



Black Swift Group, LLC

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This Form ADV 2A ("Brochure") provides information about the qualifications and business practices of Black Swift Group, LLC (the "Adviser"), a registered investment adviser located in the state of Colorado. If you have any questions about the contents of this Brochure, please contact Black Swift at (303) 955-4381 or email compliance@blackswiftgroup.com. The information in this Brochure has not been approved or verified by the U.S. Securities and Exchange Commission ("SEC") or by any state securities authority.

This brochure does not constitute an offer, solicitation, or recommendation to sell or an offer to buy any securities, investment products or investment advisory services. Such an offer may only be made to eligible persons by means of delivery of account documents and other similar materials that contain a description of the material terms relating to such securities, products, or services.

Black Swift Group, LLC is registered with the SEC. However, this registration, while required by law, does not indicate any established level of skill or training on our part. Additional information about Black Swift Group, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2: MATERIAL CHANGES

This document serves as the Adviser's Brochure as of March 22, 2024, and amends the brochure dated April 28, 2023. The changes to the Brochure include nonmaterial changes made in various sections for clarification.

We encourage all current and prospective clients and investors to carefully review this Brochure in its entirety.

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ITEM 4: ADVISORY BUSINESS

Black Swift Group, LLC (“Black Swift” or “Adviser” or “Firm”) is a registered investment adviser with the Securities and Exchange Commission (“SEC”). Black Swift was formed in 2016 and is organized as a Colorado limited liability company. Black Swift is headquartered in Boulder, Colorado and is principally owned and controlled by Greg Casals, the Managing Member of Black Swift.

Black Swift provides investment management services primarily for high-net-worth individuals, corporations, trusts, foundations, and other entities through separately managed accounts (“SMA”). Black Swift also provides investment advisory services to five private funds, the Black Swift Special Situations Fund, LP, the Black Swift Healthier Focus Fund, LP, the Black Swift Partners Fund, LP, the Pro Cyclist Fund, LP, and the Pro Cyclist Institutional Fund, LP, collectively referred to as the “Funds.” The Funds are structured as U.S. Limited Partnerships. Collectively, Funds and SMAs are referred to as “Accounts.”

SMAs

We serve as investment manager to clients with respect to assets held in SMAs in accordance with the terms, conditions and limitations set forth in the applicable investment management agreement with each client. As part of these services, we (i) establish each client’s investment objectives after considering such factors as the client’s investment time horizon, liquidity needs and risk tolerance; (ii) buy and sell portfolio securities on our clients’ behalf and, from time to time, reallocate the securities in our clients’ portfolios; and (iii) periodically meet with our clients regarding their portfolio holdings and their holdings’ valuation, their transactions and their portfolio’s performance.

The equity securities we select for our clients derive from our equity strategy which consists of a sector allocation approach. Within this diversified equity approach, we compose our equity sector choices based on a top-down approach, utilizing index sector baskets or individual equities which capture sector and economic trends. Fundamental analysis, or a bottom-up approach to investing can also be used in tandem to our top-down research. Fixed income investments are utilized to enhance portfolio return or provide portfolio income. Securities such as closed-end funds, structured credit, corporate credit, treasury, agency, or other credit securities may be utilized for portfolio construction. Alternative investments, such as investments in private funds including Black Swift’s Funds, or other niche investments strategies may be utilized as satellite strategies to provide further diversification. Derivative securities, such as options, may be used to hedge investment exposure, or to more efficiently utilize capital.

Our services and processes are designed to determine and address each client’s specific investment needs and objectives through a series of meetings with that client designed to collect information as to his or her investment and financial circumstances and objectives, investment time horizon and risk tolerance. The client may also impose restrictions on our ability to implement particular types of transactions or strategies on his or her behalf. We maintain for each SMA, a risk tolerance questionnaire that is updated on a periodic basis as needed.

Funds

An affiliate of Black Swift, Black Swift Partners, LLC (“Black Swift Partners”), a Delaware limited liability company, serves as general partner to the Black Swift Special Situations Fund, LP, the Black Swift Partners Fund, LP, the Pro Cyclist Fund, LP, and the Pro Cyclist Institutional Fund, LP. Black Swift Partners has sole

and complete discretionary authority to manage the funds and has delegated investment authority over the assets of the funds to Black Swift.

The Black Swift Special Situations Fund, LP invests in niche credit and equity investments. The Fund may also invest in other investment securities including, but not limited to: fixed income investments, equities, ETFs, options and private investments including limited partnership investments in real estate. The Fund has the ability to employ leverage and invest in derivative instruments.

The Black Swift Partners Fund, LP seeks capital appreciation principally through investing in investment funds managed by third-party investment managers primarily focused on investing long and short in equity securities. The Fund may adjust market or risk exposure by entering into transactions using both long and short ETFs, fixed income, single stocks, mutual funds or closed-end funds, or derivatives such as total return swaps, options and futures.

The Pro Cyclist Fund, LP and the Pro Cyclist Institutional Fund, LP, invests primarily in equities and ETFs, and has the ability to establish short positions in both index ETFs and single stocks, employ leverage and invest in derivative instruments. The fund may also invest in private investments, and other investment securities including, but not limited to fixed income investments and closed-end funds.

Black Swift Group, LLC is the general partner to Black Swift Healthier Focus Fund, LP. Black Swift has sole and complete discretionary authority to manage the Black Swift Healthier Focus Fund, LP and has investment authority over the assets.

The Black Swift Healthier Focus Fund, LP invests primarily in equities and ETFs, and has the ability to establish short positions in both index ETFs and single stocks, employ leverage and invest in derivative instruments. The fund may also invest in private investments, and other investment securities including, but not limited to fixed income investments and closed-end funds.

Complete information concerning the Funds, including advisory fees, minimum account requirements (if any) and termination provisions, is disclosed in the Funds' offering documents.

Assets under Management

As of February 29, 2024, Black Swift manages \$467,575,192 of assets on a discretionary basis. Black Swift does not currently manage any assets on a non-discretionary basis.

ITEM 5: FEES AND COMPENSATION

In consideration of our advisory services, we generally receive management fees from our clients. The fees applicable to each client are described in detail in the applicable account documents. A brief summary of our basic fee schedule is below.

Investment Management Fees – SMAs

Annualized Fees

Clients are charged 1% on assets under management, subject to a minimum quarterly fee.

We may negotiate the amount of management fees depending upon circumstances of each client including, but not limited to, account composition and complexity, and other client, employee or family relationships, which may result in different fees being charged for client accounts similar in composition and objectives. Our employees and their family-related SMAs may be charged a reduced fee for our services.

The SMA custodian may charge fees, which are in addition to and separate from advisory fees. SMAs may incur transaction costs and other fees. Clients should note that fees for comparable services vary and lower or higher fees may be charged by different providers for similar services.

Either party may terminate the advisory agreement with 45 days written notice. Fees are prorated through the date of termination.

With respect to the SMAs, the advisory fee is payable quarterly in advance within ten days of the start of the quarter. The fee will be a percentage of the market value of all assets in the Account, with short positions valued at their absolute value, on the last day of the previous calendar quarter. The custodian is instructed by the Adviser to debit our fee directly from the SMA. The custodian will pay the amount communicated by us and is under no obligation to verify our fees. Internal audits are conducted periodically by the Adviser to confirm that the fees charged on the SMAs were correct. Any discrepancy found between the fees charged and the results of the audit will be offset in the subsequent billing cycle. Clients receive periodic statements from their custodian showing the amount of fees charged and are encouraged to confirm the accuracy of the charges. If a client's relationship with us begins or ends on any date other than the last day of a calendar quarter, such client's fees are generally prorated for the appropriate number of days completed or remaining in the quarter.

In addition to management fees, clients are responsible for all brokerage commissions or other fees or charges associated with securities transactions implemented with or through a brokerage firm, stock exchange fees and other charges mandated by law or regulation. We do not receive any portion of any of the foregoing expenses or fees. "Brokerage Practices", below, further describes the factors that Black Swift considers in selecting broker-dealers for transactions and determining the reasonableness of their compensation (e.g., commissions).

Clients should understand that mutual funds, exchange traded funds, private funds, or other investment products in which client assets may be invested by us or by others, impose separate investment

management fees and other operating expenses, described in such fund's prospectus or private placement memorandum, for which the client will be charged separately from the fee paid to us.

