KERBEROS
CAPITAL MANAGEMENT

KERBEROS CAPITAL FUND III

INVESTMENT OVERVIEW

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The best value today is debt that is safe but illiquid. We charge a premium lending against collateral that requires specialized skills to underwrite, but which is actually low risk. Because our upside is limited by the terms of our loan agreements, however, we won’t increase profits by taking on more risk. The success of the strategy requires an unrelenting focus on protecting principal and protecting the downside.

--Joseph Siprut
Chief Investment Officer

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Executive Summary & Strategy Overview

Executive Summary

Kerberos built an award-winning platform and successful track record as it seeks to continue generating above-market, risk-adjusted returns in this uncorrelated investment strategy

Award-Winning Private Credit Platform

Differentiated platform and investment team have received mainstream recognition

- Investment Team is comprised of former principals of the world's leading law firms and multi-billion dollar private credit funds
- Kerberos named a Top 3 Global Newcomer among private debt funds worldwide by Private Debt International
- CIO Magazine recognized Kerberos as the "Very Best of Institutional Investing" in naming Kerberos a finalist for its annual "Innovation Awards"

Private Debt Investor AWARDS 2020 Top 3 Global Newcomer of the Year

CIO investment INDUSTRY INNOVATION AWARDS FINALIST 2021 Private Credit KERBEROS CAPITAL MANAGEMENT

Proven Performance in Funds I and II

Kerberos has originated over $350M in the Law Firm Lending sector and established itself as an industry leader

- Full recourse loans with full-scope personal guaranty and attractive yields
- Funds I and II capitalized by institutional credit investors
- Gross IRRs in Funds I and II of 26.2% and 24.0%, respectively
- 27 law firm loans completed to date with $120M in realizations
- Current LTVs of 19.2% and 34.4% in Funds I and II, respectively

Kerberos Capital Fund III

Programmatic co-investment platform consisting of a blind-pool vehicle and Separate Managed Accounts

- Continued implementation of demonstrated strategy
- Kerberos has raised $500M+ in co-investment capital; new investors are given the option to invest in the blind-pool vehicle or (subject to minimum sizing) establish a Separate Managed Account, which will co-invest with the other SMAs and blind-pool vehicle pursuant to a pro-rata allocation policy
- Pipeline of new investments exceeding $800M

Please refer to the Disclosures for additional important information on the figures and calculations displayed here.

Strategy Overview

Kerberos specializes in originating and underwriting loans to law firms that generate success-fee based revenue by litigating mass tort, class action and personal injury claims

Strategy

First-priority, full recourse loans to well-established law firms with personal guarantees from equity owners

- Aggregate principal invested of ~$350 million across 27 loans
- Collateral monetizes over 2-3 years
- Complete cross-collateralization of entire case inventory; exposure diversified across hundreds or thousands of cases per loan

Target Returns

- 10-15% for settled collateral; 15-20% for pre-settlement portfolio transactions, plus 1-3% OID
- Industry default rate is ~2%
- Returns driven by attractive asset class, downside protection through diversified portfolio approach of seasoned, first-priority recourse collateral

$350M

Total Assets Managed

10

Team Members

27

Deals Funded

24%+

Gross Returns

Differentiated Platform

Origination

The members of Kerberos' Investment Team, led by Kerberos' CEO/CIO, have extensive relationships in the plaintiffs' bar and LitFin industry. This has led to hundreds of millions of dollars in transactions during the most recent 12 months alone. Current pipeline is $800M+; *declined* transactions constitute $1B+.

Underwriting

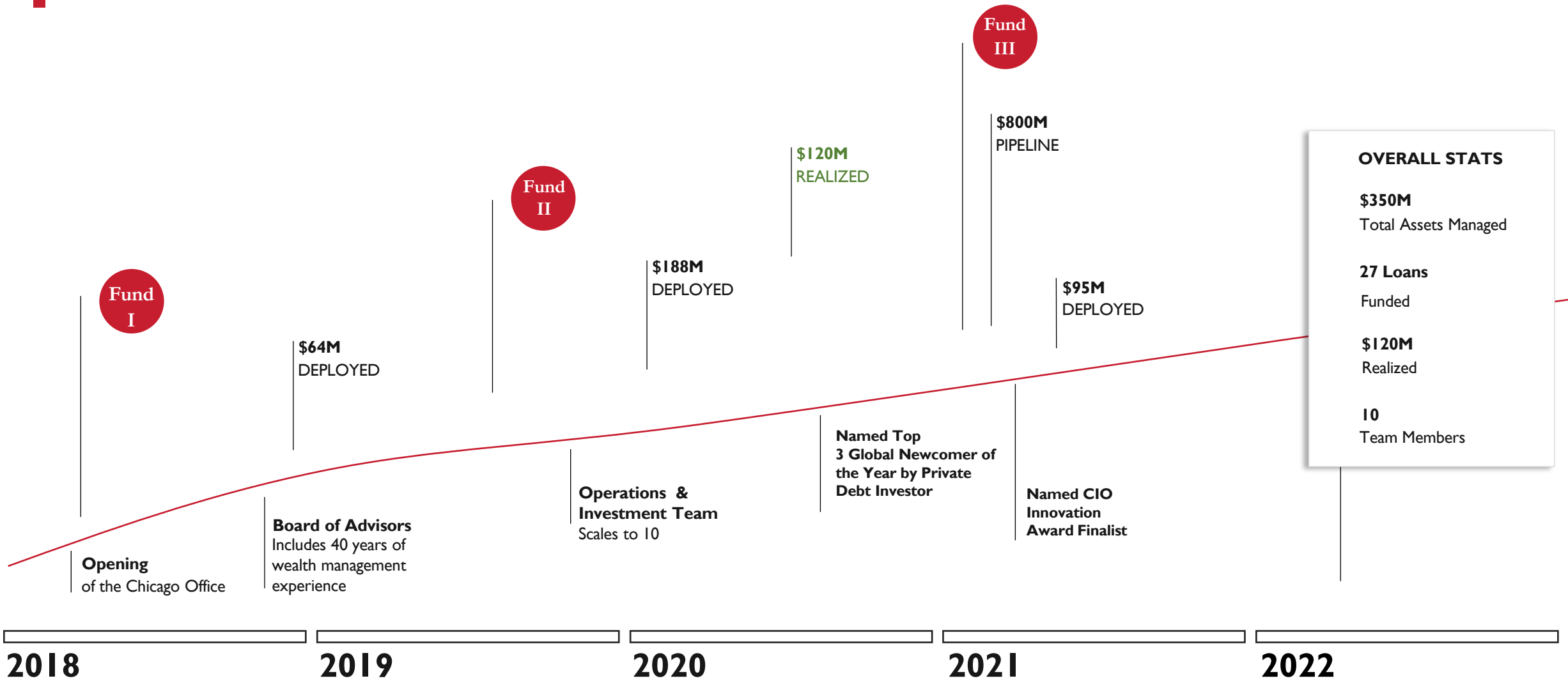
Kerberos is one of the few litigation funders whose underwriters have significant experience (in their former capacities as trial lawyers and senior litigators) with the same collateral used in a typical Kerberos loan transaction. At the same time, Kerberos has developed extensive data analytics capabilities, including a proprietary data library and stratification algorithms. Kerberos' diligence and underwriting fully harness both aspects. The combination of Kerberos' litigation experience and credit-driven underwriting methodologies is virtually unprecedented in LitFin.

