

TSWII Capital Advisors, LLC

Part 2A of Form ADV

The Brochure

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This brochure provides information about the qualifications and business practices of TSWII Capital Advisors, LLC (“TSWII”). If you have any questions about the contents of this brochure, please contact us at 423-267-1430. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about TSWII is also available on the SEC’s website at: www.adviserinfo.sec.gov.

Material Changes

Our most recent update to Part 2A of Form ADV was made in March 2022. TSWII does not believe that there have been any material changes to the content of this brochure since its last annual amendment, however additional information has been added to the following sections:

- Advisory Business – addition of two new clients (TSW3 VC 1, LLC and TSWS, L.P.) and the replacement of TSWII Management Company by TSW3 GP, LLC as General Partner of TSW3, LP, as approved by the limited partners of TSW3, LP and as Manager of TSW3 Co-Investment I, LLC;
- Fees and Compensation section and the Performance Based Fees and Side-by-Side Management section to incorporate disclosures related to the two new clients

A copy of TWII's Complete Form ADV Brochure and Brochure Supplement is available without charge by contacting TSWII at 423-267-1430. Additional information about TSWII is also available on the SEC's website at: www.adviserinfo.sec.gov.

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Advisory Business

TSWII Capital Advisors, LLC, a Delaware limited liability company, (“TSWII” or the “Adviser”) provides discretionary investment advisory services to privately offered pooled investment vehicles (each a “Fund”) that invest in other privately offered pooled investment vehicles. This structure is commonly referred to as a fund of funds. TSWII’s owners are L.H. Caldwell, III (“Hacker Caldwell”) and Katharine Caldwell Nevin (“Kate Nevin”). Kate Nevin serves as TSWII’s President and Hacker Caldwell serves as the Chairman. TSWII provides investment advisory services to the following funds:

- A master/feeder structure consisting of TSWII, L.P. (the “Master Fund”), TSWII Domestic, L.P. (“the Domestic Fund”), and the TSWII Offshore, SPC (the “Offshore Fund” and together with the Domestic Fund, the “Feeder Funds”). The Feeder Funds are invested entirely in the Master Fund. All portfolio investments are made through the Master Fund. The Master Fund and the Feeder Funds are collectively referred to in this brochure as the “TSWII Funds”);
- TSW3, LP (“TSW3 Fund”);
- TSW3 Co-Investment I, LLC (“TSW3 Co-Invest Fund”);
- TSW3 VC 1, LLC (“TSW3 VC Fund”); and
- TSWS, L.P. (“TSWS Fund”)

TSWII Management Company (“TSWII Management” or “General Partner”), a Delaware corporation organized in December 1990, serves as the General Partner to TSWII, L.P., TSWII Domestic, L.P. and provides administrative services for all Funds. Kate Nevin is the President of TSWII Management Company and Hacker Caldwell serves as the Chairman. Its directors are Hacker Caldwell, Kate Nevin and Katharine S. Caldwell (“Katharine Caldwell”). Hacker Caldwell and Kate Nevin are the owners of TSWII.

TSW3 GP, LLC (“General Partner” or “Manager”), a Delaware limited liability company organized in September 2022, serves as General Partner to TSW3, LP and Manager to TSW3 Co-Investment I, LLC and TSW3 VC 1, LLC. Effective January 1, 2023, TSW3 GP, LLC replaced TSWII Management as General Partner of TSW3, LP. Concurrently, TSW3 GP, LLC replaced TSWII as Manager of TSW3 Co-Invest Fund. John Harrison is the managing member and sole owner of TSW3 GP, LLC.

TSWS GP, LLC (“General Partner”), a Delaware limited liability company organized in December 2022, serves as General Partner to TSWS, L.P. Kate Nevin is its managing member and sole owner.

TSWII provides investment advice directly to each Fund and not individually to the limited partners of the Funds. TSWII advises the Funds in accordance with the terms of the governing documents applicable to each Fund. As of December 31, 2022, TSWII advises \$438,100,000 of assets on a discretionary basis on behalf of the TSWII, TSW3 and TSWS Funds.

Fees and Compensation

Each Fund is governed by a limited partnership agreement (“LPA”) or other organizational and offering documents that set forth in detail the fee structure relevant to each such Fund. The terms of the compensation arrangements are established at the time of the formation of the applicable Fund. As compensation for investment advisory and management services rendered to the TSWII, TSW3 and TSW5 Funds, a fixed annual management fee is charged of up to one and one-half percent (1.5%) of each limited partner’s capital account payable quarterly in advance on the first day of each quarter. TSWII Management is entitled to receive a portion of those management fees collected as compensation for the administrative services it performs on behalf of the Funds. In its sole discretion TSWII, its affiliated Fund General Partners or Managers may reduce or waive the management fee charged to any limited partner’s capital account; provided the right is reserved at any time to modify such lesser compensation to a level no greater than described above. TSWII, its affiliated Fund General Partners or Managers allow investors (including the Chairman, President, Portfolio Managers and other related parties) to redeem all or a portion of their interests in the Funds on shorter notice and/or with greater frequency than upon the terms described in the offering documents.

