Kayne Anderson
Fund Advisors

Item 1 – Cover Page

KA Fund Advisors, LLC

811 Main Street, 14th Floor

Houston, Texas 77002

(713) 493-2020

www.kaynefunds.com

March 17, 2023

This brochure on Form ADV (the "Brochure") provides information about the qualifications and business practices of KA Fund Advisors, LLC ("KAFA"). If you have any questions about the contents of this Brochure, please contact Michael O'Neil, Chief Compliance Officer at (310) 282-7905 and/or moneil@kaynecapital.com. The information in the Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

KA Fund Advisors, LLC is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.

Additional information about KAFA is available on the SEC's website at www.adviserinfo.sec.gov.

Kayne Anderson
Fund Advisors

Item 2 – Material Changes

Since the last annual update of the Brochure, dated March 23, 2022, the following material changes have occurred in the categories identified:

We have added new sector risks in Item 8 to address changes in the market and regulatory landscape, and have added a description of our recently adopted outsourced trading arrangement in Item 12.

We have also made non-substantive changes throughout to reflect updates in our normal course business activities.

This Brochure is designed solely to provide information about the business of KA Fund Advisors, LLC.

Currently, you may request the Brochure free of charge by contacting Michael O'Neil, Chief Compliance Officer, at (310) 282-7905 or moneil@kaynecapital.com. The Brochure is also available on our web site, www.kaynefunds.com, also free of charge.

Additional information about KAFA is available via the SEC's web site, www.adviserinfo.sec.gov. The SEC's web site also provides information about any persons affiliated with KAFA who are registered, or are required to be registered, as investment adviser representatives of KAFA.

This Brochure is not and should not be deemed to be a general solicitation and does not constitute an offer to sell or a solicitation of an offer to buy or invest in any fund or account advised by KAFA.

Item 3 – Table of Contents

Item 4 – Advisory Business

KA Fund Advisors, LLC ("KAFA") serves as investment adviser to Kayne Anderson Energy Infrastructure Fund, Inc. and Kayne Anderson NextGen Energy & Infrastructure, Inc., each a closed-end fund registered as an investment management company under the Investment Company Act of 1940 ("1940 Act"). These funds trade on the New York Stock Exchange under the symbols "KYN" and "KMF", respectively, and are referred to herein as the "Funds." KYN invests in securities of energy infrastructure companies. KMF invests in energy companies and infrastructure companies. KYN is treated as a corporation for federal income tax purposes. KMF is structured as a regulated investment company ("RIC") under the Internal Revenue Code ("IRC").

Kayne Anderson Capital Advisors, L.P. ("KACALP") is the managing member of KAFA. KACALP is an SEC-registered investment advisor which engages in alternative investing primarily through private pooled vehicles.

Assets Under Management

As of February 28, 2023, the total assets under management amounted to approximately $2.44 billion.

Item 5 – Fees and Compensation

Fees

Each of KYN and KMF has entered into an investment management agreement with KAFA under which KAFA, subject to the overall supervision of each Fund's Board of Directors manages the day-to-day operations of, and provides investment advisory services to, the Funds.

KYN and KAFA have entered into an investment management agreement whereby KAFA receives an investment management fee from KYN. The management fees are as follows: 1.375% on average total assets up to $4,000,000; 1.25% on average total assets between $4,000,000 and $6,000,000; 1.125% on average total assets between $6,000,000 and $8,000,000; and 1.0% on average total assets in excess of $8,000,000. For the fiscal year ended November 30, 2022, KYN paid management fees at an annual rate of 1.375% of KYN's average quarterly total assets.

KMF and KAFA have entered into an investment management agreement whereby KAFA receives an investment management fee at an annual rate of 1.25% on the average total monthly assets.

Fees are subject to review and negotiation by the Board of Directors on an annual basis in the case of the Funds. KAFA believes that its fees are competitive with those charged generally by other investment advisers for comparable services. However, some investment advisers may provide comparable services for lower or different fee structures. Performance-based allocations/fees are only charged consistent with applicable rules and regulations, including Rule 205-3 under the Investment Advisers Act of 1940 ("Advisers Act").

Additional Fees and Expenses

KAFA has a fiduciary duty to ensure that expenses allocated to clients are appropriate, permissible under offering and governing client documents, and consistent with disclosures made to investors, including, without limitation, via fund governing documents. Additionally, KAFA must ensure that it allocates such expenses equitably to all relevant parties.

Generally, each investor will be responsible for all costs and expenses relating to the organization and administration of such fund and of maintaining the operations of such investment vehicle and the investments paid by or on behalf of such fund, including, without limitation, (i) trade settlement services, administration fees and expenses for services provided by a third party; (ii) audit fees; (iii) consummated and broken deal expenses; (iv) brokerage commissions and clearing charges; (v) prime brokerage fees, custodial fees, and other bank service fees; (vi) interest and other expenses incurred in respect of borrowings, if any; (vii) due diligence related expenses, including, without limitation, third party consultants and related travel; (viii) expenses associated with communication and periodic reporting to investors; (ix) expenses incurred in connection with legal and regulatory compliance with U.S. federal, state, local and non-U.S. or other law or regulation; (x) financial statements and tax returns ; (xi) insurance premiums; (xii) legal fees, including costs of litigation involving the funds and the amount of any judgments or settlements paid in connection therewith, as well as the fees of legal counsel or other experts or consultants; and (xiii) fees and expenses of any third-party providers of “back office” and “middle office” trade settlement services.

The Chief Financial Officer and Chief Compliance Officer are familiar with the categories of expenses chargeable to clients. Any new category of client expenses requires pre-approval from the Chief Financial Officer and Chief Compliance Officer, who will ensure that such expenses are permissible under applicable offering and governing client documents. The Chief Financial Officer and Chief Compliance Officer will also determine the appropriate allocation methodology for each such category of expenses. Additionally, any changes to the manner in which expenses are allocated among clients, KAFA or its controlled management entities must be preapproved by the Chief Financial Officer or Chief Compliance Officer. The Chief Compliance Officer is responsible for ensuring that expense allocation methodologies can be retrospectively shown to be fair.

KAFA has adopted a Fund Expense Allocation Policy to ensure that expenses are calculated and allocated correctly. In determining an equitable allocation of shared expenses among such clients, KAFA will take into account all factors deemed relevant. Where one or more clients to which an expense would otherwise be allocable are not permitted to receive an allocation based on the applicable offering and governing Client document(s), the portion of the expense attributable to such Client(s) shall be borne by KAFA or a controlled management entity.

Item 6 – Performance-Based Fees and Side-By-Side Management

KAFA does not charge performance-based fees on KYN and KMF. KAFA’s fee arrangements may create an incentive to favor higher potential fee paying accounts over other accounts in the allocation of investment opportunities, including accounts managed by KACALP that have a similar strategy. KAFA or its affiliates or employees may have a significant proprietary investment in a fund or account, and KAFA may have an incentive to favor such fund or account to the detriment of other funds or accounts. KAFA's procedures are designed to ensure that all investment decisions are made without consideration of KAFA's (or its affiliates' or employees') pecuniary interest but, instead, in accordance with KAFA's fiduciary duties to its clients.

Item 7 – Types of Clients

KAFA serves as investment adviser to the Funds, each a closed-end fund registered as an investment management company under the Investment Company Act of 1940. These Funds trade on the New York Stock Exchange under the symbols "KYN" and "KMF", respectively. KYN invests in securities of energy infrastructure companies. KMF invests in energy companies and infrastructure companies. KYN is treated as a corporation for federal income tax purposes. KMF is structured as a regulated investment company under the IRC.

There is no minimum investment requirement for the Funds.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

At a high level, KAFA's investment approach is to focus on industries and asset classes in which it has considerable knowledge and expertise, focusing first and foremost on downside protection and the preservation of capital. KAFA investment personnel conduct commercially reasonable and appropriate due diligence of each investment based on the facts and circumstances applicable to each potential opportunity. The objective of such analysis is to identify attractive investment opportunities and the possible risks associated with that investment in order to develop a sound investment strategy that has a high probability of delivering favorable investment results for our investors. When conducting due diligence and making an assessment regarding potential investment opportunities, KAFA relies primarily on publicly available information and resources. As a result, the due diligence process may at times be subjective. Accordingly, KAFA cannot be certain that its investment process or its due diligence with respect to potential investment opportunities will reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. General market, economic, environmental, and other conditions, which by their nature are unpredictable, may have an adverse impact on the reliability of such due diligence.

KAFA's success is dependent upon the talents and efforts of the highly skilled individuals it employs and KAFA's ability to identify, and willingness to provide acceptable compensation to attract, retain and motivate, talented investment professionals and other employees. There can be no assurance that KAFA's investment professionals will continue to be associated with the Firm throughout the life of the Funds, and the failure to attract or retain such investment professionals could have a material adverse effect on the Funds and investors' investments therein. Competition in the financial services industry for qualified employees is intense and there is no guarantee that, if lost, the talents of KAFA's investment professionals could be replaced.