Monitoring

Kerberos requires communications and reporting from its borrowers on a monthly and quarterly basis, including updated case portfolio reports, and bank statements and financials. This is supplemented by Kerberos' independent and extensive case-tracking systems. Kerberos provides investors with consistent portfolio updates, addressing substantive developments in key exposures, portfolio stratification analyses, and individual borrower developments.

Timeline & Track Record

Timeline of Events



Please refer to Disclosures on Slide 45 for additional important information on the figures and calculations displayed here.

Summary of Performance

Platform	Fund I	Fund II	Single Asset Structures	Serviced Assets	Fund III
Assets Managed	**$75m**	**$133m**	**$37m**	**$60m**	**$43m**
Portfolio LTV	19.2%	34.4%	35.0%	-	30.0%
Realized Investments	7	3	1	-	-
Realized Investment Balance	$15m	$104m	$1m	-	$ -
Average Weighted Interest Rate on Loans	23.8%	22.6%	22.0%	-	21.0%
Gross IRR	26.2%	24.0%	23.0%	-	21.9%
Net IRR	21.6%	19.9%	18.1%	-	18.0%

Gross IRR is calculated based upon the performance of the loans from investors' perspective. Net IRR is calculated based on management fees of 1.5% on invested capital, and incentive fees of 20% over a preferred return to investors of 12%, with a full catch-up. Fund III refers to the programmatic co-investment platform in which loans are allocated on a pro-rata basis to Kerberos Separate Managed Accounts and/or the Kerberos blind-pool vehicle. Serviced Assets are comprised of loans serviced on behalf of third-parties. LTV and IRR metrics are not provided for Serviced Assets because the loans were not originated and structured by Kerberos. Assets Managed refers to total capital deployed from each respective platform, or, in the case of Serviced Assets, assets managed on behalf of third-parties.

Please refer to Disclosures on Slide 45 for additional important information on the figures and calculations displayed here.

Investment Performance Detail

Inception to Date - (dollars in millions)

Fund II

Unrealized Loans									
	Funding Date	Pay-off Date	Total Amount Invested (US$)	Current Loan Amount(US$)	Realized Loan Amount (US$) *	IRR Actual **	MOIC Actual **	IRR Est	MOIC Est
Loan 1	Dec-19	-	12.0	18.3	-	24.3%	1.54 x	23.8%	2.71 x
Loan 2	Jan-20	-	5.0	6.3	-	7.6%	1.15 x	6.6%	1.23 x
Loan 3	Jan-20	-	12.5	16.2	-	26.4%	1.49 x	25.4%	2.34 x
Loan 4	Feb-20	-	5.0	7.4	-	25.4%	1.51 x	24.5%	2.12 x
Total Unrealized Loans			**34.5**	**48.2**	-				
Realized Loans									
Loan 6	Mar-20	Dec-20	20.0	-	24.9	29.4%	1.24 x	-	-
Loan 7	Mar-20	Dec-20	48.3	11.1	46.1	22.6%	1.20 x	24.4%	1.27 x
Loan 8	Apr-20	Sep-20	30.0	-	33.6	31.3%	1.12 x	-	-
Total Realized loans			**98.3**	**11.1**	**104.6**				

* Repayment of loan principal from cashflow recapture on unrealized loans is excluded here.

** IRR Actual and MOIC Actual are as of the earlier of realization or December 31, 2021.

Please refer to Disclosures on Slide 45 for additional important information on the figures and calculations displayed here.

Investment Performance Detail

Inception to Date - (dollars in millions)

Fund I

Unrealized Loans *									
	Funding Date	Pay-off Date	Total Amount Invested (US$)	Current Loan Amount (US$)	Realized Loan Amount (US$) **	IRR Actual ***	MOIC Actual ***	IRR Est	MOIC Est
Loan 4	Jul-19	-	1.0	0.2	-	29.8%	1.31 x	29.4%	1.33 x
Loan 8	Nov-19	-	3.0	4.1	-	25.7%	1.56 x	25.0%	1.96 x
Loan 11	Dec-19	-	10.2	14.2	-	28.9%	1.60 x	28.3%	2.57 x
Loan 12	Jan-20	-	14.0	14.9	-	26.8%	1.45 x	25.3%	1.77 x
Loan 13	Jan-20	-	1.2	1.6	-	26.9%	1.47 x	26.8%	1.77 x
Loan 15	Aug-20	-	15.0	20.0	-	24.4%	1.46 x	24.0%	2.13 x
Loan 16	Mar-21	-	12.5	4.0	-	25.5%	1.18 x	26.0%	1.24 x
Loan 17	Feb-20	-	4.0	4.8	-	26.4%	1.27 x	26.0%	1.62 x
Total Unrealized Loans *			**60.9**	**63.8**	-				
Realized Loans *									
Loan 3	Apr-19	Aug-20	1.5	-	1.9	38.8%	1.25 x	-	-
Loan 5	Sep-19	Oct-20	1.0	-	1.2	35.9%	1.24 x	-	-
Loan 7	Oct-19	Feb-20	3.0	-	3.4	52.1%	1.15 x	-	-
Loan 9	Dec-19	Dec-20	1.0	-	1.3	30.2%	1.29 x	-	-
Loan 14	Aug-20	Dec-20	5.0	-	5.7	32.1%	1.15 x	-	-
Total Realized loans *			**11.5**	-	**13.5**				

* Excludes loans with invested capital less than $1mil.

** Repayment of loan principal from cashflow recapture on unrealized loans is excluded here.

*** IRR Actual and MOIC Actual are as of the earlier of realization or December 31, 2021.

Please refer to Disclosures on Slide 45 for additional important information on the figures and calculations displayed here.

Investment Performance Detail

Inception to Date - (dollars in millions)

Single Asset Structures / Serviced Assets / Fund III

Unrealized Loans									
	Funding Date	Pay-off Date	Total Amount Invested (US$)	Current Loan Amount(US$)	Realized Loan Amount (US$) *	IRR Actual **	MOIC Actual **	IRR Est	MOIC Est
Loan 1 – Single Asset Structures	Jan-21	-	36.0	41.5	-	23.3%	1.21 x	22.9%	1.50 x
Loan 1 – Serviced Assets***	Dec-20	-	60.2	72.2	-	-	-	-	-
Loan 1 – Fund III	Dec-21	-	42.5	42.9	-	26.3%	1.01 x	21.9%	1.80 x
Total Unrealized Loans			**138.7**	**156.6**	-	-	-	-	-
Realized Loans									
Loan 2 – Single Asset Structures ****	Oct-21	Nov-21	0.6	-	0.7	23.0%	1.10 x	-	-
Total Realized loans			**0.6**	--	**0.7**	-	-	-	-
Total Investments			**344.5**	**279.7**	**118.8**				

* Repayment of loan principal from cashflow recapture on unrealized loans is excluded here.

** IRR Actual and MOIC Actual are as of the earlier of realization or December 31, 2021.

*** Serviced Assets are comprised of loans serviced on behalf of third-parties. LTV and IRR metrics are not provided here because the loans were not originated and structured by Kerberos.

**** Due to the very short-term nature of this loan, the actual IRR shown here reflects the interest rate and OID assessed to the borrower.

Please refer to Disclosures on Slide 45 for additional important information on the figures and calculations displayed here.

Opportunity Overview

Why Does the Opportunity Exist Today?

