

Item 1 – Cover Page

# RSW Investments Holdings, LLC

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April 17, 2019

This Brochure provides information about the qualifications and business practices of RSW Investments Holdings, LLC (“RSW Investments”, “RSW”, the “Firm”, or the “Company”). If you have any questions about the contents of this Brochure, please contact us at (908) 608-9600 or at [info@rswinvestments.com](mailto:info@rswinvestments.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

RSW is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about RSW also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for RSW is 302023.

## Item 2 – Material Changes

This is the initial filing of the Form ADV Part 2A (“Brochure”) by RSW Investments Holdings, LLC, a successor to RSW Investments, LLC.

(Brochure Date: 04/17/2019)

Currently, our Brochure may be requested by contacting Robert Waas, Chief Compliance Officer, at (908) 608-9600 or at [info@rswinvestments.com](mailto:info@rswinvestments.com).

Additional information about RSW is also available via the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site also provides information about any persons affiliated with RSW who are registered, or are required to be registered, as investment adviser representatives of RSW.

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## Item 4 – Advisory Business

RSW Investments Holdings, LLC (“RSW Investments”, “RSW”, the “Firm”, or the “Company”) is a limited liability company formed in the State of Delaware. RSW Investments Holdings, LLC succeeded to the advisory business of its predecessor, RSW Investments, LLC (CRD#134261/SEC#801-63947) on April 1, 2019 after entering into an ownership agreement with Resolute Investment Managers, Inc. (“RIM”). The predecessor’s business was founded in 2005.

The advisory services and management of RSW will remain the same, however, the successor application reflects new ownership as follows: Robert S. Waas (51%), Resolute Investment Managers, Inc. (44%) and Matthew T. Werner (5%). RIM is an indirect wholly-owned subsidiary of Resolute Investment Holdings, LLC, which is owned primarily by Kelso Investment Associates VIII, L.P.

As of April 1, 2019, the firm managed \$2.30BB on a discretionary basis.

RSW specializes in the management of municipal bond portfolios, as discussed further below. The vast majority of RSW’s clients are referred by a wrap-fee program sponsor or via a third-party relationship where RSW has been selected as a sub-adviser. A representative of the applicable Program Sponsor or an independent financial advisor will work with the client to determine the client’s investment objectives, risk tolerance, liquidity requirements, investment restrictions and other relevant suitability factors. Based on this information and RSW’s investment philosophy and style, the representative or advisor may then recommend placing all or a portion of the client’s assets with RSW for management through the Program.

### Portfolio Management Services

RSW’s fixed-income investment management philosophy focuses on maximizing clients’ after-tax total return while employing prudent and predictable risk through focusing on coupon selection and yield curve targeting. Through the use of a Proactive Credit Research Approach, Optimal portfolio structure, and Dynamic Risk Management, RSW attempts to maximize portfolio predictability and dependability.

RSW manages municipal fixed income accounts on a discretionary basis only. RSW broadly distributes 3 general portfolio strategies (Market Duration Portfolio, Low Duration Portfolio, and Enhanced Intermediate Duration Portfolio) which are designed to meet a particular investment goal. Account supervision is guided by the stated objectives of the client (i.e., maximum capital appreciation, growth, income, or growth and income). Once

the appropriate portfolio strategy(ies) for a client has been determined by either a client or a client in conjunction with his/her independent financial advisor, RSW continuously manages the client's assets according to the selected strategy(ies). Each client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio.

Under certain circumstances, typically for account values in excess of \$5 million (although RSW also provides this service to certain accounts within wrap-fee programs under that minimum), RSW can create a customized investment strategy consistent with the individual investment objectives and risk tolerances of the client. These separate accounts will be managed versus a customized benchmark.