KAFA relies primarily on internally generated research when making investment decisions. In certain circumstances, research furnished by broker-dealers and other industry members is also considered. The methods of analysis and sources of information used in determining portfolio decisions may vary among accounts, but in each case they are based on considerable fundamental research (and in some cases, technical analysis as well) to determine the expected values, risks and timing associated with each anticipated investment. Where appropriate, short sales, derivative instruments, arbitrage and other strategies are employed to generate additional return. To a lesser extent, KAFA may use various hedging strategies and other risk management strategies to seek to manage market risks.

Investment Risk

Although KAFA's investment strategy is designed to mitigate the risk of loss through the decision-making or "underwriting" process, the structuring of positions, and/or hedging techniques, each such strategy will nonetheless involve significant levels of risk as a result of market and issuer-specific factors affecting securities generally. A portfolio's performance depends on the performance of individual securities in which the portfolio invests. Changes to the financial condition or credit rating of an issuer of those securities may cause the value of the securities to decline or even become worthless.

Since many of these investments involve significant degrees of risk, poor performance by a few of the investments could severely affect the total returns to investors. Concentrating investments in a particular industry, asset class, market or region means that performance will be more susceptible to loss due to adverse occurrences affecting that industry, asset class, market or region. For example, a portfolio concentrating in the energy industry is subject to greater risk of adverse economic conditions and regulatory changes than a fund with broader industry diversification.

The Funds managed by KAFA utilize financial leverage in order to enhance total returns, including our debt securities, revolving credit facility and other borrowings, and our preferred stock. Under normal market conditions, our policy is to utilize such leverage instruments in an amount that represents approximately 25%-30% of the assets of each fund. However, we reserve the right at any time, based on market conditions, (i) to reduce our target leverage levels or (ii) to use leverage instruments to the extent permitted by the 1940 Act. Such leverage instruments will have seniority over the common stock of each fund. Leverage can also take the form of borrowing funds, trading on margin, derivative instruments that are inherently leveraged, including but not limited to options, swaps (including total return financing swaps and interest rate swaps), forward contracts, or other forms of direct and indirect borrowings and other instruments and transactions that are inherently leveraged. Any such leverage, including instruments and transactions that are inherently leveraged, can result in the portfolio's market value exposure being in excess of the net asset value of the portfolio. A Fund could need to liquidate positions when it is not advantageous to do so in order to satisfy its borrowing obligations. The use of leverage creates a greater risk of loss, including the potential for higher volatility and greater declines of a portfolio's value, and fluctuations of dividend and other distribution payments. However, it also creates the potential for more gain. Any derivative financial instruments that the Funds utilize in their operations will be used in conformity with Rule 18f-4 under the 1940 Act.

The Funds may use hedging techniques such as interest rate swaps to mitigate potential interest rate risk on a portion of the Funds' leverage. Such interest rate swaps would principally be used to protect the Funds against higher costs on their leverage resulting from increases in interest rates. The Funds do not hedge any interest rate risk associated with portfolio holdings. Interest rate transactions the Funds may use for hedging purposes may expose them to certain risks that differ from the risks associated with their portfolio holdings. A decline in interest rates may result in a decline in the value of the swap contracts, which, everything else being held constant, would result in a decline in the net assets of the Funds. In addition, if the counterparty to an interest rate swap defaults, the Funds would not be able to use the anticipated net receipts under the interest rate swap to offset their cost of financial leverage.

The Funds invest in foreign (non-U.S.) currencies or in foreign securities that are denominated, trade and/or receive revenues in foreign (non-U.S.) currencies, and as a result the Funds are subject to the risk that those foreign currencies may decline in value relative to the U.S. dollar. In the case of currency hedging positions, the Funds are subject to the risk that the U.S. dollar may decline in value relative to the currency being hedged. Currency exchange rates may fluctuate significantly and unpredictably. As a result, the Funds' investments in foreign currencies, in foreign securities that are denominated, trade, and/or receive revenues in foreign currencies, or in derivatives that provide exposure to foreign currencies may reduce the Funds' returns.

The United Kingdom's Financial Conduct Authority, which regulates LIBOR, has ceased making LIBOR available as a reference rate over a phase-out period that began on December 31, 2021. Alternative reference rates have been established or are in development in most major currencies, including with regards to the Secured Overnight Financing Rate ("SOFR"), which is intended to replace U.S. dollar LIBOR. Although the transition process away from LIBOR has become increasingly well-defined, there remains uncertainty regarding the impact of the transition to a new reference rate. At this time, it is not possible to predict the full impact of the elimination of LIBOR and the establishment of an alternative reference rate on the Funds or their investments.

Energy and Infrastructure Sector Risk

Certain risks inherent in investing in energy infrastructure companies include the following:

Our concentration in the energy sector may present more risk than if we were broadly diversified over multiple sectors of the economy. A downturn in one or more industries within the energy sector, adverse political, legislative or regulatory developments or other events could have a larger impact on us than on an investment company that does not concentrate in the energy sector. At times, the performance of companies in the energy sector may lag the performance of the broader market as a whole. In addition, there are several specific risks associated with investment in the energy sector, including the following:

Midstream Regulatory Risk - MLPs and other midstream or energy infrastructure companies are subject to significant federal, state and local government regulation in virtually every aspect of their operations, including how facilities are constructed, maintained and operated, environmental and safety controls, and the prices they may charge for the products and services they provide. Various governmental authorities have the power to enforce compliance with these regulations and the permits issued under them, and violators are subject to administrative, civil and criminal penalties, including civil fines, injunctions or both. Stricter laws, regulations or enforcement policies could be enacted in the future which would likely increase compliance costs and may adversely affect the financial performance of MLPs and other midstream or energy infrastructure companies. Additionally, government authorities, such as the Federal Energy Regulatory Commission ("FERC") and state authorities regulate the rates charged for services of many MLPs and other midstream or energy infrastructure companies. Those authorities can change the regulations and, as a result, materially reduce the rates charged for these services, which may adversely affect the financial performance of MLPs and other midstream or energy infrastructure companies.

Renewable Infrastructure Regulatory Risk - Poor economic conditions could have an effect on government budgets and threaten the continuation of government subsidies such as regulated revenues, cash grants, U.S. federal income and state tax benefits or state renewables portfolio standards that benefit renewable infrastructure companies. Such conditions may also lead to adverse changes in laws or regulations. The reduction or elimination of renewable generation targets, tariffs, subsidies or tax incentives or adverse changes in law could have a material adverse effect on the profitability of some existing projects. The availability and continuation of public policy support mechanisms will drive a significant part of the economics and viability of clean energy investments, and the curtailment or termination of such subsidies and incentives could adversely affect the feasibility and profitability of renewable infrastructure assets and the growth plan of renewable infrastructure companies. In addition, if the various domestic and international regulations that provide incentives for renewable energy change or expire in a manner that adversely impacts the market for renewable infrastructure companies, the competitiveness of renewable energy generally and the economic value of new projects undertaken by renewable infrastructure companies could be impacted. Renewable infrastructure companies also rely in part on environmental and other regulations of industrial and local government activities, including regulations granting subsidies or mandating reductions in carbon or other greenhouse gas emissions and minimum biofuel content in fuel or use of energy from renewable sources. If the businesses to which such regulations relate were deregulated or if such subsidies or regulations were changed or weakened, the profitability of renewable infrastructure companies could suffer.

Midstream Economic Risk - A sustained decline in demand for natural gas, natural gas liquids, crude oil, coal or other energy commodities could also adversely affect the financial performance of MLPs and other midstream energy companies. Factors which could lead to a decline in demand include economic recession or other adverse economic conditions, higher fuel taxes or governmental regulations, increases in fuel economy, consumer shifts to the use of alternative fuel sources, changes in commodity prices, or weather patterns.

Renewable Infrastructure Economic Risk - A sustained decline in demand for solar, electric, wind or other renewable energy commodities could also adversely affect the financial performance of renewable infrastructure companies. Factors which could lead to a decline in demand include economic recession or other adverse economic conditions, removal of tax subsidies and incentives or governmental regulations supporting clean energy, increases in fuel economy, changes in commodity prices, or weather patterns.

Interest Rate Risk - Valuations of securities in which we invest are based on numerous factors, including sector and business fundamentals, management expertise, and expectations of future operating results. Most of the securities in which we invest pay quarterly distributions or dividends to investors and are viewed by investors as yield-based investments. As a result, yields for these securities are also susceptible, in the short-term, to fluctuations in interest rates and the equity prices of such securities may decline when interest rates rise. Because we invest in equity securities of energy infrastructure companies, our net asset value and the asset coverage ratios on our senior securities may decline if interest rates rise.