Complex Collateral

- Traditional corporate finance metrics are inappropriate for evaluating the credit worthiness of law firms given the episodic nature of cash flows
- Contingent fee revenue is an off-balance sheet item that cannot be audited by accountants
- Conventional financing sources are unable to underwrite litigation outcomes that drive credit risk

Demand Outpacing Supply

- Demand for loans from law firms who have recognized and gained acceptance of litigation financing has grown rapidly over the past decade
- Capital supply has not kept pace with demand, especially for boutique law firms seeking to grow their practice
- Cheaper financing options (e.g. HELOC) do not provide adequate capital to build significant case inventory

Industry Track-Record

- The litigation finance industry has grown rapidly in the US over the past decade with the proliferation of various equity-like and debt-like investment strategies
- In the recourse loan strategy pursued by Kerberos, since 2010, investors have seen return yields in the high teens with ~2% default rates, underscoring the attractive risk-reward opportunity

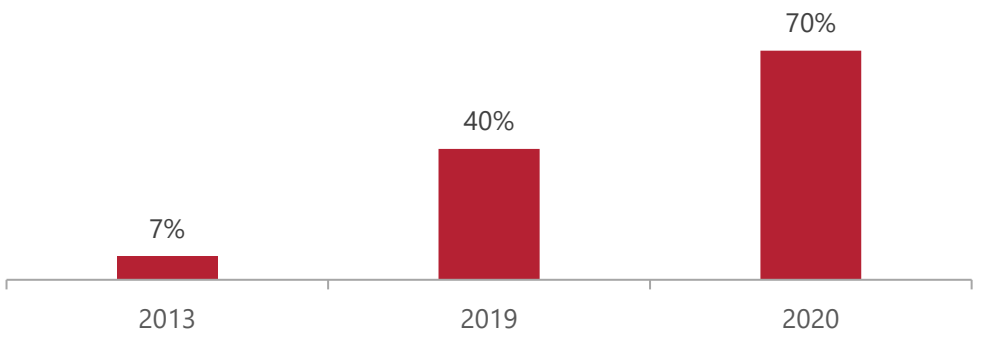
Market Trends

Litigation financing is becoming a more widely adopted practice as law firms and corporate in-house counsel view it as an important corporate finance tool to pursue litigation and grow their practices.

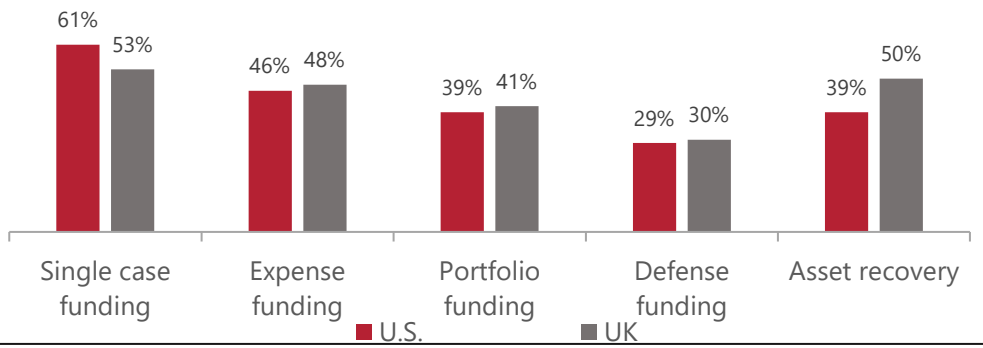
Recent Market Trends

- Litigation financing has been gathering considerable momentum, with **approximately 70% of U.S. law firms using litigation finance in 2020 compared with only 40% in 2019, and 7% in 2013**
- Over 70% of law firms and in-house corporate lawyers believe litigation finance is growing and becoming an increasingly important aspect of their business
- Single case fundings continue to be predominant, but portfolio funding is growing and becoming more prevalent
- 99% of those with firsthand litigation finance experience would use litigation finance again
- 90% of those who have not yet utilized litigation finance would consider doing so

Use of Litigation Finance by U.S. Law Firms



Types of Litigation Finance Used By Law Firms/Companies



Please refer to the Disclosures for sources.

Litigation Finance Industry Structure

Kerberos

Law Firm Lending

Senior secured, recourse loan to law firm with perfected lien on all revenues

- ✓ Highly diversified
- ✓ Cross collateralization
- ✓ Recourse to law firm with personal guarantee from equity partners
- ✓ Low default rates
- ✓ Conservative return profile

Focus Area

Other Litigation Funders

Portfolio Lending

Non-recourse, asset-backed loan collateralized by a group of cases

- Moderately diversified
- Cross collateralization
- Non-recourse to law firms and no personal guarantees
- Moderate default rates
- Upside sharing in returns

Other Litigation Funders

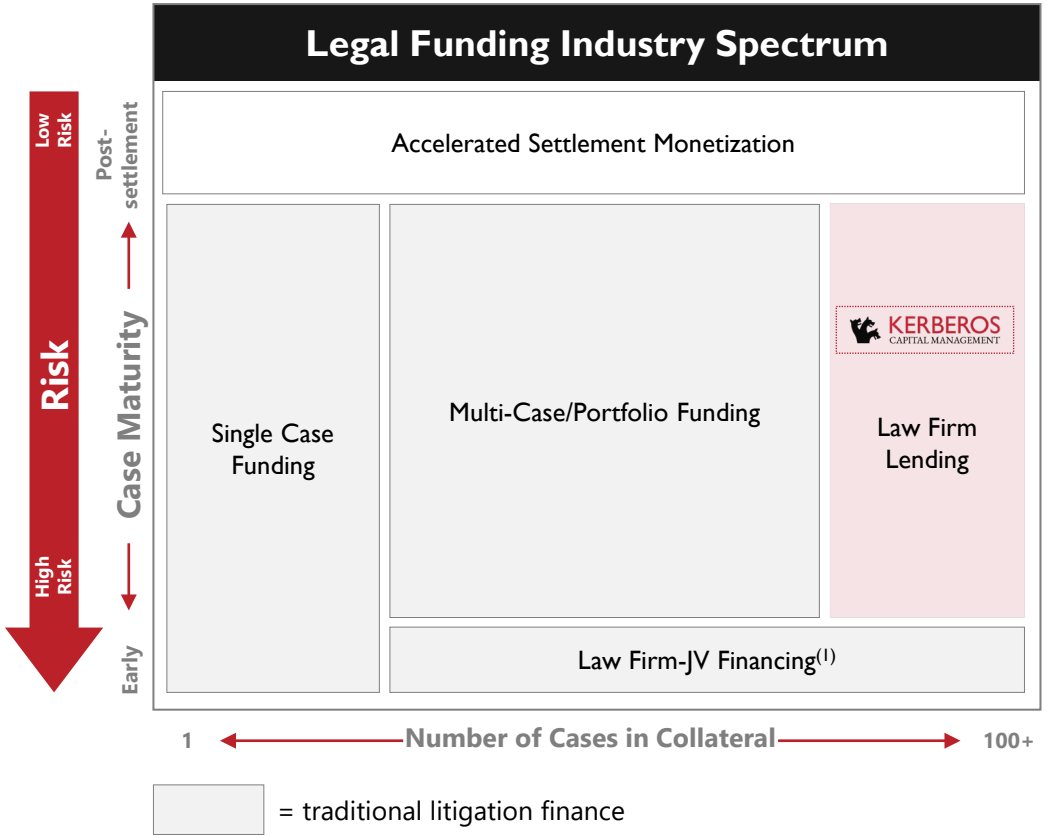
Single Case Funding

Non-recourse, asset-backed loan collateralized by a single case

- X No diversification
- X Binary outcomes
- X Non-recourse to law firms and no personal guarantees
- X Very high default rates
- X Highly volatile return profile