Clients should be aware that similar or comparable services may be available from other firms including other investment management firms at a cost higher or lower than that available through us.

Investment Management Fees – Funds

The Black Swift Special Situations Fund, LP, the Black Swift Partners Fund, LP, and the Pro Cyclist Institutional Fund, LP, pay the Adviser an annual management fee (the "Management Fee"), which is generally equal to one percent (1%) of the net asset value of each investor's interest in such Funds. For the Pro Cyclist Fund, LP, qualified investors, as determined by the applicable subscription documents and in accordance with 205-3 under the U.S. Investment Advisers Act of 1940, pay the Adviser one percent (1%), and non-qualified investors pay the Adviser two and a half percent (2.5%) of the net asset value of each investor's interest in the Fund. The Black Swift Healthier Focus Fund, LP pays the Adviser an annual management fee of one and one quarter percent (1.25%) of the net asset value of each investor's interest. Black Swift may reduce or eliminate the Management Fee applicable to any investor in its sole discretion. The Management Fee is payable by the Black Swift Healthier Focus Fund, LP, the Black Swift Special Situations Fund, LP, the Black Swift Partners Fund, LP, the Pro Cyclist Fund, LP, and the Pro Cyclist Institutional Fund, LP to the Adviser monthly in advance.

Additionally, with respect to the Black Swift Special Situations Fund, LP, and the Black Swift Partners Fund, LP, Black Swift Partners LLC, the General Partner of the Funds, an affiliate of the Adviser, will generally receive an annual performance-based allocation (the "Performance Allocation") of ten percent (10%) of each investor's allocable share of net profits for the fiscal year of each Fund. For the Pro Cyclist Fund, LP and the Pro Cyclist Institutional Fund, LP, the Performance Allocation payable to Black Swift Partners LLC is twenty percent (20%) of each investor's allocable share of net profits for the fiscal year of the Fund. In each case, the Performance Allocation is subject to a high-water mark. The Performance Allocation may be waived or reduced by Black Swift in its sole discretion. Additionally, the Adviser has the ability to waive the Performance Allocation with respect to any investor in a Fund, and may do so for legal, regulatory or other reasons. For example, with respect to certain Funds exempt from regulation under the 1940 Act, pursuant to section 3(c)(1) thereof, the Performance Allocation will not be charged to investors who do not satisfy applicable requirements of Rule 205-3 under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act").

Each Fund will generally bear its own expenses. In addition to the fees discussed above, such expenses may include, but are not limited to: (i) organizational and offering expenses; (ii) expenses incurred in connection with investments and prospective investments, including the cost of obtaining Research Products and Services (as defined below), travel-related costs and brokerage commissions; (iii) expenses incurred in connection with the ongoing operations of the Fund (including, to the extent allocable to such Fund, such expenses incurred by Black Swift and its affiliates) including legal and compliance expenses (which may include expenses related to regulatory filings made on behalf of the Fund), administrative expenses, expenses incurred in connection with marketing, reporting, accounting and audits, registration fees and insurance expenses; (iv) custodial fees; (v) interest; (vi) expenses incurred in respect of research, statistical, market data and trading and portfolio management services and software; (vii) expenses incurred in respect of obtaining and maintaining one or more insurance policies; and (viii) certain extraordinary expenses, such as litigation expenses.

“Research Products and Services” refers to services provided by brokers or dealers which provide appropriate assistance to Black Swift in the investment decision-making process, which include advice as to the value of securities, the advisability of investing in, purchasing or selling securities, financial publications, electronic market quotations, performance measurement services, providing information regarding the availability of securities and potential buyers or sellers of securities, and furnishing analyses and reports concerning issuers, industries, securities, economic factors and trends, and portfolio strategy. Research Products and Services may also include access to computer databases, market data services, and research-oriented computer software and other services.

As discussed above, Black Swift’s Funds also bear brokerage expenses and other transaction costs. The factors that Black Swift considers in selecting broker-dealers for transactions and determining the reasonableness of their compensation (e.g., commissions) is defined further in “Brokerage Practices.” Additional information about each Fund, as well as the fees and expenses charged to investors by such Fund, is provided in the Fund’s offering documents.

Current and prospective investors in the Funds should refer to the private placement memorandum or other offering documents of the respective Fund for detailed information with respect to the fees and expenses they may pay in connection with an investment in such Fund. The information contained herein is a summary only and is qualified in its entirety by such documents.

Valuation of Securities in Determining Fees

As described above, Investment Management Fees for Fund accounts are based on the net asset value of each Fund and the value of each Fund. Performance based fees for the Funds, including the Performance Allocation, are based on the increase in the net asset value of our client’s accounts, including unrealized gains on securities held in those accounts. These valuations are in turn based on the valuation of the securities held in accounts, which may include over the counter securities that are difficult to value. Black Swift is responsible for determining the value of each security. Black Swift has an incentive to value these securities at a higher price than could be achieved in the market to increase our fees. To manage and mitigate this conflict of interest, Black Swift has developed a valuation policy that it believes is fair and equitable.

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

As referenced above in “Fees and Compensation”, the general partner or one or more of its affiliates, may be entitled to a Performance Allocation from the Black Swift Special Situations Fund, LP, the Black Swift Partners Fund, LP, the Pro Cyclist Fund, LP, or the Pro Cyclist Institutional Fund, LP. Black Swift has developed and implemented procedures, including detailed allocation procedures, to ensure that, over time, all Accounts are treated fairly and equitably and to prevent conflicts from unduly influencing the allocation of investment opportunities among the Accounts. For a description of the allocation procedures, see “Aggregation and Allocation of Orders.” The use of performance-based compensation generally will create an incentive for Black Swift: 1) to choose an investment strategy carrying a higher degree of risk to increase performance by the Funds; or 2) to allocate client investments to the Funds. Black Swift manages portfolios for SMAs which are not charged a performance-based fee, and therefore, has an incentive to favor accounts which have a performance-based fee in the allocation of investments. Black Swift works to fulfill its fiduciary duty to all Accounts despite such incentives.

Current and prospective investors in the Funds should refer to the private placement memorandum or other offering documents of the respective Fund for detailed information with respect to the fees and expenses they may pay in connection with an investment in such Fund. The information contained herein is a summary only and is qualified in its entirety by such documents.

ITEM 7: TYPES OF CLIENTS

Black Swift offers investment management services to individuals, estates, corporations, trusts, foundations and other entities. Generally, Black Swift intends its SMA client relationships to have a minimum of USD \$1,000,000 of assets under management. Black Swift may accept SMAs below the minimum requirements or may retain accounts that have dropped below this minimum requirement due to changes in asset prices. SMAs that have family, corporate or other relationships may be aggregated for purposes of the minimum account requirement.

The conditions for becoming an investor in each of the Funds managed by Black Swift, including the minimum investment, are set forth in the offering documents for each Fund. The minimum investment is currently \$500,000. Black Swift generally has the discretion to waive such minimums, subject to compliance with applicable law.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Methods of Analysis and Investment Strategies

SMAs

We use several methods of investment analysis and several investment strategies in connection with the services to our clients. Our primary method of investment analysis is fundamental analysis, which is the analysis of conditions and factors such as global economic cycles, geo-political developments, business trends, market conditions, valuations, and a company's financial statements, its management, competitive advantages, markets, among other factors.

We may recommend investments in, among other things, equity securities such as exchange listed securities, securities traded over the counter and foreign issues, warrants, debt securities of corporations and similar entities, certificates of deposit, municipal and government securities, investment company securities such as mutual fund shares including exchange traded funds, and options contracts on securities. In addition to publicly traded securities, we may use private investment funds or other alternative investment satellite strategies. Our investment strategies include long-term purchases (securities generally held for at least a year) and short-term purchases (securities generally held for less than a year).

We may manage numerous portfolios with similar or identical investment objectives or may manage portfolios with different objectives that may trade in the same securities. Despite such similarities, portfolio decisions relating to client investments and the performance resulting from such decisions may differ from client to client. Black Swift will not necessarily purchase or sell the same securities at the same time or in the same proportionate amounts for all eligible clients, particularly if different clients have selected different investment profiles, have materially different amounts of capital under management or different amounts of investable cash available. In certain instances, such as purchases of less liquid publicly traded securities or oversubscribed public offerings, it may not be possible or feasible to allocate a transaction pro rata to all eligible clients, especially if clients have materially different sized portfolios. Therefore, not all clients will necessarily participate in the same investment opportunities or participate on the same basis.

