

Form ADV, Part 2A

Item 1 – Cover Page



Source Capital, LLC

One Buckhead Plaza
3060 Peachtree Road NW, Suite 1830
Atlanta, GA 30305
(404) 844-5381
www.source-cap.com

March 31, 2026

This brochure provides information about the qualifications and business practices of Source Capital, LLC and its relying advisers (identified in Item 10). If you have any questions about the contents of this brochure, please contact us by phone at (404) 844-5381 or by email at investors@source-cap.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Source Capital, LLC is a registered investment adviser. However, registration as an investment adviser with the SEC does not imply a certain level of skill or training.

Additional information about Source Capital, LLC and its affiliated investment advisers is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

This Brochure includes amendments since Source Capital’s previous brochure was filed on April 1, 2025.

We have updated our Form ADV and this brochure to provide amended information related to our advisory business. The following material changes occurred since the last annual update of Source Capital’s brochure:

- Three new private funds – SC Keymark, LLC, SC Keymark II, LLC, and Restoration, LLC – were launched. These funds continue Source Capital's strategy of investing in lower middle market companies. Information about all private funds managed by Source Capital can be found in Item 7.B.(1) of Form ADV Part 1A.
- We have updated Item 5 to clarify our management fees, carried interest, and fees charged to portfolio companies and to reflect current practice.
- The annual amendment includes other routine updates to information, such as assets under management and number of clients disclosed in Item 5.

Item 3 – Table of Contents

Item 1 – Cover Page.....	i
Item 2 – Material Changes.....	ii
Item 3 – Table of Contents.....	iii
Item 4 – Advisory Business.....	1
Item 5 – Fees and Compensation.....	1
Item 6 – Performance Based Fees and Side-by-Side Management.....	2
Item 7 – Types of Clients.....	2
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss.....	3
Item 9 – Disciplinary Information.....	5
Item 10 – Other Financial Industry Activities and Affiliations.....	5
Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	6
Item 12 – Brokerage Practices.....	7
Item 13 – Review of Accounts.....	7
Item 14 – Client Referrals and Other Compensation.....	7
Item 15 – Custody.....	8
Item 16 – Investment Discretion.....	8
Item 17 – Voting Client Securities.....	8
Item 18 – Financial Information.....	8

Item 4 – Advisory Business

Firm Description and Principal Owners

Source Capital, LLC, a Georgia limited liability company, was formed in 2002 and became registered with the U.S. Securities and Exchange Commission (“SEC”) as a registered investment adviser in 2024. Source Capital, LLC is 99% owned by Thomas S. Harbin, III and 1% owned by Katherine Harbin.

Collectively, Source Capital, LLC and the relying advisers identified in Item 10 are referred to throughout this brochure as “Source Capital” or the “Adviser.”

Source Capital provides investment management services and investment advice to pooled investment vehicles (the “Funds”) organized to make private equity and debt investments in private companies. Investment management services and investment advice are provided directly to each Fund and not individually to the investors of the Funds. Source Capital manages the assets of each Fund in accordance with the terms of the governing documents (and other related documents) applicable to each Fund (the “Fund Documents”).

Source Capital originates and recommends investment opportunities for the Funds; identifies, structures, monitors, and evaluates portfolio company investments; recommends the manner and timing of dispositions of portfolio company investments; and provides other services including certain administrative services, such as periodic reporting, performed in connection with the operation of the Funds.

The Funds are structured to be exempt from registration under the Securities Act of 1933, as amended (the “Securities Act”), and the Investment Company Act of 1940, as amended (the “Investment Company Act”). Accordingly, interests in the Funds are offered and sold exclusively to investors satisfying applicable eligibility and suitability requirements.

Source Capital and its relying advisers had regulatory assets under management of approximately \$475,414,458 million as of December 31, 2025.

Item 5 – Fees and Compensation

Source Capital and/or its affiliates are entitled to receive management fees for providing investment management and advisory services to certain Funds. Currently, management fees equal to 2% per annum of the total capital commitments made by limited partners during the Fund’s investment period are paid by Source Capital Credit Opportunities Fund III, LP. Additional funds may pay management fees in the future. After the investment period, management fees are calculated as 2% of the aggregate capital contributions made by limited partners for investments that remain unrealized (or the unrealized portion of partially realized investments). Management fees are paid quarterly in advance. Source Capital reserves the right to waive all or a portion of the management fee.