Kerberos' Niche in the Legal Funding Industry

- The legal funding industry features a variety of business models, most of which are focused on picking winners and avoiding losers, leading to a high-risk/high-reward model akin to venture capital investing
- **Kerberos is differentiated from traditional litigation finance strategies employed by large players like Burford and Omni Bridgeway given that (i) loans are issued to law firms with personal guarantees rather than to case portfolios, (ii) case collateral is highly diversified, and (iii) cases tend to be seasoned or have established precedents/bellwethers**
- While the U.S. litigation market is only ~2% funded by third parties, broader market acceptance and increasing capital availability are expected to drive increased penetration



Metrics	Kerberos	Other Models
Loan Size	$5-45mm	$3mm+
Borrower	Law firm	Case portfolio
Case Collateral Claim	Secured	Secured
Diversity of Cases	100+ cases	Highly Concentrated
Maturity of Cases	Seasoned; Foreseeable Outcomes	Variable; Often Binary Risk
Personal Guarantee	Yes	No
Cost of Capital	21-24% interest rate	40%+ of case proceeds
Return Profile	Debt-like	Equity-like

- (1) Reflects formalizing relationship with a law firm to serve as exclusive financing provider for each plaintiff's case.

The Kerberos Model

Kerberos Model

Kerberos issues loans to law firms and has a first-priority secured claim on all revenue generated by the case collateral (current and future), with full recourse to the borrower and a personal guarantee by all equity partners of the law firm

Key Components

- Focus on class action, personal injury and mass tort claims; very limited commercial litigation exposure
- Underwriting is focused on seasoned collateral
- LTV of 15-25% on buy-side collateral value of seasoned/mature cases
- Loans are recourse to borrowing law firm supported by personal guarantee from all equity owners
- Emphasis on "hitting singles and doubles" and avoiding the high-risk/high-reward strategy used by non-recourse players

Average Borrower

- Small/medium-sized litigation firm with 10-30 employees, long-term operating history and strong track record that are in "good standing"
- Personal balance sheet (e.g. net worth, home, etc.) cannot support loan, hence banks unwilling to provide financing
- Borrowers choose recourse funding because cost of capital (23%) is cheaper than that of non-recourse funding (40%+)
- Borrowers value relationships and certainty of funding. Funders led by former litigators have an advantage over purely financial lenders that may offer lower borrowing cost, given the expedited pace of diligence

Use of Proceeds

- Inventory Acquisition: Mass torts litigators often purchase potential cases from lead generators (e.g. infomercials on TV) to build client base
- Fund Operating Expenses: Many borrowers work on contingent fee bases and collect cash only when case disbursements are issued, which can be lumpy in nature

Law Firm Lending vs. Corporate Asset-Backed Lending

Law firm lending and corporate asset-backed lending share similar characteristics.

	Law Firm Lending	Corporate ABL
Collateral	• Borrower's contingent fee revenue and expense reimbursements on all existing and future cases	• Borrower's Borrowing Base, which typically consists of receivables, loans and/or inventory
Primary Use of Proceeds	• Working capital, operating expenses, marketing and inventory acquisition	• Working capital, operating expenses
Recourse to Borrower	✓	✓
Personal Guarantees from Equityholders	✓	✗
Borrowing Base LTV	Up to 25%	60-90%
Rate	20-25%	2-5%

Attractive and Uncorrelated Asset Class

Collateral Protection

- Perfected lien on all law firm revenues, including any reimbursements received for case expenses
- Highly diversified case exposures underlying each loan as well as across the portfolio
- Expanding collateral base over the term of the note as cases acquired after loan is issued are also subject to Kerberos' lien and amortization provisions

Uncorrelated Asset Performance

- Claimant rewards and settlements do not depend on the macroeconomic environment or performance of capital markets
- Historically, returns are uncorrelated to those of equities, debt, real estate, commodities and other asset classes

Attractive Risk-Adjusted Returns

- Privately negotiated loans structured with low 20s contractual interest rate and 50-100% revenue sweep
- Industry-wide default rates on recourse loans since 2010 have been ~2%
- Differentiated underwriting model combines deep legal expertise with credit analysis that is unique to industry

Collateral Overview

	Class Action	Mass Torts	Personal Injury	Commercial
Description	• A lawsuit in which a group of people ("class") is represented collectively by a small group that goes to trial on behalf of the class • Any settlement or judgment payable is distributed among all members of the class	• A collection of individual claims arising from the same defective product or wrongful act • Individual bellwether trials are utilized by the plaintiffs and defendants to establish the value of claims, which later leads to global settlements based on those values	• A civil claim brought by an injured person seeking financial remedy for losses stemming from an accident or other incident caused directly or indirectly by the defendant	• A civil claim between two companies in which the plaintiff seeks to enforce or defend a legal right that the defendant has allegedly infringed upon
Examples	• TD Bank overdraft fees • Equifax data breach • Southwest Airlines drink vouchers	• Medical device injuries • Prescription drug injuries • Bayer/Monsanto Roundup Herbicide	• Car accident • Medical malpractice • Work-related accidents	• Trademark infringement • Partnership disputes • Business torts
Range of Outcomes	• Can be wide depending on how advanced case is. Narrows after the initial motion practice and class certification phase	• Relatively narrow once the mass tort has progressed to the point where data becomes available, on both liability and damages	• Relatively narrow due to an abundance of data on prior jury verdicts for similar injuries and circumstances	• Can be wide and often binary, resulting in zero-value cases
Timing of Litigation	• Multi-year litigation. Generally settlements occur after certain events: motions to dismiss, class certification, summary judgment or just before trial	• Multi-year litigation given the complexity of individual claims and the overall amount in consideration	• Typically litigated within 1-2 years varies based on jurisdiction	• Varies based on jurisdiction
Underwriting Process	• Distinguish between pre-class certification and post-class certification (underwriting value increases after class certification is granted)	• Diligence on whether the mass torts in the borrower portfolio have already overcome threshold risk; use market-wide data on bellwether trials and settlements to establish inventory value	• Greater weight given as the cases develop procedurally • Assess counter-party risk for post-judgment collection (defendant is usually insured for loss) • Emphasis on jury verdict searches for similar injuries	• Generally unsuitable for collateral subject to exceptions – e.g. post-settlement cases in the collateral; high volume and low LTV; or the presence of other additional collateral

Key Risks in Law Firm Lending

Although law firm lending is a highly attractive and uncorrelated asset class, a diligent underwriting model is necessary to mitigate the risks inherent in the industry.

Microcap Borrowers

Borrowers in this industry are typically small/medium businesses with operating and financial systems that are less robust than institutional investors are accustomed to. *Navigating the credit risk of each loan requires careful scrutiny of both collateral value as well as financial and operating history.*

Short-Dated Track Record

Although returns have been strong across the asset class, the law firm lending market in the US dates back to 2010 and is therefore still in the process of developing a multi-decade track record as seen in other asset classes. *Kerberos utilizes extensive data analytics capabilities and proprietary data libraries to power both underwriting and monitoring.*

Low Predictability of Cash Flows

Timetables associated with litigation can vary widely depending on numerous factors including a plaintiff's, defendant's and court's pacing. *Given ultra-low underwritten LTV's and extensive cash collection modeling in underwriting, each Kerberos loan is structured to withstand tremendous stress scenarios.*

Impact of COVID-19

The COVID-19 environment has resulted in stronger demand for the Kerberos loan product and greater MOIC.