Funds

Black Swift Special Situations Fund, LP

Black Swift Special Situations Fund, LP invests in niche credit and equity investments, and may include real estate limited partnerships. The Fund may also invest in other fixed income investments, exchange traded equities, and private investments including limited partnership investments. The Fund has the ability to employ leverage and invest in derivative instruments.

Black Swift Healthier Focus Fund, LP

The Black Swift Healthier Focus Fund, LP seeks to provide long-term capital appreciation by investing in securities such as stocks, bonds, exchange traded funds ("ETFs"), and derivatives, that create a diversified

portfolio of investments. The fund attempts to limit downside risk using sector and broad market hedging and shorting of individual stocks.

Black Swift Partners Fund, LP

The Black Swift Partners Fund, LP seeks capital appreciation principally through investing in investment funds managed by third-party investment managers primarily focused on investing long and short in equity securities. The Fund may adjust market or risk exposure by entering into transactions using both long and short ETFs, fixed income, single stocks, mutual funds or closed-end funds, or derivatives such as total return swaps, options and futures.

Pro Cyclist Fund, LP

Pro Cyclist Institutional Fund, LP

The Pro Cyclist Fund, LP and the Pro Cyclist Institutional Fund, LP, seek to provide long-term capital appreciation, primarily through investments in liquid assets such as stocks, bonds, exchange-traded funds, mutual funds, money market funds, options, cash and cash-like securities with the objective of limiting overall portfolio volatility and preserving capital in times of adverse market conditions. Black Swift donates a portion of the management fees of the Fund every year to the Pro Cyclist Foundation, a 501(c)(3) nonprofit tax-exempt charitable organization. This annual donation creates a recurring source of funding for the Foundation, and allows investors to support the Foundation by selecting the Fund as an investment allocation for their portfolio.

General Risks

Reliance on Key Personnel. The investment operations of Black Swift are substantially dependent upon the skill, judgment and expertise of Mr. Casals. The death, disability or other unavailability of Mr. Casals could be material and adverse to clients. Black Swift maintains a succession plan for key personnel.

Affiliated Clients. Black Swift and its affiliates manage Accounts that pursue similar investment strategies and may hold overlapping investments. Negative developments regarding the investments or other aspects of one or more Accounts, dispositions by any such Account of investments also held by other Accounts or significant withdrawals from any such Account may have an adverse effect on other Accounts.

Withdrawals or Redemptions. To the extent that Accounts hold overlapping investments, withdrawals or redemptions by certain investors could require the liquidation of securities positions more rapidly than would otherwise be desirable, which could adversely affect the value of the interests of both the withdrawing or redeeming investors and the remaining investors participating in the same Funds or other SMAs by potentially requiring liquidations of certain positions by one or more Accounts (which could serve to diminish the value of such positions for Accounts that continue to hold them), satisfying the available demand in the market, thus impairing the ability of an Account to liquidate its investments or in certain instances forcing the applicable Account to liquidate positions at a time other than when Black Swift would elect to do so. Any such withdrawal, redemption or liquidation may have a material adverse effect on an Account.

Risks Associated with Use of Brokers. Black Swift is responsible for choosing the brokers, dealers and other counterparties used for each Account's securities transactions. Although various legal protections are intended to preserve the net claims that a client may have in relation to a U.S. broker-dealer, a failure

in the creditworthiness of a broker, dealer or counterparty, or the default, delay or inability or refusal of a broker, dealer or counterparty to perform could nevertheless result in a loss of all or a portion of an Account's investments with or through such broker, dealer or counterparty.

Order Execution. Black Swift seeks to execute orders for all of its Accounts on an equitable basis (taking into account, among other factors, each Account's investment guidelines). Although Black Swift will seek to use brokerage firms that will afford superior execution capability to the Account, there is no assurance that all transactions will be executed with optimal quality.

Portfolio Valuation. Valuations of an Account's portfolio affect the amount of the management fee as well as the subscription and withdrawal/redemption prices received by investors in Funds. Recent disruption and volatility in U.S. and global markets have created challenges in determining the value of investments and recent regulatory pronouncements have changed the way that valuations must be made. For example, a disruption in the secondary markets for an Account's investments may limit the ability of the Account to obtain market quotations for purposes of valuing its investments. Apart from market and regulatory events, the valuation process inherently involves uncertainties and determinations based on subjective judgments. For example, in limited situations third-party pricing information may not be available, or may be deemed incorrect, or inconsistent with market values in regard to certain securities in the portfolio. In addition, material events occurring after the close of a principal market upon which a portion of the securities or other investments of the Accounts are traded may require Black Swift to make a determination of the effect of a material event on the value of the securities or other investments traded on the market for purposes of determining the value of the Account's investments on a valuation date.

Further, because of the overall size and concentrations in particular markets and maturities of positions that may be held by the Account from time to time, the liquidation values of the securities and other investments may differ significantly from the interim valuations of these investments derived from the valuation methods described herein. If the Account's valuation should prove to be incorrect, the value of the investments could be adversely affected. Absent bad faith or manifest error, valuation determinations in accordance with the Firm's valuation policy are conclusive and binding.

Reliance on Technology. Certain Black Swift trading strategies and critical aspects of its operations are reliant on technology, including hardware, software, and telecommunications systems. Significant parts of the technology used in the management of Accounts are provided by third parties and are therefore beyond Black Swift's direct control. Forecasting, trade execution, data gathering, risk management, portfolio management, compliance and accounting systems all are designed to depend upon a high degree of automation and computerization. Although, Black Swift seeks, on an ongoing basis, to ensure adequate backups of software and hardware where possible and Black Swift will attempt to conduct adequate due diligence and monitoring of providers, if such efforts are unsuccessful or inadequate, software or hardware errors or failures may result in errors, data loss and/or failures in trade execution, risk management, portfolio management, compliance, or accounting. Errors or failures may also result in the inaccuracy of data and reporting or the unavailability of data or vulnerability of data to the risk of loss or theft. Errors may occur gradually and once in the code may be very hard to detect and can potentially affect results over a long period of time. If an unforeseeable software or hardware malfunction or problem is caused by a defect, virus or other outside force, Black Swift may be materially adversely affected and may potentially be exposed to theft (of data or other assets). In addition, a provider may cease operations or be relatively thinly capitalized and Black Swift's ability to be made whole after any loss may be compromised as a result.

Risks Related to Cybersecurity. Black Swift, its service providers, its counterparties and other market participants on whom Black Swift relies increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to a number of different threats or risks that could adversely affect a Black Swift Fund and/or their investors, despite the efforts of Black Swift, its service providers, its counterparties and other market participants on whom Black Swift relies to adopt technologies, processes and practices intended to mitigate these risks and protect the security of their computer systems, software, networks and other technology assets, as well as the confidentiality, integrity and availability of information belonging to Black Swift, clients or their investors. For example, unauthorized third parties may attempt to improperly access, modify, disrupt the operations of or prevent access to these systems of Black Swift, its service providers, its counterparties and other market participants on whom Black Swift relies or data within these systems. Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users of systems to disclose sensitive information in order to gain access to Black Swift's data or that of its investors. A successful penetration or circumvention of the security of Black Swift's systems or the systems of Black Swift's service providers, counterparties or other market participants on whom Black Swift relies could result in the loss or theft of an investor's data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system or costs associated with system repairs. Such incidents could cause Black Swift's clients, Black Swift, their service providers, their counterparties and other market participants on whom Black Swift relies to incur regulatory penalties, reputational damage, additional compliance costs or financial loss. Similar types of operational and technology risks are also present for many portfolio companies, which could have material adverse consequences for such investments, and may cause clients' investments to lose value.

Force Majeure. Black Swift and its clients may be affected by force majeure events (i.e., events beyond the control of the party claiming that the event has occurred, including, without limitation, acts of God, fire, flood, earthquakes, outbreaks of an infectious disease, pandemics or any other serious public health concern, war, terrorism, labor strikes, major plant breakdowns, pipeline or electricity line ruptures, failure of technology, defective design and construction, accidents, demographic changes, government macroeconomic policies, social instability, etc.). Investment advisory activities and Black Swift's operations could be adversely affected by such events outside of Black Swift's control. Black Swift, its clients, their service providers and counterparties may incur expenses, delays, or interruption of critical business functions relating to such events outside of their control, which could have adverse impacts on their respective investment advisory businesses. Such adverse impacts could, in turn, adversely affect the performance of clients.

