

## FORM CRS – KKR CAPITAL MARKETS LLC

### **1. Introduction**

KKR Capital Markets LLC (“us”, “we”, or “our”) is registered with the U.S. Securities and Exchange Commission (“SEC”) as a broker-dealer and is a member of the Financial Industry Regulatory Authority (“FINRA”). We are an indirect wholly-owned subsidiary of KKR & Co. Inc. (NYSE: KKR) (“KKR”), and are affiliated with numerous US and non-US investment entities including SEC-registered investment advisers, KKR Credit Advisors (US) LLC, KKR Registered Advisor LLC and Kohlberg Kravis Roberts & Co. L.P., and their respective relying advisers (collectively, our “**affiliated advisers**”).

When recommending a securities transaction to you, we and our registered representatives are acting in a broker-dealer capacity. Our affiliated advisers provide investment advisory services to pooled investment vehicles and other investment funds (“**KKR Funds**”) and other accounts for certain investors. Fees for our services differ from investment advisory and transactional fees that our affiliated advisers accrue. It is important to understand these differences.

Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

### **2. Relationships and Services**

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

Our primary focus is to act as an underwriter, syndicator, structurer, arranger or placement agent in securities offerings and loan syndications.

We: (i) market proprietary, affiliated private and registered funds; (ii) serve as principal distributor of proprietary, affiliated funds; (iii) syndicate equity to certain investors who will co-invest alongside the KKR Funds; or (iv) serve as placement agent for fundraising by a third-party adviser or asset manager.

We do offer recommendations to retail investors, but recommendations are generally limited to offering proprietary, affiliated KKR Funds and accounts. In making recommendations to you, we do not: (a) consider alternative third-party products; (b) consider allocation size or commitment amounts; (c) tailor investments to an investor’s portfolio; or (d) exercise investment discretion. We do not open or maintain brokerage accounts, provide any investment advice, provide ongoing monitoring of investments, or provide any customary securities brokerage services. We do not buy or sell securities for our own account.

**Conversation Starters.** Ask your financial professional or relationship manager

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

### **3. Fees, Costs, Conflicts, & Standard of Conduct**

*What fees will I pay?*

As a general matter, we do not earn fees for marketing proprietary, affiliated private and registered funds or acting as principal distributor ((i) and (ii) in Item 2 above). However, we earn certain fees for acting as syndication agent and placement agent, ((iii) and (iv) in Item 2 above). The amount or percentage of such fees is disclosed in the offering documents for each transaction.

Our affiliated advisers earn certain fees (i.e. management fees, incentive fees) in connection with investments in KKR Funds. For additional information on our affiliated advisers’ fees, please refer to Parts 1 and 2 of our affiliated advisers’ Form ADV and KKR’s public website.

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

**Conversation Starter.** Ask your financial professional or relationship manager

- **Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?**

*What are your legal obligations to me when providing recommendations? How else does your firm make money and what conflicts of interest do you have?*

When we provide you with a recommendation, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendations we provide you. Here are some examples to help you understand what this means.

- We generally offer a limited range of proprietary, affiliated KKR products. We do not consider recommendation of third-party products, and there is no consideration of reasonably available alternatives.
- Further, our affiliated advisers earn certain fees for their services that are essential to KKR's financial performance.

More detailed information about our conflicts of interest is available in our Regulation Best Interest Disclosure document (which will be provided to you in connection with certain recommendations), Part 2 of our affiliated advisers' Form ADV, KKR's public website, and our affiliated advisers' SEC public filings and fund disclosure documents.

**Conversation Starter.** Ask your financial professional or relationship manager

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

*How do your financial professionals make money?*

Some of our investment professionals are paid by us, while others are paid by our affiliated advisers. Their compensation is a combination of base salary, cash bonus, and equity compensation. Our investment professionals do not earn transaction-based compensation and commissions.

#### **4. Do your financial professionals have legal or disciplinary history?**

Yes. Please visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research us and our financial professionals.

**Conversation Starter.** Ask your financial professional or relationship manager

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

#### **5. Additional Information**

For additional information about our services please refer to:

- (i) [brokercheck.finra.org](https://brokercheck.finra.org) (<https://brokercheck.finra.org/firm/summary/143571>);
- (ii) Part 1 of our affiliated advisers' Form ADV (<https://adviserinfo.sec.gov/firm/summary/144533>; <https://adviserinfo.sec.gov/firm/summary/146629>);
- (ii) Part 2 of our affiliated advisers' Form ADV (<https://reports.adviserinfo.sec.gov/reports/ADV/144533/PDF/144533.pdf>; <https://reports.adviserinfo.sec.gov/reports/ADV/146629/PDF/146629.pdf>);
- (iii) our public website (<https://www.kkr.com/businesses/capital-markets>); and
- (iv) our affiliated advisers' SEC filings.

For up-to-date information and a copy of Form CRS, please call: (212) 230-9433 and ask for the relevant relationship manager or a KCM Compliance professional.

**Conversation Starter.** Ask your financial professional or relationship manager

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