- Closures and other limits on court activity have caused law firm inventory to churn and monetize at a slower pace by 3-6 months on average
- Delays have resulted in moderately elongated cash collection cycles, translating into greater cash-on-cash returns
- Industry participants have accelerated marketing and case acquisition efforts during the shutdown, which have resulted in stronger demand for the Kerberos' loan product and greater ability to secure premium deal terms
- Given the conservative nature of Kerberos' underwriting, which features ultra-low LTVs against future value and managing each borrower's balance sheet, the delays have not had a material impact on overall credit risk in any loan. However, it is imperative from a monitoring and servicing standpoint to assess and reassess defensive capital needs. This requires consistent cash collection modeling.

Kerberos' credit-driven underwriting methodologies are uniquely equipped to assess these factors both in the context of new potential deals and in the monitoring and servicing of existing positions

ESG

ESG Commitment

- **Kerberos recently launched the first direct lending product to law firms with an interest rate margin ratchet tied to ESG targets -- the first of its kind in Litigation Finance markets. The program is intended both to recognize and reward firms that have already established a commitment to advancing ESG factors in their work, and to incentivize qualifying firms to continue those efforts into the future**

  To qualify for the program, firms must:

  Demonstrate a material and ongoing commitment to providing pro bono legal service

  Generate a threshold amount of revenue related to ESG-advancing case types

  Establish that they do not prosecute cases or otherwise conduct business in ways that run counter to ESG principles (a negative screener test)

- **Kerberos has incorporated ESG factors into its underwriting criteria, which function as a negative screener**

- **Kerberos also provides detailed and concrete ESG analytics as part of the standard Kerberos investor reporting packets**

Key Performance Indicators related to each of these three primary qualifying factors will be assessed at the loan's inception and monitored throughout the duration of the loan period, with downward margin adjustments ranging from 50 to 100 basis points.

Risk Management & Controls

Multiple levels of risk oversight at the enterprise level and fund level

PORTFOLIO RISK MANAGEMENT

Bottom-up asset selection coupled with top-down portfolio management strategy

- While asset-level diligence is at the heart of private credit investing, basing investments solely on credit qualities of individual assets can result in portfolios that are overly concentrated. Kerberos employs the following hedges:
    - Single-position risk limits and general diversification considerations
    - Durational targets balanced between settlement and litigation opportunities
    - Party-specific financials and credit and counterparty risk reviews

We structure loans first and foremost to protect principal, and we concentrate our efforts on downside protection

MONITORING

- Daily monitoring of media coverage and case alerts for developments bearing on value and maturity of Borrowers' cases
- Regular and recurring contact with Borrowers to monitor case inventory and operational developments
- Quarterly review of Borrowers' financial documents for:
    - Compliance with restrictive covenants and approved use of loan proceeds
    - Insolvency risks, unusual expenses, concerning trends
- Regular updates to inventory files to reflect latest portfolio values and LTV ratios

Enterprise-level dedication to internal controls and risk management

CONTROLS

Kerberos maintains a comprehensive program of controls over its financial reporting, cash management, and investment processes, consisting of policies and procedures, monitoring, oversight and training

- Back and middle office infrastructure independently records all cash activities
- Third-party administrator engaged at fund and enterprise levels
- IT infrastructure is cloud-based
    - Cybersecurity systems are regularly tested and audited
    - Scalable operating systems ensure key personnel can access systems remotely
    - Engagement with consultants and outside counsel

Kerberos Team

Kerberos Team

Joe Siprut, CEO & Chief Investment Officer

Founded Kerberos after a successful career as a litigator with particular experience and success in the same plaintiff-side litigation matters as typical Kerberos borrowers

Founder & former Managing Partner at Siprut PC, a plaintiff-side consumer litigation firm specializing in class action, personal injury, mass torts, False Claims Act, business litigation, bankruptcy litigation, antitrust, professional malpractice, and civil rights claims

Prior to founding Siprut PC in 2011, Mr. Siprut began his career at Schopf & Weiss LLP and Novack & Macy LLP, two leading Chicago-based litigation firms

Admitted to practice in Illinois, the United States District Court for the Northern District of Illinois (including its Trial Bar), the Seventh Circuit Court of Appeals, the Eleventh Circuit Court of Appeals, the Sixth Circuit Court of Appeals, and the United States Supreme Court

Arbitrator in the Cook County Arbitration Program

J.D. from Northwestern University School of Law ('03)

Awards & Achievements

- America's Top 100 Attorneys
- Law Dragon 500 (Top Attorneys in America)
- "Top 100" by National Trial Lawyers
- Illinois "Super Lawyer" and "Leading Lawyer" in Class Action & Mass Torts
- Siprut PC was one of 12 firms named to National Law Journal's "Hot List"

Notable Case Victories

- $200 million settlement of class action suit with Ultra Mist/Banana Boat over sunscreen flammability concerns (2013)
- $75 million settlement of class action suit with the NCAA over concussion management policies (2014)
- $58 million settlement of class action suit with Southwest Airlines over invalidated drink vouchers (2012)
- $10 million settlement of class action suit with Hollister over violations of the Telephone Consumer Protection Act (2016)
- $8.5 million settlement of class action suit with Western Union over violation of TCPA (2015)
- Settlement of class action suit with Precor over treadmills with faulty heart rate sensor (2019)

Investment Team

Tzivia Masliansky – Managing Director

Prior to joining Kerberos, Tzivia Masliansky was a skilled litigator with over 18 years of experience in both private practice and in-house roles, having most recently managed complex class action litigation for Allstate Insurance Company. Prior to her role at Allstate, Ms. Masliansky oversaw the real estate litigation docket at Sears Holdings Management Corporation. As a litigator, she had extensive experience successfully defending companies across several different industries. She has moderated and participated on numerous panels regarding various litigation-related issues. She is a graduate of the University of Illinois at Urbana-Champaign with Distinction and the Chicago-Kent College of Law with Honors.

Eric Yeager – Managing Director

Prior to joining Kerberos, Eric Yeager was a litigation partner at Kirkland & Ellis LLP, where he focused his practice on complex commercial litigation. Mr. Yeager brings extensive experience in consumer class action and multidistrict litigation, fraud and false advertising cases, product liability litigation and commercial contract disputes. He received his law degree from Vanderbilt University, where he was a member of the Vanderbilt Law Review, and his undergraduate degree from Dartmouth College.

Greg Barnette– Senior Finance Associate

Greg Barnett is the Senior Finance Associate for Kerberos Capital Management. Prior to joining Kerberos, Greg was a Senior Associate at Northleaf Capital Partners, a $15 billion asset manager, involved in the structuring, underwriting, and monitoring of senior secured, unitranche, and junior private credit and structured equity investments in North America. Prior to his role at Northleaf, Greg was an Analyst at Fidus Investment Advisors where he performed research, analysis and modeling related to the underwriting of mezzanine debt and equity securities in support of sponsored and non-sponsored lower middle market businesses. Greg holds a Bachelor of Science degree in Finance from the Wake Forest University School of Business.

Operations Team

Kenny Peng – Controller

Kenny Peng is the Controller of Kerberos Capital Management. In this role, he has primary responsibility for financial reporting to investors, optimizing the Company's operating performance, and cash management. Prior to joining the Company, Kenny served as the Controller of Wells Fargo Commercial Distribution Finance LLC, where he oversaw a floor plan lending portfolio consisting of $12 billion in assets. Before that, Kenny was the Controller of the leverage lending arm of GE Capital with annual revenues over $200 million. Prior to that, Kenny was an Audit Senior Manager in the financial services division at Deloitte & Touche LLP.