Market Risks

Market Risks in General. Black Swift's strategies are subject to some dimension of market risk, including, but not limited to, changes in the regulatory environment, "flights to quality," and "credit squeezes." The particular or general types of market conditions in which a client portfolio may incur losses or experience unexpected performance volatility cannot be predicted, and the portfolio may materially underperform other investment funds with substantially similar investment objectives and approaches.

Investment and Trading Risks. Accounts typically invest in and actively trade securities and other financial instruments using strategies and investment techniques with significant risk characteristics, including, but not limited to: risks arising from the volatility of the equity, fixed income and currency markets, the risks

of short sales, the risks of leverage, the potential illiquidity of derivative instruments, the risk of loss from counterparty defaults and the risk of borrowing to meet withdrawal requests. Depending upon the Account, the applicable investment program may utilize such investment techniques as margin transactions, option transactions, short sales, and forward contracts, which practices involve substantial volatility and can, in certain circumstances, substantially increase the adverse impact to which such Account may be subject. No guarantee or representation is made that any Account's investment program or overall portfolio, or various investment strategies utilized, or investments made, will have low correlation with each other or with the U.S. equity market or the U.S. bond market. All Account's investments risk the loss of capital. No guarantee or representation is made that an Account's investment program will be successful, that such Account will achieve its targeted returns or that there will be any return of capital invested, and investment results may vary substantially over time.

Illiquid Investments. Black Swift may invest Accounts in instruments that do not have a significant secondary market. Due to the illiquid nature of many of the positions, as well as the uncertainty of the success of their issuers, Black Swift is unable to predict with confidence what the exit strategy will ultimately be for any given portfolio investment, or that one will definitely be available.

Borrowing and Leverage. Accounts may borrow money to invest in additional securities. This practice significantly increases market exposure and risk. When borrowed money is utilized, investments purchased may increase or decrease in value more than if borrowed money had not been used (possibly by multiples, depending upon the degree of leverage employed at such time). In addition, the interest that must be paid on borrowed money will reduce the amount of any potential gains or increase any losses. The use of leverage may also result in increased management fees charged by Black Swift, as fees are based on the value of the assets at the end of each quarter, with securities held short valued at their absolute value.

Diversification Risk. Certain Account portfolios are concentrated in a limited number of investments. A consequence of a limited number of investments is that the aggregate returns realized by such an Account may be substantially adversely affected by the unfavorable performance of a small number of such investments. Depending upon the investment strategy, investments could potentially be concentrated in relatively few types of securities, industries, or markets. In addition, an Account may not be limited in the proportion of its assets that may be invested in a single issuer, which would increase the impact of adverse movements in the value of the securities of a single issuer upon such Account. Investments in unrated fixed income instruments in which the Funds may invest, while generally providing greater opportunity for gain and income than investments in higher rated instruments, usually entail greater risk. Black Swift has no specified diversification policies as to the percentage of a client's assets that may be invested in any particular security. A client's portfolio may also consist of substantially fewer portfolio investments than anticipated if Black Swift is unable to identify or execute on appropriate opportunities.

Investment Turnover. Black Swift sometimes engages in short-term trading which may involve selling securities within 30 days of purchasing them, including same-day transactions. This turnover can affect performance, particularly through increased brokerage commissions and fees, taxes and other transaction costs.

Short Sales. Black Swift sometimes engages in short selling. Short selling involves selling securities that may or may not be owned by the seller and borrowing the same securities for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. Short selling allows the investor to profit from declines in the value of securities. A short sale creates the risk of a theoretically unlimited loss,

in that the price of the underlying security could theoretically increase without limit, thus increasing the cost of buying those securities to cover the short position. There can be no assurance that the security necessary to cover a short position will be available for purchase. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss.

Currency Exchange Exposure and Currency Hedging. Although Accounts will be denominated in U.S. Dollars, investments may be made in non-U.S. currencies. Black Swift will generally seek to hedge (in whole or in part) investments denominated in non-U.S. currencies to attempt to minimize the effect of fluctuations in the exchange rate with U.S. Dollars. As it is impossible to predict the future performance of the U.S. Dollar and any applicable non-U.S. currency, it is likely that investments will always be over- or under-hedged against currency rate exchange risks. In addition, Black Swift may choose not to enter into hedging transactions with respect to some or all of its positions that are exposed to currency exchange risk.

Derivative Instruments. Black Swift may invest in derivative instruments, or “derivatives,” which include instruments and contracts that are derived from and are valued in relation to one or more underlying securities, commodities, events, financial benchmarks, or indices. Derivatives typically allow an investor to hedge or speculate upon the price movements of the underlying asset typically at a fraction of the cost of acquiring, borrowing, or selling short such asset. The value of a derivative depends largely upon price movements in the underlying asset. Therefore, many of the risks applicable to trading the underlying asset are also applicable to derivatives trading.

Call Options. There are risks associated with the sale and purchase of call options. The seller (writer) of a call option that is covered (i.e., the writer holds the underlying security) assumes the risk of a decline in the market price of the underlying security below the purchase price of the underlying security less the premium received and gives up the opportunity for gain on the underlying security above the exercise price of the option. The seller of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security above the exercise price of the option. The buyer of a call option assumes the risk of losing the buyer’s entire investment in the call option. If the buyer of the call sells short the underlying security, however, the loss on the call will be offset in whole or in part by any gain on the short sale of the underlying security.

Put Options. There are risks associated with the sale and purchase of put options. The seller (writer) of a put option which is covered (i.e., the writer has a short position in the underlying security) assumes the risk of an increase in the market price of the underlying security above the sales price (in establishing the short position) of the underlying security plus the premium received and gives up the opportunity for gain on the short position for values of the underlying security below the exercise price of the option. The seller of an uncovered put option assumes the risk of a decline in the market price of the underlying security below the exercise price of the option. The buyer of a put option assumes the risk of losing the buyer’s entire investment in the put option. If the buyer of the put holds the underlying security, however, the loss on the put will be offset in whole or in part by any gain on the underlying security.

Hedging Transactions. Certain Accounts employ hedging techniques. These techniques could involve a variety of derivative instruments, including but not limited to: swaps, futures contracts, exchange-listed and OTC put and call options on securities, financial indices, forward foreign currency contracts and various interest rate transactions (collectively, “Hedging Instruments”). Hedging techniques involve risks different from those of underlying investments. In particular, the variable degree of correlation between price movements of Hedging Instruments and price movements in the position being hedged creates the

possibility that losses on the hedge may be greater than gains in the value of the applicable Account's positions. In addition, certain Hedging Instruments and markets may not be liquid in all circumstances. As a result, in volatile markets, Black Swift may not be able to close out a transaction in certain of these instruments without incurring losses substantially greater than the initial deposit.

Although the contemplated use of these instruments should tend to minimize the risk of loss due to a decline in the value of the hedged position, at the same time they tend to limit any potential gain that might result from an increase in the value of such position. The ability to hedge successfully will depend on Black Swift's ability to predict pertinent market movements, which cannot be assured. In addition, it is not possible to hedge fully or perfectly against currency fluctuations affecting the value of securities denominated in non-U.S. currencies because the value of those securities is likely to fluctuate as a result of independent factors not related to currency fluctuations.

Collateralized Loan Obligations (CLO). Certain Accounts hold Collateralized Loan Obligations ("CLO") which is a form of securitization that consists of a diverse pool of senior secured bank loans made to businesses. First lien bank loans, which comprise the bulk of the underlying collateral pool of a CLO, are secured by a debtor's assets and rank first in priority of payment in the capital structure in the event of bankruptcy, ahead of unsecured debt.

There is a risk involved in investing in CLOs due to the nature of highly subordinated securities which are subject to losses of up to 100% of the initial investment. Losses may result from changes in the financial rating ascribed to, or changes in the market value or fair value of the underlying assets of the investment. CLO investments are and will be illiquid and have values that are susceptible to changes in the ratings and market values of such vehicles' underlying assets, which can make it difficult to sell certain holdings. Because CLOs are traded OTC, an offer to buy or sell the security may not be available. And thus an Account may not be able to liquidate their holdings.