The Market Duration portfolio has the following characteristics:

- It strives to provide the tax-exempt cash flow of a 10-15 year bond while maintaining a level of volatility that is normally associated with shorter maturity investments.
- A key determinant in RSW's maturity distribution is the slope of the municipal bond yield curve.
- Investment Objective: Maximize after-tax total rate of return.
- Emphasizes high quality (AA Avg.) premium coupon callable municipal bonds with an approximate average maturity of 10-15 years.
- The average call date of each portfolio typically falls within the range of 4 to 6 years.
- Benchmark: Barclays Capital Municipal Bond Index.
- Available Mandates: National, State Preference and State Specific:
  - National Portfolios- comprised of bonds issued in any state without considering the client's state of residence
  - State Preference Portfolios - target a minimum of 50% state specific issues with the remainder invested in out-of-state securities
  - State Specific Portfolios - constructed for clients who reside in a variety of states.
  - RSW's ability to achieve our desired level of investment in a particular state may be impacted by factors such as: high embedded capital gains, the relative value of the target state, and the availability of new issue and/or secondary supply of bonds.
- RSW employs a unique "sale discipline" during periods of rising interest rates. As market yields rise near the bond's stated coupon rate, the price will decline towards par. RSW's strategy targets these "current coupon" bonds for sale as they no longer represent superior income or price stability. RSW then seeks to reinvest the

proceeds from the sales in higher coupon callable bonds, thus reinstating the original portfolio structure at current market levels.

The Low Duration Portfolio exhibits the same characteristics as the Market Duration Portfolio, with the key differences being it can only invest in premium coupon callable bonds with stated maturities that cannot exceed 10 years (as opposed to 10-15 years for the Market Duration Portfolio). Furthermore, the average call date structure of each portfolio is shorter than the Market Duration mandates, and typically falls in the range of 2 to 4 years. The benchmark for the Low Duration Portfolio is the Barclays Municipal 3-Year Index.

The core discipline of the Enhanced Intermediate Duration strategy is founded on the investment characteristics of RSW's Market Duration strategy (high quality premium coupon callable bonds maturing between 10-15 years.) However, the Enhanced Intermediate Duration strategy is not held to its more stringent "sale discipline" and maintains broader levels of flexibility to preserve principal and enhance total rate of return opportunities, such as:

- Active duration management.
- Investments in bonds maturing up to 20 years.
- Coupon structure: may target discount, par, and premium coupon bonds and participate in "new issue arbitrage" strategies.
- Short-term tactical US Treasury bond exposure as market conditions warrant.

RSW can also manage each of these primary strategies in a tax efficient manner for clients. Deeply embedded within our investment philosophy is an ability to convert a rising interest rate environment into an opportunity to harvest tax losses and increase coupon income. As a result of rising interest rates, certain securities are flagged to be sold as their prices drop to predetermined levels. By executing these transactions and realizing a capital loss, an asset is created since the loss may be used to offset capital gains. This advantage may not have existed if a buy and hold strategy was in place. The benchmark for the Enhanced Intermediate Duration Portfolio is the Barclays Capital Municipal Bond Index.

For all portfolio strategies, RSW will ensure that the following conditions are met and maintained:

1. RSW manages each client's account on the basis of the client's financial situation and investment objectives and any reasonable investment restrictions the client may impose.

2. RSW obtains sufficient client information to be able to provide individualized investment advice to the client. At least annually, RSW (or a representative of a wrap-fee Program Sponsor as described below) will contact the client to determine whether there have been any changes in the client's financial situation or investment objectives and whether the client wishes to impose investment restrictions or modify existing restrictions.
3. RSW is reasonably available to consult with the client.
4. Each client retains indicia of ownership of the securities and funds in the account, e.g., the ability to withdraw securities, vote securities, among others.

## **Item 5 – Fees and Compensation**

### Portfolio Management Services

For those accounts participating in a wrap-fee program to which RSW serves as a Portfolio Manager, RSW is compensated based on a percentage of the market value of each account. This amount typically equals 20% to 50% of the total Program Sponsor's fees. The wrap fee collected by the applicable Program Sponsor includes RSW's advisory fee, the Program Sponsor's fee (which may be shared with an independent referring party), the client's portfolio transactions without commission charge (subject to any restrictions), and custodial services for the client's assets. The billing cycle for Model Portfolio Management clients will be dependent on the wrap program sponsor (i.e. forward or in arrears). RSW does not manage wrap-fee accounts in a manner different to other accounts, whether via a sub-advisory relationship or not.

The Program Sponsor may charge certain additional costs. For a complete description of the fee arrangement including billing practices and account termination provisions, clients should review the applicable Schedule H wrap fee brochure provided to the client by the representative of the Program Sponsor.

RSW's annual fee for its portfolio management services for accounts not introduced through a wrap-fee program will be charged as a percentage of assets under management, generally ranging from 0.15% to 0.30%. RSW agrees on an exact percentage with each client based on both the nature and total dollar value of that account prior to accepting management of the account. In certain circumstances, RSW's fees may be negotiable.

RSW typically requires a minimum account size of \$250,000 for the Market Duration and Low Duration Portfolio. The Enhanced Intermediate Duration portfolio minimum account size is \$500,000. These minimums can be waived under certain circumstances.

A client agreement may be canceled at any time, by either party, for any reason, upon receipt of written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable. (This applies to “wrap account” sponsors who pay RSW for the actual days of portfolio management services provided). The client has the right to terminate an agreement without penalty within five business days after entering into the agreement.

While it is not anticipated that mutual funds will be included in the clients' portfolios, money market mutual funds may be used to 'sweep' unused cash balances until they can be appropriately invested. Clients should recognize that all fees paid to RSW for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee.

Clients should note that similar advisory services may (or may not) be available from other registered investment advisers for similar or lower fees.

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

The fee charged is calculated as described above in Item 5 and is not charged on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client (Section 205(a)(1) of the Investment Advisers Act of 1940, as amended).

## **Item 7 – Types of Clients**

RSW specializes in the professional management of separate account municipal bond portfolios for individual investors. RSW may also provide investment advice to trusts, estates, charitable organizations, and other corporations or business entities.

As disclosed under Item 5, RSW requires a minimum account of \$250,000 for a Market Duration or Low Duration portfolio strategy and a minimum of \$500,000 for a Tax-Exempt Enhanced Intermediate Duration portfolio strategy. However, under certain circumstances these minimums may be waived.



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

RSW's investment philosophy avoids placing bets on the direction of interest rates. Instead, RSW embraces the concept of enhancing wealth by emphasizing three key disciplines:

- Proactive Research Approach
- Optimal Portfolio Structure
- Dynamic Risk Management

Our "Buy Discipline" stresses research efforts which are concentrated on assessing value among high quality bonds by utilizing yield curve, roll down, embedded call option, and horizon analysis. By applying these research techniques, we believe higher stable and consistent returns can be achieved than by lowering our credit quality standards to attain negligible, incremental returns.

RSW utilizes various other tools as sources of information such as Bloomberg and Investor Tools.

While RSW typically follows a long-term investment strategy, on occasion (dependent on the needs of a specific client) RSW may recommend the use of trading (securities sold within 30 days). Because this strategy involves a certain additional degree of risk, it will only be recommended when consistent with the client's stated tolerance for risk.

RSW's security analysis methods include fundamental and technical analysis. The investment strategies used to implement any investment advice given to clients include long term purchases (securities held at least a year), short term purchases (securities sold within a year), and trading (securities sold within 30 days).

Investing in securities involves risk of loss that clients should be prepared to bear.

### Risks Specific to Fixed Income Management:

Historically, bonds have indeed provided less volatility and less risk of loss of capital than equity investing. However, there are many factors that may affect the risk and return profile of a fixed income portfolio. The two most prominent factors are interest-rate movements and the credit-worthiness of the bond issuer. Bonds issued by the U.S. government have significantly less risk of default than those issued by corporations and municipalities. However, the overall return on government bonds tends to be less than these other types of fixed-income securities.

Asset-backed securities and mortgage-backed securities are created by pooling loans from a variety of sources and issuing bonds that are backed by these loans. Creditworthiness stems from the credit quality of the underlying loans, as opposed to corporate bonds in which creditworthiness is derived from the earning power of the issuing company. The primary risk of these securities is interest-rate risk. Rising interest rates might cause loan principal prepayments to slow, resulting in less available principal to invest at prevailing higher rates. Conversely, rate decreases might accelerate prepayments, leaving more dollars to invest at lower rates. Investment grade refers to fixed-income securities rated BBB or better by Standard & Poor's or Baa or better by Moody's.

