

**ITEM 1: COVER PAGE**

**SW INVESTMENT MANAGEMENT LLC**

**PART 2A OF FORM ADV: FIRM BROCHURE**

**SW Investment Management LLC  
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**March 26, 2024**

**This brochure provides information about the qualifications and business practices of SW Investment Management LLC (“SWIM”). If you have any questions about the contents of this brochure, please contact Stephen White at (773) 818-7873 or [steve@swinvestmentsllc.com](mailto:steve@swinvestmentsllc.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.**

**Any reference to SWIM as a registered investment adviser does not imply a certain level of skill or training.**

**Additional information about SWIM is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **ITEM 2: MATERIAL CHANGES**

This is the annual amendment to this Brochure for the year ended December 31, 2023. Since the last annual amendment filed on March 27, 2023, no material changes have been noted.

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## ITEM 4: ADVISORY BUSINESS

### Items 4.A. and 4.B.

SW Investment Management LLC, an Illinois limited liability company (“**SWIM**”), was formed in December 2015. Mr. White is SWIM’s principal owner and portfolio manager (the “**Principal**”).

SWIM provides investment advisory services on a discretionary basis to a privately offered pooled investment vehicle, SWIM Partners LP, a Delaware limited partnership (the “**Fund**”). The Fund privately offers limited partnership interests (“**Interests**”) to qualified persons who, upon admission to the Fund, become limited partners (each, an “**Investor**” and collectively, the “**Investors**”). SWIM serves as the Fund’s general partner.

Interests in the Fund are offered under exemptions from registration under Section 4(a)(2) of the United States Securities Act of 1933, as amended (the “**Securities Act**”), Regulation D promulgated thereunder, and Section 3(c)(1) of the United States Investment Company Act of 1940, as amended (the “**Investment Company Act**”), and applicable state securities laws.

SWIM pursues a concentrated, long/short strategy that invests primarily in common stocks, and to a lesser degree preferred stocks, options, debt, and other asset classes. Please see *Item 8.A.* for a description of SWIM’s investment strategy.

### Item 4.C.

SWIM’s advisory services are provided to the Fund pursuant to the terms of the Fund’s relevant governing and offering documents (collectively, “**Governing Documents**”) and based on the specific investment objectives and strategies as disclosed in the Fund’s Governing Documents. The advisory services the Fund receives are tailored to meet the specified investment objectives and strategies as set forth in the Fund’s Governing Documents. Investors generally cannot impose additional investment guidelines, restrictions, or other requirements on the Fund.

SWIM has entered into a side letter agreement with a certain Investor of the Fund. Side letters are negotiated prior to investment and establish rights that supplement or alter the terms of the applicable Governing Document. Such rights may not be available to other Investors. SWIM typically does not alter fee or liquidity terms through side letters.

### Item 4.D.

SWIM does not participate in wrap fee programs.

### Item 4.E.

As of December 31, 2023, SWIM manages regulatory assets of approximately \$438,411,189 on a discretionary basis.

## ITEM 5: FEES AND COMPENSATION

### Items 5.A. and 5.B.

#### *Management Fee*

The Fund pays SWIM an asset-based fee (the “**Management Fee**”), monthly, in advance, based on the capital account balance as of the end of the prior month of each Investor, calculated before accrual of the Incentive Allocation (as defined below). The Management Fee is 1.5% per annum of the Fund’s net assets under management.

SWIM, in its sole and absolute discretion, may elect to reduce or waive the Management Fee with respect to any Investor without notice to or the consent of any other Investor.

#### *Incentive Allocation*

SWIM receives an Incentive Allocation with respect to each Investor of the Fund of 17.5% of the “New Investment Profits” (as defined below) (including realized and unrealized gains and losses) of the Fund otherwise allocable to that Investor in the applicable measurement period subject to a 10% per annum “Hurdle Rate”. The “Hurdle”, with respect to any Investor capital account, is an amount equal to the Investor’s account balance as of the beginning of any fiscal year. The Hurdle Rate is prorated for periods for less than a full fiscal year and resets annually and does not carry over from the prior fiscal year. The Incentive Allocation is made with respect to each Investor at the end of each fiscal year (or as of the date of withdrawal with respect to the withdrawn portion of an Investor’s account during a fiscal year).