Inflation/Deflation Risk - Inflation risk is the risk that the value of assets or income from investment will be worth less in the future as inflation decreases the value of money. As inflation increases, the real value of our common stock and distributions that we pay declines. In addition, during any periods of rising inflation, the dividend rates or borrowing costs associated with our use of leverage would likely increase. Deflation risk is the risk that prices throughout the economy decline over time — the opposite of inflation. Deflation may have an adverse effect on the creditworthiness of issuers and may make issuer defaults more likely, which may result in a decline in the value of our portfolios. In an effort to control inflation, the Federal Open Market Committee ("FOMC"), the committee within the Federal Reserve ("Fed") that sets domestic monetary policy, raised the target range for the federal funds rate seven times in calendar year 2022. The Fed has signaled that further increases could happen in 2023. Rising rates generally have a negative impact on income-oriented investments such as those in which we invest and could be adversely impacted by these actions. There is no assurance that the action being taken by the Fed will improve the outlook for long-term inflation or whether they might result in a recession. A recession could lead to declined employment, global demand destruction and/or business failures, which may result in a decline in the value of our portfolio. In addition, increased interest rates could increase our cost of borrowing and reduce the return on leverage to common shareholders.

Commodity Price Risk - The operations and financial performance of MLPs and other midstream energy companies may be directly affected by energy commodity prices, especially those MLPs and other midstream or energy infrastructure companies which own the underlying energy commodity. Commodity prices fluctuate for many different reasons, including changes in market and economic conditions, the impact of weather on demand, levels of domestic production and imported commodities, policies implemented by producer groups such as OPEC, energy conservation, domestic and foreign governmental regulation and taxation and the availability of local, intrastate and interstate transportation systems. Volatility of commodity prices, which may lead to a reduction in production or supply, may also negatively impact the performance of MLPs and other midstream or energy infrastructure companies which are solely involved in the transportation, processing, storing, distribution or marketing of commodities. Volatility of commodity prices may also make it more difficult for MLPs and other midstream or energy infrastructure companies to raise capital to the extent the market perceives that their performance may be directly or indirectly tied to commodity prices. In addition to the volatility of commodity prices, extremely high commodity prices may drive further energy conservation efforts or incentivize substitution in favor of other energy sources, which may adversely affect the performance of MLPs and other midstream or energy infrastructure companies.

Market Price Risk - A portion of revenues from investments in renewable infrastructure assets will be tied, either directly or indirectly, to the wholesale market price for electricity in the markets served. Wholesale market electricity prices are impacted by a number of factors including: the price of fuel (for example, natural gas) that is used to generate electricity; the cost of and management of generation and the amount of excess generating capacity relative to load in a particular market; and conditions (such as extremely hot or cold weather) that impact electrical system demand. In addition, there is uncertainty surrounding the trend in electricity demand growth, which is influenced by macroeconomic conditions; absolute and relative energy prices; and energy conservation and demand management. This volatility and uncertainty in power markets could have a material adverse effect on the assets, liabilities, financial condition, results of operations and cash flow of the companies in which the Funds invest.

Supply and Demand Risk - A decrease in the production of natural gas, natural gas liquids, crude oil, coal or other energy commodities or a decrease in the volume of such commodities available for transportation, mining, processing, storage or distribution may adversely impact the financial performance of MLPs and other midstream energy companies. Production declines and volume decreases could be caused by various factors, including catastrophic events affecting production, depletion of resources, labor difficulties, environmental proceedings, increased regulations, equipment failures and unexpected maintenance problems, import supply disruption, increased competition from alternative energy sources or curtailed drilling activity due to low commodity prices.

Construction Risk - Renewable infrastructure companies may invest in projects that are subject to construction risk and construction delays. The ability of these projects to generate revenues will often depend upon their successful completion of the construction and operation of generating assets. Any shortage, delay or component price change from the suppliers of equipment associated with renewable energy projects could result in construction or installation delays. There have been periods of industry-wide shortage of key components, including solar panels and wind turbines, in times of rapid industry growth. Delays in construction may also occur and any resulting cost over-runs could negatively impact the income and market values of renewable infrastructure companies.

In addition, tariffs on imports to the United States could affect operating or construction costs for a number of companies in which we invest. The cost of new solar power generation projects could be more challenging as a result of increases in the cost of solar panels or tariffs on imported solar panels imposed by the U.S. government on imported solar cells and modules manufactured in China. If project developers purchase solar panels containing cells manufactured in China, the purchase price for renewable energy equipment and facilities may reflect the tariff penalties mentioned above.

Increasing Competition/Market Change Risks - A significant portion of the electric power generation and transmission capacity sold by renewable infrastructure assets is sold under long-term agreements with public utilities, industrial or commercial end-users or governmental entities. These agreements generally allow the owner of the renewable infrastructure asset to sell power at an agreed upon fixed price over the course of the contract. If, for any reason, any of the purchasers of power or transmission capacity under these agreements are unable or unwilling to fulfill their related contractual obligations or if they refuse to accept delivery of power delivered thereunder or if they otherwise terminate such agreements prior to the expiration thereof, the assets, liabilities, business, financial condition, results of operations and cash flow of renewable infrastructure companies could be materially and adversely affected. The power generation industry is characterized by intense competition and electric generation assets encounter competition from utilities, industrial companies and other independent power producers, which may impact the ability of renewable infrastructure companies to replace an expiring or terminated agreement with an agreement on equivalent terms and conditions, including at prices that permit operation of the related facility on a profitable basis. If renewable infrastructure companies are unable to replace an expiring or terminated agreement to sell electricity at an acceptable price, the affected facility may temporarily or permanently cease operations.

Operational Disruption Risk - The Funds are exposed to risks in connection with disruptions to the operations of renewable infrastructure companies or the third parties on which they depend, which may be caused by technical breakdowns at power generation assets, including transmission assets, power stations, distribution grids, power storage facilities, caused by aged or defective facility components, insufficient maintenance, failed repairs, power outages, adverse weather conditions, natural disasters, labor disputes, ill-intentioned acts or other accidents or incidents. These disruptions could result in shutdowns, delays or long-term decommissioning in production or distribution of energy. This may materially and adversely affect operations or financial condition and cause harm to the reputation of companies in which the Funds invest.

Renewable Infrastructure Technology Risk - Technology related to the production of renewable power and conventional power generation is continually advancing, resulting in a gradual decline in the cost of producing electricity. Renewable infrastructure companies may invest in and use newly developed, less proven, technologies in their development projects or in maintaining or enhancing their existing assets. There is no guarantee that such new technologies will perform as anticipated. The failure of a new technology to perform as anticipated may materially and adversely affect the profitability of a particular development project.

Greenhouse Gases Regulation Risk - Emissions of greenhouse gases, including gases associated with the production and use of hydrocarbons such as carbon dioxide, methane and nitrous oxide among others contribute to a warming of the earth’s atmosphere and other adverse environmental effects, commonly referred to as “climate change.” To protect against climate change, most of the worlds’ governments, including the federal government of the United States and many states, are committed to taking action to substantially reduce emissions of greenhouse gases. The adoption and implementation of federal, state or local limits on greenhouse gas emissions from energy infrastructure companies could result in significant costs to reduce emissions of greenhouse gases associated with their operations or could adversely affect the supply of, or demand for, power, crude oil, natural gas, natural gas liquids or other hydrocarbon products, which in turn could reduce production of those commodities. As a result, greenhouse gas emissions legislation or regulation could have a material adverse impact on the financial performance of energy infrastructure companies.

The capital markets can fluctuate substantially and even experience periods of extreme volatility. KAFA cannot guarantee any level of performance or that investors will not experience a loss of assets. There is no assurance that the funds will be able to generate returns or that the returns will be commensurate with the risks inherent in the investment strategy. The marketability and value of any such investment will depend upon many factors beyond the control of the investors or KAFA. Therefore, an investor should only invest in a fund if the investor can withstand a total loss of his/her investment. The past investment performance of a fund or investment professional cannot be taken to guarantee future results of a fund or any investment by or in a fund. As is the case with any investment, there is no guarantee of a minimum rate of return or of a limit on losses. Additional information on investment risks is discussed in the offering materials and other applicable governing documents of such fund. Additional information specific to each fund can be found in their respective annual reports and prospectuses.

Please note that while this Item 8 contains a discussion of some of the risks associated with investments in our funds, it is not possible to identify all of the risks associated with investing and the particular risks applicable to a client account will depend on the nature of the account, its investment strategy or strategies and the types of securities held. Investors should be aware that while KAFA does not limit its advice to particular types of investments, mandates may be limited to certain types of securities and may not be diversified. The accounts managed by KAFA are generally non-diversified and are not intended to provide a complete investment program for a client or investor. Clients are responsible for appropriately diversifying their assets to guard against the risk of loss. The funds managed by KAFA are primarily long-term investment vehicles and should not be used for short-term trading.