Convertible securities and preferred stock combine the fixed-income characteristics of bonds with some of the potential for capital appreciation of equities and, thus, may be subject to greater risk than pure fixed-income instruments. Unlike bonds, preferred stock and some convertible securities do not have a fixed par value at maturity, and in this respect may be considered riskier than bonds. Convertible securities may include convertible bonds, convertible preferred stocks and other fixed-income instruments that have conversion features.

Investments in high-yield bonds and convertible securities are subject to the client's authorization, as set forth in the Investment Management Agreement. Such investments may be subject to greater risks than other fixed-income investments. The lower rating of high-yield bonds (less than investment grade) reflects a greater possibility that the financial condition of the issuer or adverse changes in general economic conditions may impair the ability of the issuer to pay income and principal. Periods of rising interest rates or economic downturns may cause highly leveraged issuers to experience financial stress, and thus markets for their securities may become more volatile. Moreover, to the extent that no established secondary market exists, there may be thin trading of high-yield bonds, which increases the potential for volatility.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of RSW or the integrity of the Firm's management. RSW does not have any disciplinary information applicable to this Item to disclose.

## Item 10 – Other Financial Industry Activities and Affiliations

### Resolute Investment Managers, Inc.

RIM is a diversified, multi-affiliate asset management platform comprised of SEC-registered investment advisers, a limited-purpose broker-dealer, and an asset management servicing company.

Certain directors of RSW are also directors of one or more of its affiliated firms. These directors provide corporate governance of RSW's and other affiliates' operations.

RIM is not involved in the management or oversight of RSW's investment portfolios.

### Resolute Investment Distributors, Inc.

RSW has an affiliated broker-dealer, Resolute Investment Distributors, Inc. ("RID"), which is a limited purpose broker-dealer registered with the Financial Industry Regulatory Authority. RID limits its activities to distribution and marketing of registered investment companies to financial intermediaries and institutional investors and does not perform any securities execution or clearing services. Therefore, RSW will not use RID as a broker when executing any client transactions.

### Solicitation Agreement with an Affiliated Investment Adviser

Pursuant to a solicitation agreement, RSW may pay referral fees to an affiliated investment adviser for each solicited client that enters and maintains a contractual intermediary relationship or that remains a client of RSW. Please see Item 14 for more information on the compensation arrangements related to client referrals.

RSW is not registered as an FCM, CPO or a CTA, nor are any of its representatives. However, certain of the RSW affiliates are registered as a CPO or a CTA. Additionally, certain affiliates manage or advise limited partnerships, private funds or limited liability companies as disclosed on their respective Form ADV Part 1, Schedule D.

RSW's employees, parent company or an affiliate may from time to time invest in a RSW strategy. Such investments may be made on a fee-waived basis.

## **Item 11 – Code of Ethics**

RSW has adopted a Code of Ethics which sets forth high ethical standards of business conduct that RSW requires of its employees, including compliance with applicable federal securities laws. Our Code of Ethics also includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by RSW's covered persons. Among other things, RSW's Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also includes oversight, enforcement, and recordkeeping provisions. A copy of RSW'S Code of Ethics is available to RSW'S advisory clients upon request to the Chief Compliance Officer at RSW'S principal office address.

RSW's Code of Ethics prohibits investment at any time in the same securities that are purchased for client accounts.

## **Item 12 – Brokerage Practices**

RSW will endeavor to select those brokers or dealers which will provide the best services at the lowest commission rates possible. In instances where RSW is aware that the same security is offered by more than one broker/dealer at the same price the following apply: The reasonableness of the commissions are based on the broker's ability to provide professional services, competitive rates, research and other services which will help RSW in providing investment management services to clients.

RSW may at times invest client assets in new issue municipal bonds due to favorable pricing opportunities. As such, RSW's broker/dealer execution selection will be limited to the broker/dealers who are syndicate members of the new issue. While RSW will make every effort to attain best execution on these transactions, the Firm's ability to get multiple quotes will be limited. When secondary municipal bond offerings are utilized in client accounts, RSW as a matter of policy will seek the best execution possible taking into account current market conditions and other alternative investment opportunities. With respect to sale transactions, under normal market conditions, a competitive bidding process is utilized for those securities deemed to be liquid by RSW Investments. Execution via a negotiated sale is permitted for all other instances. In the event that two or more brokers competitively bid identical price levels, RSW will go back to each and request a re-bid. If all brokers again return identical new bids, then a broker is selected randomly.