Depending on the Fund and investor elected share class, TSWII, its affiliated Fund General Partner or Manager is eligible to receive performance fees ranging from 5% to 10% based on a Fund’s realized, unrealized net profits or capital appreciation. A particular Fund’s performance fee terms are described in the Fund’s offering documents.

In addition to TSWII's investment management fees, each Fund will bear its own operating costs and expenses, consistent with the applicable provisions in each of the Fund’s governing documents, including without limitation: fees and expenses of third-party professionals, including without limitation, attorneys, accountants, compliance advisory services and consultants; support for research and other activities related to portfolio management, due diligence and monitoring and disposition of actual and prospective investments, whether or not any such investment or disposition is consummated, including fees paid to a third party, travel and lodging, and expenses related to information technology; other investment-related expenses, including brokerage transaction costs (which may include transaction costs related to any securities a Fund may receive in-kind from private investment funds in which the Fund invests); compensation payable to a third party in connection with the management of any Security; organizational and reorganizational expenses; custodial fees, costs of indemnification or litigation; interest expenses on, and any other fees and expenses related to, any borrowings the Partnership may make; fees and expenses related to compliance with any applicable law or regulation; and expenses related to the offering and sale of interests in the Partnership.

Since the Funds invest in other privately offered pooled investment vehicles, investors will pay a management fee to TSWII, its affiliated Fund General Partner or Manager and a separate layer of management fees, performance fees, trading and administrative expenses to the private investment funds in which the Funds invest.

When determining fees, the precise account balances may be unavailable to TSWII on a timely basis. The funds in each portfolio provide TSWII with unaudited, net asset values, which are subject to revision. TSWII’s billing in those situations is therefore based on the most current

information available when fees are calculated. Please see the Methods of Analysis, Investment Strategies, and Risk of Loss section of this brochure for more information on Valuation Risks and Estimates.

Performance Based Fees and Side-by-Side Management

In addition to the annual management fee disclosed above in the Fees and Compensation section, TSWII, its affiliated Fund General Partners or Managers are eligible to receive performance-based compensation for the funds they manage. The performance-based fee is generally based on a Fund's realized or unrealized net profits or capital appreciation. Performance fees range from 5% to 10% and such fee may be subject to reaching a hurdle rate of return and the requirement to recoup prior losses before earning such fees. Fees are generally deducted from the given Fund's net assets. A given Funds' performance-based fee is described in greater detail in its offering documents.

In certain circumstances the performance-based fee charged by each Fund is waived, reduced, modified, or rebated. For example, Investors that are employees of TSWII or related persons are generally not charged performance-based fees.

Performance-based compensation creates a potential conflict of interest because TSWII may have an incentive to make investments that are riskier or more speculative than would be the case in the absence of the performance-based compensation. In addition, the performance on which performance-based compensation is calculated may include unrealized appreciation of investments that may not ultimately be realized. TSWII has implemented policies and procedures that seek to ensure that all clients, over time, are treated fairly and equitably, and to prevent this conflict from influencing the allocation of investment opportunities among TSWII's Clients.

Types of Clients

TSWII provides investment advisory and administrative services to the Funds, as described in this brochure, and not individually to the limited partners of the Funds. Limited partners in the Funds may include, but are not limited to, high net worth individuals, partnerships, pension plans, endowments, foundations, trusts, estates or charitable organizations, investment advisers, and corporate or other business entities.

Details, concerning applicable investor suitability criteria, are set forth in the respective Fund's offering documents and subscription materials. Generally, the minimum investment in the Funds is \$1 million. A Fund's General Partner or Manager does have the authority to accept subscriptions for lesser amounts. Each investor is required to meet certain suitability qualifications, such as being an "accredited investor" within the meaning set forth in Rule 501(a) of Regulation D under the Securities Act of 1933, as amended. However, certain non-accredited investors have been permitted to invest in the Funds, advised by TSWII, as allowable under Rule 506 of Regulation D.

Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

Each Fund is managed with the goal of achieving the investment objective of the Fund, as agreed upon by TSWII and the Fund in the Fund's respective investment management agreement. TSWII strives to diversify the Funds by using a variety of investment managers, styles, strategies, securities, and geography. Generally, TSWII seeks to accomplish the objectives of the Funds by allocating assets among a variety of portfolio managers as a Fund of Funds. However, TSWII does advise a single purpose co-investment vehicle. TSWII and its managers endeavor to use its network of contacts within the alternative investment community as a primary tool in sourcing potential investment opportunities and to facilitate initial contact with a potential investment manager. TSWII also considers risk management to be a significant component of advising the Funds including both quantitative and qualitative factors.