New Investment Profits refers to the net assets represented by any Investor capital account in the Fund for any period, the amount by which the net assets represented by such Investor capital account on the last day of the period (before reduction for any state tax) exceeds the net assets represented by such Investor capital account as of the “High Water Date,” taking into account both realized and unrealized gains and losses and adjusted to reflect additions to, and withdrawals, distributions and redemptions from, the Fund. The “High Water Date” as to any Investor capital account is the date on which the Investor capital account balance is the greater of (i) the highest closing Investor capital account balance on the last day of any measurement period, or (ii) if no Incentive Allocation had ever been made to SWIM with respect to such Investor capital account, the date on which the Investor capital account was established.

SWIM, in its sole and absolute discretion, may elect to reduce or waive the Incentive Allocation with respect to any Investor without notice to or the consent of any other Investor.

### Item 5.C.

SWIM is responsible for the following expenses related to Fund activities: organizational expenses (*i.e.*, Fund organizational expenses and other expenses (other than placement agent fees) incurred in the offering of the Interests), salaries and fringe benefits of professional, administrative, clerical, bookkeeping, secretarial and other personnel; rent; office equipment; publications, subscriptions and quotation and computer equipment and services; data processing; fire and theft insurance;

heat, light, cleaning, power, water and other utilities of any office space; stationery; postage; office supplies; bookkeeping services; secretarial services; travel and entertainment; telephone (local and long distance); and any other overhead type expenses.

The Fund shall bear all expenses incurred in connection with the operation of the Fund, whether incurred by the Fund or by SWIM on the Fund's behalf, including: Management Fees; indemnification expenses of the Fund pursuant to the Governing Documents; commissions; clearing fees; fees, interest and other costs on margin accounts or other financings or re-financings; accounting and legal fees and disbursements (including legal fees related to the protection of the Fund's investments); accounting, audit and tax preparation expenses; borrowing charges on investment securities sold short; custodial fees; bank service fees; expenses incurred in connection with the admission of additional Investors or the acceptance of additional capital contributions; investment and trading consultant expenses; research fees; expenses in connection with proposed transactions (including transactions that fail to close); liability insurance premiums with respect to SWIM; expenses related to the registered offices of the Fund; and any other reasonable expenses (as determined by SWIM) related to the purchase, sale, holding or transmittal of Fund assets or Fund liabilities.

#### Item 5.D.

As discussed in *Item 5.A.*, the Fund pays SWIM the Management Fee, monthly, in advance, based on the Investor's capital account balance as of the end of the prior month, calculated before accrual of the Incentive Allocation. Investors are not entitled to a refund of such Management Fees.

#### Item 5.E.

SWIM, including any of its supervised persons, does not accept compensation for the sales of securities or other investment products.

### **ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

Please see response to *Item 5.A.* SWIM understands that there could exist certain potential conflicts of interest associated with the presence of a performance-based fee. Such a fee may create an incentive for SWIM to cause the Fund to make investments that are riskier or more speculative than would be the case if there were no performance-based fee. However, SWIM manages the Fund in accordance with its investment strategy and any restrictions set forth in the Fund's Governing Documents so that Investors are aware of the applicable investment strategy, restrictions, and risks. Additionally, SWIM has adopted a code of ethics that addresses potential conflicts of interests and requires, in any situation where the interests of the Fund are at stake, the Fund should be treated fairly and have priority over the economic interests of employees or SWIM. SWIM currently provides investment management services to a single client, the Fund. No conflict exists whereby a client with a performance-based fee is managed side-by-side with another client.

## **ITEM 7: TYPES OF CLIENTS**

SWIM provides discretionary investment advice solely to the Fund, as noted in *Item 4.B.*

The Investors are generally “accredited investors” within the meaning of Rule 501(a) under the Securities Act and are generally either “qualified purchasers” within the meaning of Section 2(a)(5) under the Investment Company Act or “qualified clients” within the meaning of Rule 205-3 under the Advisers Act. The Fund generally has a minimum investment amount for Investors. Any such minimum investment amount may be waived by SWIM in its sole discretion.

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

### Item 8.A.

SWIM seeks to generate superior absolute investment returns, relatively uncorrelated with broad-based U.S. stock market indices. SWIM pursues a generally concentrated, long/short strategy, investing mainly in common stocks but also in other securities, such as preferred stocks, debt securities, options, and trade claims. SWIM investment strategy focuses on asset classes where SWIM believes the markets are the least efficient at correctly pricing securities. These areas include the securities of companies that have small capitalizations or that in SWIM’s view are generally misunderstood by the market.

SWIM engages in limited shorting activity which focuses on the securities of companies that SWIM considers having flawed business models, weak management, or extreme valuations. Because SWIM takes an opportunistic approach to investing, the Fund has no fixed or targeted long/short net exposure.