RSW does not have any soft dollar relationships.

RSW will block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple clients' accounts so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block. Block trading allows RSW to execute fixed income trades in a more timely, equitable manner and to reduce overall commission charges to clients. However, as per RSW's Code of Ethics (please refer to disclosure under Item 11), no personal trades will ever be included in any client blocks.

### **“Investible Cash” and Portfolio Restructurings:**

Below are the methods that will be employed to allocate bonds for both the investment of “investable cash” and portfolio restructurings. Neither one will have preferential treatment over the other in receiving bonds purchased.

Portfolios with “Investable Cash”: Portfolios with the highest level of cash are “flagged” and analyzed to determine whether they will be allotted any new bonds purchased. Additionally, the following risk parameters are also to be considered in RSW making allocation decisions:

- State exposure (dependent on National / Preference account type)
- Issuer exposure
- Underlying credit quality
- Yield curve exposure
- Sector exposure
- Annual realized / unrealized gain and loss amounts
- Duration (OAD / MDW)

Each targeted portfolio will receive a full allocation of a “block” or “aggregated” purchase as deemed so by RSW based on either the portfolio's percentage of available cash or the risk parameters above. In the event that a block is too small to accommodate a “full allocation” for all of the selected portfolios', RSW fills client accounts with the highest cash levels, while also making considerations for the risk parameters (above) and continues allocating bonds until the process is complete.

Portfolios “Flagged” for Restructuring: Additionally, portfolios that are fully invested may be targeted to participate in an exchange of an existing / partial holding(s) for the newly purchased bond. The criteria and order in which portfolios are selected will be determined by factors such as: deviation from the desired level within each of the risk parameters mentioned below (i.e. the portfolios with the greatest deviation are targeted first, etc.)

- State exposure (dependent on National / Preference account type)
- Issuer exposure
- Underlying credit quality
- Yield curve exposure
- Sector exposure
- Annual realized / unrealized gain and loss amounts
- Duration (OAD / MDW)

Restructuring trades are entirely dependent on whether RSW can create capacity for a particular bond in accounts where such bond could be a potential fit. Due to market liquidity, RSW cannot always get an acceptable bid (price) on certain existing client holdings, and without an acceptable offer (quote) RSW cannot sell existing client bonds in order to create capacity in client portfolios for the bonds to be purchased. Therefore RSW quite often selects a larger group of portfolios and securities to potentially sell/restructure than it intends to execute. Only when RSW evaluates the bids received can we determine the most appropriate securities to sell. Those portfolios selected will then receive a full allocation of the “block” or “aggregated” purchase consistent with the percentage of cash capacity created and risk parameters mentioned above. In the event that enough bonds do not exist for a portfolio to receive a “full” allocation, that portfolio will simply receive the final allocation of the balance of the bonds that remain to be allocated.

#### Electronic Trading Platforms

RSW has begun to execute sales transactions on a regular basis utilizing electronic trading platforms. Given the increasing popularity and related increases in trading volume, a greater share of RSW’s sales transactions will be executed through these platforms. Additionally, the electronic platforms allow RSW to submit a bid “in competition” along with the broker/dealer community if it is decided a particular bond(s) “fit” RSW’s investment criteria at that time a bid list is compiled. This process benefits the seller of the bonds by enhancing best execution, as well as the buyer, who, has the opportunity to purchase bonds that may be relatively scarce in the market place.

#### Portfolio Management Services Through Various Wrap Fee Programs:

For Program clients, RSW requests that it be provided with written authority to determine the securities to be bought or sold and the amounts of securities to be bought or sold in the client’s Program account. Any limitations on this discretionary authority shall be included in this written authority statement. Clients may change/amend these limitations as required. Such amendments shall be submitted in writing.