In addition to management fees, the general partners or managing members of the Funds are entitled to receive carried interest or incentive allocations from each Fund, which vary by Fund, and are generally subject to a hurdle rate. Source Capital's carried interest is subject to claw-back provisions and detailed allocation and distribution terms outlined in the relevant fund Documents. Carried interest charges range from 10% to 30%, may be tiered based on the magnitude of gains, and are dependent on the positive performance of the portfolio companies.

In connection with certain portfolio company investments, Source Capital or its affiliates may receive fees from portfolio companies. These fees are separate from the management fee and carried interest described above and are paid directly by the portfolio company. These fees compensate Source Capital for services provided in connection with the origination, structuring, closing, or monitoring of the investment. Fees paid by portfolio companies (or potential portfolio companies in the case of break-up fees) offset the management fee in some cases by an amount specified in the fund's operating agreement or are retained in some cases by Source Capital or its affiliate that receives the fee.

Detailed information on fees charged to the Funds can be found in the Fund Documents. In addition to management fees and carried interest allocations, limited partners indirectly bear fees and expenses associated with acquiring or selling portfolio investments paid to third parties, as well as direct fund-level fees and expenses. These expenses vary but include legal, consulting, insurance, and accounting fees, taxes, bank fees, insurance premiums, deal-related expenses, costs associated with Source Capital personnel meeting with portfolio companies, indemnifications, and other expenses allowed under the Fund Documents.

Source Capital does not use third-party fund administrators for its fund accounting, but may choose to do so in the future, incurring administration expenses. Investors also bear compliance consulting fees and ongoing compliance-related expenses like email retention services.

Certain fund-level expenses, such as insurance premiums covering directors and officers liability, employment practices liability, professional liability, and identity fraud reimbursement extend beyond managing the Funds and are bundled under private equity fund liability insurance. Source Capital allocates a portion of this coverage to the Funds, introducing a potential conflict of interest.

Source Capital does not seek reimbursement from the Funds for general overhead costs. Investors should carefully review the Fund Documents to fully understand the fees and expenses paid directly or indirectly by the Funds. Source Capital ensures fair and equitable expense allocation across Funds, typically on a pro rata basis based on Fund assets or another method deemed fair by Source Capital.

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

As noted in “Fees and Compensation” above, the Funds pay a carried interest of up to 30%. The carried interest is calculated based on net investment income and the profits generated from the sale or disposition of Fund assets. Carried interest is paid to a Source Capital affiliate. Carried interest creates an incentive for Source Capital or the general partner of the relevant Fund to make more speculative investments and make different decisions regarding the timing and manner of the realization of such investments, than would be made if such carried interest were not allocated to a Source Capital affiliate. Carried interest is generally subject to claw-back provisions and such other more detailed provisions set forth in the Funds offering and organizational documents.

Item 7 – Types of Clients

Source Capital provides investment management and advisory services to the Funds which are exempt from registration under federal securities regulations pursuant to either Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act. Investment management services and advice are provided directly to the Funds, subject to the direction and control of the Source Capital affiliate that serves as the relevant Fund's general partner. Investment advice is not provided individually to the investors in the Funds. The stated minimum capital commitment for the investors in the Funds varies by offering, although Source Capital and the

general partner has the authority to waive (and has waived in the past) these minimum commitment requirements.

Investors are required to make certain representations when investing in a Fund. These representations include, but are not limited to representations that (i) the investor has the capacity and authority to enter into the relevant legal documents and has validly executed and delivered such documents, (ii) the investor is an “accredited investor” as such term is defined under Regulation D promulgated under the Securities Act, (iii) the investor is a “qualified client” as such term is defined in Rule 205-3 under the Advisers Act (subject to periodic adjustment by the SEC for inflation), and that (iv) the investor will make, and has sufficient funds to make, capital contributions in accordance with the relevant Fund documents.

The Funds and/or Source Capital are permitted to and have entered into separate agreements, commonly referred to as “side letters,” with certain investors that have the effect of establishing rights under, or altering or supplementing the terms of, the relevant Fund Documents in order to meet certain requirements of the applicable investor. Side letters generally include, among other provisions, “most favored nation” clauses; supplemental or modified reporting or disclosure rights; provisions addressing specified laws or regulations applicable to the relevant limited partner; understandings regarding certain permitted transfers of limited partner interests; acknowledgement of interest in co-investment opportunities; fee modifications; and membership on the advisory boards of the Funds. Source Capital will not be required to notify, or provide copies to, all of the other investors of any such side letters or any of the rights and/or terms or provisions thereof, nor will Source Capital be required to offer such additional and/or different rights and/or terms to all of the other investors. Certain investors are provided, through such side letters, with “most favored nation” status and will be notified of side letters with other investors and can elect to receive terms which are the same or better than other investors.