Because there may not be a readily available market for a CLO, a valuation may not be available at the time values are assigned to an Account's holdings. If a quote is not available, Black Swift may seek to obtain pricing from a broker-dealer, however, if in Black Swift's judgment the pricing obtained from a third-party is not indicative of the fair value of the security, Black Swift will assign a valuation based on Black Swift's judgment.

Closed-End Funds and Exchange Traded Funds. Certain Accounts invest in closed-end funds and exchange traded funds ("ETFs"), or other similar products. Accounts will incur higher expenses when investing in closed-end funds and ETFs. ETFs and closed-end funds may trade at prices that vary from their net asset value, sometimes significantly. Performance of an ETF pursuing a passive index-based strategy may diverge from the performance of the index. The shares of a closed-end funds frequently trade at a discount to their net asset value and may not be able to outperform their benchmark. There is also the risk of loss that one fund may sell an investment the other fund is buying.

REITS. Black Swift invests a portion of certain clients' assets in Real Estate Investment Trusts ("REITs"), which would subject clients to certain risks associated with direct investments in REITs. REITs may be affected by changes in the value of their underlying properties and by defaults by borrowers or tenants. Furthermore, REITs are dependent upon specialized management skills, have limited diversification and are, therefore, subject to risks inherent in financing a limited number of projects. REITs depend generally on their ability to generate cash flow to make distributions to shareholders, and certain REITs have self-liquidation provisions by which mortgages held may be paid in full and distributions of capital returns may

be made at any time. In addition, the performance of a REIT may be affected by changes in the tax laws and by failure to qualify for tax-free pass-through of income.

Volatility-Linked ETNs. Black Swift invests certain clients' assets in volatility-linked exchange-traded notes ("ETNs"), which subjects clients holding ETNs to various risks associated with these debt obligations. These notes are subject to credit risk due to the fact that ETNs are unsecured debt obligations of the issuer. If the issuer declares bankruptcy, investors in an ETN could lose their entire investment. ETNs also have a set of maturity dates, but some can be called at any time, which would in effect force an investor to cash out of that investment, regardless of a client's desire. There is market risk due to fluctuations in the underlying index which affects the note's market value. These notes may be harder to sell in an open market and will pose a liquidity risk to clients. Many notes are designed to be short term trading strategies rather than buy-and-hold investments. Over long periods of time the value between the index and the note may differ significantly. There is a conflict of interest between the client and the issuer of the notes as the issuer may trade in ways that are not beneficial to the client.

Equity Investments. Equity securities generally represent equity or ownership interests in an issuer. These include common stocks, preferred stocks, convertible preferred stocks, warrants, and similar instruments. The value of equity securities fluctuates based on changes in a company's financial condition, and on market, economic, and political conditions, as well as changes in inflation and consumer demand.

Risks Relating to the Funds' Strategies

Potential Loss of Investment. An investment in the Funds involves a high degree of risk. There can be no assurance that Black Swift's investment objectives will be achieved or that clients will not lose all or substantially all their investment. The Funds managed by Black Swift are not a complete investment program and should represent only a portion of an investor's portfolio management strategy.

Competition. Black Swift competes with numerous other private investment funds and financial institutions (both diversified and specialized funds), as well as other investors, many of which have substantially greater resources. The amount of capital committed to "alternative investment strategies" has increased dramatically during recent years. The profit potential of our clients may be materially reduced as a result of the increased competition within the alternative investment field.

Investment Due Diligence and Research; Reliance on Corporate Management and Financial Reporting. In certain instances, due diligence information available to Black Swift at the time of an investment decision may be limited and Black Swift may have neither access to adequately granular information nor adequate time to analyze the information necessary for a complete evaluation of the investment opportunity. It is also possible that the due diligence and research conducted may not reveal all the relevant facts and information that may be necessary to evaluate such investment opportunity. In the worst-case scenario, information provided by corporate management or other reporting groups may be manipulated or fraudulent. Clients could incur material losses as a result of the misconduct or incompetence of such individuals and/or a substantial inaccuracy in such information.

Availability of Investment Opportunities. There can be no assurance that Black Swift will be able to find suitable opportunities consistent with its investment approach. Market conditions may limit the availability of investment opportunities. Such limitations may cause delays in deploying client's capital and may negatively impact client's returns.

Risks Relating to Investment Positions Held in Accounts

Concentration. The risk that the performance of an Account could be adversely affected by losses may be increased to the extent that the client's portfolio is concentrated in any one issuer, industry, region, or country. An Account may also have disproportionate exposure to certain types of investments. Black Swift has no specified diversification policies as to the percentage of a client's assets that may be invested in any particular security. A client's portfolio may also consist of substantially fewer portfolio investments than anticipated if Black Swift is unable to identify or execute on appropriate opportunities.

Asset-backed securities. The fixed income securities in which Black Swift invests may include asset-backed securities, which represent direct or indirect participations in, or are secured by and payable from, pools of assets such as, among other things, debt securities, residential mortgages, commercial mortgages, corporate loans, motor vehicle installment sales contracts, installment loan contracts, leases of various types of real and personal property, and receivables from revolving credit (credit card) agreements or a combination of the foregoing. Payment of interest and repayment of principal on asset-backed securities may be largely dependent upon the cash flows generated by the assets backing the securities and, in certain cases, supported by letters of credit, surety bonds or other credit enhancements. Asset-backed security values may also be affected if the market for the securities becomes illiquid, there is difficulty valuing the underlying pool of assets, or because of changes in the market's perception of the creditworthiness of the servicing agent for the pool, the originator of the loans or receivables, or the entities providing the credit enhancement.

Non-Investment Grade Securities. Certain fixed income securities in which Black Swift may invest could be unrated by a recognized credit-rating agency or be below investment grade, and as a result may be subject to greater risk of loss of principal and interest than higher-rated debt securities. Black Swift may invest Accounts in debt securities which rank junior to other outstanding securities and obligations of the issuer, all, or a significant portion of which may be secured on substantially all of that issuer's assets. Black Swift may invest in debt securities which are not protected by financial covenants or limitations on additional indebtedness. Client portfolios will therefore be subject to credit and liquidity risks. In addition, the market for credit spreads is often inefficient and illiquid, making it difficult to accurately calculate discounting spreads for valuing financial instruments.

RMBS. Holders of residential mortgage-backed securities ("RMBS") bear various risks, including credit, prepayment market, interest rate, structural and legal risks. RMBS represent interests in pools of residential mortgage loans secured by one to four family residential mortgage loans. Such loans may be prepaid at any time. Residential mortgage loans are obligations of the borrowers thereunder only and are not typically insured or guaranteed by any other person or entity, although such loans may be securitized by government agencies and the securities issued are guaranteed. The rate of defaults and losses on residential mortgage loans will be affected by a number of factors, including general economic conditions and those in the geographic area where the mortgaged property is located, the terms of the mortgage loan, the borrower's "equity" in the mortgaged property and the financial circumstances of the borrower. If a residential mortgage loan is in default, foreclosure of such residential mortgage loan may be a lengthy and difficult process and may involve significant expenses. Furthermore, the market for defaulted residential mortgage loans or foreclosed properties may be very limited.

Investments in RMBS may experience losses or reduced yield if, for example, (i) the borrower of an underlying residential mortgage loan defaults or is unable to make payments, (ii) the underlying

residential mortgage loans are prepaid, (iii) there is a general decline in the housing market, or (iv) violations of particular provisions of certain federal laws by an issuer of RMBS limit the ability of the issuer to collect all or part of the principal of or interest on the related underlying loans.

Distressed and Bankrupt Companies. Black Swift may invest Accounts in securities, claims, and obligations of issuers which are experiencing (or may come to experience) significant financial or business difficulties. Black Swift anticipates that it may invest in distressed securities and instruments (or securities and instruments that become distressed) of all kinds, none of which are publicly traded. In some cases, debt instruments purchased by Black Swift will be non-performing and possibly in default. Furthermore, the obligor or relevant guarantor may also be in bankruptcy or liquidation. Distressed securities and obligations are likely to be particularly risky investments although they also may offer the potential for correspondingly high returns. Among the risks inherent in investments in troubled entities is the fact that it frequently may be difficult to obtain information as to the true condition of such issuers. Such companies' securities may be considered speculative, and the ability of such companies to pay their debts on schedule could be affected by adverse interest rate movements, changes in the general economic climate, economic factors affecting a particular industry or specific developments within such companies. In addition, there is no minimum credit standard that is a prerequisite to an investment in any instrument, and a significant portion of the obligations and securities in which Black Swift invests client portfolios are expected to be less than investment grade. The level of analytical skill, both financial and legal, necessary for successful investment in companies experiencing significant business and financial difficulties is unusually high. There is no assurance that Black Swift will correctly evaluate the value of the assets collateralizing a portfolio's loans or the prospects for a successful reorganization or similar action.