SWIM generally will not invest the Fund’s assets in more than 10% of the Fund’s capital in any single issuer of securities (or group of related issuers), except where SWIM deems that special circumstances warrant such investment amount.

The Fund’s investment strategy entails risk. As a result, SWIM will monitor market movement and risk carefully and, depending on market volatility and other factors, SWIM may use various mechanisms to seek to limit the downside risk of the Fund’s strategy, such as establishing short positions in equity securities, stock-indices and ETFs.

There is no guarantee that SWIM will accomplish its investment objectives or that SWIM’s investment strategy and risk management will be successful. Investing in securities involves significant risk of loss that Investors and prospective Investors should be prepared to bear.

### Items 8.B. and 8.C.

All securities investments risk the loss of capital. No guarantee or representation is made that advisory clients will achieve their investment objectives or that an Investor will receive a return of its capital. Making an investment in the Fund is speculative and such an investment is not intended as a complete investment program. An investment in the Fund is designed for sophisticated persons

who are able to bear the economic risk of the loss of their investment in the Fund and who have a limited need for liquidity in their investment. In addition, there will be occasions when SWIM may encounter potential conflicts of interest in connection with the Fund.

In evaluating whether to make an investment in the Fund, potential investors should consider all information contained in the Fund's Governing Documents, including the considerations and risk factors set forth in the Fund's offering documents.

### *General Investment Risk*

**Investment and Trading Risks Generally.** An investment in the Fund involves a high degree of risk, including the risk that the entire amount invested may be lost. The Fund may invest in and actively trade securities using strategies and techniques with significant risk characteristics, including risks arising from the volatility of, equity, fixed income, and other financial markets, risks arising from the potential illiquidity of financial instruments, the risk of loss from counterparty defaults, and risks associated with making investments outside the U.S. These risks may be amplified by the use of economic leverage.

No assurance or representation is made that the Fund's investment program will be successful, or that the various trading strategies used or investments made by the Fund will have low correlation with each other or with the financial markets in which such entities invest.

The Fund may use investment techniques such as option transactions, economic leverage, short sales, and other transactions involving hedging or other strategies, which involve substantial volatility and other investment risk. All of the Fund's investments risk the loss of capital. The Fund may not be able to locate suitable investment opportunities in which to deploy all or a substantial portion of its capital.

A reduction in the volatility and pricing inefficiency of the markets in which the Fund seeks to invest, as well as other market factors, may reduce the number and scope of available opportunities for its investment strategies.

**Suitability.** The Interests are suitable only for Investors whose business and investment experience make them capable of evaluating the merits and risks of the Interests and who can afford a loss and have no need for liquidity in their investments.

**Frequent Trading and Turnover.** The Fund may make frequent securities trades, which typically results in high transaction costs, which could reduce the Fund's performance. The Fund may invest on the basis of short-term market considerations. The Fund's portfolio turnover rate may be significant.

**Investment Risks Following a Withdrawal Request.** The Fund generally expects to pay withdrawal proceeds and other distributions, if any, in cash. However, there is no assurance the Fund will have sufficient cash to satisfy withdrawal requests, or be able to liquidate investments at the time of such requests at favorable prices. The Fund, thus, may make distributions, including withdrawals, "in kind" to Investors. To that extent, the Fund will allocate such distributions among the Investors' capital accounts entitled thereto such that each Investor shall, except for immaterial

variances, receive a *pro rata* portion thereof. Securities distributed “in kind” may not be readily marketable or saleable and may have to be held by Investors who receive them for an indefinite period of time.

If the Fund makes a distribution in kind, Investors will bear any risks of the distributed securities or investments and may be required to pay a brokerage commission or other costs in order to dispose of such securities or investments.

There will be a period of time between the date as of which an Investor must submit a withdrawal request and the date as of which an Investor can expect to receive full withdrawal proceeds in respect of a withdrawal request. Investors whose withdrawal requests are accepted will bear the risk that their Interests may fluctuate significantly during the period between the date as of which the withdrawal requests were submitted and the applicable withdrawal dates. Accordingly, an Investor may have to decide whether to submit withdrawal requests without the benefit of having current information.

While the Fund expects all or most of its investments to be relatively liquid, the Fund cannot assure you of this. The Fund may not be able to sell such investments at certain times at prices that reflect its assessment of their value or the amount paid for such investments. The Fund’s limited partnership agreement authorizes the Fund to make distributions in securities in lieu of or in addition to cash.