Randy Creighton – General Counsel & Chief Compliance Officer

Randy Creighton is the General Counsel and Chief Compliance Officer for Kerberos Capital Management. Prior to joining Kerberos, Randy served as counsel for Allstate Investments, LLC and Allstate Investment Management Company, which combined have approximately $90B assets under management, with a focus on private equity and credit transactions, including middle market leveraged buyouts (first lien, senior-stretch, first-out/last-out, mezzanine, second-lien and bifurcated unitranche), dividend recaps and refinancings, and private equity fund, direct, and co-investments -- in total, advised in over $2B in transactions. Before his role at Allstate, he served as General Counsel for two successful start-ups, which included an 8-figure exit. Randy received his law degree from the University of Denver, Sturm College of Law, and his undergraduate degree from Pepperdine University.

Katherine Hlavac – Chief Marketing & Design Officer

After receiving her BFA in Industrial Design at the Savannah College of Art and Design, Kathy worked in the Product and Service Design industry where she built her knowledge of human-centered research and design thinking practices. For the last 10 years, she has been leading teams doing digital and physical experience design at agencies including Adaptive Path, frog Design, and Critical Mass. At Kerberos, Kathy oversees all aspects of the Kerberos brand, marketing and software design work.

Operations Team

Kristina Pearson – Operations Director

Kristina holds a Bachelor of Arts in Electronic Media Communications and Marketing from the University of Northern Iowa. She has extensive experience working with clients, particularly in tradeshows, and overseeing all aspects of the client relationship. Prior to joining Kerberos, Kristina served as the Director of Human Resources and Administration at Siprut PC law firm for over nine years. In this role, she oversaw all functions of administration including payroll, benefits, personnel and internal procedures of the firm. As the Operations Director at Kerberos, Kristina oversees the daily administrative and human relations operations as well as relationships with borrowers.

Roxanna Hucko – Executive Assistant

Roxana holds a Bachelor of Science degree in English and Marketing from Bradley University. She spent time teaching in Asia before becoming an Executive Assistant.

At Kerberos, Roxana assists the Executive team with administrative tasks for internal and client needs.

Lisa Wonsey – Operations Associate

Lisa Wonsey was the Director of Communications at the litigation firm Siprut PC. Ms. Wonsey is proficient in current social media platforms. She received her Bachelor's degree in Communications and Media Studies from Loyola University of Chicago.

Brett Rentmeester

CFA®, CAIA, MBA®

Brett Rentmeester serves as the Chief Investment Officer of the Jaggi Family Office and is the founder of Windrock Wealth Management. Mr. Rentmeester has spent his career in the investment Management space advising clients, researching investment opportunities and building investment businesses. Formerly, he was a founding partner of a $4 billion investment firm as well as a manager at Arthur Andersen in their Investment Advisory Practice. Mr. Rentmeester has an MBA from Northwestern University's Kellogg Graduate School of Management and is a Chartered Financial Analyst charterholder (CFA) and has earned the Chartered Alternative Investment Analyst designation (CAIA).

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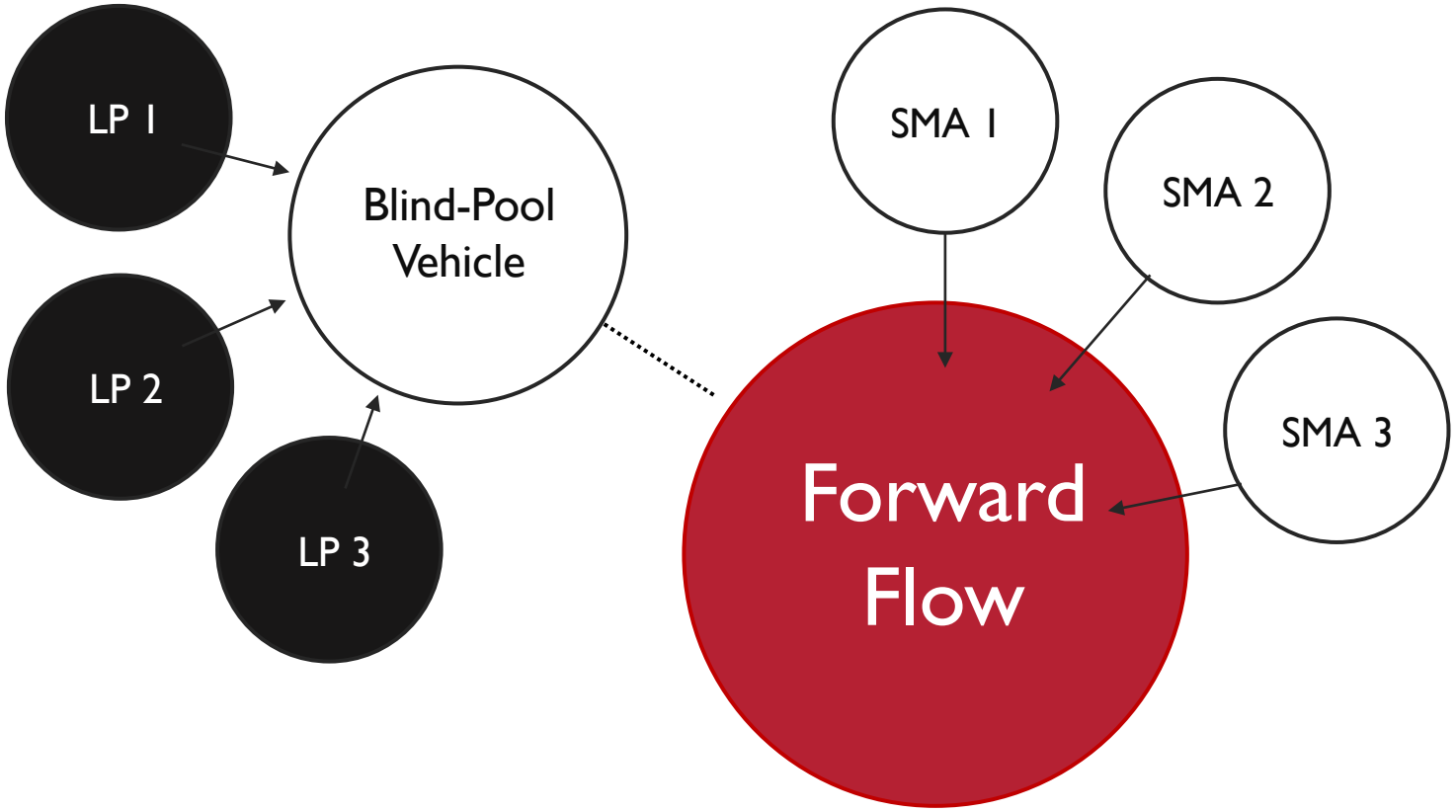
Chris Casey

CFA®

Chris Casey is a Managing Director with WindRock Wealth Management, an independent investment management firm, where he acts as an advisor to high-net worth individuals. Prior to this, Mr. Casey spent his career valuing and analyzing private companies and intellectual property for a variety of financial, litigation and tax-related purposes. His writings have appeared in a variety of publications and websites including Zero Hedge, the Mises Institute, Family Business, Casey Research, and Laissez Faire Books. Mr. Casey is a board member of the Economics Development Council with the University of Illinois, a Policy Advisor for The Heartland Institute's Center on Finance, Insurance, and Real Estate, and a Chartered Financial Analyst charterholder (CFA®). Mr. Casey holds an economics degree from the University of Illinois.