Bank Loan Assignments and Participations. In addition to the risks associated with a default by the borrowers, risks associated with these obligations include, without limitation, the following: (i) there may be an inadequate perfection of a loan's security interest; (ii) the possible invalidation or compromise of an investment transaction as a fraudulent conveyance or preference under relevant creditors' rights laws; (iii) lender liability claims by the issuer of the bank loan obligations; (iv) the validity and seniority of bank claims and guarantees; (v) depreciation in value and environmental (or other) liabilities that may arise with respect to collateral securing the obligations; (vi) adverse consequences resulting from participating in such instruments through or with other institutions with lower credit quality; (vii) limitations on the ability of Black Swift to directly enforce a client's rights with respect to loans held via participation; (viii) increased counterparty risk due to uncertainty in the length of settlement periods; and (ix) conflicts of interest between and among clients, Black Swift, the agents on such loans and other lenders that may compromise a client's ultimate recovery. Clients may acquire interests in loans either directly, by way of assignment or indirectly, for example, by way of participation. In the case of a participation, the client would have the right to receive payments of principal, interest, and any fees to which it is entitled under the participation only from the selling institution and only upon receipt by the selling institution of such payments from the obligor. The client may have to assume the credit risk of both the obligor and the selling institution. In addition, when the client holds a participation in a debt obligation, the client may not have the right to vote to waive enforcement of any default by an obligor. Selling institutions commonly reserve the right to administer the debt obligations sold by them as they see fit and to amend the documentation evidencing such debt obligations in all respects. A selling institution voting in connection with a potential waiver of a default by an obligor may have interests different from those of the client, and the selling institution might not consider the interests of the Funds in connection with its vote.

Equitable Subordination. Under common law principles that sometimes form the basis for lender liability claims, a court may elect to subordinate the claim of the offending lender or bondholder to the claims of

the disadvantaged creditor or creditors. Black Swift does not intend to engage in conduct that would form the basis for a successful cause of action based upon the equitable subordination doctrine. However, the Accounts may be subject to claims from creditors of an obligor that debt obligations of such obligor which are held by the issuer should be equitably subordinated.

Private Debt. Private debt obligations are generally unrated or below investment grade rated investments that have greater credit and liquidity risk than more highly rated debt obligations. Private debt obligations are typically issued in traditional private placements or in connection with acquisitions and other business combinations and have no trading market. Moreover, private debt obligations may be unsecured and subordinate to other obligations of the obligor and are subject to many of the same risks as those associated with high-yield debt obligations. Adverse changes in the financial condition of the issuer of private debt obligations, or in general economic conditions, or both may impair the ability of the obligor to make payment of principal and interest. Issuers of private debt obligations may be highly leveraged, and their relatively high debt-to-equity ratios create increased risks that their operations might not generate sufficient cash flow to service their debt obligations.

Interest Rate Risk. Black Swift invests in fixed income securities, which are generally exposed to interest rate risk. Interest rate risk refers to the risk that the value of a fixed income security will change in response to changes in prevailing interest rates. The relationship between interest rates and fixed income securities is inverse: when interest rates rise, the value of existing fixed income securities generally falls, and when interest rates fall, the value of fixed income securities generally rises. This is because fixed income securities, such as bonds, typically pay a fixed interest rate, which becomes less attractive to investors when prevailing interest rates rise. The duration of a fixed income security is an important factor in determining the level of interest rate risk. Duration is a measure of the sensitivity of a bond's price to changes in interest rates. Generally, the longer the duration, the greater the interest rate risk. This means that bonds with longer maturities or lower coupon rates may be more sensitive to changes in interest rates and therefore may have greater interest rate risk.

Credit Risk. Fixed income securities are also exposed to credit risk, which is the possibility that the issuer of a fixed income security will default on its obligation to pay interest and/or principal, which could cause a fixed income securities holder to lose money. Corporate fixed income securities rated BBB or above by Standard & Poor's are generally considered to carry moderate credit risk. Corporate fixed income securities rated lower than BBB are considered to have significant credit risk. Of course, fixed income securities with lower credit ratings generally pay a higher level of income to investors. The financial stability of issuers located in foreign countries may be more precarious than those located in the United States. As a result, credit risk may be greater with foreign issuers of fixed income securities.

Rule 144A Securities Risk. Black Swift holds securities issued pursuant to Rule 144A under the Securities Act ("Rule 144A Securities"). Rule 144A securities are securities that are not registered but which are bought and sold solely by institutional investors. Rule 144A securities carry the risk that the liquidity of these securities may become impaired, making it more difficult to sell these securities. In addition, bond liquidity has wide ranging financial impacts, including the price investors are willing to pay for a bond and the yield the bond offers. Black Swift will determine whether Accounts are eligible to hold 144A securities prior to any purchases.

Illiquid Securities. Black Swift may purchase for Accounts securities that are not readily marketable. As such, Black Swift may find it difficult to readily dispose of illiquid investments in the ordinary course of business. In addition, a premature or forced liquidation of a client's holdings is likely to depress the value

of many of these securities. Illiquid investments may not have an established trading market. In the absence of an established trading market, Black Swift will, in its sole discretion, value such investments in good faith at each time an Account's net asset value is determined. Accordingly, if a significant amount of Account assets are invested in illiquid investments, the value of the Account will be based in significant part on the valuations determined by Black Swift without reference to an established market for such investments.

Systemic Risk. World events and/or the activities of one or more large participants in the financial markets and other events or activities of others could result in a systemic breakdown in the operation of financial markets. Such events could result in Accounts losing substantial value.

Certain Risks Related to the Funds' Structure

Limited Ability to Liquidate an Investment in the Interests. An investment in the Funds is illiquid. The interests the Funds offers have not been registered under the securities laws of any jurisdiction and are subject to restrictions on transfer. Interests are not transferable except with the prior written consent of Black Swift. There is no market for the interests in the Funds and none is expected to develop. While investors have the ability to withdraw from the Funds upon written notice as provided in each such Fund's governing documents, such withdrawals may be restricted by such Fund's general partner.

Possible Indemnification Obligations. The Funds are generally obligated to indemnify Black Swift and its representatives and possibly other parties against any liability they or their respective affiliates may incur in connection with their relationship with the Fund. For a more complete discussion of risks applicable to an investment in the Funds, please refer to the Funds' offering documents.

THE FOREGOING RISK FACTORS DO NOT PURPORT TO BE A COMPLETE DESCRIPTION OF ALL OF THE RISKS ASSOCIATED WITH OUR INVESTMENT STRATEGIES. PROSPECTIVE CLIENTS AND INVESTORS SHOULD READ THIS BROCHURE AND ALL OTHER APPLICABLE DISCLOSURE MATERIALS IN THEIR ENTIRETY BEFORE MAKING ANY INVESTMENT DECISIONS.

ITEM 9: DISCIPLINARY INFORMATION

Black Swift does not have any disciplinary information to disclose.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Related Persons

Black Swift Partners, LLC, (an affiliate of Black Swift) serves as the general partner to the Black Swift Special Situations Fund, LP, the Black Swift Partners Fund, LP, the Pro Cyclist Fund, LP, and the Pro Cyclist Institutional Fund, LP. Black Swift serves as the investment manager to the Funds. In return Black Swift receives compensation in the form of investment management fees. Black Swift Partners, LLC, an affiliate of Black Swift, may receive performance fees, if any, paid by the Funds. Because the Funds may generate more fees for Black Swift and its affiliates than an SMA, Black Swift has an incentive to recommend the Funds to Black Swift clients. Black Swift mitigates this conflict by full and fair disclosure to clients.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics

Black Swift has adopted and implemented a Code of Ethics, which is designed to set forth the ethical and legal framework in which Black Swift and its employees, including partners, officers and directors, are required to operate, and to outline the guiding principles and mechanisms to uphold Black Swift's standard of business conduct and to ensure the Adviser conducts its business with the highest level of ethical standards and in keeping with its fiduciary duty to its clients.