From time to time, the Fund may engage in active and frequent trading to achieve its investment objectives. Frequent trading increases transaction costs which could detract from the Fund’s performance.

**Economic Leverage.** Although the Fund does not contemplate borrowing as an integral part of its investment strategy, the Fund may from time to time use short-term margin borrowings and other forms of leverage. This may result in certain additional risks to the Fund. For example, if the securities pledged to a broker to secure a margin account decline in value, a “margin call” may be issued pursuant to which additional funds would have to be deposited with the broker or the broker would effect a mandatory liquidation of the pledged securities to compensate for the decline in value.

In that event, the Fund might not be able to liquidate assets quickly enough to pay off the margin debt, such that the Fund could therefore also suffer additional significant losses as a result of the decline in value. Although borrowing money increases returns if returns on the incremental investments purchased with the borrowed funds exceed the borrowing costs for the funds, the use of leverage decreases returns if returns earned on the incremental investments are less than the costs of the borrowings.

#### *Diversification Risk*

**General.** The Fund may at certain times hold large positions in a relatively limited number of investments. The Fund could be subject to significant losses if it holds a relatively large position in a single strategy, market or a particular type of investment that declines in value, and the losses



could increase even further if the investments cannot be liquidated without adverse market reaction or are otherwise adversely affected by changes in market conditions or circumstances.

Hedging strategies in general are usually intended to limit or reduce investment risk, but can also limit or reduce the potential for profit. No assurance can be given that any particular hedging strategy will be successful. The Fund may use financial instruments such as forward contracts and options to seek to hedge against fluctuations in the relative values of portfolio positions. Such hedging does not eliminate fluctuations in the values of portfolio positions or prevent losses if the values of the positions decline, but establishes other positions designed to gain from those same developments, thus moderating the decline in the portfolio positions' value.

Such hedging transactions also limit the opportunity for gain if the value of the portfolio positions should increase. Moreover, it may not be possible for the Fund to hedge against a fluctuation at a price sufficient to protect our assets from the decline in value of the portfolio positions anticipated as a result of the fluctuations. For example, the cost of options is related, in part, to the degree of volatility of the underlying securities or other investments. Accordingly, options on highly volatile securities may be more expensive than options on other securities and of limited utility in hedging against fluctuations in those instruments.

The success of any hedging strategy the Fund uses will depend upon its ability to assess correctly the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the investments in the portfolio being hedged. Since the characteristics of many instruments change as markets change or time passes, the success of the hedging strategies will also be subject to the Fund's ability to recalculate continually, readjust and execute hedges in an efficient and timely manner.

While the Fund may enter into hedging transactions to seek to reduce risk, these transactions might result in a poorer overall performance than if the Fund had not engaged in the transactions. For various reasons (*e.g.*, cost), the Fund may not hedge against particular risks or may not be able to establish a close correlation between the hedging instrument and the holding being hedged. There may be mismatches in the character and timing of income and loss recognized by the Fund with respect to financial instruments the Fund uses to hedge risk.

**Money Market and Other Liquid Instruments.** The Fund may invest, for defensive purposes or otherwise, some or all of its assets in fixed-income securities, money market instruments and money market mutual funds, or hold cash or cash equivalents in the amounts SWIM deems appropriate under the circumstances. The yields on such investments may be negligible.

**Over-the-Counter ("OTC") Investing.** The Fund expects to conduct most of its investing on exchanges but may also invest in the OTC markets from time to time. There are certain disadvantages to OTC trading, such as with regard to default risk, bid-ask spread, degree of regulation, and liquidity.

### *Strategy Risk*

**General.** There is no assurance the Fund's investment strategies will be adequate or that they will be adequately implemented by SWIM. The Fund may not be able to dispose in a timely manner of

investments it wishes to liquidate, and if adverse market conditions develop during any such period, the Fund might obtain a less favorable price than what prevailed when SWIM decided to sell the investment.

**Uncertainty with Investment Opportunities.** There is no assurance SWIM will be able to identify a sufficient number or amount of investment opportunities appropriate to the Fund's strategy, which focuses on specialized types of securities (less-researched companies). Various factors could reduce the number and scope of the Fund's target investments, such as increased efficiency of the markets for less-researched situations.

**Inaccurate Predictions of Volatility and Price Movements.** The profitability of a significant portion of the Fund's investment program depends to a great extent upon correctly assessing the future volatility of the various markets and the future course of the price movements of those markets. There is no assurance that SWIM will be able to predict accurately these price movements. SWIM believes there will always be a significant degree of market risk.

