds advised by Kingswood. Mr. Renna is subject to the provisions of Kingswood's Compliance Manual and Code of Ethics. Kingswood's Chief Compliance Officer, Ivane Chou, supervises the actions of Mr. Renna with respect to compliance matters, including compliance with applicable investment guidelines set forth in the Memorandum and Partnership Agreement of the Funds provided to investors in the Funds. Ms. Chou can be reached at 424-200-6605.

MICHAEL NIEGSCH – PARTNER OF KINGSWOOD

Educational Background and Business Experience

Michael Niegsch (born in 1983) is a Partner at Kingswood and responsible for all aspects of the investment process, including sourcing, transaction execution and portfolio company oversight. He has an extensive background in control investing in the lower-middle market across a variety of industries and transaction types, including, buyouts of family- and entrepreneur-owned businesses, corporate divestitures, operational turnarounds and restructurings.

Prior to Kingswood, Mr. Niegsch spent eight years at Comvest Partners, an operationally-focused middle market investment firm, where he was a Principal in the firm's private equity strategy. At Comvest Partners, he was responsible for evaluating, executing and monitoring control investments. Mr. Niegsch served on the board of several Comvest Partners portfolio companies in an oversight capacity.

Before joining Comvest, Mr. Niegsch worked in investment banking at UBS Investment Bank and Morgan Joseph TriArtisan.

Mr. Niegsch holds a Bachelor of Business Administration with High Distinction from the Stephen M. Ross School of Business at the University of Michigan.

Disciplinary Information

There are no legal or disciplinary events to disclose with respect to Mr. Niegsch.

Other Business Activities

Mr. Niegsch is not engaged in any investment-related business outside of his roles with Kingswood.

Additional Compensation

Mr. Niegsch does not receive any additional compensation that is required to be disclosed.

Supervision

Mr. Niegsch shares responsibility for providing investment advice to the Funds advised by Kingswood. Mr. Niegsch is subject to the provisions of Kingswood's Compliance Manual and Code of Ethics. Kingswood's Chief Compliance Officer, Ivane Chou, supervises the actions of Mr. Niegsch with respect to compliance matters, including compliance with applicable investment guidelines set forth in the Memorandum and Partnership Agreement of the Funds provided to investors in the Funds. Ms. Chou can be reached at 424-200-6605.