Platform Structure & Fund Terms

Co-Investment Platform



Allocations between the Blind Pool Vehicle and the SMAs are on a pro-rata basis

Entry point for new investors is either as an LP in the blind-pool vehicle or with a separate Managed Account (SMA)

Summary of Key Terms

Kerberos Capital Fund III (Blind-Pool Vehicle)

Hybrid fund structure designed to deliver above market risk adjusted returns to investors and better align incentives

Fund Size	The fund is targeting commitments of $300M, with a hard cap of $400M
Fund Term	Seven years from the final closing date, subject to two consecutive one-year extensions
Investment Period	Three-year investment period with recycling of realized proceeds
GP Commitment	2% of total committed LP capital or greater
GP Economics	• Management Fees: 1.5% on invested capital only, not committed capital • Preferred Return: 12% cumulative annualized return with full catch up • Carried Interest: 20% of all returns exceeding Preferred Return with full catch up; incentive fees only paid on actual realizations after Preferred Return (European style)
Minimum LP Commitment	$2 million
Coinvest Rights	Yes; at GP's discretion

KERBEROS
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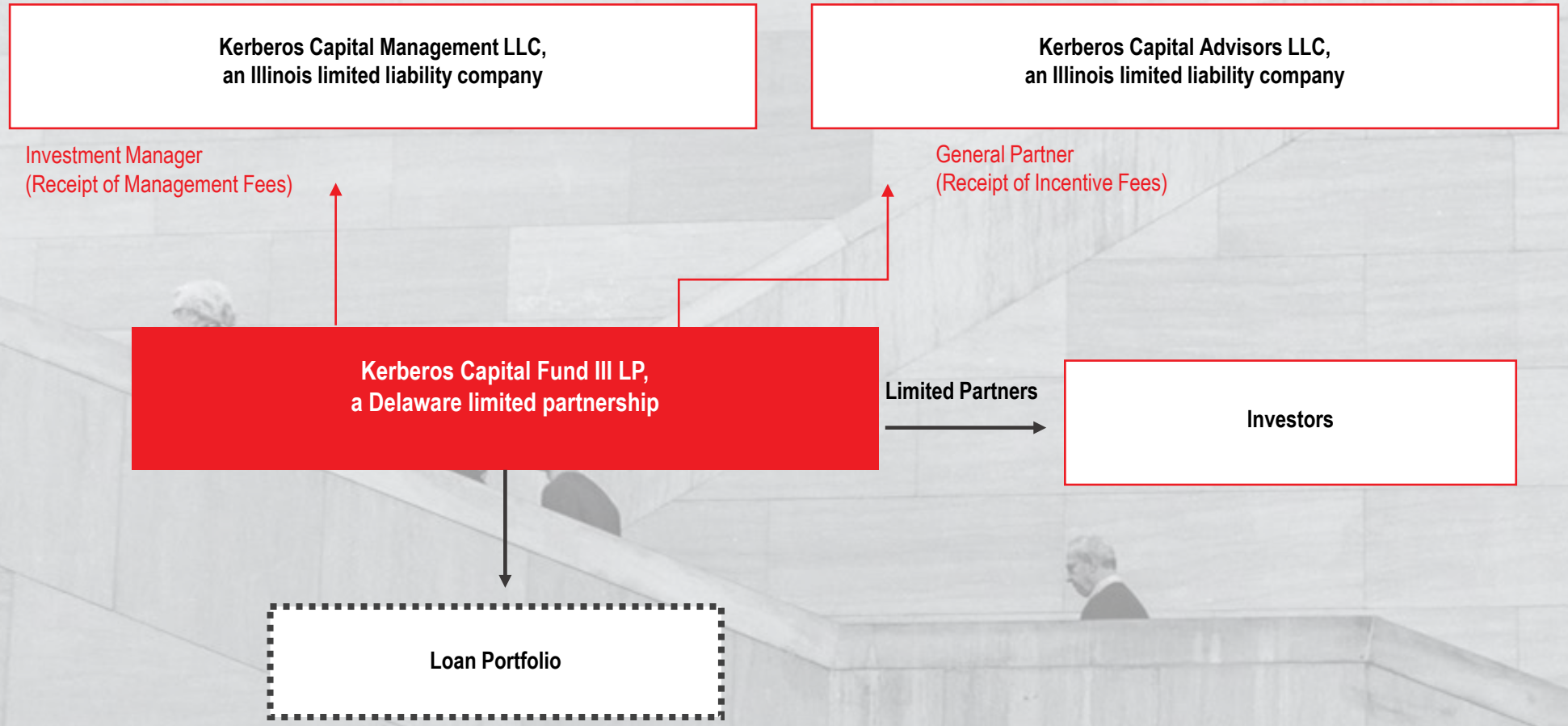
Entity Structure



APPENDIX

Case Study: Borrower A ($45 million Loan)

Loan Summary

Loan Characteristics	
Principal Amount	$45 million
Security	1st lien
Law Firm	Borrower A
Guarantor	Equity owners of Law Firm
Rate / OID	21% compounded annually / 1.75%
Recapture	80% until balance is <$25 million; 60% thereafter
Maturity	5 years
Source	Broker
Valuation Estimates	
Collateral Value	$256 million
LTV at Close	18%
Wtd. Avg. Life	2.8 years
Collateral Type	Mass Torts (Diversified)

Investment Highlights

- Elite Borrower Quality: Borrower and his primary co-counsels serve on plaintiff steering committees of multiple high-profile mass torts, which is a group of the largest / most prominent plaintiff litigators
  - Borrower is well-known in the litigation finance community and has a strong track record of repaying prior lenders under similar arrangements
- Well Understood Collateral: Cases in docket reflect mass torts that Kerberos has developed a high degree of conviction on through diligence processes on multiple loan opportunities
- Highly Diversified Case Docket: Borrower's case docket features numerous near-settlement and late-stage mass torts, including Hernia Mesh, IVC Filter, Round Up, that provide coverage of principal and anticipated interest
- 3rd Party Valuation: a 3rd party evaluation found that the loan to Borrower 6 has a greater than 90% probability of being repaid in full, including under stress scenarios

Use of Proceeds

Uses	$mm	%
Refi Existing Debt	34	76%
Cash to Balance Sheet	6	13%
Inventory Acquisition (i.e. more cases)	2	4%
Loan Fees	2	4%
Shareholder Dividend	2	3%
Total	**$45**	**100%**

LTV Summary ($45 million Loan)

$ in millions		Valuation Estimate		
Category	#	Borrower Estimates	3rd Party Estimates	Kerberos Estimates
Hernia Mesh	15,200	358	237	68
IVC Filter	3,076	110	36	53
Round Up	519	22	18	12
Other Mass Torts	9,817	326	92	123
Total	**28,612**	**$816**	**$383**	**$256**
LTV:		**6%**	**12%**	**18%**

Case Study: Borrower B ($20 million Loan)

Loan Summary

Loan Characteristics	
Principal Amount	$20 million
Security	1st lien
Law Firm	Borrower B
Guarantor	Equity owner of Law Firm (100% owner)
Rate / OID	23% compounded annually / 3%
Recapture	60%
Maturity	5 years
Source	Broker
Valuation Estimates	
Collateral Value	$138 million
LTV at Close	14%
Wtd. Avg. Life	1.8 years
Collateral Type	Mass Torts (Catholic Church Sexual Abuse)

