

MUZINICH CAPITAL LLC

Regulation Best Interest Disclosure Statement

This Regulation Best Interest ("Reg BI") Disclosure Statement ("Reg BI Statement") summarizes important information concerning the scope, terms, and associated material conflicts of interest regarding the brokerage services that Muzinich Capital LLC ("Muzinich Capital", "we", "us", or the "Firm") offers to you and other retail customers. We encourage you to review this information carefully, along with any additional agreement(s) and/or disclosure documentation which you may receive from us.

We are registered with the U.S. Securities and Exchange Commission (SEC) as a broker-dealer and are a member of the Financial Industry Regulatory Authority ("FINRA") and Securities Investor Protection Corporation ("SIPC"). Investment advisory services are provided by our advisory affiliates, including but not limited to, Muzinich & Co., Inc. and Muzinich BDC Adviser, LLC, both of which are registered with the SEC as investment advisers and Muzinich & Co. Limited which is authorized by the FCA ("Advisory Affiliates"). We are wholly owned by Muzinich & Co., Inc.

This Reg BI Statement will focus on the *brokerage services* offered by Muzinich Capital. For information regarding *investment advisory services* offered by our Advisory Affiliates and how these differ from brokerage services, please review the Muzinich Capital "Customer Relationship Summary" (or Form CRS) available at MuzinichUSFunds.com. Our Form CRS contains important information about the types of brokerage services we offer, along with general information related to compensation, conflicts of interest, disciplinary action, and other reportable legal information.

Please carefully review and consider the information in each section below.

<i>Brokerage Services</i>	<i>Page 1</i>
<i>Brokerage Products</i>	<i>Page 3</i>
<i>Brokerage Fees and Our Compensation</i>	<i>Page 3</i>
<i>Conflicts of Interest</i>	<i>Page 3</i>
<i>Additional Resources</i>	<i>Page 4</i>

Brokerage Services

Brokerage Services, Recommendations

In relation to our brokerage services, we provide recommendations regarding investments in mutual funds ("Muzinich Mutual Funds") and privately offered pooled investment vehicles ("Muzinich Private Funds") for which our Advisory Affiliates serve as investment adviser or investment manager (collectively, "Muzinich Funds"). We also assist our affiliates with the marketing of interests in various Muzinich Funds. Any such statement will be made orally to you when we make a recommendation for you to invest in either the publicly offered Muzinich Mutual Funds or the Muzinich Private Funds, we do so in our capacity as a broker-dealer unless otherwise stated at the time of the recommendation.

It is important for you to understand that when we make a recommendation to you, we are obligated to ensure the recommendation is in your best interest, considering reasonably available alternatives, and based on your stated investment objective, risk tolerance, liquidity needs, time horizon, financial needs, tax status, and other financial information you provide us. You have the right to accept or reject any recommendation. It is also your responsibility to monitor your investments and we encourage you to do so regularly.

From time to time we will, at our discretion, provide you with additional information and resources to assist you with managing your investments with our Advisory Affiliates. This may include, but is not limited to, educational resources, sales and marketing materials, and performance reports. When we offer this information, we do so as a courtesy to you. These activities are not designed to monitor specific investment holdings, and you should not consider them a recommendation to trade or hold any particular securities. Upon your request, we will review such information and reports with you and provide you with investment recommendations, but we are not subject to a specific obligation to do so.

Understanding Risk

It is important for you to understand that all investment recommendations and activities involve risk, including the risk that you may lose your entire principal. Further, some investments involve more risk than other investments. Higher-Risk investments generally have the potential for higher returns but also for greater losses. The higher your "risk tolerance," meaning the amount of risk or loss you are willing and able to accept in order to achieve your investment goals, the more you may decide to invest in higher-risk investments offering the potential for greater returns. We align risk tolerances with investment needs to offer you different investment objectives from which to choose (see below). You should select the investment objective and risk tolerance best aligned with your investment goals and needs.

Investment goals typically have different time horizons and different income and growth objectives. Generally, investment goals are on a spectrum, with "Income" investors typically holding the smallest percentage of higher-risk investments, followed by "Growth and Income" investors holding some higher-risk investments, and finally "Growth" investors holding a significant portion of their portfolio in higher-risk investments. Risk tolerance also varies and we measure it on a continuum that increases from "Conservative" to "Moderate" to "Aggressive," and finally, to "Trading and Speculation." See the following for details.

Investment Objective	Investment Objective Description	Risk Tolerance	Risk Tolerance Definition
Income	Income portfolios emphasize current income with minimal consideration for capital appreciation and usually have less exposure to more volatile growth assets.	Conservative	Conservative Income investors generally assume lower risk, but may still experience losses or have lower expected income returns.
		Moderate	Moderate Income investors are willing to accept a modest level of risk that may result in increased losses in exchange for the potential to receive modest income returns.
		Aggressive	Aggressive Income investors seek a higher level of returns and are willing to accept a higher level of risk that may result in greater losses.
Growth & Income	Growth and Income portfolios emphasize a blend of current income and capital appreciation and usually have some exposure to more volatile growth assets.	Conservative	Conservative Growth and Income investors generally assume a lower amount of risk, but may still experience losses or have lower expected returns.
		Moderate	Moderate Growth and Income investors are willing to accept a modest level of risk that may result in increased losses in exchange for the potential to receive modest returns.
		Aggressive	Aggressive Growth and Income investors seek a higher level of returns and are willing to accept a higher level of risk that may result in greater losses.
Growth	Growth portfolios emphasize capital appreciation with minimal consideration for current income and usually have significant exposure to more volatile growth assets.	Conservative	Conservative Growth investors generally assume a lower amount of risk, but may still experience increased losses or have lower expected growth returns.
		Moderate	Moderate Growth investors are willing to accept a modest level of risk that may result in significant losses in exchange for the potential to receive higher returns.
		Aggressive	Aggressive Growth investors seek a higher level of returns and are willing to accept a high level of risk that may result in more significant losses.
Trading and Speculation	Trading and Speculation investors seek out a maximum return through a broad range of investment strategies which generally involve a high level of risk, including the potential for unlimited loss of investment capital.		