**Competitive Markets.** The markets in which the Fund invests are extremely competitive. In pursuing our investing methods and strategies, SWIM will compete with larger investment advisory and private investment firms, as well as institutional investors and, in certain circumstances, market-makers, banks and broker-dealers. In relative terms, SWIM will have little capital and may have difficulty in competing in markets in which its competitors have substantially greater financial resources, larger research staffs and more investment professionals than SWIM has or expect to have in the future.

In any given transaction, investment and trading activity by other firms will tend to narrow the spread between the price at which an investment may be purchased by the Fund and the price the Fund expects to receive upon consummation of the transaction. In addition, competition in the writing of options may decrease the premiums that can be generated on option sales.

**Changes to the Investment Strategies.** The Fund may, from time to time and without notice to investors, modify or otherwise change its investment strategies. Any such change may result in the Fund investing in markets and securities other than those described herein. A strategy change will be made by SWIM based on one or more factors SWIM deems relevant, which may include liquidity constraints and the availability of investment opportunities that SWIM deems attractive.

A strategy change may result in all or a significant portion of the Fund's assets being allocated to a single investment strategy or type of investment. There is no assurance that a strategy change will be successful or not cause losses.

**Concentration of Investments.** The Fund's investment program will result in a relatively focused investment portfolio that, in light of investment considerations and other factors, SWIM believes will provide the best opportunity for attractive risk-adjusted returns. The concentration of the Fund's portfolio would subject the Fund to a greater degree of risk with respect to the failure of one or a few investments, or with respect to economic downturns in relation to an individual asset class or sector.

### *Institutional Risk*

**Failure of Brokers, Counterparties and Exchanges.** Some of the markets in which the Fund transacts may be “over-the-counter” or “interdealer” markets. The participants in these markets are typically not subject to credit evaluation and regulatory oversight as are members of “exchange-based” markets. This exposes the Fund to the risk that a counterparty will not settle a transaction in accordance with its terms, for example because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Fund to suffer a loss.

Such “counterparty risk” is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the Fund has concentrated its transactions with a single or small group of counterparties.

The Fund is not restricted from dealing with any particular counterparty or from concentrating any or all of its transactions with one counterparty. The Fund’s ability to transact with any one or a number of counterparties, the lack of any meaningful and independent evaluation of the counterparties’ financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses.

In addition, there are risks involved in dealing with the custodians or brokers who settle the Fund’s trades. It is expected that all securities and other assets deposited with custodians or brokers will be clearly identified as being the Fund’s assets and hence the Fund should not be exposed to a credit risk with respect to such parties. However, it may not always be possible to achieve this segregation and there may be practical, or timing problems associated with enforcing the Fund’s rights to its assets in the case of an insolvency of any such party.

### *Fund Structure Risk*

**Limited Control of Management.** All decisions with respect to the management of the Fund’s assets and other operations will be made by SWIM. Investors will have no right or power to take part in the Fund’s management.

**Key Person.** The Fund’s investment performance will depend on the services of the Principal. If the Fund were to lose the services of the Principal for any significant period of time, the Fund’s business could be adversely affected.

**Withdrawal Restrictions.** There are substantial restrictions on capital withdrawals from the Fund and on transfers of Interests. An investment in the Fund is thus relatively illiquid.

**Incentive Allocation; Management Fees.** As described in *Item 6.* above, the Incentive Allocation may create an incentive for SWIM to make investments for the Fund that are riskier or more speculative than would be the case in the absence of the Incentive Allocation. Since the Incentive Allocation is calculated on a basis that includes unrealized appreciation of the Fund’s assets, SWIM could receive an allocation on positions that, when liquidated, were unprofitable. SWIM will also receive its Management Fee whether or not the Fund is profitable.

**Private Offering Exemption.** The Fund offers the Interests without registration under any securities laws in reliance on an exemption for “transactions by an issuer not involving any public offering.” While SWIM believes reliance on such exemption is justified, there is no assurance the Fund will qualify for the exemption. Failure to so qualify could result in the rescission of sales of Interests at prices higher than the current value of those Interests, potentially materially and adversely affecting the Fund’s performance and business.

**Employee Benefit Plans.** The Fund may limit the admission of investors subject to ERISA or Section 4975 (including individual retirement accounts, or “IRAs”) so that they, in the aggregate, hold less than 25% of the value of any class of Interests (calculated in accordance with DOL regulations), to prevent the Fund’s assets from becoming “plan assets” under ERISA and Section 4975.