Clients participating in wrap-fee Programs to which RSW acts as a Portfolio Manager also agree to direct brokerage in their Program account(s) through the applicable Program Sponsor. Within the various Programs, RSW has the ability to trade away from the Sponsor, which RSW predominately does to enable it access to a greater bond inventory than is typically held by the Sponsor. (While the Program Sponsor typically charges an additional fee for such trade-aways above and beyond the Program fee, as RSW trades solely in fixed income bonds each Program client receives the same execution on trades placed by RSW through brokers other than the Sponsor as the client would if RSW placed all trades through the Sponsor, and no additional trade away fee is levied to the Program client's account as a result).

The client should, however, consider that, depending upon the level of the wrap fee charged by the broker dealer, the amount of portfolio activity in the client's account, the value of custodial and other services which are provided under the arrangement, and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately.

### **Item 13 – Review of Accounts**

While the underlying securities within Portfolio Management client accounts are continuously monitored, these accounts will be formally reviewed at least monthly by Rob Waas, Managing Member of RSW Investments, LLC. Various reports and filters are used to highlight deviations from the strategy or desired investment parameters. Reviews focus primarily on the levels of cash, duration, maturity profile, and dollar price of securities. In addition, a comprehensive portfolio attribution analysis is performed for each portfolio that falls outside of a two standard deviation threshold. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political, or economic environment.

RSW performs the same reviews for any accounts managed within a wrap-fee program to which RSW acts as Portfolio Manager.

In addition to the at least quarterly statements and confirmations of transactions that Portfolio Management clients receive from their broker dealer, RSW will provide a quarterly general market commentary.

Clients of accounts managed within a wrap-fee program to which RSW acts as Portfolio Manager are requested to refer to the applicable Program disclosure document for information on the reports they are to receive from the Program Sponsor. Typically, RSW does not provide any reports to wrap-fee Program clients.

## **Item 14 – Client Referrals and Other Compensation**

As disclosed throughout this brochure, RSW acts as a Portfolio Manager within various wrap-fee programs sponsored by third-party companies, as well as providing portfolio management services via sub-advisory relationships, also with third-party companies. For such services, RSW receives a portion of the wrap fee or fee for sub-advisory services.

RSW has engaged an affiliated investment adviser to solicit and refer financial intermediaries and other clients who desire to utilize the advisory services provided by RSW. Pursuant to the solicitation agreement, RSW will pay its affiliate a percentage of all investment advisory fees it receives from the solicited client. RSW will continue to pay its affiliate for so long as the solicited client either maintains a contractual intermediary relationship with RSW or remains a client.

RSW is aware of the special considerations promulgated pursuant to Rule 206(4)-3 under the Investment Advisers Act of 1940. As such, appropriate disclosure shall be made, all required written instruments will be maintained by RSW and all applicable Federal and/or State laws will be observed.

## **Item 15 – Custody**

RSW does not maintain custody of client funds or securities. Clients should receive at least quarterly statements from the broker/dealer, bank or other qualified custodian that holds and maintains client's investment assets. Upon request RSW may also provide certain account details to the client. Records may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## **Item 16 – Investment Discretion**

RSW requests that it be provided with written authority to determine which securities and the amounts of securities that are bought or sold, as well as the broker dealer to be used and the commission rates to be paid (or markups/markdowns in the case of fixed income investments).

However, as discussed under Item 12, clients participating in wrap-fee Programs to which RSW acts as a Portfolio Manager typically agree to direct brokerage in their Program account(s) through the applicable Program Sponsor. Within the various Programs, RSW has the ability to trade away from the Sponsor, which RSW predominantly does to enable it access to a greater bond inventory than is typically held by the Sponsor. (While the



Program Sponsor typically charges an additional fee for such trade-aways above and beyond the Program fee, as RSW trades solely in fixed income bonds each Program client receives the same execution on trades placed by RSW through brokers other than the Sponsor as the client would if RSW placed all trades through the Sponsor, and no additional trade away fee is levied to the Program client's account as a result).

### **Item 17 – Voting Client Securities**

As a matter of firm policy and due to the predominant use of municipal bonds as investment vehicles for client accounts, RSW does not vote proxies on behalf of clients. Clients are responsible for voting their own proxies (as applicable).

### **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about RSW's financial condition. RSW has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.