Investment Highlights

- Borrower is Field Expert: Borrower 6 is a high-profile boutique litigation firm specializing in sexual abuse cases with nearly 25 years of experience
  - 1,000+ sexual abuse cases litigated since inception including several high-profile lawsuits against celebrities
  - Won verdict of $100 million in clergy sexual abuse case
- Robust Case Scoring System: Borrower 6 has a deep database of precedent outcomes for which key variables (victim age, jurisdiction, severity, defendant type, etc.) have been coded into a model to forecast settlement values of new cases
  - This is common industry practice and utilized by plaintiffs and defendants alike, given the high volume of cases against any given parish/diocese, long history of litigation and commonality in injuries
- Favorable Jurisdictions: almost all claims in the docket are in victim-friendly jurisdictions
- Limited Counterparty Credit Risk: vast majority of claims are against dioceses/parishes that are among the richest in the nation
- Short Payback Period: based on Borrower's database, clergy abuse cases typically settle in 18-21 months, which should result in payback of the loan in <2 years

Use of Proceeds

Uses	$mm	%
Refi Existing Debt	6	31%
Shareholder Dividend	5	25%
Inventory Acquisition (i.e. more cases)	5	22%
Case Expenses	3	16%
Loan Fees	1	6%
Total	**$20**	**100%**

Historical customer acquisition cost of $5k implies ~900 new cases will be added to collateral to further reduce LTV

LTV Summary ($20 million Loan)

$ in millions

		Valuation Estimate		
Category	#	Based on Track Record	Borrower Estimates	Kerberos Estimates
Tier 1 (Blue)	491	213	142	130
Tier 2 (Green)	9	1	1	1
Tier 3 (Yellow)	10	1	1	1
Tier 4 (Demand)	80	11	11	6
Total	**590**	**$225**	**$155**	**$138**
LTV:		**9%**	**13%**	**14%**

Important Notices

This presentation (the "Presentation") contains certain information that is non-public, confidential and proprietary in nature. The Presentation is provided on a confidential basis for use by a limited number of prospective accredited investors solely in connection with their evaluation of a possible investment (the "Transaction") in Kerberos Capital Fund III LP, a Delaware limited partnership, and/or its affiliates ("Kerberos"). By your acceptance of this Presentation, you agree that (a) you or your agents, representatives, or employees will not copy, reproduce, or distribute this document to others, in whole or in part, at any time without the prior written consent of Kerberos, (b) you will keep permanently confidential all information contained in the Presentation, and (c) you will use this Presentation for the sole purpose of evaluating an investment in Kerberos. If you are not prepared to accept the document on this basis, please return it immediately to Kerberos. The use for the Presentation other than that set forth above is prohibited.

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Any financial projections appearing in this Presentation represent the subjective views of the management of Kerberos and management's current estimates of future performance based on assumptions which management believes are reasonable, but that may not be correct. There can be no assurance that management's assessments are correct or that management's projections will be realized.

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This Presentation is not an offer or invitation to sell or solicit of an offer to purchase any securities. Any such offer will only be made in compliance with applicable state and federal securities laws pursuant to an offering memorandum and related offering documents. Investments in Kerberos are not registered under the Securities Act of 1933. Investments are offered and sold under the exemption provided by Section 4(a)(2) of the Securities Act and similar laws. Additionally, the Kerberos entities are not registered as an investment company under the Investment Company Act of 1940.

All investors must meet either the minimum income or net worth requirements described below.

- Individual income (exclusive of spouse) in excess of $200,000 in each of the two most recent years and reasonably expect continuation of such income; or joint income with spouse in excess of $300,000 in each of the two most recent years and reasonably expectation of continuation of such income.

- Joint with spouse or individual net worth in excess of $1,000,000 (excluding value of primary residence).

Alternatively, if the subscriber is a corporation, limited liability company, business trust or partnership with total assets in excess of $5,000,000, not formed for the specific purpose of acquiring the investment, or it is a trust, with total assets in excess of $5,000,000, not formed for the purpose of acquiring the investment.

Disclosures

"Fund I" comprises Kerberos Capital Management SPV I LLC, which currently operates in a special purpose vehicle structure in which funds are drawn from Kerberos lenders to originate Kerberos loans. "Fund II" comprises Kerberos Capital Management SPV II LLC and Kerberos Capital Partners LLC, collectively operating in a special purpose vehicle structure in which funds are drawn from Kerberos lenders to originate Kerberos loans. "Fund III" refers to the programmatic co-investment platform in which loans are allocated on a pro-rata basis to Kerberos Separate Managed Accounts and/or the Kerberos blind-pool vehicle. New investors participating in the Fund III co-investment platform via a Separate Managed Account will not receive exposure to existing Fund III loans. "Kerberos Capital Fund III" refers to the Delaware limited partnership which functions as a blind-pool investment vehicle. New limited partner investors in Kerberos Capital Fund III will receive exposure to any loans in which Kerberos Capital Fund III owns a participating interest.

Unless otherwise indicated, all internal rates of return ("IRRs") and multiples of invested capital ("Multiples") are presented on a "gross" basis (i.e. they do not reflect management fees, carried interest, taxes, transaction costs in connection with the disposal of unrealized investments and other fees and expenses to be borne by the relevant fund, all of which will reduce returns and, in the aggregate, are expected to be substantial). Gross IRR is calculated at the loan level based on interest charged and Original Issue Discounts ("OID") assessed at the closing of loan transactions. For Actual figures, OID is amortized through the earlier of realization date or December 31, 2021. For estimated figures, OID is amortized throughout the expected term of the loan. Estimates are based on projected monetization schedules and amortization of the loans. IRR presented herein utilizes the XIRR method, which calculates an internal rate of return after consideration of different-size time periods. Management believes this methodology produces a more prudent and relevant performance measurement for Fund I and II, which are comprised of loans which do not have regularly periodic cash flows. Net IRRs for Fund I and Fund II are calculated based on management fees of 1.5% on committed capital, and incentive fees of 20% over a preferred return to investors of 12%, with a full catch-up.

Further details regarding the modeled metrics are available upon request. Past performance is not necessarily indicative of future results. There can be no guarantee that future results will be similar to past results.

Market demographics sourced from surveys conducted by Lake Whillans (2020) and Burford Capital (2020).

"**IRR Actual**" are the actual gross IRRs generated from funding dates through the earlier of realization date or December 31, 2021, using the XIRR method.

"**IRR Est**" are the estimated gross IRRs generated from funding dates through December 31, 2021, plus estimated cash collections through the target final realization dates. Cash flow projections are evaluated regularly by management.

"**MOIC Actual**" is the gross multiple of invested capital generated from funding dates through the earlier of realization date or December 31, 2021.

"**MOIC Est**" is the gross multiple of invested capital generated from funding dates through December 31, 2021, plus estimated cash collections through the target final realization dates. Cash flow projections are evaluated regularly by management.

Loan 7 (Fund II) Realization: Kerberos maintained $10mil position and acts as the servicer for this loan on behalf of the new investors. The Actual returns presented herein for Loan 7 are as of December 31, 2021. The Estimated returns are as of the payoff date December 6, 2020 and based on the expected performance of Kerberos' remaining $10mil hold position through final expected payoff date.

Loan 17 (Fund I): This loan was previously originated in Fund II in 2020 and refinanced with an upsize of $2mil by Fund I on November 4, 2021. Pro forma performance of this loan has now been included in Fund I.

For more information, please contact:

Joseph Siprut
jsiprut@kerberoscm.com
312-854-8787

17 North State
Suite 1600
Chicago, Illinois 60602

www.kerberoscm.com

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