Alternatively, SWIM may deny the admission of investors who are subject to ERISA but permit investors who are subject to Section 4975 (but not ERISA), to hold 25% or more of the value of any class of Interests (calculated in accordance with DOL regulations), so that a portion of our assets is “plan assets” under Section 4975. In that case, we could be subject to ERISA’s reporting and disclosure requirements, and transactions involving our assets could be subject to the fiduciary responsibility and prohibited transaction provisions of ERISA and Section 4975.

Even if SWIM limits the admission of investors subject to ERISA or Section 4975, there is no assurance SWIM will be able to determine whether potential investors are subject to ERISA or Section 4975 (because, for example, there could be a misrepresentation regarding whether an investor is a benefit plan or whether the investor itself is treated as holding ERISA plan assets). If the assets of the Fund become plan assets, this could have a material impact on the operation and administration of the Fund.

Thus, there is no assurance Fund assets will not be treated as plan assets under ERISA or Section 4975 or that a transaction involving Fund assets could be considered a prohibited transaction under ERISA or Section 4975.

**Prime Broker.** In light of the various services provided by the Fund’s prime broker (the “**Prime Broker**”), its insolvency could disrupt our operations and materially harm us.

The Prime Broker is subject to various laws that are designed to protect its customers in the event of its insolvency. However, the practical effect of these laws and their application to our assets are subject to limitations and uncertainties.

### *Operational Risk*

**Reliance on Management.** Except as otherwise provided herein, Investors do not and will not have an opportunity to select or evaluate any Fund investments, or to review the Fund’s portfolio. SWIM will select all Fund investments and the quality of its decisions will dictate the Fund’s success or failure. No guarantee or representation is made that the Fund’s strategies will be successful.

SWIM may fail to identify favorable investment opportunities or to evaluate accurately those investments that it does make on behalf of the Fund. Further, the business and prospects of SWIM (and by extension, the Fund) may be materially and adversely affected by the death or incapacity of the Principal.

**Illiquidity.** No market for the Interests exists or will develop. Interests cannot be sold without our consent, which generally will not be unreasonably withheld with respect to transfers to certain permitted transferees, as described in the Governing Documents, but in all cases only on the condition that the transfer will not result in: (i) the Fund's termination for federal income tax purposes; (ii) the Fund not qualifying for an exemption from the registration requirements of any applicable federal or state securities laws; (iii) any violation of any applicable federal or state securities laws; (iv) a default under or the acceleration of any indebtedness of or secured by the Fund's assets; (v) the Fund having to register as an investment company under the Investment Company Act; (vi) a "prohibited transaction" under ERISA or Section 4975; or (v) any other materially adverse effect on the Fund's business.

**Potential Mandatory Withdrawal.** SWIM may at any time require an Investor to withdraw all or a portion of its capital account in accordance with the Governing Documents. This could result in adverse tax or economic consequences to the Investor.

**Valuation of Assets.** SWIM will value the securities held by the Fund in accordance with the Fund's Governing Documents. If no market exists for a security or if SWIM determines that the market price of the security does not fairly represent its value, SWIM will value the security as it may reasonably determine.

**Effect of Substantial Withdrawals.** Substantial withdrawals by Investors within a short period of time could require the Fund to liquidate securities positions more rapidly than would otherwise be desirable, possibly disrupting our investment strategy. Reduction in the Fund's size could make it more difficult to generate a positive return or to recoup losses due to, among other things, reductions in the Fund's ability to take advantage of particular investment opportunities or decreases in the ratio of our income to expenses.

In addition, an overall reduction in SWIM's assets under management, whether through the Fund or otherwise, could limit its ability to make particular investments for the Fund.

**Public Health Emergencies.** Pandemics and other widespread public health emergencies, including outbreaks of infectious diseases such as SARS, H1N1/09 flu, avian flu, Ebola and COVID-19, have and are resulting in market volatility and disruption, and future such emergencies have the potential to materially and adversely impact economic production and activity in ways that are impossible to predict, all of which may result in significant losses to the Fund.

## **ITEM 9: DISCIPLINARY INFORMATION**

SWIM, including any of its management persons, has not been subject to any material legal or disciplinary events required to be disclosed in this brochure.

## ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

### Items 10.A. and 10.B.

SWIM, including any of its management persons, is not registered, nor has an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

SWIM, including any of its management persons, is not registered, nor has an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

### Item 10.C.

SWIM, including any of its management person, has no relationship or arrangement that is material to its advisory business or to the Fund.