The Code of Ethics is primarily designed to educate employees about our ethical standards of business conduct, emphasize our fiduciary duty to our clients, mitigate conduct that might adversely affect their duty of loyalty to our clients, to protect the privacy of client information, to detect and prevent conflicts of interest between employees and our clients, to monitor employee personal trading for conflicts of interest, to provide for employee training, and the review and enforcement of the Code of Ethics. Black Swift will provide a copy of the Code of Ethics to any client or prospective client upon request.

Participation or Interest in Client Transactions

Black Swift may affect principal transactions with respect to an Account, including where an Account may acquire securities from, or sell securities to, accounts primarily owned by Black Swift or its affiliates. Black Swift will provide disclosures to and obtain the consent and approval of the client or the client's designated representative in accordance with Section 206(3) of the Advisers Act for such principal transactions.

Certain securities recommended to SMA clients involve incentives such as compensation that is paid to Black Swift or an affiliate. As a result, the Firm could be motivated to recommend a product based on that compensation. Some of Black Swift's proprietary funds pay a performance fee, which creates an incentive for Black Swift to place clients into the Funds. To be clear, Black Swift's objective always is to make recommendations that are in the best interests of clients and in accordance with the Firm's duty of care to clients, but clients should be aware of any tangential benefit to Black Swift.

To balance such concerns, among other things, Black Swift SMA clients who invest in Black Swift private funds are not charged additional management fees for their fund holdings. Black Swift charges the private funds separately and allocates the management fees and any performance fees to the SMA clients who are investors in the Funds.

In addition, Black Swift employees and the Funds may invest in the same securities that are purchased for SMA accounts. The Funds and employee accounts which are clients of Black Swift, may be included in aggregated trades. Black Swift mitigates the noted conflicts of interest by following the Firm's Trade Allocation and Aggregation Procedures and the monitoring of employees' personal trading.

Personal Trading by Employees

Black Swift allows employees to trade in the same securities as clients. There is an inherent conflict of interest when related persons transact in the same securities as clients in that the employee could

potentially trade ahead of a client and receive more favorable prices than the client would receive. To address this conflict of interest, Black Swift has adopted and implemented a code of ethics that requires, among other things, supervised persons to pre-clear certain personal securities transactions with the Chief Investment Officer and the Chief Compliance Officer. Black Swift's Code of Ethics also requires supervised persons to quarterly report their personal securities transactions activities and to annually report their securities holdings. These procedures are designed in an effort to protect clients from being disadvantaged by employee trades.

Conflicts of Interest

Employees may own an interest in or buy or sell for their own accounts the same securities, which may be recommended to Accounts.

Black Swift is not compensated for recommending or selecting other investment advisers for its clients. Black Swift actively co-invests with other investment managers, and these investment managers may also invest in Black Swift Funds or maintain an SMA managed by Black Swift.

The investment activities conducted by Black Swift on behalf of any of its Accounts may be directly or indirectly competitive with the interests of other Accounts, and conflicts may arise concerning the allocation of investment opportunities among Accounts. Black Swift has a fiduciary duty to exercise diligence and care in appropriately allocating investments among its client Accounts. To that end, Black Swift has adopted detailed investment allocation procedures that take into account each Account's investment objective and strategy. To ensure that investments are appropriately allocated in a manner consistent with Black Swift's fiduciary duty to treat each account in a fair and equitable manner, Black Swift will allocate investment opportunities consistent with the policies and procedures developed by Black Swift.

Employees seek to ensure that they do not personally benefit from the short-term market effects of their recommendations to clients and their personal transactions are regularly monitored.

Employees are aware of the rules regarding material non-public information and insider trading. Employees may also buy or sell a specific security for their own account based on personal investment considerations, which Black Swift does not deem appropriate to buy or sell for clients.

ITEM 12: BROKERAGE PRACTICES

Factors in Selecting or Recommending Broker-Dealers

As part of its fiduciary duty to its clients, Black Swift has an obligation to seek best price and execution for all trades, to trade assets in a manner that is fair to all clients, and to exercise diligence and care throughout the trading process. Black Swift has adopted policies and procedures to ensure that it will place client transactions with appropriate care and diligence, seek best execution, treat all clients fairly, and disclose all material conflicts of interest.

Black Swift intends to select brokers and counterparties based upon Black Swift's view of the broker's or counterparty's ability to provide best execution for an Account (i.e., the best net price considering all relevant factors). In this regard, Black Swift considers a variety of factors including, but not limited to, the broker-dealer's or counterparty's (i) ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any); (ii) operational efficiency with which transactions are effected (such as prompt and accurate confirmation and delivery), taking into account the size of the order and difficulty of execution; (iii) financial strength, integrity and stability; (iv) competitiveness of commission rates in comparison with other broker-dealers; and (v) research products/services.

Although Black Swift generally seeks competitive commission rates and commission equivalents, it will not necessarily pay the lowest commission or markup/markdown or otherwise transact on the basis of the lowest pricing. In addition, certain transactions may involve specialized services on the part of a broker-dealer, which may justify higher compensation than would be the case for more routine services.

Before Black Swift begins trading with a new broker, the Chief Compliance Officer will review, as applicable, the broker's financial stability. Black Swift also trades closed-end funds and ETFs on behalf of clients. Our portfolio managers and traders communicate orders in these securities to the executing counterparty primarily via Bloomberg or through Pershing. Generally, Black Swift will choose brokers for equity trades based on their expertise in brokerage of closed-end funds, ETFs, or specific equity positions.

Research and Other Soft Dollar Benefits

Black Swift does not currently utilize formal soft dollar arrangements in connection with brokerage transactions; however, Black Swift generally has access to research provided by broker-dealers used for transactions in fixed income securities, and equity and options or other private placements. Black Swift does not separately compensate such broker-dealers for the research. To the extent Black Swift has access to broker research, Black Swift does so in a manner consistent with the safe harbor under Section 28(e) of the Securities Exchange Act of 1934. While Black Swift believes that it does not "pay up" for broker-dealer services in connection with such research, because brokers generally will not separately disclose their costs in providing such research, clients should be aware that more favorable pricing may be available from a different broker-dealer who offers no research services and/or minimal securities transaction assistance. Because Black Swift does not have to produce or incur the expense associated with the research received from a broker, an incentive may exist to select or favor a broker-dealer because of the research provided (which may constitute a soft dollar benefit). Such an incentive is inconsistent with client interests in receiving the most favorable execution of trades. Accordingly, at all times, Black Swift's acceptance of soft dollar benefits (if any) in a particular transaction is made only after a good faith determination that the amount of commission or bid-ask spread in the transaction is fair and reasonable.

in relation to the value of the soft dollar brokerage and research services provided when viewed in the context of the particular transaction and Black Swift's fiduciary duty to its clients. Soft dollar benefits may be used in serving all Accounts. Thus, certain Accounts that did not generate soft dollars may nevertheless share in the soft dollar benefits generated by other Accounts. Black Swift expects that the research it acquires from brokers will include both proprietary research (research created or developed by the broker-dealer providing the research) and third -party research (research developed or created by a third party) that aid in Black Swift's investment decision making. Such research may include information on the economy, industries and asset classes, statistical information and market data, pricing services, credit analysis and other information regarding matters that may affect the markets in which Black Swift invests.

Brokerage for Client Referrals

Black Swift does not refer clients to particular broker-dealers in exchange for client referrals from those broker-dealers.

Directed Brokerage

Black Swift does not allow its clients to direct brokerage.

Aggregation and Allocation of Orders

Black Swift aggregates trades when it determines, at that point in time, an investment purchase or sale is appropriate for more than one client based on a client's investment objectives, risk tolerances, and time horizon. Black Swift will ensure that all trades (i) are consistent with the investment objectives and guidelines of each client, (ii) will be executed consistent with the Firm's obligation to seek best execution, (iii) do not inappropriately favor or disadvantage any client(s), and (iv) do not provide any additional compensation or remuneration. It is important to realize that not all clients can be treated exactly alike. There are differences in each client's investment strategies, objectives, focus, liquidity concerns, diversification, risk consideration and exposures, among other factors.