**Robert S. Waas**

**RSW Investments Holdings, LLC**

47 Maple Street, Suite 304, Summit, NJ 07901

908-608-9600

April 17, 2019

**This Brochure Supplement provides information about Robert Waas that supplements the RSW Investments Holdings, LLC (“RSW”) Brochure. You should have received a copy of that Brochure. Please contact Robert Waas, RSW’s Chief Compliance Officer, if you did not receive RSW’s Brochure or if you have any questions about the contents of this supplement.**

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

## **Item 2- Educational Background and Business Experience**

**Robert S. Waas**, born 1960

### *Post-Secondary Education:*

- Graduated from St. John's University in 1982 with a B.S. in Accounting.

### *Recent Business Background:*

- CEO/CIO/CCO of RSW Investments Holdings, LLC from 2019 to Present.  
CEO/CIO/CCO of RSW Investments, LLC, predecessor of RSW Investments Holdings, LLC, from 2005 to 2019.

## **Item 3- Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

## **Item 4- Other Business Activities**

None.

## **Item 5- Additional Compensation**

As the majority owner of RSW, Mr. Waas receives an economic benefit on the success of RSW, including new clients and additional assets. He receives no other additional compensation.

## **Item 6 - Supervision**

RSW is a small horizontal organization. As such, we do not conduct our business by appointment at predetermined dates and times. Instead, we converse daily as an investment team about matters that affect our client portfolios. The portfolio management team is comprised of Robert Waas, team leader, and Matthew Werner. All transactions executed by the team members must conform to the agreed upon strategy. Robert Waas solicits opinions from the team members but is ultimately responsible for setting investment policies. The investment team discusses the vast majority of the bonds before they are purchased or sold, with Robert Waas, CEO/CIO, opining on nearly all transactions before they are executed.

If you need to contact another senior member of RSW regarding Robert Waas, Matthew Werner can be reached at 47 Maple Street, Suite 304, Summit, NJ 07901. Phone number 908-608-9600.

**Matthew T. Werner, CFA**

**RSW Investments Holdings, LLC**

47 Maple Street, Suite 304, Summit, NJ 07901

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

## Item 2- Educational Background and Business Experience

**Matthew T. Werner**, Born 1979

### Post-Secondary Education:

- Graduated from University of Delaware in 2001 with a B.S. in Finance, with minors in Management Information Systems and Economics
- CFA® charterholder since 2017

### Recent Business Background:

- Senior Portfolio Manager of RSW Investments Holdings, LLC from 2019 to present. Senior Portfolio Manager of RSW Investments, LLC, predecessor of RSW Investments Holdings, LLC, from 2015 to 2019.
- Portfolio Manager of RSW Investments, LLC from 2010 to 2015.

### CFA - Chartered Financial Analyst

Issued by: CFA Institute

Prerequisites/Experience Required:

Candidate must meet one of the following requirements:

- Undergraduate degree and 4 years of professional experience involving investment decision-making, or
- 4 years qualified work experience (full time, but not necessarily investment related)

Educational Requirements: Self-study program (250 hours of study for each of the 3 levels)

Examination Type: 3 course exams

Continuing Education/Experience Requirements: None

## Item 3- Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

## Item 4- Other Business Activities

None.

## **Item 5- Additional Compensation**

As a minority owner of RSW, Mr. Werner receives an economic benefit on the success of RSW, including new clients and additional assets. With the exception of compensation received as a result of activities described under Item 4 above, Matthew Werner receives no other additional compensation.

## **Item 6 - Supervision**

RSW is a small horizontal organization. As such, we do not conduct our business by appointment at predetermined dates and times. Instead, we converse daily as an investment team about matters that affect our client portfolios. The portfolio management team is comprised of Robert Waas, team leader and Matthew Werner. All transactions executed by the team members must conform to the agreed upon strategy. Robert S. Waas solicits opinions from the team members but is ultimately responsible for setting investment policies. Matthew Werner has the latitude to execute buy and sale transactions that are aligned with RSW's investment philosophy, and account mandate guidelines. In practice however, the investment team discusses the vast majority of the bonds before they are purchased or sold, with Robert Waas, CEO/CIO, opining on nearly all transactions before they are executed.

If you need to contact another senior member of RSW regarding Matthew Werner, Robert Waas can be reached at 47 Maple Street, Suite 304, Summit, NJ 07901. Phone number 908-608-9600.