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

Private Equity

For private equity investments, Source Capital’s investment strategy focuses on acquiring controlling or significant non-controlling positions in lower middle market companies in the United States. Source Capital typically targets investment opportunities between \$1 million to \$50 million in size in the business services, healthcare services, niche manufacturing, consumer products and services, tech-enabled services, industrial services and value-added distribution industry sectors.

Source Capital looks for certain key characteristics in a prospective investment opportunity, including (i) revenue greater than \$10 million, (ii) EBITDA greater than \$2 million, (iii) a talented management team, (iv) strong growth potential and (v) high free cash flow. While these criteria serve as general guidelines for Source Capital’s investment approach, actual investments may vary based on specific opportunities and market conditions.

Source Capital also evaluates potential exit alternatives for prospective portfolio company investments as part of its pre-acquisition due diligence process. Final decisions regarding exit timing and methods are based on each portfolio company’s particular business plan as well as the economic, market or industry trends along with an assessment of the current capital market conditions.

Post-investment, Source Capital monitors portfolio companies closely, regularly working with management and regularly receiving performance updates. Furthermore, Source Capital personnel serve on the board of directors of its portfolio companies. This contact is intended to permit Source Capital to assess opportunities for portfolio company growth, identify the optimal realization point and find suitable exits.

Risk Factors

The investment strategies pursued by Source Capital involve a number of significant risks. Such investment strategies are not intended to be utilized as complete investment programs. They are designed for sophisticated investors who fully understand and are capable of bearing the risk of such investments. Investment risks include, but are not limited to, the following:

The investment strategies pursued by Source Capital tend to involve making illiquid private investments in a single or a relatively small number of investments. As a result, Source Capital investments may not be transferred without the prior consent of such entity's board of directors, and the satisfaction of certain other conditions. Investors must be able and prepared to maintain their investments in such entity over the entire life of such investment vehicle.

Investments are passive investments. Third party investors have no control over the day-to-day operations of such vehicles and limited rights to protect themselves if they are dissatisfied with the manner in which the portfolio company is being operated. Third party investors will be highly dependent on the investing skills and management abilities of Source Capital to achieve success.

The valuation of the investments in which Source Capital invests relies heavily on business judgment. There can be no assurance that Source Capital will be able to realize its investment in an investment at a price that is commensurate with the value at which such investment has been carried.

Source Capital uses leverage in connection with some or all of its investments, and some or all of the portfolio companies utilize a leveraged capital structure. In such cases, a third party may be entitled to cash flow generated by such assets prior to Source Capital and the investors receiving a return. Leverage may increase returns, but it also will increase the risk of loss with respect to an investment. If a Source Capital portfolio company defaults on secured indebtedness, a lender may foreclose, and Source Capital could lose the entire asset that constitutes security for such loan.

Each portfolio company is managed in a manner that is consistent with the best interests of investors, but which is not necessarily consistent with the best interests of each individual investor. For example, Source Capital may structure investments so as to maximize tax efficiency for investors, but which may not be the most tax advantageous structuring possible for an individual investor, depending on that investor's own particular facts and circumstances.

The competition for sourcing investments and add-on acquisitions is becoming increasingly robust. There can be no assurance that Source Capital will be able to source a sufficient number of suitable investments at reasonable valuations to achieve its investment objective.

Source Capital's business depends heavily on the continued involvement of its investment team and other senior personnel. Should such personnel leave Source Capital, this could have a material adverse effect on Source Capital's ability to successfully manage its investment program.

Source Capital and its affiliates and service providers are subject to risks associated with a breach in cybersecurity. Cybersecurity is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs and data from both intentional cyber-attacks and hacking by other computer users, as well as unintentional damage or interruption that, in either case, can result in damage and disruption to hardware and software systems, loss or corruption of data and/or misappropriation of confidential information. Cybersecurity attacks are evolving and include, but are not limited to, malicious software, attempts to gain unauthorized access to data, and other electronic security

breaches that could lead to disruptions in critical systems, unauthorized release of confidential or otherwise protected information, including, without limitation, information regarding investors and Source Capital's investment activities and corruption of data. Damage or interruptions to information technology systems may cause losses to Source Capital or its investors, including, without limitation, by interfering with the processing of transactions, affecting Source Capital's or affiliates' ability to conduct valuations or impeding or sabotaging trading. Source Capital may also incur substantial costs as the result of a cybersecurity breach, including those associated with forensic analysis of the origin and scope of the breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, litigation, adverse investor reaction, the dissemination of confidential and proprietary information and reputational damage. Any such breach could expose Source Capital and its affiliates to civil liability as well as regulatory inquiry and/or action. Investors could also be exposed to losses resulting from unauthorized use or dissemination of their personal information.

