

Investment Adviser Brochure Part 2A

Black Swift Group, LLC

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This brochure provides information about the qualifications and business practices of Black Swift Group, LLC. If you have any questions about the contents of this brochure, please contact us at (303) 955-4381.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or any state securities authority.

Additional information about Black Swift Group, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

The use of the term registered investment adviser does not imply a certain level of skill or training.

January 29, 2017

Item 2 – Material Changes

The Adviser's brochure was most recently updated on November 14, 2016. The Adviser commenced business operations on December 30, 2016 and the Form ADV 2A has been updated to reflect the qualifications and business practices of Black Swift Group, LLC. This brochure is being amended as of the date indicated in Item 1 (Cover Page), and accordingly we recommend that you read this brochure in its entirety.

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Item 4 – Advisory Business

Black Swift Group, LLC d.b.a. Black Swift (“the Adviser”) is an SEC registered investment adviser with its principal place of business in Denver, Colorado. The Adviser commenced operations as an investment adviser on December 30, 2016. Greg Casals is the principal owner of Adviser.

Investment Management Services

Black Swift provides investment management services primarily for high net worth individuals, corporations, trusts, foundations, and other entities through separately managed accounts (“Advisory Accounts”) and private investment funds (“Private Funds”). References to “Client” in this brochure include only Private Funds and owners of the Advisory Accounts, but do not include investors in the Private Fund. Copies of this brochure, however, will be voluntarily provided to Private Fund investors. The term “Account” is used in this brochure to refer to Advisory Accounts and the accounts of investors in the Private Funds.

Advisory Accounts

The services provided include the provision of discretionary portfolio management and advice concerning investment of assets consistent with the circumstances, preferences and objectives of each client. Investment supervisory services are provided based on the individual needs and investment objectives of each client as communicated to Black Swift. Portfolio construction takes into account each Client’s expected returns, risk tolerance and future liquidity requirements.

Black Swift offers customized investment management strategies, utilizing both external strategies and direct investment programs. Under a discretionary management mandate, Black Swift has the authority to supervise and select investments of and for each client’s account generally in line with the investment profile agreed with the client and without prior consultation with the client. Black Swift determines which securities are bought and sold for the account and the total amount of the purchases and sales.

Private Funds

Black Swift manages the assets of one or more private investment funds that are structured as U.S. limited partnerships. Black Swift also manages the investments of one or more private accounts (“Managed Accounts”), which generally are established by high net worth individuals or families.

An affiliate of Black Swift, Black Swift Partners, LLC, a Delaware limited company, serves as general partner to the Black Swift Credit Opportunity Fund (“BSCOF General Partner”). The BSCOF General Partner has sole and complete discretionary authority to manage the Black Swift Credit Opportunity Fund. The BSCOF has delegated investment authority over the assets of Black Swift Credit Opportunity Fund to Black Swift.

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

Wrap Fee Programs

Black Swift does not participate in wrap fee programs.

Assets Under Management

As of January 30, 2017, Black Swift manages \$216,668,445 of assets on a discretionary basis. Black Swift does not currently manage any assets on a non-discretionary basis.

Item 5 – Fees and Compensation

Investment Management Fees – Advisory Accounts

The Adviser is compensated for investment management services based on a client's assets under management. The Advisory Fee is payable quarterly in advance within ten days of the start of the quarter. The Advisory Fee will be pro-rated for periods where Client adds assets to Account intra-quarter.

Annualized Fees

Assets Under Management	Per Year
\$1,000,000 to \$9,999,999	1.00%
Over \$10,000,000	Negotiable

The account custodian may charge fees, which are in addition to and separate from advisory fees. Accounts may incur transaction costs, retirement plan administration fees, private fund annual expenses 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 to the date of termination.

Investment Management Fees – Private Funds

The annual management fee for most Private Funds is 1.0 to 1.5%. Private Funds may have different fee schedules (or different schedules with respect to certain classes of shares or interests), due to factors including the date of an investor's initial investment in the Private Fund, the types of securities in which the Private Fund may invest and the particular trading strategy of the Private Fund.

A Managed Account that invests in parallel with any of the Private Funds generally has the same fee schedule as the applicable Private Fund. For any Managed Account pursuing a different investment strategy, the fee schedule will depend on factors such as the investment objectives of the Managed Account and the types of securities in which such Managed Account may invest.

Each Private Fund and Managed Account will generally bear its own expenses. In addition to the fees discussed above, such expenses may include, without limitation: (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 Account (including, to the extent allocable to such Account, 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 Account, such as Form PF), administrative expenses, board 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 Accounts also bear brokerage expenses and other transaction costs. Item 12 further describes the factors that Black Swift considers in selecting broker-dealers for transactions and determining the reasonableness of their compensation (e.g., commissions). *Additional information about each Private Fund as well as the fees and expenses charged to investors by such Private Fund is provided in the Private Fund’s offering documents.*

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

For Private Funds and Managed Accounts, Black Swift is entitled to an annual performance allocation or fee equal to a percentage (usually 10%) of all net profits (realized and unrealized) of the Account, subject to making up any losses carried over from a prior period (a “Performance Allocation”). The termination of the advisory contract by the owner of a Managed Account or the withdrawal or redemption by a Private Fund investor during the calendar year will result in the Performance Allocation being calculated for such abbreviated period.

Black Swift affiliates and employees invested in the Private Funds are generally not subject to any Performance Allocation. Additionally, Black Swift has the ability to waive the Performance Allocation with respect to any investor in a Private Fund, and may do so for legal, regulatory or other reasons. For example, with respect to certain Private 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”).

Black Swift endeavors to design, implement and consistently apply 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. Further, Black Swift from time to time reviews the allocations among the Accounts and the performance of the Accounts in an effort to ensure that higher fee paying Accounts are not favored.

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 client relationships to have a minimum of USD \$1,000,000 of assets under management. Black Swift may accept accounts below the minimum requirements, or may retain accounts that have dropped below this minimum requirement due to changes in asset prices. Accounts 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 Private Funds managed by Black Swift, including the minimum investment, are set forth in the offering documents for each Private Fund. The minimum investment is currently \$500,000. Black Swift generally has the discretion to waive such minimums, subject to compliance with applicable law. As discussed in Item 4, Managed Accounts are generally established by foundations, endowments, high net worth individuals or families, pension plans or institutional investors. The minimum investment for a Managed Account varies depending on the nature of the account.

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

Below is a general summary of the Accounts' investment strategies, methods of analysis and material risks.

Method of Analysis

Black Swift's active investment strategy seeks to generate sustainable long-term investment results through a combined focus on capital appreciation and capital preservation. In its efforts to minimize risk, Black Swift actively seeks to maintain a sufficient level of asset diversification and degree of capital exposure.

Black Swift employs an investment philosophy emphasizing portfolio management that is custom tailored to the needs of each client. We begin the investment process by carefully listening to the client and gaining a thorough understanding of the client's unique goals, risk tolerance, time horizon, and other circumstances. We then determine an appropriate investment strategy for the client based on that understanding. For institutional clients, this would be memorialized in their investment policy statement. Further customizing of the portfolio takes into consideration individual client preferences such as social investing, concentrated positions, existing holdings, taxes, and other considerations.

Black Swift's investment management process is based on analysis of conditions and factors such as global economic cycles, geo-political developments, business trends, market conditions, and valuations. Using a top-down analytical approach, Black Swift constructs and optimizes asset allocations with a focus on diversification across asset classes, regions, sectors, and instruments. A further bottom up analysis is conducted to identify and analyze eligible securities under consideration for investment.

Black Swift utilizes its own proprietary information and research methodology in conjunction with external and third party research and analytical tools. Black Swift's investment strategy is continually reviewed and portfolio is constantly monitored to ensure alignment with investment goals and risk management.

Black Swift offers investment management and advisory services on the following types of securities and transactions: exchange-listed securities, securities traded over-the-counter, foreign issuers, corporate debt securities, structured products, investment company securities such as mutual funds, exchange traded funds, private investment funds, foreign exchange transactions, commodities and futures contracts on intangibles.

In making the decision as to which securities are to be purchased or sold and the amounts thereof, Black Swift is guided by the general guidelines set up at the inception of the adviser client relationship in cooperation with the client and a periodic review of the asset allocation. These general guidelines cover such matters as the degree of risk, which the client wishes to assume, investment goals and liquidity requirements.

Black Swift may manage numerous accounts with similar or identical investment objectives or may manage accounts 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 with Black Swift 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.

Investment Strategies

Advisory Accounts

Black Swift offers customized investment management strategies, utilizing both external strategies and direct investment programs.

The implementation of these strategies includes, but is not limited to, investing in the following asset classes:

- Equities
- Corporate credit
- Fixed income
- Structured credit
- Options, including covered or uncovered options, and buying and selling of puts and calls on both a covered and uncovered basis for certain Accounts
- Third party managers

Private Funds and Managed Accounts

Credit Opportunities Strategy

The Credit Opportunities Strategy invests principally in the equity and junior debt level tranches of CLO vehicles, which are collateralized primarily by a diverse portfolio of leveraged corporate loans.

Risk of Loss

Clients are advised that investing in securities involves the risk of loss of the entire principal amount invested including any gains. Clients should not invest unless they are able to bear this risk. Any of the above investment strategies may lead to a loss on investments.

Even hedging strategies may fail if markets move against the hedged investments. In addition, investing carries with it opportunity risk it is impossible to accurately predict the sectors of the market or asset classes that will have more favorable returns for a given period.

General Risks

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 customer, such as an Account, 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.

Affiliated Clients. Black Swift and its affiliates manage Accounts that may 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, including the Funds and Managed Accounts.

Different Terms. In some cases, various Accounts pursuing similar investment strategies (or different classes of shares or interests within a single Fund) have different terms, including with respect to liquidity rights. As such, certain investors are permitted to make a withdrawal or redemption at a certain time, while other investors participating in the same investment strategy are restricted from making a similar withdrawal or redemption at such time and will continue to bear the risk of the performance of the Account following the same strategy.

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 or other Accounts 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.

Counterparty Credit Risk. Because many purchases, sales, financing arrangements, securities lending transactions, forward contracts, swap agreements, options transactions and other derivative or over-the-counter ("OTC") transactions in which an Account may engage involve instruments that are not traded on an exchange but are instead governed by bilateral contracts with counterparties, such Accounts are subject to the risk that a counterparty will not perform its obligations under the related contracts. Although Black Swift only enters into such transactions with counterparties it believes to be creditworthy, attempts to reduce its exposure through the use of two-way collateralized mark-to-market agreements and pursues available remedies under any of these contracts, there can be no assurance that a counterparty will not default and that an Account will not sustain a loss on a transaction as a result. Such risks may differ materially from those of exchange-traded transactions that generally are backed by clearing organization guarantees, daily marking-to-market and settlement of positions and segregation and minimum capital requirements applicable to intermediaries.

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 Accounts, 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. 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 regarding certain of the Account's securities. In addition, material events occurring after the close of a principal market upon which a portion of the securities or other investments of the Account 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 Account's 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 Account's investments could be adversely affected. Absent bad faith or manifest error, valuation determinations in accordance with the Account'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 and Accounts 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 or the Accounts ability to be made whole after any loss may be compromised as a result.

Market Risks

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 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 or that the Account's returns will exhibit low long-term correlation with an investor's traditional securities portfolio. All Account 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.

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.

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 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.

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. Certain Accounts engage 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.

Derivative Instruments Generally. Certain Accounts 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 transactions, 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 of an Account 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.

Interest Rate Risk. Black Swift may invest in fixed income securities. Fixed income securities fluctuate in value as interest rates change. The general rule is that if interest rates rise, the market prices of fixed income securities will usually decrease. The reverse is also generally true: if interest rates fall, the market prices of fixed income securities generally will increase.

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 (see "Non-U.S. Investments").

Rule 144A Securities Risk. The Partnership may invest in 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 for the Partnership to sell these securities.

Illiquid Securities. Black Swift may purchase for client 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 a client account’s net asset value is determined. Accordingly, if a significant amount of client assets are invested in illiquid investments, their net asset value 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 temporary systemic breakdown in the normal operation of financial markets. Such events could result in the Partnership losing substantial value caused predominantly by a general loss of liquidity in the financial markets, which could result in the Partnership incurring substantial losses.

Item 9 – Disciplinary Information

The Adviser does not have any disciplinary information to disclose.

Item 9.A – Criminal or Civil Actions

Neither the Adviser nor any management person has been found guilty of or has any criminal or civil actions pending in a domestic, foreign or military court.

Item 9.B – Administrative Proceedings

Neither the Adviser nor any management person has any administrative proceedings pending before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority.

Item 9.C – Self-Regulatory Organization (“SRO”) Proceedings

Neither the Adviser nor any management person have been found by any SRO to have caused an investment-related business to lose its authorization to do business, or to have been involved in violating the SRO’s rules, or were barred or suspended from membership or from associating with other members, or were expelled from membership, otherwise significantly limited from investment-related activities, or fined.

Item 10 – Other Financial Industry Activities and Affiliations

Item 10.A – Broker-Dealer Registration

Neither the Adviser nor any management person is or owns a securities broker-dealer or has an application for registration pending. No associated person of the Adviser is a registered representative of a broker-dealer.

Item 10.B – Futures Commission Merchant

Neither the Adviser nor any management person is a commodity broker/futures commission merchant, a commodity pool operator, commodity trading advisor or an associated person for the foregoing entities; nor do they have any registration applications pending.

Item 10.C – Relationships with Related Persons

As noted in Item 4.A. above, Black Swift Partners, LLC, (an affiliate of Black Swift) serves as the general partner to the Black Swift Credit Opportunity Fund. Black Swift serves as the Investment Manager to the Funds.

Item 10.D – Relationships with Other Advisers

Neither the Adviser nor affiliates have relationships with other Advisers.

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

Item 11.A – Code of Ethics

The Adviser has adopted a Code of Ethics that sets forth standards of conduct expected of advisory personnel and to address conflicts that arise from personal trading by advisory personnel. Advisory personnel are obligated to adhere to the Code of Ethics, and applicable securities and other laws.

The Code covers a range of topics that may include: general ethical principles, reporting personal securities trading, exceptions to reporting securities trading, reportable securities, initial public offerings and private placements, reporting ethical violations, distribution of the Code, review and enforcement processes, amendments to Form ADV and supervisory procedures. The Adviser will provide a copy of the Code to any client or prospective client upon request.

Item 11.B – Participation or Interest in Client Transactions Principal Trading

As described above, Black Swift serves as the investment manager of the Clients and as such recommends interests in the Private Funds to prospective investors. In addition, an affiliate of Black Swift, Black Swift Partners, LLC, serves as the general partner of Black Swift Credit Opportunity Fund. Black Swift (or its affiliates) has a material financial interest with respect to fees paid by Clients. Management fees are payable without regard to the overall success or income earned by the Clients and therefore may create an incentive on the part of Black Swift to raise or otherwise increase assets under management to a higher level than would be the case if Black Swift were receiving a lower or no management fee. Performance-based compensation may create an incentive for Black Swift to make investments that are riskier or more speculative than in the absence of such performance-based compensation. The Clients are provided with clear disclosure of how performance-based compensation is charged and the risks associated with such performance-based compensation prior to making an investment.

Black Swift addresses these potential conflicts through regular monitoring of the Clients' portfolios for consistency with the Clients' objectives, strategies, and target capacity. Further, Black Swift carefully considers the risks involved in any investments and provides disclosure to Clients and Investors regarding the potential risks that come with an investment with Black Swift.

Item 11.C – Personal Trading by Associated Persons

The Adviser recommends that clients invest in various types of assets. The Adviser and its associated persons may invest in the same types of assets. Permitted investments for associated persons are all asset classes.

Item 11.D – Conflicts of Interest with Personal Trading by Associated Persons

Associated persons may own an interest in or buy or sell for their own accounts the same securities, which may be recommended to advisory clients.

Associated persons 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.

Associated persons are aware of the rules regarding material non-public information and insider

trading. Associated persons may also buy or sell a specific security for their own account based on personal investment considerations, which the Adviser does not deem appropriate to buy or sell for clients.

Item 12 – Brokerage Practices

Item 12.A – Factors in Selecting or Recommending Broker-Dealers

The Adviser does not recommend broker-dealers to clients.

Item 12.A1 – Research and Other Soft Dollar Benefits

The Adviser does not receive soft dollars generated by clients' securities transactions. The term "soft dollars" refers to funds which are generated by client trades being used by the Adviser to purchase products or services (such as research and enhanced brokerage services) from or through the broker-dealers whom the Adviser engages to execute securities transactions.

Item 12.A2 – Brokerage for Client Referrals

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

Item 12.A3 – Directed Brokerage

The Adviser does not recommend or require that clients direct their brokerage business to any particular broker-dealer.

Item 12.B – Trade Aggregation

In placing orders to purchase or sell securities in accounts, the Adviser may elect to aggregate orders.

In so doing, the Adviser will not aggregate transactions unless aggregation is consistent with its duty to seek best execution and the terms of the Adviser's investment advisory agreement with each client for which trades are being aggregated.

No advisory client will be favored over any other client; each client that participates in an aggregated order will participate at the average share price for all of the Adviser's transactions in that security on a given business day, with transaction costs shared pro-rata based on each client's participation in the transaction; adviser will prepare, before entering an aggregated order, a written statement specifying the participating Accounts and how it intends to allocate the securities purchased among those clients.

If the aggregated order is filled in its entirety, it will be allocated among clients in accordance with the written statement. If the order is partially filled, it will be allocated pro-rata based on the written statement.

Notwithstanding the foregoing, the order may be allocated on a basis different from that specified in the written statement if all Accounts receive fair and equitable treatment and the reason for different allocation is explained in writing and approved in writing by the Adviser's compliance officer no later than one hour after the opening of the markets on the trading day following the day the order was executed.

The Adviser'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.

Funds and securities of clients whose orders are aggregated will be deposited with one or more banks or broker-dealers, and neither the client's cash nor their securities will be held collectively any longer than is necessary to settle the purchase or sale in question on a delivery versus payment basis. Cash or securities held collectively for clients will be delivered to the custodian bank or broker-dealer as soon as practicable following the settlement. The Adviser will receive no additional compensation of any kind as a result of the proposed aggregation and individual investment advice and treatment will be accorded to each client.

Item 13 – Review of Accounts

Black Swift will perform reviews of all investment advisory accounts no less than quarterly. Black Swift will review accounts for consistency with the investment strategy and performance among other things. 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.

Item 14 – Client Referrals and Other Compensation

The Adviser does not have an arrangement under which it or any associated person compensates others for client referrals. The Adviser does not receive any economic benefit for providing advisory services to clients from a person who is not a client.

Item 15 – Custody

Black Swift does not hold nor maintain physical custody of any assets of Managed Accounts. Rather Managed Account assets are held in the custody of a “qualified custodian” as that term is defined in Rule 206(4)-2 of the Advisers Act (the “Custodian”).

Black Swift does not serve as the qualified custodian of assets of the Private Funds and does not maintain physical custody of such funds’ assets. Black Swift is deemed by the applicable regulatory rules to have constructive custody of the assets of the Private Funds. It satisfies the applicable regulatory requirements related to custody by, among other things, ensuring that the Private Funds are subject to an annual audit by an independent, Public Company Accounting Oversight Board (PCAOB) –registered and examined accounting firm, and that such audited financial statements are provided to investors within 120 days of a Hedge Fund’s fiscal year end.

Item 16 – Investment Discretion

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

With respect to certain Managed Accounts, Black Swift is provided investment discretion through the investment management agreement entered into with the investor in such Managed Account, which generally provides Black Swift with a power of attorney to invest the Managed Account's portfolio and take certain other actions consistent with the investment objectives for the particular Managed Account. The investment management agreements also may place certain other limitations on Black Swift's investment discretion, as negotiated between Black Swift and the applicable investor.

Item 17 – Voting Client Securities

Black Swift will not vote proxies on behalf of your advisory accounts. At the Client request, Black Swift may offer advice regarding corporate actions and the exercise of your proxy voting rights. If Client own shares of applicable securities, Client is responsible for exercising right to vote as a shareholder. In most cases, Client will receive proxy materials directly from the account custodian. However, in the event Black Swift receives any written or electronic proxy materials, Black Swift would forward them directly to Client.

Item 18 – Financial Information

Under no circumstances does the Firm require or solicit payment of fees in excess of \$1200 per client more than six months in advance of services rendered. Therefore, the Firm is not required to include a financial statement herewith.

As an advisory firm that maintains discretionary authority for client accounts, Black Swift is also required to disclose any financial condition that is reasonable likely to impair its ability to meet its contractual obligations. Black Swift has no such financial condition to report.

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