### Item 10.D.

Not applicable. SWIM does not recommend or select other investments advisers for the Fund.

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

### Item 11.A.

SWIM has adopted a Code of Ethics (the “**Code**”), which sets forth standards of conduct that are expected of SWIM’s employees (collectively, “**Supervised Persons**”) and addresses potential conflicts that arise from personal trading. In recognition of SWIM’s fiduciary obligations to the Fund, SWIM has adopted personal trading restrictions and requirements to: (i) prevent improper personal trading by Supervised Persons; (ii) prevent improper use of material, non-public information about securities recommendations made by SWIM or securities holdings of the Fund; (iii) identify conflicts of interest; and (iv) provide a means to resolve any actual or potential conflict in favor of the Fund.

The primary goal is to protect the Fund from the conflicts that could result from a violation of the securities laws or from real or apparent conflicts of interests when Supervised Persons engage in personal securities transactions. While it is impossible to define all situations that might pose such a risk, the Code is designed to address those circumstances where such risks are likely to arise.

A copy of the Code will be provided to any Investor or prospective Investor upon request to Stephen White, SWIM’s chief compliance officer (the “**Chief Compliance Officer**”), at (773) 818-7873 or [swhite@swinvestmentsllc.com](mailto:swhite@swinvestmentsllc.com).

### Items 11.B.

SWIM does not engage in principal transactions.

### Items 11.C. and 11.D.

Supervised Persons from time to time are invested directly in portfolio securities in which the Fund is invested. The fact that certain Supervised Persons may have financial interests in Fund portfolio securities could create a potential conflict in that it could cause SWIM to make different investment decisions than if the Supervised Person did not have such ownership interests. To mitigate potential conflicts, it is SWIM's policy to restrict Supervised Persons from transacting in securities held in personal accounts while such security is held in the Fund.

SWIM, as a fiduciary, endeavors to always make decisions in the best interests of the Fund if conflicts of interest arise. Supervised Persons are prohibited from using their knowledge of Fund transactions to cause any other securities account to profit from the market effect of such transactions or give such information to a third party who may so profit. SWIM may restrict personal trading by Supervised Persons in any circumstances where SWIM considers it to be in the best interests of the Fund. It is the responsibility of each Supervised Person to ensure that a particular securities transaction being considered for his or her personal account is not subject to a restriction contained in the Code or otherwise prohibited by any applicable laws. Personal securities transactions for Supervised Persons may be effected only in accordance with the provisions of the Code.

## **ITEM 12: BROKERAGE PRACTICES**

### Item 12.A.

When selecting the broker-dealers through whom transactions for the Fund are executed, SWIM will allocate those transactions to such brokers-dealers for execution on such markets, at such prices and at such brokerage commission rates, markups or markdowns (which may be in excess of the prices or rates that might have been charged for execution on other markets or by other brokers-dealers) as in SWIM's good faith judgment are appropriate, subject to SWIM's duty to seek best execution.

SWIM will place trades for execution only with "approved broker-dealers". The factors to be considered in selecting and approving broker-dealers that may be used to execute trades for the Fund includes, but are not limited to:

- Quality of execution—accurate and timely execution, clearance and error/dispute resolution.
- Reputation, financial strength and stability.
- Block trading and block positioning capabilities.
- Willingness to execute difficult transactions.
- Willingness and ability to commit capital.
- Access to underwritten offerings and secondary markets.
- Ongoing reliability.
- Overall costs of a trade (*i.e.*, net price paid or received) including commissions, markups, markdowns or spreads in the context of SWIM's knowledge of negotiated commission rates currently available and other current transaction costs.
- Nature of the security and the available market makers.

- Desired timing of the transaction and size of trade.
- Confidentiality of trading activity.
- Market intelligence regarding trading activity.
- The receipt of brokerage or research services.

#### Item 12.A.1.

SWIM currently does not, directly or indirectly, have any “soft dollar” arrangements with any of the Fund’s broker-dealers. However, in the case that SWIM may do so in the future, it is SWIM’s policy to endeavor to enter into soft dollar arrangements that are within the scope of Section 28(e) of the United States Securities Exchange Act of 1934, as amended.

#### Item 12.A.2.

SWIM does not participate in selecting or recommending broker-dealers in exchange for client or prospective Investor referrals.

#### Item 12.A.3.

SWIM has full discretion to determine which broker-dealers to utilize for the purchase and sale of securities on behalf of the Fund. SWIM does not permit Investors to direct brokerage in the securities transactions of the Fund.