A public health crisis (similar to the COVID-19 pandemic), geopolitical developments (such as armed conflicts, other wars, global superpower competition, sanctions, cyberattacks, embargoes and nationalization of assets) and other financial market developments, such as inflation or a rising interest rate environment), can have unpredictable and adverse impacts on global, national and local economies, which can in turn negatively impact investment performance. Disruptions to commercial activity (such as the imposition of quarantines, shipping, flight or export bans, or other restrictions) or, more generally, a failure to contain or effectively manage any such crisis, may adversely impact the businesses of a Source Capital's portfolio companies. In addition, such disruptions can negatively impact the ability of Source Capital personnel to effectively identify, monitor, operate and dispose of investments. Finally, such events may contribute to extreme volatility in financial markets. Such volatility could adversely affect the ability to raise capital for potential investments, find financing for portfolio companies or identify potential purchasers of Source Capital's investments, all of which could have a material and adverse impact on Source Capital's performance. The impact of any such crisis (or any such future event) is difficult to predict and presents material uncertainty and risk with respect to Source Capital's performance.

Private Equity Investments

The portfolio companies in which Source Capital invests are subject to significant risks, including strategic, financial or other challenges. Some of these portfolio companies are highly leveraged and exit strategies may be uncertain at the time an investment in the portfolio company is made. The success of these investments is highly dependent on the ability of management of the portfolio companies to successfully navigate these and other challenges.

Item 9 – Disciplinary Information

Neither Source Capital nor any of its officers or employees have been involved in any legal or disciplinary events in the past 10 years that would require disclosure.

Item 10 – Other Financial Industry Activities and Affiliations

Source Capital provides investment management and administration services to the Funds based on authority delegated by each Fund's general partner or managing member. General partners and managing members of the Funds that are affiliated with Source Capital include:

- Thomas S. Harbin, III
- Benjamin Emmons
- Katherine Harbin

- Matthew Smith
- Samuel Allen
- Ryan Berg
- Source Capital Credit Opportunities Partners III, LLC
- Source Capital Credit Opportunities Partners IV, LLC
- Source Capital Credit Opportunities Partners V, LLC
- Source Capital Mezzanine Partners I, LLC
- Source Capital Mezzanine Partners II, LLC
- TBP SPV GP, LLC

The general partners are subject to Source Capital’s regulatory oversight and its Code of Ethics (see “Code of Ethics, Participation or Interest in Client Transactions and Personal Trading” below) together with its other compliance policies and procedures as adopted by Source Capital pursuant to the requirements of the Investment Advisers Act of 1940 (the “Advisers Act”). Source Capital officers and personnel serve as dual personnel of both Source Capital and one or more of the general partners and, as a result, Source Capital treats all officers and other personnel of the general partners as its “associated persons” and access persons for purposes of the Advisers Act.

The following affiliates of Source Capital operate as exempt reporting advisers and are under common control with Source Capital:

- Source Capital Credit Opportunities Advisors IV, LLC, a Delaware limited liability company; and
- Source Capital Credit Opportunities Advisors V, LP, a Delaware limited partnership

The relying advisers of Source Capital, LLC are:

- Source Capital Credit Opportunities Advisors III, LLC, a Delaware limited liability company;
- Source Capital Mezzanine Advisors, LLC, a Delaware limited liability company;
- Source Capital Mezzanine Advisors II, LLC, a Delaware limited liability company; and
- TBP SPV GP, LLC, a Delaware limited liability company

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

Source Capital has adopted a Code of Ethics (the “Code”) pursuant to Rule 204A-1 under the Advisers Act that is predicated on the principal that Source Capital owes a fiduciary duty to its clients. Accordingly, employees of Source Capital must disclose or avoid activities, interests, and relationships that run contrary (or appear to run contrary) to the best interest of clients. To avoid any potential conflicts of interest, Source Capital’s Code requires employees to, among other things:

- Act with integrity and in an ethical manner;
- Use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, promoting Source Capital’s services, and engaging in other professional activities;
- Avoid or disclose any actual or potential conflicts of interest;
- Conduct all personal securities transactions in a manner consistent with Source Capital’s Code; and
- Comply with applicable provisions of the federal securities laws.