All investments and investment strategies involving securities involve risk of loss, including the potential loss of a retail customer's entire investment, which the retail customer should be prepared to bear. There is no guarantee that any retail customer will meet the customer's investment goals, or that the Firm's recommendations will perform as anticipated.

The investment performance and the success of any particular investment or investment strategy can never be predicted or guaranteed, and the value of a customer's investments will fluctuate due to market conditions and other factors. Investments are subject to various market, liquidity, currency, economic, political and other risks. Past performance of any security or investment strategy is not indicative of future performance.

In addition to the investment-specific risks associated with investments and investment strategies involving securities, there are other potential risks associated with any relationship with financial intermediaries, such as Muzinich Capital. For example, as the use of technology increases, Muzinich Capital and Muzinich Capital's Advisory Affiliates may be more susceptible to operational or information security-related risks. A breach in cyber security refers to both intentional and unintentional events that may cause Muzinich Capital or a Muzinich Capital Advisory Affiliate to lose proprietary information or operational capacity or suffer data corruption. Cyber security breaches of Muzinich Capital or a Muzinich Capital Advisory Affiliate's third-party service providers or issuers in which customers and clients invest may also subject Muzinich Capital or a Muzinich Capital Advisory Affiliate to many of the same risks associated with direct cyber security breaches. Cyber security breaches can cause disruptions and affect business operations, potentially resulting in financial losses, impediments to trading, the inability to transact business, destruction to equipment and systems, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs or additional compliance costs.

Brokerage Products

As previously stated, we provide recommendations regarding investments in Muzinich Mutual Funds and Muzinich Private Funds for which our Advisory Affiliates serve as investment adviser or investment manager.

Brokerage Fees and Our Compensation

Currently, we do not maintain brokerage accounts from retail customers and only conduct trade execution for customers (i.e. buying or selling of securities) in connection to interests in Muzinich Private Fund. You will not pay commissions, fees or costs to the Firm for its services as a broker dealer.

However, Muzinich Funds will bear advisory fees and other costs that are collected by one or more of our affiliates. Those fees and costs are ultimately borne by investors. Additionally, the Muzinich Funds will bear fees and other costs that are not collected by our affiliates. Those fees and costs will also be borne by investors. With regard to Muzinich Mutual Funds, see the prospectuses, statements of additional information and other relevant documents which are available at MuzinichUSFunds.com. With regard to Muzinich Private Funds, the fee and expense disclosures appear in the pertinent Private Fund's offering documents such as the private placement memorandum.

Conflicts of Interest

Reg BI defines a conflict of interest associated with a recommendation as "an interest that might incline a broker, dealer, or a natural person who is an associated person of a broker or dealer—consciously or unconsciously—to make a recommendation that is not disinterested." Conflicts of interest exist when we provide recommendations to you. A conflict of interest is a situation in which we engage in an activity where our interest is materially adverse to your interest. The mere presence of a conflict of interest does not imply that harm to your interests will occur, but it is important that we acknowledge the presence of conflicts. Moreover, our regulatory obligations require that we establish, maintain, and enforce written policies and procedures reasonably designed to address conflicts of interest associated with our recommendations to you.

We are committed to taking appropriate steps to identify, avoid, disclose and/or otherwise mitigate conflicts of interest to ensure we act in your best interest when providing recommendations to you. We will provide additional information related to our conflicts of interest in the following:

Recommendations of Affiliated Products and Services:

We make recommendations with respect to Muzinich Funds. From time to time, our associated persons recommend that certain eligible customers invest in Muzinich Private Funds, which are often speculative and can involve a higher degree of risk than more traditional investments.

Conflicts:

We do not receive any direct compensation from the sale of Muzinich Mutual Funds or Muzinich Private Funds. One or more of our Affiliated Advisers would receive compensation and/or economic benefits in connection with the services which they provide regarding the investment products that we may recommend and, as appropriate (regarding Private Funds), make available to you.

This information is not intended to be an all-inclusive list of our conflicts, but generally describes those conflicts that are material to your brokerage relationship. In addition to this disclosure, conflicts of interest are disclosed to you in your agreement(s) and disclosure documents, our product guides and other information we make available to you.

We routinely review and assess the materiality of all conflicts present within our Firm. On an annual basis, senior management of the Firm reviews our conflicts controls to ensure that all material conflicts are identified, avoided, disclosed and/or otherwise mitigated.

Compensation Related to Our Advisory Affiliates

Management and/or (in the case of Private Funds) incentive fees and general partner's share are generally the only fees/profit interest in the partnership that are charged to and paid by Muzinich Funds to our Advisory Affiliates:

- Muzinich & Co., Inc. and Muzinich BDC Adviser, LLC – both of which are SEC registered investment advisers
- Muzinich & Co. Limited – authorized by the FCA

For a complete understanding of all compensation related to our Advisory Affiliates please see the appropriate fund documentation. With regards to Muzinich Mutual Funds see the prospectuses, statements of additional information and other relevant documents which are available at MuzinichUSFunds.com. With regards to Muzinich Private Funds, the fee and expense disclosures that appear in the pertinent Private Fund's offering documents such as the private placement memorandum.

Additional Resources

Form CRS

<https://brokercheck.finra.org/>

Regulatory Disclosures

MuzinichUSFunds.com