#### Item 12.B.

SWIM only provides investment advisory services to the Fund; therefore, an aggregation and allocation policy is currently not applicable.

### **ITEM 13: REVIEW OF ACCOUNTS**

#### Items 13.A. and 13.B.

The Fund’s portfolio is reviewed on a regular basis to determine its conformity with the Fund’s stated risk parameters, investment objectives, and guidelines. The Principal reviews the portfolio assets in the Fund and the values of the securities held by the Fund on an ongoing basis.

#### Item 13.C.

Investors in the Fund receive unaudited monthly reports indicating their capital balances and performance information. Additionally, U.S. Investors are generally issued Schedule K-1’s after the close of a fiscal year-end. Audited financial statements prepared in accordance with generally accepted accounting principles are provided to Investors generally within 120 days of fiscal year-end.



## **ITEM 14: CLIENT REFERRALS AND OTHER COMPENATION**

### Item 14.A.

SWIM does not receive economic benefits from anyone that is not a client for providing investment advice or other advisory services to its client.

### Item 14.B.

From time to time, SWIM may enter into arrangements pursuant to which it compensates third parties for referrals that result in a prospective investor becoming an Investor in the Fund. SWIM has entered into such arrangements with Mid-Continent Securities Advisors, Ltd. SWIM pays a placement agent fee generally based on the capital commitment of the investor introduced to the Fund by the placement agent.

## **ITEM 15: CUSTODY**

The Fund's assets are held at a qualified custodian. Additionally, to comply with Rule 206(4)-2 under the Advisers Act, the Fund will be subject to an annual audit by an independent public accountant registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board. The audited financial statements of the Fund will be prepared in accordance with generally accepted accounting principles and distributed to the Investors within 120 days of the end of the Fund's fiscal year. Investors should carefully review the audited financial statements of the Fund upon receipt, and should compare these statements to any account information provided by SWIM.

## **ITEM 16: INVESTMENT DISCRETION**

SWIM has discretionary authority to manage securities accounts on behalf of the Fund. This discretion is granted in accordance with the authority provided to SWIM in the Governing Documents. Investors do not have the ability to impose limitations on this discretionary authority. Investors must execute a subscription agreement in which they make various representations, including representations regarding their suitability to invest in the Fund.

## **ITEM 17: VOTING CLIENT SECURITIES**

### Items 17.A. and 17.B.

SWIM, as a matter of policy and as a fiduciary to the Fund, is responsible for voting matters presented for shareholder vote for portfolio securities ("**Proxies**") consistent with the best economic interests of the Fund and in accordance with its proxy voting policies and procedures ("**Proxy Policy**"), unless otherwise mandated by an investment management agreement or applicable law (e.g., ERISA).

Investors generally do not have the ability to direct Proxies.

In evaluating how to vote Proxies, the Chief Compliance Officer will first determine whether there is a conflict of interest related to the proxy in question between SWIM and the Fund. This examination will include (but will not be limited to) an evaluation of whether SWIM has any relationship with the company (or an affiliate of the company) to which the proxy relates outside an investment in such company by the Fund. Examples of material conflict of interests for investment advisers include: (i) an adviser (or its affiliate) managing a pension plan, administering employee benefit plans or providing brokerage, underwriting, insurance or banking services to a company whose management is soliciting proxies or (ii) an adviser maintaining business or personal relationships with participants in proxy contests, corporate directors or candidates for directorships.

If a conflict is identified and deemed “material” by the Chief Compliance Officer, SWIM may determine whether voting in accordance with the proxy voting guidelines outlined in the Proxy Policy is in the best interests of the Fund (which may include utilizing an independent third party to vote such proxies).

Investors may obtain information about how SWIM voted the Fund’s Proxies by contacting the Chief Compliance Officer at (773) 818-7873 or [steve@swinvestmentsllc.com](mailto:steve@swinvestmentsllc.com). Investors may also obtain a copy of SWIM’s Proxy Policy from the Chief Compliance Officer upon request.

## **ITEM 18: FINANCIAL INFORMATION**

### Item 18.A.

SWIM does not require or solicit pre-payment of more than \$1,200 in fees per client, six months or more in advance.

### Item 18.B.

SWIM is not currently under any financial condition that is reasonably likely to impair its ability to meet contractual commitments to the Fund.

### Item 18.C.

SWIM has not been the subject of a bankruptcy petition at any time during the past ten years.