Catastrophic Event Risk

The impact of catastrophic events such as hurricanes, earthquakes, other natural disasters, disease, pandemics and epidemics may have a negative impact on our business, our funds and their performance and financial position and could subject clients' investments to the risk of loss. The continuing global outbreak of the 2019 novel coronavirus ("COVID-19") has resulted in market volatility and disruption, and any similar future emergencies may materially and adversely impact economic production and activity in ways that cannot be predicted, all of which could result in substantial investment losses. Most recently, COVID-19 has caused a worldwide public health emergency, significantly diminished and disrupted global economic production and activity of all kinds, and contributed to both volatility and a severe decline in financial markets.

The full extent of the impact of COVID-19 (and of the resulting precipitous decline and disruption in economic and commercial activity across many of the world's economies) on global economic conditions, and on the operations, financial condition, and performance of any particular market, industry or business, is impossible to predict, and additional economic disruptions and market volatility may occur as new variants appear and spread. Ongoing and potential additional materially adverse effects, including further global, regional and local economic downturns (including recessions) of indeterminate duration and severity, are possible.

The ongoing COVID-19 crisis and any other public health emergency could have a significant adverse impact on our investments and result in significant investment losses. Volatility in the energy markets, including decreases in demand for (and prices of) energy-related commodities as a result of the impact of COVID-19 on global economic activity, has significantly affected the performance of the energy sector, as well as the performance of energy infrastructure companies in which we invest. Other public health emergencies or catastrophic events in the future could have similar impacts.

General Market Conditions Risk

Global economic, political and market conditions, including uncertainty about the financial stability of the United States, could have a significant adverse effect on our business, financial condition and results of operations. The current worldwide financial markets situation, as well as various social and political tensions in the United States and around the world (including wars and other forms of conflict, terrorist acts, security operations and catastrophic events such as fires, floods, earthquakes, tornadoes, hurricanes and global health epidemics), may contribute to increased market volatility, may have long term effects on the United States and worldwide financial markets, and may cause economic uncertainties or deterioration in the United States and worldwide.

In addition, the continuing conflict between Russia and Ukraine, and resulting market volatility, could adversely affect our business, financial condition or results of operations. In response to the conflict between Russia and Ukraine, the U.S. and other countries have imposed sanctions or other restrictive actions against Russia. The ongoing conflict and the rapidly evolving measures in response could be expected to have a negative impact on the economy and business activity globally and could have a material adverse effect on our portfolio companies and our business, financial condition, cash flows and results of operations. The severity and duration of the conflict and its impact on global economic and market conditions are impossible to predict. In addition, sanctions could also result in Russia taking counter measures or retaliatory actions which could adversely impact our business or the business of our portfolio companies, including, but not limited to, cyberattacks targeting companies, individuals or other infrastructure upon which our business and the business of our portfolio companies rely.

Cyber Security Risk

With the increased use of technologies such as the Internet to conduct business, a portfolio is susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events and can include, but are not limited to, gaining unauthorized access to digital systems directly or indirectly through methods such as supply-chain attacks, misappropriating assets or sensitive information, corrupting data, or causing operational disruption, including denial-of-service attacks on websites. Cyber security failures or breaches by a third party service provider or at the issuers of securities in which the portfolio invests, have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, the inability to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, and/or additional compliance costs, including the cost to prevent cyber incidents.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of KAFA or the integrity of KAFA's management. KAFA has no disciplinary information to report.

Item 10 – Other Financial Industry Activities and Affiliations

Kayne Anderson Capital Advisors, LP ("KACALP"), a registered investment adviser, is the sole managing member of KAFA. KACALP is an alternative investment advisor with approximately $28.0 billion in assets under management as of February 28, 2023.

KAFA serves as the contractually appointed investment adviser to KYN and KMF, each a closed-end fund registered as an investment management company under the 1940 Act, as amended.

KAFA is affiliated with KA Associates, Inc. ("KAA"), a FINRA registered broker-dealer. KAA shares office space and certain overhead expenses with KAFA. In addition, certain officers and employees of KAFA are registered representatives of KAA. As a normal course of business, KAFA's policy is to not utilize KAA to execute trades or obtain any other service for KAFA. In limited circumstances, KAFA may open temporary brokerage accounts with KAA for certain private funds and separate account clients that trade in marketable securities. Such temporary arrangements are only permitted in circumstances where (i) KAFA is in the process of onboarding a fund with a third-party prime broker or custodian and KAFA (or a controlled affiliate) determines in good faith that waiting for such process to be completed may result in missed investment opportunities to the detriment of fund investors or (ii) in circumstances where KAFA is directed by a separately managed account client to establish an account at KAA because the client does not have a pre-existing custodian relationship. Such arrangements require the prior approval of KAFA's Chief Compliance Officer and require advance disclosure to fund investors. Generally speaking, no fees or commissions are charged by KAA for any trades executed under such arrangements. Consistent with the requirements of the '40 Act and for the avoidance of doubt, KAFA will never execute trades for KYN and KMF through KAA.

KAFA is also affiliated with Kayne Anderson Fund Advisors, LLC ("KAFAII"), a separately registered investment adviser. KAFAII provides portfolio consultant services to several unit investment trusts. KAFAII is relying on KAFA's registration in order to be registered with the SEC and has adopted the same Code of Ethics and compliance program as KAFA. Additionally, KAFA is affiliated with KA Credit Advisors, LLC ("KA Credit"), a separately registered investment adviser that is the investment manager of Kayne Anderson BDC, Inc., a business development company ("BDC"), and KA Credit Advisors II, LLC ("KA Credit II"), a separately registered investment adviser that is the investment manager of another BDC, Kayne DL 2021, Inc.

KAFA has claimed the appropriate exemptions from registration as a commodity pool operator and commodity trading adviser with the Commodity Futures Trading Commission (CFTC) and National Futures Association (NFA).

Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics

KAFA has adopted a Code of Ethics in accordance with Rule 204A-1 of the Advisers Act.

As a fiduciary, KAFA owes its clients undivided loyalty – our clients trust us to act on their behalf, and we hold ourselves to the highest standards of fairness in all such matters. This is predicated on the principle that KAFA owes a fiduciary duty to its clients. As a fiduciary, KAFA must act in its clients' best interests. In other words, employees may not benefit at the expense of advisory clients and must avoid activities, interests and relationships that run contrary (or appear to run contrary) to the best interests of clients.

KAFA expects all employees to:

- act with integrity, competence, dignity, and in an ethical manner when dealing with the public, clients, prospects, their employer, and their fellow employees.
- adhere to the highest standards with respect to any potential conflicts of interest with client accounts – simply stated, no officer or employee should ever enjoy an actual or apparent benefit over the account of any client.
- preserve the confidentiality of information that they may obtain in the course of our business and to use such information properly and not in any way adverse to our clients' interests.
- conduct their personal financial affairs in a prudent manner, avoiding any action that could compromise in any way their ability to deal objectively with our clients.

Violations of the Code of Ethics may warrant sanctions which may include suspension or dismissal, at the discretion of management.

In addition to personal trading, political contributions, outside business activities, and acting in the best interest of clients, the Code of Ethics outlines KAFA's policies regarding gifts and entertainment; anti-bribery and compliance with the U.S. Foreign Corrupt Practices Act; lobbying; and charitable contributions.

Personal Trading

As a general rule, KAFA's employees are not permitted to purchase and sell for their own accounts marketable securities in the industry sectors in which KAFA's funds and its affiliate KACALP's funds primarily invest (i.e. energy and renewable infrastructure companies). Policies and procedures have been designed to ensure that any employee personal securities transactions do not disadvantage KAFA's clients. These procedures require pre-clearance of all personal trades by employees in securities (other than open-end mutual funds, U.S. government securities, exchange traded funds and various money market instruments) and require employees to represent an intent to hold the securities for at least 90 days. Neither KAFA nor its employees may enter trades on behalf of their own account or any account over which they have control or in which they have a beneficial interest if, in KAFA's judgment, such trade would cause them or any such account to benefit from any trade entered into or being contemplated on behalf of any client of KAFA or cause the accounts of any such clients to be disadvantaged.

KAFA and its partners, officers and employees may participate alongside KAFA's clients in the purchase and/or sale of registered securities or private placements, but only if such participation, in KAFA's good faith determination, would not adversely impact the pricing and availability of the transaction for clients or otherwise operate to the detriment of clients. Generally speaking, this requires that, consistent with KAFA's Co-Investment Policy, all funds and accounts receive their full desired allocations before any excess capacity is made available to KAFA and its affiliates. KAFA will often form a commingled vehicle to facilitate any such investment. These vehicles invest on the same terms as managed funds and accounts. Any such co-investment opportunities, whether in private placements or registered securities, require the prior approval of KAFA's Chief Compliance Officer. Employees are not permitted to exit such holdings prior to client accounts or funds exiting such positions and may not do so on terms (including price) that are more advantageous than such client account or fund.

KAFA's Chief Compliance Officer or the Compliance Department receive and review all trading reports and employee certifications to confirm that any personal trading (as well as other activities subject to compliance oversight) conducted by employees and other covered persons is consistent with the requirements and restrictions set forth in the Code of Ethics and does not otherwise indicate any improper trading activities.

Clients may request a copy of KAFA's Code of Ethics by contacting Michael O'Neil, Chief Compliance Officer, at 310-282-7905.

Political Contributions and Charitable Donations

It is the policy of KAFA to not make, and to prohibit its employees from making, any political or charitable contributions for the purpose of influencing a KAFA client or prospective client, a public official or his or her agency. However, employees may make personal or charitable contributions in accordance with the requirements and restrictions of applicable law and KAFA's policies. To help ensure compliance with SEC rules and the many state and local pay-to-play rules, all KAFA employees must obtain prior approval from the Chief Compliance Officer before they (or their spouse or dependents) make contributions over certain thresholds to a political candidate, government official, or political action committee in accordance with KAFA's policies and procedures.

KAFA's Political Contribution Policy includes the following general prohibition: All employees (and their immediate family members) are prohibited from making any contributions or gifts to, or soliciting or coordinate any contributions or gifts for (i) any incumbent U.S. state or local officeholder (including one who is a candidate for federal office); (ii) any candidate or elections winner for U.S. state or local office; and (iii) any staff member or employee of a U.S. public pension fund, or any elected or appointed trustee, fiduciary, or other official whose official duties involve responsibility for such a fund.

Outside Business Activities

KAFA's Code of Ethics requires employees to obtain approval before engaging in outside business activities so that KAFA has the opportunity to consider whether such activities create actual or potential conflicts of interest (the Code of Ethics details certain instances where only notification to the CCO is required, such as serving as a director of a 501(c)(3) charitable organization). Certain senior employees may also serve as directors with portfolio companies held by the Funds. In instances where these outside affiliations are permitted, the employee will not be permitted to be involved in the investment decision-making process regarding that portfolio company.

Potential Conflicts Relating to Advisory Clients

The results of the investment activities of a KAFA client may differ significantly from the results achieved by KAFA for other current or future clients. KAFA will manage the assets of a client in accordance with the investment mandate of the applicable fund. However, because of differing guidelines, risk profiles, timing issues and other possible considerations, KAFA may give advice, and take action, with respect to a client account (including its own account), that may differ from the advice KAFA may give to, or an investment action KAFA may take on behalf of, another client account. In particular, KAFA or one or more clients may buy or sell positions while another KAFA client is undertaking the same or a differing, including potentially opposite, strategy. The purchase, holding and sale, as well as voting of investments by KAFA clients may enhance the profitability or increase or decrease the value of KAFA's or KAFA clients' investments in such companies. This may give rise to certain potential conflicts of interest. KAFA has adopted its trade allocation procedures (and other relevant policies) to mitigate any conflicts of interest.

Inconsistent Investment Positions and Timing of Competing Transactions

Under certain circumstances, a KAFA client (or group of clients) may invest in a transaction in which one or more other KAFA clients are expected to participate, or already have made or will seek to make an investment. Such clients may have conflicting interests and objectives in connection with such investments, including with respect to views on the operations or activities of the portfolio companies involved, the targeted returns from the investment, the timeframe for, and method of exiting the investment. Conflicts will also arise in cases where different clients (or group of clients) invest in different parts of an issuer's capital structure, including circumstances in which one or more clients may own private securities or obligations of an issuer and other clients may own public securities of the same issuer.

Principal Transactions with Clients

The 1940 Act prohibits KAFA from engaging in principal transactions with the Funds.

Cross Trades

KAFA will only engage in a cross transaction (causing one client account to buy or sell a security from or to another client account) when a transaction is permitted under applicable law and is in the best interests of, and consistent with the investment objectives and policies of, both clients involved in the transaction. If a cross trade is considered, it is KAFA's policy to effect all such trades in the most equitable and fair manner for all participating accounts. Each registered investment company managed by KAFA has adopted board-approved procedures to ensure cross transactions comply with the conditions of Rule 17a-7 under the Investment Company Act of 1940.

Any cross trade between accounts must be effected for cash consideration at the current market price of the security, taking into account the size of the transaction. Securities for which a current independent market price of the securities is not available shall not be cross-traded absent the prior written approval of the CCO.

Prior to, or contemporaneously with, the execution of a cross trade, the portfolio manager recommending the trade must confirm to the CCO that the trade is permitted under applicable governing documents and state the reason(s) the trade is suitable for each participating account. The CCO must approve the trade in writing prior to execution. Compliance will maintain copies of such approvals.

If a cross trade is effected directly between client accounts, then no brokerage commission or similar remuneration should be payable to KAFA or any affiliate. Such situations are referred to as agency cross trades, whereby KAFA or an affiliate acts as a broker for both sides of a transaction. KAFA is permitted to engage in such a transaction, if at all, only if it has not recommended the transaction to both seller and purchaser therein. Rule 206(3)-2 under the Advisers Act permits KAFA or its affiliates to effect such agency cross trades only in compliance with the consent, confirmation and disclosure requirements of the rule. In cases where the agency cross trade is between private commingled funds where KAFA or an affiliate serves as general partner or managing member, these requirements are often satisfied in the governing documents where KAFA or such affiliate is authorized to effect cross trades.

If a cross transaction is effected in the open market using a broker as intermediary, then a customary brokerage commission may be charged.

In causing cross trades to be effected between clients, KAFA will generally utilize an unaffiliated broker-dealer at normal commission rates.

Material Non-Public Information/Insider Trading

From time to time, KAFA personnel may obtain, either voluntarily or involuntarily, material non-public information (that is not available to other investors) or other confidential information which, if disclosed, would likely affect an investor's decision to buy, sell or hold a security. Should KAFA personnel obtain such information with respect to an issuer, KAFA may be prohibited from communicating such information to, or using such information for the benefit of, KAFA clients, which could limit the ability of KAFA clients to buy, sell, or hold investments. KAFA has adopted an Insider Trading Policy which establishes procedures reasonably designed to prevent the misuse of material non-public information by KAFA and its personnel. Under the Insider Trading Policy, KAFA is not permitted to use material non-public information obtained by any department or related person in the course of its business activities or otherwise, in effecting purchases and sales in securities for KAFA clients even if failure to do so would be detrimental to the interests of such client(s). To further mitigate the risks associated with insider trading, KAFA has adopted an Ethical Wall Policy in order to minimize the likelihood that portfolio management teams will come into possession of material non-public information known by other investment teams within KAFA, thereby also minimizing the likelihood that a particular team will be precluded from taking action on behalf of its clients. Nonetheless, the investment flexibility of KAFA may be constrained as a consequence of adhering to these policies and related legal requirements.

Senior personnel of KAFA serve as officers or directors of some of the publicly and privately held companies whose securities are purchased for KAFA's clients. In such capacities, these individuals, each of whom may make investment decisions on behalf of KAFA, may learn material, non-public information concerning a company's operations or securities. KAFA has established Ethical Wall and Insider Trading Policies to guard against the use of non-public information by it to benefit client accounts. KAFA's clients may be disadvantaged because KAFA may not be able to effect transactions in the securities of these companies when its officers possess material, non-public information. Any such outside business activities require the prior approval of KAFA's Chief Compliance Officer to ensure that any actual or potential conflicts of interest are resolved in the interests of KAFA's clients.

Pricing and Valuation of Securities and Other Investments

In many cases, KAFA's fees are based on the value and performance of assets held in the client account. KAFA does not price securities or other assets for purposes of determining fees. However, to the extent permitted by applicable laws, including ERISA, KAFA or an affiliate may be charged with the responsibility of, or have a role in, determining asset values with respect to KAFA products or accounts from time to time and KAFA, or such an affiliate, may be required to price a portfolio holding when a market price is not readily available or when KAFA has reason to believe that the market price is unreliable. To the extent that KAFA's fees are based on the value or performance of client accounts, KAFA would benefit by receiving a fee based on the impact, if any, of the increased value of assets in an account. When pricing a security, KAFA attempts, in good faith and in accordance with applicable laws, to determine the fair value of the security or other assets in question. KAFA generally relies on prices provided by a custodian, a broker-dealer or another third-party pricing service for valuation purposes.

When market quotations are not readily available or are believed by KAFA to be unreliable, the security or other assets are valued by KAFA in accordance with KAFA's valuation procedures. All such valuations for private investments are reviewed by an independent third-party and internal valuation committee as applicable, and in the case of the Funds, the Board of Directors.

KYN and KMF are subject to the newly adopted fair valuation rule under the 1940 Act (Rule 2(a)-5) as registered investment companies. To prevent violations of this rule, KAFA has adopted and implemented written policies and procedures consistent with the requirements of the rule, including (i) establishing procedures to periodically assess and manage material risks associated with fair value determinations, (ii) selecting and applying fair value methodologies, (iii) testing the selected fair value methodologies, and (iv) monitoring and evaluating any pricing services used.

With respect to private investments in public equities (PIPEs) or other securities that are convertible into or otherwise will become publicly traded (e.g., through subsequent registration or expiration of a restriction on trading), they will be valued at the market value of the publicly traded security less a discount. The discount will initially be equal in amount to the discount negotiated at the time an agreement is reached on price with the issuer. To the extent that such securities are convertible or otherwise become publicly traded within a time frame that may be reasonably determined, KAFA may determine an amortization schedule for the discount in accordance with an approved methodology. Investments in convertible preferred equity will generally be valued using a convertible security pricing model that takes into account the attributes of the preferred units.

Item 12 – Brokerage Practices

Investment Discretion

KAFA has full discretion with respect to securities transactions effected for the Funds. Where KAFA exercises its investment discretion, it does so consistent with the applicable investment strategy, as well as any investment guidelines or restrictions imposed by the client. KAFA does not advise clients concerning holdings outside their respective accounts with KAFA.

Brokerage Discretion

KAFA has full authority to determine broker-dealers to be utilized and commissions to be paid with respect to securities transactions effected for the Funds. KAFA's policy is to not effect trades through its affiliated broker-dealer, KAA, for the Funds.

The overriding consideration in allocating client orders for execution is the maximization of client profits (or minimization of losses) through a combination of controlling transaction costs and seeking the most effective uses of a broker's capabilities. As KAFA has the authority to select brokers or dealers to execute transactions for its Funds, it seeks the best execution reasonably available under the circumstances (which may or may not result in paying the lowest available brokerage commissions or spread). In doing so, KAFA considers all factors it deems relevant. Such factors may include, but are not limited to: (i) the nature and character of the security or instrument being traded and the markets on which it is purchased or sold; (ii) the desired timing of the transaction; (iii) KAFA's knowledge of negotiated commission rates and spreads currently available; (iv) the activity existing and expected in the market for the particular security or interest; (v) the full range of brokerage services provided; (vi) the broker's or dealer's capital strength and stability, as well as its execution, clearance, and settlement capabilities; (vii) if applicable, the quality of the research and services provided (see "Research and Other Soft Dollar Benefits" below); (viii) the reasonableness of the commission or its equivalent for the specific transaction; and (ix) KAFA's knowledge of any actual or apparent operational problems of a broker or dealer.

KAFA endeavors to be aware of current charges assessed by relevant broker-dealers and to minimize the expense incurred for effecting portfolio transactions, to the extent consistent with the interests and policies of the client account. However, KAFA will not select broker-dealers solely on the basis of "posted" commission rates nor always seek in advance competitive bidding for the most favorable commission rate applicable to any particular transaction. Although KAFA generally seeks competitive commission rates, it will not necessarily pay the lowest commission or commission equivalent as transactions that involve specialized services on the part of a broker-dealer generally result in higher commission rates or equivalents than would be the case with more routine transactions. KAFA may pay higher commission rates to those brokers whose execution capabilities, brokerage services or other legitimate and appropriate services are particularly helpful in seeking good investment results.

The reasonableness of the commissions is based on KAFA's view of the broker's ability to provide professional services, competitive commission rates, and other services which will help KAFA in providing investment advisory services to its clients, viewed in terms of either the particular transaction or KAFA's overall responsibility to its clients, as the extent to which the commission rate or net price associated with a particular transaction reflects the value of services provided often cannot readily be determined. In making these determinations, KAFA recognizes that some firms are better at executing some types of orders than others and it may be in the clients' best interests to use a broker whose commission rates are not the lowest but whose executions and other services KAFA believes may result in lower overall transaction costs or more favorable or more certain results.

Outsourced Trading Arrangements

KAFA has engaged Jones Trading Institutional Services, LLC ("JonesTrading") to assume trade execution responsibilities for equities and certain derivative securities. KAFA's operations and compliance departments provide oversight of JonesTrading activities performed on behalf of KAFA. All trades executed by JonesTrading originate within KAFA's order management system to ensure pre- and post-trade compliance checks are run on each order. Additionally, JonesTrading will perform a secondary check of all trades before being routed to the JonesTrading Execution Management system Fidessa, where additional risk controls are in place. All trades executed by JonesTrading are analyzed on trade date by KAFA personnel and on a quarterly basis by KAFA's third-party transaction cost analysis provider. On a quarterly basis, KAFA's Trading Committee reviews the trading results for all counterparties (including JonesTrading) in their capacity as trading partners.

ECNs, Swap Clearing Firms and Other Trading Systems

KAFA may also place orders for the purchase and sale of securities or other instructions for its clients through electronic trading systems (known as alternative trading systems), including Electronic Communications Networks (ECNs), swap clearing firms or with brokers or dealers that participate in such trading systems or platforms, consistent with its duty to seek best execution of client transactions. ECNs and swap clearing firms may charge fees for their services, including access fees and transaction fees. Access fees may be paid by KAFA even though they are incurred in connection with executing transactions on behalf of clients, while transaction fees will generally be charged to clients and, like commissions and markups/markdowns, would generally be included in the cost of the securities purchased.

Research and Other Soft Dollar Benefits

Research services include economic forecasts, investment strategy advice, fundamental and technical advice, market analysis, statistical services and analyses of particular securities and investment situations. Some of these services would be considered "soft dollars". KAFA has no formal arrangements with specific broker-dealers to receive such research services beyond transaction execution in exchange for brokerage commissions from client transactions. However, KAFA may pay a brokerage commission in excess of that which another broker might have charged for effecting the same transaction if KAFA determines in good faith that the amount of commission is reasonable in relation to the value of the brokerage and research services provided by the broker-dealer, viewed in terms of either the particular transaction or KAFA's overall responsibilities with respect to the account over which it exercises investment discretion. Such rates are commensurate with those paid to so-called "full service" sell-side firms. KAFA prohibits contractual third-party soft dollar arrangements pursuant to a Commission Sharing Agreement or equivalent.

It is possible that accounts which may not directly benefit from the ancillary service provided by a particular broker-dealer will enter occasional transactions through such broker-dealer, but KAFA believes that the overall effect of such occasional transactions on all accounts, when the ancillary services furnished to all accounts are considered in totality, will be beneficial to all accounts.

Trade Aggregation and Allocation

KAFA is aware of its fiduciary obligation to seek the "best execution" on securities transactions. Best execution entails the efficient placement of orders, clearance, settlement and overall execution quality as well as the price obtained in the transaction. As part of its efforts to obtain best execution, KAFA may aggregate orders or "block trade" for several clients. Each client that participates in a block trade will receive the average share price and a pro rata portion of the transaction cost on a trade.

KAFA seeks to allocate investment opportunities among client accounts in a fair and equitable manner over time.

Securities are generally allocated among client accounts on a pro rata, percentage, or other objective basis. KAFA may also allocate securities among such accounts based upon the nature of the investment opportunity and an assessment of the appropriateness of that opportunity for such accounts, taking into consideration the various risk characteristics associated with the investment opportunity and the relative risk profile of the accounts. All allocations of securities will be subject, where relevant, to certain allocation metrics.

A variety of allocation metrics will be considered in making such allocation decisions. These metrics include (i) investment objectives of the accounts; (ii) risk or investment concentration parameters of the accounts; (iii) supply or demand for a security at a given price level; (iv) size of available investments; (v) cash availability and liquidity requirements of the accounts; (vi) relative size of the accounts; (vii) regulatory and client-imposed restrictions applicable either to the accounts or to the securities; (viii) tax considerations of the accounts; (ix) minimum investment size of the accounts (including maintaining round lots); and (x) such other factors as may be relevant to a particular transaction.

Investments may not be allocated to one client account over another based on any of the following: (i) to unduly favor an account in which KAFA, its employees or affiliates has a significant interest at the expense of another client account; (ii) to generate higher fees paid by one client account over another or to produce greater performance compensation to KAFA; (iii) to develop or enhance a relationship with a client or prospective client; (iv) to compensate a client for past service or benefits rendered to KAFA or to induce future services or benefits to be rendered to KAFA; or (v) to manage or equalize investment performance among different client accounts.

KAFA and certain of its affiliates were granted an order of exemptive relief by the SEC (the "Order"), which Order permits, subject to compliance with its stated terms and conditions, registered investment companies to co-invest with KAFA and its affiliates' other clients in certain negotiated transactions. The Order generally requires allocating such co-investment transactions in accordance with KAFA's Allocation Procedures Policy.

To be clear, although interrelated, KAFA's trade allocation and aggregation practices are separate from KAFA's co-investment permissions under the Order. Co-investment opportunities may be offered to investors in funds managed by KAFA, employees, and third parties who KAFA believes may provide a strategic benefit to such investment. Such opportunities will only be provided in accordance with applicable regulations and with the prior approval of KAFA's Chief Compliance Officer.

<u>Trade Errors</u>

Trading errors are reportable to the Chief Compliance Officer immediately upon discovery and corrected as promptly as practicable at no cost to the client. If KAFA is wholly at fault (including vendors engaged by KAFA) and the trade is at a loss, KAFA reimburses the client for that loss and KAFA will book the charges against its own operating expenses. Correcting a trade error may require multiple transactions. After the details of the trade error have been determined, a member of the Compliance team completes an error resolution form and submits it to the CCO for approval. Compliance maintains documentation to establish an "audit trail" of a trading error and its resolution.

Directed Brokerage

As KAFA does not have any separate account clients, directed brokerage is not currently applicable to KAFA. In the event that separate account clients are onboarded in the future and such a client directs KAFA to use a specified broker-dealer, (i) a higher commission rate may be paid to such client, in part because of additional services which may be available from such broker- dealer as well as KAFA's inability to negotiate the commission rate and/or obtain a volume discount when the client's transaction is combined with those of other clients in a block trade; (ii) such client's trades may be regularly executed at times different from those at which trades are executed for clients who do not direct KAFA to use a specific broker-dealer; and (iii) execution of all trades for the client by the designated broker-dealer could result in failure to receive the best execution in some transactions. Such a client who directs KAFA to use a particular broker-dealer, including a client who directs use of a broker-dealer that will also serve as a custodian, should consider whether commissions expenses, execution, clearance and settlement charges, and custodial fees, if applicable, will be comparable to those otherwise obtainable by KAFA.

Item 13 – Review of Accounts

All accounts are reviewed on a continuous basis to determine their conformity with investment objectives and guidelines. The portfolio management team receives daily updates of portfolio positions and transactions for which the team is responsible. In addition, the executive officers regularly review and discuss portfolio status, potential investments and related issues.

The investment companies managed by KAFA issue and file reports as required under the 1940 Act, and other applicable rules and regulations (such as the NYSE rules for listed closed-end investment companies).

Item 14 – Client Referrals and Other Compensation

KAFA does not compensate any person for client referrals.

Item 15 – Custody

Section 17(f) of the 1940 Act and Rules 17f-1 through 7 thereunder detail the regulatory requirements related to the custody and safeguarding of a fund's assets. These requirements are designed to preserve fund assets and protect them from abuse. In accordance with these requirements, the Funds' investments and cash are held by qualified third-party custodians.

Item 16 – Investment Discretion

KAFA has full discretion with respect to securities transactions effected for the Funds. Where KAFA exercises its investment discretion, it does so consistent with the applicable investment strategy. KAFA does not advise clients concerning holdings outside their respective accounts with KAFA.

Item 17 – Voting Client Securities

KAFA acknowledges its fiduciary responsibility to vote proxies consistent with its fiduciary obligations, in the best interests of its clients and to prevent conflicts of interest from influencing proxy voting decisions made on behalf of clients.

While third-party instructions may be useful, KAFA may, and generally is expected to have in-depth knowledge of the vast majority of the companies in which it has invested, particularly in areas such as energy and infrastructure and related sectors, which knowledge may provide good reason to vote in a manner that is not consistent with the advice of a third-party service provider. After receiving voting instructions from the research analyst and/or portfolio manager, Compliance will vote the proxy(ies) according to the instructions received.

There may be circumstances which lead KAFA to vote the same proxy in two directions for different accounts. This may occur, for example, if a client requires KAFA to vote a certain way on an issue, while KAFA deems it beneficial to vote in the opposing direction for its other clients. In all such cases, KAFA maintains relevant supporting documentation.

KAFA may occasionally be subject to conflicts of interest in the voting of proxies because of business or personal relationships it maintains with persons having an interest in the outcome of specific votes. The firm and its employees may also occasionally have business or personal relationships with other proponents of proxy proposals, participants in proxy contests, corporate directors, or candidates for directorships. If at any time the responsible voting parties become aware of any type of potential conflict of interest relating to a particular proxy proposal, they will promptly report such conflict to the Chief Compliance Officer. Conflicts of interest are handled in various ways depending on the nature of the conflict and its perceived materiality.

For inquiries regarding how a specific proxy proposal was voted, please contact Michael O'Neil, Chief Compliance Officer, at 310-282-7905.

Item 18 – Financial Information

KAFA is in sound financial standing and does not use long-term borrowings in its capitalization structure. KAFA has no financial commitment that impairs its ability to meet its contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

Item 19 – Privacy Notice

This Privacy Notice ("Notice") provides information about the data that is collected, processed, used, transmitted, and stored by KAFA and its affiliates, and KAFA's commitment to appropriately using and protecting the data collected.

Generally speaking, KAFA collects data about you from the following sources:

- Information we receive about you on applications or other forms;
- Information you provide to us orally;
- Information we receive from a consumer reporting agency; and
- Information about your transactions with us, our affiliates or others.

This Notice applies to both clients and employees of KAFA and our affiliates. When you use our services, you acknowledge that you have read and understand the contents of this Notice.

Why Does This Notice Exist?

This Notice ensures that KAFA:

- Complies with data privacy laws and follows industry accepted practices;
- Protects the rights of its clients, employees, and partners; and
- Is open about how the Firm stores and processes personal data.

Defining Personal Information

Various laws and regulations use different terms and definitions for information about individuals that is personal and should be protected. Some laws and regulations consider only very limited types of information to be protected and private. Others include much broader categories.

At KAFA, we have chosen to adopt the broader approach to what information must be protected and kept private. In this notice, "Personal Information" (or "PI") refers to data that could be used, alone or in combination with other data, to identify you as an individual. It can include name, physical address, email address, IP address, date of birth, social security number, passwords, credit card or other financial or payment information, and more.

What Personal Information Do We Collect?

KAFA does not collect more information than is needed to conduct its business and satisfy any associated regulatory requirements. The following are examples of the types of personal information that we may collect:

- Name, address, phone number and email address;
- Age, date of birth, occupation and marital status;
- Photo identification including driver's license or ID card and passport numbers;
- Personal identifier, depending on your country of residence, such as your Social Security Number; and
- Financial information, including investment experience and objectives, account balances and assets, risk tolerance and, in certain jurisdictions, representations required under applicable law or regulation concerning your financial resources.

How Do We Collect Information?

KAFA collects information from you during the onboarding process. When KAFA collects data from you directly, we will provide KAFA's contact information and KAFA's purpose for collecting and processing the data. KAFA may also obtain information about you from other sources (e.g. consultants, financial advisory firms, or public registers for background searches).

Do We Need Consent to Collect Your Data?

By providing your data, you consent to its collection, processing, use, transfer and storage. Your consent can be withdrawn at any time by providing adequate notice (see below) to KAFA. However, withdrawing your consent may impact your ability to invest in our funds.

It is in your sole discretion to provide Personal Information to us. If you do not provide us with all or some of the PI we request, we may not be able to accept an engagement from you, to provide all or some of our services, to enter into a contract with you or to send you information about us (e.g. marketing materials).

How Do We Use Personal Information?

We use your personal information for a variety of business purposes, including but not limited to, the following:

- For our everyday business purposes to administer, facilitate and manage your relationship and/or account(s) with KAFA;
- To contact you or your designated representative(s) in connection with your relationship and/or account;
- To monitor and audit compliance with our internal policies and procedures; and
- To comply with and enforce applicable legal and regulatory requirements.

If your relationship with KAFA ends, we will continue to treat your personal information, to the extent we retain it, as described in this Notice.

Lawful Basis for Processing

There is a need to process personal information for the purposes set out in this Privacy Notice as a matter of contractual necessity under or in connection with the applicable agreement, and in the legitimate interests of KAFA to operate its business. From time to time, KAFA may need to process the personal information on other legal bases, including to comply with a legal obligation, or if it is necessary to protect the vital interests of an investor or other data subjects. For the purposes listed above, KAFA is relying on performance of a contract necessity and legitimate interests.

With Whom Do We Share Personal Information?

Privacy is an integral part of the Firm. We do not disclose your personal information to third parties, except as described in this Notice, and never for compensation. Additionally, we will not share your personal information with third parties without your specific consent or unless KAFA is required or permitted to by law (such as Regulation S-P) and/or by government authorities.

Examples of third parties with whom we may share your personal information include, but are not limited to:

- Authorized service providers who perform services to facilitate your transactions with KAFA, such as administrators, accountants, auditors, attorneys, tax advisors, payroll agents, insurance brokers, entities assessing our compliance with industry standards, brokers or custodians, payment processing, printing and mailing companies, email delivery, and other similar services;
- A third party in the event of any contemplated or actual re-organization, merger, sale, joint venture, assignment, transfer, or other disposition of all or any portion of our business, assets, or stocks; and
- Government authorities in order to comply with appropriate laws and/or requests.

Third parties that we share personal information with are required to maintain the confidentiality of such information and are prohibited from using your personal information for purposes other than those that were specified upon receipt of your data. We enter into contractual agreements with all nonaffiliated third parties that prohibit such third parties from disclosing or using the information other than to carry out the purposes for which we disclose the information.

We will not sell your personal information. If we share your personal information with third parties performing services for us, or acting on our behalf, we will not allow them to use your information for other purposes, and we will contractually require them to protect your information.

What Security Measures Do We Have?

KAFA restricts access to personal information about you to those employees who need to know that information to provide financial products or services to you. KAFA has physical, electronic and administrative safeguards in place to help protect data from loss, misuse, unauthorized access, disclosure, alteration, and destruction.

Some features of our information security program are:

- A dedicated group of information security personnel that design, implement and monitor our information security program;
- The use of firewalls and other specialized technology;
- Continuous monitoring of our information and technology systems infrastructure to detect weaknesses and potential intrusions;
- A combination of internal and external reviews of our Internet sites and services;
- Implementing controls to identify, authenticate and authorize access to various systems or sites; and
- Providing KAFA personnel with relevant training and continually updating our security practices in light of new risks and developments in technology.

Please contact us for a copy of KAFA's policies for more information on the Firm's information security practices and procedures.

How Long Do We Retain Personal Information?

We will retain your personal information for the period necessary to fulfill our services and the purposes outlined in this Notice unless a longer retention period is required by law. To determine the appropriate retention period for PI, KAFA will consider the amount, nature, and sensitivity of the PI, the potential risk of harm from unauthorized use or disclosure of PI, the purposes for which we process the PI and whether we can achieve those purposes through other means, and the applicable legal requirements.

Upon expiry of the applicable retention period KAFA should take reasonable efforts to securely destroy PI in accordance with applicable laws and regulations.

How Can You Manage Your Personal Information?

If you would like to request, delete, or update the personal information that you provided us, or exercise any of your data protection rights you may contact us using the contact information below. For your protection, we will need to verify your identity prior to complying with your request. KAFA does not charge for this service.

KAFA will make a good faith effort to process your request without undue delay and within the time provided by applicable law. You are also entitled to have KAFA modify or delete any information that you believe is incorrect or out of date. KAFA reserves the right to limit or deny access to personal information where providing such information would be unreasonably burdensome or expensive or as otherwise permissible under relevant laws. If KAFA determines that access cannot be provided in any particular instance, KAFA will provide the individual requesting access with an explanation of why it has made that determination and a contact point for any further inquiries.

Is My Personal Information Transferred Outside of the United Kingdom, the European Union or European Economic Area?

Information collected by KAFA is transferred outside of the United Kingdom (UK), the European Union (EU) and European Economic Area (EEA) to KAFA servers in the United States. The General Data Protection Regulation (GDPR) was adopted by the EU to protect the privacy of such personal information for all EU individuals. After the UK left the EU, the UK substantially retained the EU GDPR in domestic law as the UK GDPR (here referred to together with the EU GDPR as simply "GDPR") to continue to protect the privacy of such personal information for all UK individuals as well.

With respect to the collection, holding, storage, use, and processing of your personal information, KAFA will:

- Process the data lawfully, fairly and in a transparent way;
- Obtain the information only for valid business purposes and not used in any way that is incompatible with those purposes;
- Collect only information that will be relevant to the purposes we have told you about and limited only to those purposes;
- Take reasonable steps to ensure that the information is accurate and kept up to date;
- Maintain the data only as long as necessary, subject to applicable legal or other requirements; and
- Use appropriate technical and administrative measures to ensure appropriate security of the data.

Where your personal information is processed by third parties outside the EU, EEA or UK, we will ensure appropriate safeguards are in place to adequately protect it, as required by applicable law.

What Rights Do UK, EU and EEA Clients Have?

Under the GDPR, clients domiciled in the UK, EU or EEA have certain rights with respect to their personal information. In particular, you may have the right to:

- Request access to your personal information;

- Ask to have inaccurate data amended;
- Ask to have your personal information deleted;
- Withdraw your consent to the processing of your personal information;
- Request the prevention or restriction of processing of your personal information for any purpose; and
- Request transfer of personal information to a third party when feasible.

You have the right to receive your personal data that you provided to us in a structured, commonly used and machine-readable format and have the right to transmit such data to another controller without hindrance from us.

Additionally, in the circumstances where you may have provided your consent to the collection, processing and transfer of your personal information for a specific purpose, you have the right to withdraw your consent for that specific processing at any time. Once we have received notification that you have withdrawn your consent, we will no longer process your information for the purpose or purposes you originally agreed to, unless required by law. EEA and UK residents may also have the right to make a complaint at any time to the Information Commissioner's Office (ICO), the UK supervisory authority for data protection issues or, as the case may be, other competent supervisory authority of an EU member state.

What Rights Do California Clients Have?

Under the CCPA, clients domiciled in California have certain rights with respect to their personal information. In particular, you may have the right to:

- Request that we disclose, free of charge, the categories and specifics of the PI we collect about you as a California resident (and/or, if applicable, sell or otherwise disclose to a third party for business purposes). Currently, however, KAFA does not sell personal information.
- Choose to opt-out of the sale of personal information. Currently, however, KAFA does not sell personal information.
- Request that we delete the PI we have collected. Following our verification of the request, we will comply with the request and delete any or all of the PI in our possession that we collected from you and/or any or all such PI in the possession of our service providers, unless otherwise restricted by law or regulation. However, withdrawing your consent for us to collect, process, use, transfer and store your data may impact your ability to invest in our funds.

Non-Discrimination for Exercising Your CCPA Right

We follow the requirements of California Civil Code §1798.125, and will not discriminate against any consumer who exercises the rights under the CCPA. However, withdrawing your consent for us to collect, process, use, transfer and store your data may impact your ability to invest in our funds.

Automated Decision Making

We do not use computer algorithms to make automated decisions based on your personal information pursuant to the GDPR. We may process some of your personal information automatically, with the goal of assessing certain personal aspects (profiling), such as to comply with legal or regulatory obligations to combat money laundering, terrorism financing, and offenses that pose a danger to assets.

Where Can This Notice Be Accessed?

This Notice is accessible through our websites: https://kaynecapital.com/privacy-notice/ and https://kaynefunds.com/privacy/.

Do we use cookies on our public websites or our Investor Portal?

We use various technologies to collect other types of information, including PI, automatically on https://kaynecapital.com and https://kaynefunds.com. For example, in order to measure the usefulness and efficiency of our sites, we automatically track certain information from all visitors to our sites. The types of information we might track may include the Internet address that you just came from, which Internet address you go to, what browser you are using, your IP address, your internet service provider, date and timestamp information, or clickstream information.

Additionally, like most interactive web sites, we use "cookies" on certain pages of our sites. "Cookies" are small data files that are stored on your hard drive that store certain information, including certain PI, accessible to our sites. These technologies help us recognize you, customize your experience on the sites and analyze your use of the sites to make them more useful to you. By visiting our sites, you agree to our use of cookies. For more details, please refer to our Cookie Policy.

You can refuse the use of cookies by selecting the appropriate browser setting. If you opt-out, please note that your experience using the sites may not be optimal, and you may not be able to use certain features on our sites. For information on how to remove or manage cookie functions and adjust your privacy and security preferences, access the "help" menu on your internet browser, or visit https://www.aboutcookies.org/how-to-control-cookies.

Contact Us

If you have questions, concerns, or suggestions related to our Notice or our privacy practices, contact the Investor Relations Team or KAFA's Chief Compliance Officer, Michael O'Neil at:

KA Fund Advisors, LLC

Kayne Anderson
Fund Advisors

811 Main Street, 14th Floor
Houston, TX 77002

Website: https://www.kaynefunds.com/ and https://kaynecapital.com/
Email Address: CEF@kaynecapital.com
Toll Free Phone Number: 877-657-3863

Changes to this Privacy Notice

We reserve the right to update this Notice at any time to reflect changes in our policies concerning the collection and use of personal information. The revised Notice will be effective immediately upon posting to our web site. As required by regulations, KAFA will provide to its clients annually a statement regarding their rights to privacy.