Source Capital's Code also requires access persons to, among other things: (i) pre-clear certain personal securities transactions, (ii) report personal securities transactions on at least a quarterly basis, and (iii) provide Source Capital with a detailed summary of certain holdings (both initially upon commencement of employment and annually thereafter) over which such access persons have a direct or indirect beneficial interest.

The Code shall be provided to any investor or prospective investor upon request.

Source Capital and/or the relevant Fund general partner or managing member will participate in a Fund's investment program through an agreed capital commitment as specified in the relevant Fund Documents. Therefore, Source Capital, its affiliates, certain Source Capital employees, and/or related entities or persons of the foregoing will have direct or indirect investments in the Funds and will participate economically in transactions effected for the Funds.

Item 12 – Brokerage Practices

The Funds managed by Source Capital invest primarily in privately negotiated transactions. The Funds therefore do not make regular use of broker-dealers for the purposes of purchasing or selling securities and commissions are not ordinarily payable in connection with Fund investments.

Source Capital does not participate in any soft dollar arrangements with any broker.

Item 13 – Review of Accounts

The investment portfolios of each Fund are generally private, illiquid, and long-term in nature. All investments are carefully reviewed and approved by the Investment Committee. The progress of all portfolio companies is carefully monitored on a regular basis and is subject to ongoing supervision and review by Source Capital's investment professionals. Source Capital also periodically meets with portfolio company management and reviews periodic reports produced by portfolio company management. Additionally, Source Capital monitors and manages the performance of the underlying portfolio companies in the Funds through, for example, representation on the portfolio companies' boards of directors and further advises the portfolio companies' management teams on financial, operating, and strategic matters during the terms of the portfolio investments, as appropriate.

The Funds' investors typically receive quarterly reports summarizing the business results of each portfolio investment and financial status of the Fund, annual audited financial statements, and information reasonably necessary for the preparation of income tax returns. Information relating to each new investment is communicated to limited partners in the applicable capital call notice. Distribution notices will also contain information regarding the applicable investment(s).

Item 14 – Client Referrals and Other Compensation

Source Capital does not directly or indirectly compensate any person who is not an employee for investor referrals.

Source Capital or its affiliates charge portfolio companies transaction fees, monitoring or management fees, commitment fees, consulting fees and other similar fees. In accordance with the relevant Fund Documents, a portion of these fees received by Source Capital or its affiliates will, in some cases, be applied to reduce the management fee otherwise payable.

Item 15 – Custody

Source Capital has access to Fund accounts since an affiliate serves as the general partner or managing member of the Funds. The Funds are subject to annual audit by a PCAOB registered and inspected independent public accountant. Investors in each Fund are provided with annual audited financial statements, prepared in accordance with U.S. GAAP, within 120 days of such Fund's fiscal year end.

Item 16 – Investment Discretion

Consistent with the terms and conditions of the Fund Documents, Source Capital has discretionary authority to determine, without obtaining specific consent from the Funds or their investors, the investments to be made or disposed of by the Funds.

Item 17 – Voting Client Securities

A majority of the portfolio companies held by the Funds are private companies which typically do not issue proxies. However, in the event proxies are required to be voted, Source Capital will:

- Vote proxies in the best interest of its clients and not its own interests.
- Vote proxies in a manner that it believes will maximize the economic benefits to the client and promote sound corporate governance by the issuer.
- Seek to avoid material conflicts of interest between the interests of Source Capital on the one hand and the interests of the Funds on the other.

If any employee identifies a material conflict of interest in connection with a proxy solicitation, the Chief Compliance Officer ("CCO") must be informed and will work with the deal team to resolve such conflicts of interest in the best interest of the Funds. The CCO will retain documentation describing the material conflict of interest and the resolution.

A number of Source Capital's investment professionals serve as board members for the Funds' portfolio companies. In situations where Source Capital votes the proxy for a company in which an employee of Source Capital serves on the board of directors, Source Capital has determined that such situations do not inherently present a conflict of interest in light of the fact that the purpose for serving on the board is to maximize the return on the relevant Fund's investment and to ensure that the Fund's interests are protected.

Source Capital has adopted proxy voting policies and procedures to address how it will vote proxies. Investors that would like a copy of the proxy voting policy and procedures or information regarding how Source Capital voted proxies for particular portfolio companies may contact the Source Capital Chief Compliance Officer at (404) 844-5381.

Item 18 – Financial Information

Source Capital does not require or solicit prepayment of fees six months or more in advance. Source Capital does not have any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients.