

DWD PARTNERS, LLC

FORM ADV PART 2A FIRM BROCHURE JANUARY 15, 2017

This brochure provides information about the qualifications and business practices of DWD Partners, LLC and its registered investment adviser representatives. Any questions about the contents of this brochure may be directed to DWD Partners, LLC by calling (917) 346-5506 or by emailing Daniel Dayan, Chief Compliance Officer, at ddayan@dwd-partners.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. Registration does not imply a certain level of skill or training. Additional information about DWD Partners, LLC also is available on the SEC's website at www.adviserinfo.sec.gov. The site may be searched by a unique identifying number known as a CRD number. DWD Partners, LLC's CRD number is 169566.

ITEM 2 MATERIAL CHANGES

This version of Part 2A of Form ADV ("Firm Brochure") and Part 2B of Form ADV ("Supplement Brochure"), dated **January 15, 2017**, is DWD Partners, LLC's initial brochure document. It contains information about our business practices as well as a description of potential conflicts of interest relating to our advisory business that could affect a client's account with us. We are providing this material in accordance with Rule 204-3 of the Investment Advisers Act of 1940, which requires a registered investment adviser to provide a written disclosure statement upon entering into an advisory relationship.

Full Brochure Available

We will provide a new version of the Firm Brochure as necessary when updates or new information are added, at any time, without charge. To request a complete copy of our Firm Brochure, contact us by telephone at (917) 346-5506 or by email to Daniel Dayan, Chief Compliance Officer, at ddayan@dwd-partners.com.

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ITEM 4 ADVISORY BUSINESS

A. FIRM DESCRIPTION

DWD Partners, LLC (“DWD” or the “Firm”) is organized as a Delaware limited liability company that was founded in August 2016. Daniel Dayan is the sole owner of the Firm and its only investment adviser representative.

DWD is based in Montreal, Canada and is registered with the Securities and Exchange Commission (the “SEC”) as an investment adviser. DWD provides investment portfolio management for high net worth individuals.

B. TYPES OF ADVISORY SERVICES

Investment Advisory Services

DWD provides discretionary portfolio management services to high net worth individuals with the goal of identifying, capitalizing and hedging macroeconomic events. Currently, DWD provides portfolio management services to its clients through the utilization of a First Loss Platform (the “Fund”). The Fund is an institutional pool of capital focused on managed account allocations to investment managers. DWD serves as a third party asset manager (“TPAM”) to the Fund.

Prior to engaging DWD to provide any investment advisory services, the client will enter into a direct agreement with the Fund and a separate written investment management agreement (“IMA”) with DWD. The IMA outlines the services and fees the clients will incur pursuant to the IMA with DWD. As a TPAM to the Fund, the Fund has a direct relationship with the client with or without DWD’s involvement. As a result, only the client has the ultimate authority to terminate its relationship with the Fund or DWD. DWD will continue to discuss the Fund’s performance with the client and make recommendations that the client continue or discontinue the relationship with the Fund, this decision rests solely with the client, absent a written agreement to the contrary. DWD will also have discretion over the client’s account, making investment decisions limited only by the client’s restricted list, which lists securities the client has a material interest in.

DWD is responsible for the initial review and modification of the general contract terms with the Fund to ensure that the services outlined meet the needs of the client. Because the Fund will have a separate and distinct relationship directly with the client, the Fund and DWD will each be responsible for direct delivery of client disclosure documents, performance reports and will need to maintain its own trading records and suitability documentation.

DWD establishes macroeconomic themes and then exploits them using derivatives exposures across all asset classes and geographies. DWD may use other securities as well to help diversify a portfolio when advantageous to the client.

First Loss Platforms

First loss platforms provide an opportunity for investors to take advantage of leverage while minimizing their potential for loss to only that amount which they pay into the program. The investor will contribute capital equal to a fixed percentage ranging from 10% to 20% of the total managed account. The capital provider of the first loss platform funds the rest of the managed account. The client's capital sits in a first position with respect to losses. If the investor loses money during any month, that money comes out of his or her capital and the Fund's leveraged portion remains intact. This means that when there are losses in the account, they are first absorbed by the investor's capital. However, in the months following losses, the investor also received 100% of all future profits until the investor is made whole. Because of this safeguard, the investor pays a higher than industry normal incentive allocation.

DWD's clients subscribe for interests as a special limited partner in the Fund, which provides clients a first-loss program selected by DWD. As a special limited partner, clients provide at least 10% of the capital to their managed account, with a minimum of \$1,000,000. The first loss platform provides the remainder of the agreed-upon capital. The first loss platform allows DWD to run its strategy on a large amount of capital. For example, if a client and the Fund agree to a \$5,000,000 capital account, the client will pay a minimum of \$1,000,000 and the Fund will provide the remaining \$4,000,000. The portion of the capital account provided by the Fund is leveraged.

The client's capital account is generally not subject to the management fees or incentive allocations or certain of its expenses, including but not limited to, administrator expenses and audit expense. All operational logistics and expenses are handled and borne by the Fund. DWD's incentive allocation comes out of the portion of the managed account contributed by the first loss platform. In months following any losses, the client's capital account will receive 100% of all profits until the capital account is back to 10% of the managed account size ("catch up").

Currently, DWD maintains a relationship with Boothbay Fund Management, LLC ("Boothbay") and offers special limited partner managed accounts to clients on their first-loss platform, the Fund. DWD may utilize other first-loss platforms with Funds for its clients.

C. TAILORED RELATIONSHIPS

DWD's investment strategy is to expose clients to a disciplined, hedged, low volatility portfolio that seeks to maximize the tradeoff between risk and reward through the trading of derivatives instruments. DWD provides investment advisory services only to clients who are qualified and whose investment needs and financial goals align with DWD's investment strategy.

Clients may impose restrictions on investing in certain securities or types of securities if they have a material interest in the security underlying the derivative instrument. In this case, a list of these restricted positions will be maintained and adhered to by DWD.

D. WRAP FEE PROGRAMS

Wrap Fee Programs are arrangements between broker-dealers, investment advisers, banks and other financial institutions and affiliated and unaffiliated investment advisers through which the clients of such firms receive discretionary investment advisory, execution, clearing and custodial services in a “bundled” form. In exchange for these “bundled” services, the clients pay an all-inclusive (or “wrap”) fee determined as a percentage of the assets held in the wrap account.

Due to the nature of its advisory services, DWD does not participate in and is not a sponsor of wrap fee programs.

E. ASSETS UNDER MANAGEMENT

When calculating regulatory assets under management, an investment adviser must include the value of any advisory account over which it exercises continuous and regular advisory or management services.

As of January 1, 2017, DWD managed \$0 in client assets on a discretionary basis and anticipates managing \$50,000,000 in client assets upon registration as an investment adviser. DWD does not manage assets on a non-discretionary basis.

ITEM 5 FEES AND COMPENSATION

A. DESCRIPTION AND BILLING

Lower fees for comparable services may be available from other sources.

DWD will not charge clients an investment advisory fee. Clients will only be charged a monthly performance-based fee as discussed in Item 6.

The IMA is valid for terms of one year with automatic one-year renewals. Any changes, such as an increase or decrease to performance-based fee, may be made to the IMA in writing upon mutual agreement of the parties.

Any fees due to DWD shall be paid by the Fund to DWD. Any fees due to the Fund will be paid in accordance with the direct agreement between the client and the Fund. The client will provide written authorization to the Fund permitting the fees to be paid directly from the account. Both the Fund’s limited partner agreement and the custodial/ clearing agreement may authorize the custodian to debit the account for the amount of performance-based fees and to directly remit that fee to the Fund in compliance with regulatory procedures. DWD reserves the right to waive or reduce fees at its discretion.

B. OTHER FEES AND PAYMENTS

In addition to a performance-based fee, each client account will be charged for their own transaction expenses, including, but not limited to, investment-related expenses (such as brokerage commissions, clearing and settlement charges, custodial fees, interest expenses, expenses relating to consultants, brokers or other professionals or advisors who provide research, advice or due diligence services with regard to investments); any applicable tax liabilities (including transfer taxes and withholding taxes); and other similar expenses related to their account. These charges will not come out of the client's capital account, but instead out of the portion of the account funded by the Fund. The fees borne by the Fund will vary by Fund.

C. REFUND AND TERMINATION POLICY

Clients may terminate their account without penalty at any time with thirty (30) days prior written notice to DWD.

D. OTHER COMPENSATION

Neither DWD nor its supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges or services fees from the sale of mutual funds.

ITEM 6 PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

A. PERFORMANCE-BASED COMPENSATION

Performance-based fees are based on a share of the capital gains or capital appreciation of the assets of a client. DWD receives performance-based compensation on the accounts of qualified clients. A "qualified client" pursuant to SEC §205-3 is defined as:

- (i) A natural person who or a company that immediately after entering into the contract has at least \$1,000,000 under the management of the investment adviser;
- (ii) A natural person who or a company that the investment adviser entering into the contract (and any person acting on his behalf) reasonably believes, immediately prior to entering into the contract, either:
 - a. Has a net worth dis(together, in the case of a natural person, with assets held jointly with a spouse) of more than \$2,000,000, at the time the contract is entered into; or
 - b. Is a qualified purchases as defined in section 2(a)(51)(AA) of the Investment Company Act of 1940 (15U.S.C. 80a-2(51)(A)) at the time the contract is entered into; or
- (iii) A natural person who immediately prior to entering into the contract is:

- a. An executive officer, director, trustee, general partner or person serving in similar capacity, of the investment adviser; or
- b. An employee of the investment adviser (other than an employee performing solely clerical, secretarial or administrative functions with regard to the investment adviser) who, in connection with his or her regular functions or duties, participates in the investment activities of such investment adviser, provided that such employee has been performing such functions and duties for or on behalf of the investment adviser, or substantially similar functions or duties for or on behalf of another company for at least 12 months.

The Fund distributes an incentive allocation to portfolio managers in the amount of 55% of the new profits earned on the leverage portion of a qualified client's account during each calendar month. DWD receives a performance fee of 30% (the "Performance Fee") and passes the remaining 25% of the incentive allocation from the Fund on to the client. The Fund receives a performance fee of 45% on the amount of the account provided by the Fund. The client also keeps its pro-rata portion of the profits. New net profits are computed using the formula: (1) the net realized profit and loss over the month, plus (2) the change in unrealized profit and loss on open positions over the month, minus (a) all brokerage commissions, transaction fees, management fees, taxes and other charges incurred over the month and (b) cumulative net loss, if any, carried over from previous months. The carryover of previous loss creates a "high water mark" effect such that the Performance Fee is paid only on the cumulative increases in the net gains of the qualified client's account. If the qualified client's account does not generate new net profits in a given month, no Performance Fee will be due to DWD.

SIDE-BY-SIDE MANAGEMENT

"Side-by-Side Management" refers to a situation in which the same adviser manages accounts that are billed based only on a percentage of assets under management and at the same time manages other accounts for which fees are performance-based.

DWD only charges its clients the Performance Fee and thus does not engage in side-by-side management.

ITEM 7 TYPES OF CLIENTS

DWD generally provides investment advisory services to high net worth individuals that are defined as qualified clients pursuant to SEC §205-3.

DWD requires a minimum initial capital investment of \$1,000,000. DWD reserves the right to reduce or waive the minimum initial capital investment.

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

A. METHODS OF ANALYSIS

DWD may utilize one or more of the following methods of analysis when providing investment advice to its clients:

Technical analysis is a method of evaluating securities by relying on the assumption that market data, such as charts of price, volume and open interest can help predict future (usually short-term) market trends. It attempts to predict a future stock price or direction based on market trends. Technical analysis assumes that market psychology influences trading in a way that enables predicting when a stock will rise or fall. Technical analysis methods employ software and other financial data management tools to assess various aspects of the marketplace. The risk is that markets do not always follow patterns and relying solely on this method may not work long term.

Cyclical analysis assumes that markets react in cyclical patterns which, once identified, can be leveraged to provide performance. Cyclical analysis of economic cycles is used to determine how these cycles affect the returns of an investment, an asset class or an individual company's profits. Cyclical analysis is a time based assessment which incorporates past and present performance to determine future value. Cyclical risks exist because the broad economy has been shown to move in cycles, from periods of peak performance followed by a downturn, then a trough of low activity. The risks of this strategy are two-fold: (1) the markets do not always repeat cyclical patterns; and (2) if too many investors begin to implement this strategy, it changes the very cycles of which they are trying to take advantage.

B. INVESTMENT STRATEGIES

DWD formulates a macroeconomic theme that is supported by research into economic data. Extensive analysis of the derivatives markets allows DWD to identify attractive trade structures that have an expected risk-adjusted return, or Sharpe, ratio above 1.5. DWD then manages the risk of the position and portfolio pursuant to the Firm's strict risk management rules.

Securities are purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations. Short term trading generally holds greater risk. Frequent trading can affect investment performance due to increased brokerage and other transaction costs and taxes.

The investment strategies summarized above represent DWD's current intentions. Depending on conditions and trends in the securities markets and the economy in general, DWD may pursue any objectives, employ any investment techniques or

strategies, or purchase any type of security that it considers appropriate and in the best interests of the client, whether or not described herein.

C. RISK OF LOSS

Clients need to be aware that investing in securities involves risk of loss of the principal.

Every method of analysis has its own inherent risks. To perform an accurate market analysis DWD must have access to current/new market information. DWD has no control over the dissemination rate of market information; therefore, unbeknownst to DWD, certain analyses may be compiled with outdated market information, severely limiting the value of DWD's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by DWD) will be profitable or equal any specific performance level(s). DWD does not represent, warrant, or imply that its services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. Notwithstanding DWD's method of analysis or investment strategy, the assets within the client's portfolio are subject to risk of devaluation or loss. The client should be aware that there are many different events that can affect the value of the client's assets or portfolio including, but not limited to, changes in financial status of companies, market fluctuations, changes in exchange rates, trading suspensions and delays, economic reports, and natural disasters.

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic, and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar will be worth more today than a dollar next year, because purchasing power is eroding at the rate of inflation.

- **Prepayment Risk:** The returns on the collateral for the deal can change dramatically at times if the debtors prepay the loans earlier than scheduled.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** This risk is associated with a particular industry or a particular company within an industry.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Allocation Risk.** The allocation of investments among different global asset classes may have a significant effect on your portfolio's value, when one of these asset classes is performing more poorly than others. As both the direct investments and derivative positions will be periodically adjusted to reflect our view of market and economic conditions, there will be transactions costs which may be, over time, significant. In addition, there is a risk that certain asset allocation decisions may not achieve the desired results and, as a result, your portfolio may incur significant losses.
- **Private Investment Fund Risk.** Private investment funds generally involve various risk factors and liquidity constraints, a complete discussion of which is set forth in the Fund's offering documents, which will be provided to each prospective investor for review and consideration prior to investing. Investing in private investment funds is intended for experienced and sophisticated investors only who are willing to bear the high economic risks of the investment. Carefully review and consider potential risks before investing. Some of these risks include loss of all or a substantial portion of the investment due to leveraging or other speculative practices. Additionally, investors may experience volatility of returns, a potential lack of diversification, higher fees than mutual funds, and lack of information regarding valuations and pricing. Each prospective investor will be required to complete a Subscription Agreement for the Fund itself, pursuant to which the prospective investor shall establish that he/she is qualified for investment in the Funds, and acknowledges and accepts the various risk factors that are associated with such an investment.
- **Leverage Risk.** Leverage may take the form of borrowing funds, trading on margin, derivative instruments that are inherently leveraged, including, among others, forward contracts, futures contracts, options, swaps (e.g., total return financing swaps and interest rate swaps), repurchase agreements and reverse repurchase agreements, or

other forms of direct and indirect borrowings, and other instruments and transactions that are inherently leveraged. Any such leverage, including leverage that takes the form of instruments and transactions that are inherently leveraged, may result in the account's market value exposure being in excess of the net asset value of the account. An account may not be able to liquidate assets quickly enough to repay its borrowings, which will increase the losses incurred by the account. The client will be subject to heightened risk because the client borrows funds from the Fund.

- **First Loss Risk.** Investors face total loss of their capital investment because their portion of the managed account is the first to absorb losses on the total amount of the managed account. The adviser for the managed account may take excessive risk due to large losses in the managed account in an effort to recoup losses quickly.
- **Business Continuity Risk.** We have adopted a business continuation strategy to maintain critical functions in the event of a partial or total building outage affecting our offices or a technical problem affecting applications, data centers or networks. The recovery strategies are designed to limit the impact on clients from any business interruption or disaster. Nevertheless, our ability to conduct business may be curtailed by a disruption in the infrastructure that supports our operations. In addition, our asset management activities may be adversely impacted if certain service providers to DWD or our clients fail to perform.

Risk Factors relevant to specific securities utilized include:

- **Equity Securities.** The value of the equity securities are subject to market risk, including changes in economic conditions, growth rates, profits, interest rates and the market's perception of these securities. While offering greater potential for long-term growth, equity securities are more volatile and more risky than some other forms of investment.
- **Exchange Traded Funds ("ETF").** ETFs are a recently developed type of investment security, representing an interest in a passively managed portfolio of securities selected to replicate a securities index, such as the S&P 500 Index or the Dow Jones Industrial Average, or to represent exposure to a particular industry or sector. Unlike open-end mutual funds, the shares of ETFs and closed-end investment companies are not purchased and redeemed by investors directly with the fund, but instead are purchased and sold through broker-dealers in transactions on a stock exchange. Because ETF and closed-end fund shares are traded on an exchange, they may trade at a discount from or a premium to the net asset value per share of the underlying portfolio of securities. In addition to bearing the risks related to investments in equity securities, investors in ETFs intended to replicate a securities index bear the risk that the ETF's performance may not correctly replicate the performance of the index. Investors in ETFs, closed-end funds and other investment companies bear a proportionate share of the expenses of those funds, including management fees, custodial and accounting costs, and other

expenses. Trading in ETF and closed-end fund shares also entails payment of brokerage commissions and other transaction costs.

- **Mutual Fund Shares.** Some of the risks of investing in mutual fund shares include: (i) the price to invest in mutual fund shares is the fund's per share net asset value (NAV) plus any shareholder fees that the fund imposes at the time of purchase (such as sales loads), (ii) investors must pay sales charges, annual fees, and other expenses regardless of how the fund performs, and (iii) investors typically cannot ascertain the exact make-up of a fund's portfolio at any given time, nor can they directly influence which
- **Fixed Income Securities Risk.** Prices of fixed income securities tend to move inversely with changes in interest rates. Typically, a rise in rates will adversely affect fixed income security prices. The longer the effective maturity and duration of the client's portfolio, the more the portfolio's value is likely to react to interest rates. For example, securities with longer maturities sometimes offer higher yields, but are subject to greater price shifts as a result of interest rate changes than debt securities with shorter maturities. Some fixed income securities give the issuer the option to call, or redeem, the securities before their maturity dates. If an issuer calls its security during a time of declining interest rates, we might have to reinvest the proceeds in an investment offering a lower yield, and therefore might not benefit from any increase in value as a result of declining interest rates. During periods of market illiquidity or rising interest rates, prices of callable issues are subject to increased price fluctuation.
- **Derivatives Risk.** Derivatives may be illiquid, difficult to price and leveraged so that small changes may produce disproportionate losses to your portfolio, and may be subject to counterparty risk to a greater degree than more traditional investments. Because of their complex nature, some derivatives may not perform as intended. As a result, your portfolio may not realize the anticipated benefits from a derivative it holds or it may realize losses. Derivative transactions may create investment leverage, which may increase your portfolio's volatility and may require your portfolio to liquidate portfolio securities when it may not be advantageous to do so.

While this information provides a synopsis of the events that may affect a client's investments, this listing is not exhaustive. Although DWD's methods of analysis and investment strategies do not present any significant or unusual risks, all investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Clients should understand that there are inherent risks associated with investing and depending on the risk occurrence; clients may suffer LOSS OF ALL OR PART OF THE CLIENT'S PRINCIPAL INVESTMENT.

D. RECOMMENDATION OF SPECIFIC TYPES OF SECURITIES

DWD does not primarily recommend a particular type of security. Investments are primarily in derivatives of various asset classes.

ITEM 9 DISCIPLINARY INFORMATION

Registered investment advisers are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management. Neither DWD nor any of its management persons has been involved in legal or disciplinary events that are related to past or present investment clients.

ITEM 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

A. FINANCIAL INDUSTRY ACTIVITIES

DWD is not a registered broker-dealer and does not have an application pending to register as a broker-dealer. Furthermore, none of DWD's management or supervised persons is a registered representative of, nor has an application pending to register as a representative of, a broker-dealer.

B. FINANCIAL INDUSTRY AFFILIATIONS

DWD is not a registered Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor and does not have an application pending to register as such. Furthermore, DWD's management and supervised persons are not registered as and do not have an application pending to register as an associated person of the foregoing entities.

C. OTHER MATERIAL RELATIONSHIPS

DWD does not have any other arrangements with a related person who is a broker-dealer, investment company, other investment advisor, financial planning firm, commodity pool operator, commodity trading adviser, futures commission merchant, banking or thrift institution, accounting firm, law firm, pension consultant, real estate broker or dealer, or an entity that creates or packages limited partnerships other than those already disclosed herein.

D. OTHER INVESTMENT ADVISERS

As discussed in Item 4 above, DWD engages other registered investment advisers who provide first-loss platforms to DWD and its clients. Clients will execute an investment management agreement with both DWD and the investment adviser providing the first-loss platform. This means that the Fund has a direct relationship with the client with or without DWD's involvement. As a result, only the client has the ultimate authority to terminate its relationship with the Fund or DWD.

The Fund will have a separate and distinct relationship directly with the client, the Fund and DWD will each be responsible for direct delivery of client disclosure documents, performance reports and will need to maintain its own books and records.

DWD will perform due diligence on first loss platforms it seeks to engage. DWD will look at various factors when choosing a first lost platform, including but not limited to the following:

1. Is it a reputable firm? Can they provide me with industry references, and current manager references? Who controls the firm?
2. How long has the firm been running the program, and what experience does the sponsor have in the space?
3. Who or whom is the capital behind the program? Is the capital committed for a long time period and/or has there been a longstanding relationship in place?
4. Does the firm offer any additional opportunities for managers, such as the potential for traditional allocations? Are they actively making these allocations, and do they have recent live examples?
5. What is the provider's risk management policy & procedures?
6. How is the first-loss capital provider compensated? Are they compensated strictly based on the manager's performance or are they also paid a portion of the trading revenues?
7. What are the details of the deal? Does the capital provider change the account level or your ability to use the capital at a certain level of losses thereby making it harder to make back previous losses? At what point is the account terminated?
8. What are the fees and expenses including commissions, financing charges, or management fees?
9. What compliance procedures does the firm have in place? Are they robust?

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

A. DESCRIPTION OF CODE OF ETHICS

All employees of DWD must act in an ethical and professional manner. In view of the foregoing and applicable provisions of relevant law, DWD has adopted a Code of Ethics in its Employee Policies and Procedures Manual to specify and prohibit certain types of transactions deemed to create conflicts of interest (or the potential for or the appearance of such conflicts), and to establish reporting requirements and enforcement procedures relating to personal trading by DWD personnel. DWD's Code of Ethics in its Employee Policies and Procedures Manual, which specifically deals with professional standards, insider trading, personal trading, gifts and entertainment, and fiduciary duties, establishes ideals for ethical conduct based upon fundamental principles of openness, integrity, honesty, and trust. **We will provide a copy of our Code of Ethics to any client or prospective client upon request.**

B. PARTICIPATION IN CLIENT ACCOUNTS

DWD does not recommend or effect transactions in securities in which any related person may have material financial interest.

C. PROPRIETARY/SIMULTANEOUS TRADING

DWD restricts personal trading for all employees. Speculative trading will not be permitted and personal trading will only be permitted if it is in a retirement account, such as a 401K or IRA. DWD reserves the right to allow certain employee trading upon a case by case basis.

ITEM 12 BROKERAGE PRACTICES

A. SELECTION AND RECOMMENDATION

As a discretionary investment adviser, DWD has a duty to select brokers, dealers and other trading venues that provide best execution for our clients. Generally speaking, the duty of best execution requires an investment adviser to seek to execute securities transactions for clients in such a manner that the client's total cost or proceeds in each transaction is the most favorable under the circumstances, taking into account all relevant factors. The lowest possible commission, while very important, is not the only consideration.

The Fund allows DWD to select its own broker-dealers and custodians. It is the Firm's policy to seek best execution in all portfolio trading activities for all investment disciplines and products, regardless of whether commissions are charged. This applies to trading in any instrument, security or contract including equities, bonds, and forward or derivative contracts.

Our standards and procedures governing best execution are set forth in several written policies. Generally, to achieve best execution, we consider the following factors, without limitation, in selecting brokers and intermediaries: (1) execution capability; (2) order size and market depth; (3) availability of competing markets and liquidity; (4) trading characteristics of the security; (5) availability of accurate information comparing markets; (6) quantity and quality of research received from the broker dealer; (7) financial responsibility of the broker-dealer; (8) confidentiality; (9) reputation and integrity; (10) responsiveness; (11) recordkeeping; (12) ability and willingness to commit capital; (13) available technology; and (14) ability to address current market conditions. DWD regularly evaluates the execution, performance and risk profile of the broker-dealers it uses.

B. RESEARCH AND OTHER SOFT DOLLAR BENEFITS

DWD does not currently receive "soft dollars."

Under "soft dollar" arrangements, one or more of the brokerage firms would provide or pay the costs of certain services, equipment, or other items. These soft dollar benefits are attributed to the investment advisor by reducing its expenses; however, the amount of the fee paid to the investment advisor by the client would not be reduced. Making allocations to brokerage businesses with soft dollar arrangements could enhance the ability to obtain research, optimal execution and other benefits on behalf of clients.

C. BROKERAGE FOR CLIENT REFERRALS

DWD does not currently receive client referrals from third parties for recommending the use of specific broker-dealer brokerage services. Because DWD is a recently formed entity, it has not utilized any particular procedures during the last fiscal year to direct client transactions to a particular broker in return for products and research services received. If DWD determines to enter into such a referral arrangement, the Firm will amend its Part 1 of Form ADV and this Firm Brochure.

D. DIRECTED BROKERAGE

Securities transactions are executed by brokers selected by DWD in its discretion and without the consent of clients. DWD generally will not recommend, request, or require clients to direct the Firm to execute transactions through a specified broker-dealer. Not all investment advisers require their clients to direct brokerage.

E. ORDER AGGREGATION

DWD may, at times, aggregate sale and purchase orders of securities ("block trading") for advisory accounts with similar orders in order to obtain the best pricing averages and minimize trading costs. This practice is reasonably likely to result in administrative convenience or an overall economic benefit to the client. Clients also benefit relatively from better purchase or sale execution prices, lower commission expenses or beneficial timing of transactions or a combination of these and other factors. Aggregate orders will be allocated to client accounts in a systematic non-preferential manner. DWD may aggregate or "bunch" transactions for a client's account with those of other clients in an effort to obtain the best execution under the circumstances.

ITEM 13 REVIEW OF ACCOUNTS

A. PERIODIC REVIEWS

DWD reviews client portfolios on a daily basis for specific position exposures. Portfolios may be rebalanced weekly. The reviews are led by Daniel Dayan as Chief Compliance Officer of DWD.

B. INTERMITTENT REVIEW FACTORS

Intermittent reviews may be triggered by substantial market fluctuation, economic or political events, or changes in the client's financial status (such as retirement, termination of employment, relocation, inheritance, etc.). Clients are advised to notify DWD promptly if there are any material changes in their financial situation, investment objectives, or in the event they wish to place restrictions on their account.

C. REPORTS

Clients may receive confirmations of purchases and sales in their accounts and will receive, at least quarterly, statements containing account information such as account value,

transactions, and other relevant information. Confirmations and statements are prepared and delivered by the custodian. DWD shall provide monthly commentary reports in connection with the client's account and general market conditions. These reports should not substitute client review of the statements received from the Fund.

ITEM 14 CLIENT REFERRALS AND OTHER COMPENSATION

A. ECONOMIC BENEFITS FROM OTHERS

DWD and its related persons do not receive an economic benefit (such as sales awards or other prizes) from any third party for providing investment advice or other advisory services to its clients.

COMPENSATION TO UNAFFILIATED THIRD PARTIES

DWD and its related persons currently have no arrangements with unaffiliated third parties in order to market the firm or its investment strategies.

ITEM 15 CUSTODY

A. CUSTODIAN OF ASSETS

Custody means holding, directly or indirectly, client funds or securities, or having any authority to obtain possession of them.

DWD does not have direct custody of any client funds and/or securities. DWD will not maintain physical possession of client funds and securities. Instead, client's funds and securities are held by the Fund's qualified custodian. Furthermore, DWD does not have indirect custody of any client funds and/or securities because the Fund is not an affiliate or related person of DWD. DWD is not deemed to have custody, rather the Fund is deemed to have custody. However, DWD will evaluate its engagement with other Funds, to determine if it has direct or indirect custody as a result of its relationship or arrangement with a particular Fund. If DWD indirectly or directly has custody of client funds and/or securities, DWD will update Form ADV accordingly.

Prior to permitting direct debit of fees, each client provides written authorization to the Fund permitting fees to be paid directly from the custodian. Payments of fees may be paid by the custodian from the custodial brokerage account that holds client funds directly to the Fund pursuant to the client's agreement with the Fund. In certain jurisdictions, the ability of the Fund to withdraw its management fees from the client's account may be deemed custody.

Clients are encouraged to review their fee invoices with their account statements.

B. ACCOUNT STATEMENTS

Although DWD is the client's adviser, the client's statements will be mailed or made available electronically by the broker-dealer or custodian. When the client receives these statements, they should be reviewed carefully. Clients should compare asset values, holdings, and fees on the statement to that in the account statement issued the previous period.

ITEM 16 INVESTMENT DISCRETION

It is DWD's customary procedure to have full discretionary authority in order to supervise and direct the investments of a client's accounts. Clients grant this authority upon execution of DWD's IMA. This authority is for the purpose of making and implementing investment decisions, without the client's prior consultation. All investment decisions are made in accordance with the client's stated investment objectives. Other than performance fees due to DWD, which DWD will receive directly from the custodian, DWD's discretionary authority does not give authority to take or have possession of any assets in the client's account or to direct delivery of any securities or payment of any funds held in the account to DWD. Furthermore, DWD's discretionary authority by agreement does not allow it to direct the disposition of such securities or funds to anyone except the account owner.

ITEM 17 VOTING CLIENT SECURITIES

DWD will vote proxies which are solicited for securities held in client accounts. DWD will not be required to render any advice with respect to the voting of proxies solicited by or with respect to the issuers of securities in which assets of the client's account may be invested in occasionally. Furthermore, DWD will take any action, but is not required to render any advice, with respect to any securities held in any client's accounts that are named in or subject to class action lawsuits.

DWD has adopted a proxy voting policy pursuant to SEC Rule 206(4)-6 to describe how it votes its clients' proxies. DWD's main voting policy is to vote in the best interest of its clients, consistent with its duty of care and loyalty. DWD generally votes for proposals that it believes will maximize the value of the client's security. The factors DWD considers will vary according to the security and client, and may include market information, the company's financial situation, the industry, and the client's investment restrictions. DWD maintains proxy voting policies and procedures which are available upon written request to the Chief Compliance Officer.

ITEM 18 FINANCIAL INFORMATION

A. BALANCE SHEET REQUIREMENT

DWD is not the qualified custodian for client funds or securities, and does not require prepayment of fees of more than \$1,200 per client, six (6) months or more in advance.

B. FINANCIAL CONDITION

DWD does not have any financial impairment that would preclude the Firm from meeting contractual commitments to clients.

C. BANKRUPTCY PETITION

DWD has not been the subject of a bankruptcy petition at any time during the last 10 years.

PRIVACY POLICY

DWD does not disclose nonpublic personal information about its clients or former clients to any persons other than as described below. DWD collects information about its clients (such as name, address, social security number, assets and income) from discussions with clients, from documents that clients may deliver to DWD (such as account applications) and in the course of providing services. In order to service its client accounts and effect client transactions, DWD may provide client personal information to its affiliates and to firms that assist it in servicing client accounts and which have a need for such information. DWD does not otherwise provide information about its clients to outside firms, organizations or individuals except as required by law. Any party that receives this information will use it only for the services and as allowed by applicable law or regulations, and is not permitted to share or use this information for any other purpose.

DWD PARTNERS, LLC

FORM ADV PART 2B

BROCHURE SUPPLEMENT

JANUARY 15, 2017

DANIEL DAYAN

CHIEF COMPLIANCE OFFICER

INVESTMENT ADVISOR REPRESENTATIVE

This Brochure Supplement provides information about the qualifications of Daniel Dayan, Chief Compliance Officer, and an Investment Adviser Representative of DWD Partners, LLC (“DWD” or the “Firm”). Any questions about the contents of this brochure should be directed to the Firm.

Additional information about the Firm’s Investment Adviser Representatives is available on the SEC’s website at www.adviserinfo.sec.gov. The site is searchable by a unique identifying number known as a CRD number. Daniel Dayan’s CRD number is 5806274.

A. GENERAL REQUIREMENTS

Generally, DWD requires employees to have relevant work experience in the securities industry. Any employee of DWD acting in a representative capacity will be appropriately licensed and registered as such.

B. INVESTMENT ADVISER REPRESENTATIVE INFORMATION

We currently have one (1) investment adviser representative employed by DWD. This Brochure Supplement provides information about **Daniel Dayan**.

ITEM 2 EDUCATION AND BUSINESS EXPERIENCE

CRD No. 5806274

Year of Birth: 1981

Educational Background

Concordia University, BS in Commerce (2005)

University of Chicago Booth School of Business, Master in Business Administration (2010)

Business Experience

Registered Investment Adviser, Chief Compliance Officer (Aug. 2016 - Present)

DWD Partners, LLC

Managing Director, Trading and Risk Management (Apr. 2014 – Oct. 2015)

Ice Farm Capital

Vice President, Rates and FX Sales and Trading (Jul. 2013 – Apr. 2014)

Macro Risk Advisors

Associate, Interest Rate Sales (Jul. 2010 – Jun. 2013)

Credit Suisse Securities, USA

ITEM 3 DISCIPLINARY INFORMATION

None. Daniel Dayan does not have any legal or disciplinary events material to a client's or prospective client's evaluation.

ITEM 4 OTHER BUSINESS ACTIVITIES

Daniel Dayan does not engage in other business activities.

ITEM 5 ADDITIONAL COMPENSATION

Daniel Dayan does not receive any economic benefit from any third party for providing advisory services.

ITEM 6 SUPERVISION

Daniel Dayan is the sole Investment Adviser Representative of DWD. DWD provides investment advisory services in accordance with its policies and procedures manual. Mr. Dayan also serves as DWD's Chief Compliance Officer and is primarily responsible for implementation of the Firm's policies and procedures. Mr. Dayan may be contacted at (917) 346-5506 or ddayan@dwd-partners.com for more information about this Brochure Supplement.