Black Swift will seek to make all allocations of investment opportunities in a fair and equitable manner, and will not favor or disfavor, consistently or consciously, any client in relation to any other clients. Further, Black Swift will not allocate investment opportunities based, in whole or in part, on the following considerations: (i) the relative fee structure or amount of fees paid by any client; (ii) the profitability of any client; or (iii) any person's interest in offering, or participating in, co-investment opportunities outside of any Fund.

If the aggregated order is filled in its entirety, it will be allocated among clients in accordance with Black Swift's Trade Allocation and Aggregation Procedures. If the order is partially filled, it will be allocated either *pro rata* or by considering any client differences, such as the client's account size or risk tolerance, to avoid odd lots being held in any client account, and to avoid deviations from pre-determined minimum/maximum holdings limits established by any client. The method used will be the most equitable for all accounts.

Allocations may be determined after the trade is executed. Because Black Swift may buy and sell certain fixed income securities for its clients through a competitive bidding process, Black Swift cannot know for

certain at the time of placing a bid for securities whether the bid will be accepted. Consequently, it is more practical for Black Swift to allocate such purchases among client accounts at the end of the day once the transactions have been confirmed and Black Swift is able to take into account any factors relevant to the allocation decision (such as cash availability that may have changed between the time the bid was placed and the time the trades are executed).

Black Swift's books and records will separately reflect, for each Account, the orders which are aggregated, the securities held by, and bought and sold for that account.

Cross Trades

There is an inherent conflict of interest in executing a cross trade transaction because there is a potential for one client to be favored over another. There could also be a conflict of interest in determining which client would be the purchaser of a cross trade. Black Swift seeks to mitigate this conflict of interest by utilizing an unaffiliated broker-dealer to conduct the transaction and achieve the best execution for both the buyer-client and the seller-client, in accordance with our fiduciary duty to clients. All cross trades must be reviewed and approved by the Chief Compliance Officer prior to execution.

When valuing securities to be cross traded, Black Swift will utilize the process in its Valuation Policy to collect bids and determine a security value, or a BWIC. A BWIC process occurs whereby the security to be crossed is sent to several broker-dealers who then provide the price at which they would be willing to purchase the security. Black Swift, in accordance with its fiduciary duty to achieve best execution, will select the best price to complete the transaction for the benefit of both the buyer-client and the seller-client, as well as a broker-dealer to facilitate the transaction. If a BWIC is determined not to provide an accurate valuation for a security, or the BWIC process is determined to be ineffective due to issues such as a limited number of bids or bids that differ significantly from Black Swift's own valuation determination, Black Swift may revert back to its own methods of valuation to determine a level for the cross trade and will remain cognizant of any potential conflict of interest.

In any cross trade for clients, Black Swift receives no commission or fees for executing the cross transaction. The broker, however, typically receives a small markup or fee for executing the trade, which is distributed equally between the buyer and the seller. Clients may opt out of participating in a specific cross trade or may elect not to engage in cross trades in their account by providing such instruction in writing to Black Swift.

ITEM 13: REVIEW OF ACCOUNTS

Black Swift's investment team will perform reviews of all investment advisory accounts on a periodic basis with oversight by the CCO. Black Swift will review accounts for risk, performance, and suitability. Reviews may be triggered by changes in an account holder's personal, tax or financial status. Macroeconomic and company specific events may also trigger reviews. There is currently no limit on the number of accounts that can be reviewed by Black Swift.

In addition, brokerage statements are generated no less than quarterly and the account custodian sends copies directly to clients. These reports list the account positions, activity in the account over the covered period and other related information. The custodian also sends confirmations following each brokerage account transaction unless confirmations have been waived.

Black Swift provides the Funds' Limited Partners with written, quarterly unaudited performance information and annual financial statements audited in accordance with generally accepted accounting principles as in effect on the date thereof, consistently applied under the accrual basis of accounting ("GAAP").

Black Swift recognizes the importance of appropriately valuing client investments to ensure its clients receive fair and accurate valuation. Black Swift acknowledges that conflicts of interest may arise due to the fact that valuations impact marketing activities, the use of track records in fundraising and Black Swift compensation. Specifically, an inaccurate valuation can impact the management and performance fees payable by clients.

In order to minimize conflicts of interest, Black Swift values all client investments in a manner consistent with the procedures outlined in a valuation policy adopted by Black Swift (the "Valuation Policy"). Black Swift's Valuation Policy establishes comprehensive procedures for the valuation of all client investments held by the Funds or other client accounts based on investment type. A copy of Black Swift's Valuation Policy is available to clients and investors in the Funds upon request.

ITEM 14: CLIENT REFERRALS AND COMPENSATION

Black Swift has entered into an arrangement with a placement agent to solicit investors in certain funds and compensates such placement agent for their services at the Advisers expense. A prospective investor of a fund solicited by a placement agent will be advised, and asked to acknowledge in writing its understanding, of any such arrangement.

Black Swift does not have a specific fee sharing arrangement under which it or any employee, including partners, directors or officers, compensates others for client referrals. Black Swift may periodically distribute bonus pay to employees based on their assistance in the marketing efforts of the Firm. Black Swift does not receive any economic benefit for providing advisory services to clients from a person who is not a client.

ITEM 15: CUSTODY

Because Black Swift and its affiliates are deemed to have custody of Fund assets, Black Swift is subject to the Custody Rule. However, it is not required to comply (or is deemed to have complied) with all requirements of the Custody Rule with respect to the Funds because, among other things, it complies with the provisions of the so-called “Pooled Vehicle Annual Audit Exception,” which requires that the Funds be subject to audit at least annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and requires that the Funds distribute its audited financial statements to all investors within 120 days of the end of its fiscal year. Additionally, the Custodian sends statements for these accounts at least quarterly directly to the fund investor.

A qualified custodian will serve as the custodian of Accounts. The custodian for the Account will send quarterly account statements to the owner of the Account. Black Swift may, in addition, send reports and account statements to the owners of each Account which may have material differences in valuations than the custodian’s statements depending on how the custodian is valuing certain investments. The custodian may also not accurately record accrued interest earned. Accounts are urged to carefully review and compare the account statements received from the custodian with the reports and account statements received from Black Swift.

ITEM 16: INVESTMENT DISCRETION

Black Swift has discretionary authority to manage investment portfolios on behalf of its clients. With respect to the Funds, Black Swift or an affiliate as general partner has appointed Black Swift as the investment advisor or in a similar capacity, and thereby has the authority to invest the assets of the Funds. This investment discretion is limited by applicable law, the limitations prescribed in the offering and organizational documents of the applicable Fund as well as any other restrictions that Black Swift may agree upon with any Fund or investors in any Fund.

With respect to SMAs, Black Swift is provided investment discretion through the investment advisory agreement entered into with the client in such SMA, which generally provides Black Swift with the power to invest the SMA's portfolio and take certain other actions consistent with the investment objectives for the particular SMA. The investment advisory agreements also may place certain other limitations on Black Swift's investment discretion, as negotiated between Black Swift and the applicable client.

ITEM 17: VOTING CLIENT SECURITIES

Black Swift will not vote proxies on behalf of client's accounts. Further, Black Swift will not offer advice regarding corporate actions and the exercise of proxy voting rights. If a client owns shares of applicable securities, the client is responsible for exercising the right to vote as a shareholder. In most cases, clients will receive proxy materials directly from the account custodian. However, in the event Black Swift receives any written or electronic proxy materials, Black Swift will forward them directly to the client.

Proxies will be voted for Black Swift's Funds on a case-by-case basis in accordance with detailed policies and procedures adopted by Black Swift. As a general matter, proxies will be voted in the best interest of the respective Fund, however, Black Swift may determine that the best course of action is to not vote a proxy, especially in circumstances where the time to review proxy materials would be an unnecessary expenditure of time and costs. Black Swift may also elect not to vote a proxy for securities it no longer holds, if there is conflict of interest, or in other situations where voting would not be in the best interest of the Fund. In instances where Black Swift does vote a proxy on behalf of the Fund, the Firm has adopted detailed guidelines for routine and non-routine matters.

A copy of the Firm's Proxy Voting Policies is available to Accounts upon written request to the Firm.

ITEM 18: FINANCIAL INFORMATION

Under no circumstances does Black Swift require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered. Therefore, Black Swift is not required to include a financial statement herewith.

Black Swift is not currently experiencing, and does not currently anticipate, any financial condition that it believes is reasonably likely to impair its ability to meet contractual commitments to its clients.

Black Swift has never been the subject of a bankruptcy petition.