Once a prospective manager is identified, TSWII shall conduct a due diligence review of the manager prior to investment. Due diligence reviews of potential managers generally consist of, among other things: (i) an assessment of investment manager's professional and educational background, investment philosophy, style and overall investing experience, performance, fund size, investment terms, style drift, portfolio holdings, liquidity, risk management practices, sources of investment ideas and research methodology; (ii) review of fund offering documents, marketing materials, due diligence questionnaires, and audited financial statements; (iii) review of the manager's operational infrastructure including the use of key service providers; and (iv) assess firm processes including valuation methodology, brokerage execution practices, and disaster recovery plans. TSWII has engaged a third party to assist in conducting operational due diligence on existing and prospective managers.

TSWII monitors the portfolio holdings and conducts ongoing due diligence reviews of the managers and investment partnerships. The ongoing due diligence of selected investment managers generally consists of, among other things: (i) reviews of monthly / quarterly investment letters to monitor for portfolio moves, style drift, operational issues, material organizational changes, cash flows by partners, and investment outlook; (ii) periodic contact with each of the investment managers to discuss performance, market trends, valuation, and other issues, as necessary; (iii) reviews of investment exposures; (iv) attendance at annual investor meetings and participation in periodic conference calls, as held by the managers; (v) review press releases and news articles; (vi) annual reviews of audited financial statements and tax filings; (vii) review of regulatory filings, and (viii) periodic telephone or video interviews or onsite meetings with investment and operational personnel.

Investment Strategies

TSWII will analyze alternative investment strategies and managers by (i) evaluating the historical returns of a given fund under differing market conditions, (ii) analyzing various managers' philosophies, personalities and skills, and (iii) attempting to determine why a particular strategy has been profitable and whether the past rate of return is likely to continue. The investment objective is capital appreciation through investment in equity-based partnerships that seek to achieve superior rates of return with a balanced level of risk. In addition, TSWII and

its Fund Portfolio Managers may choose to participate in co-investment funds designed to target more specific opportunities.

TSWII Portfolio Managers invest with investment managers that can pursue a variety of investment strategies including the following: long/short equity; distressed securities; multi-strategy; long only; event driven; and global-macro, private equity and venture type strategies and commodity pools. A brief description of each investment strategy is included below.

Long/Short Equity – This strategy involves investments, long or short, in equities. Funds in this category generally purchase stocks that they perceive to be undervalued and sell stocks that they perceive to be overvalued. The research-intensive efforts employed in identifying promising stock to hold long in a portfolio may also provide short-sale opportunities, and for this reason many directional equity funds often maintain both long and short portfolios. While the long side generally outweighs the short side in most directional funds, there is also a small group of short-biased funds in which the short side exceeds the long side.

Distressed Securities – Distressed securities are securities of companies or nations central banks that are either already in default, under bankruptcy protection, or in distress and heading toward such a condition. When it comes to fixed income, these types of securities are below investment grade and can include corporate credit as well as emerging market government debt. The most common distressed credit securities are bonds and bank debt. Historically, distressed securities have traded at deep discounts to a rational assessment of their risk-adjusted value. This has historically led to above-average returns (adjusted for risk) for investors in this asset class.

Multi-Strategy – The investment objective of multi-strategy funds is to deliver consistently positive returns regardless of the directional movement in equity, interest rate, or currency markets. In general, the risk profile of the multi-strategy classification is significantly lower than equity market risk. By definition multi-strategy funds engage in a variety of investment strategies. The diversification benefits generally help to smooth returns, reduce volatility and decrease asset-class and single-strategy risks.

Long Only/Long Bias – A long-only absolute return fund generally takes only long positions, seeks undervalued securities, and attempts to reduce volatility and downside risk by holding cash, fixed income, or other basic asset classes.

Event Driven – Event driven strategies involve investments, long or short, in the securities of corporations undergoing significant change (e.g., spin-offs, mergers, liquidations, bankruptcies). Such change often provides managers with a tangible catalyst by which the manager may be able to realize the expected change in value in the underlying security. Profits may be generated by managers who correctly analyze the impact of the anticipated corporate event, predict the course of restructuring and take positions accordingly.

Global Macro – Global macro funds invest in the markets and instruments which they believe provide the best opportunity. At any given time, global macro managers may take positions in currencies, debt, equities, or commodities. Global macro managers may elect to take outright directional positions; and depending on their own expertise and the risk-return profile of the markets in which they are trading, they may also elect to take relative value positions, where a

long position or set of positions is dynamically paired off against a short position or set of positions.

Private Equity, Venture and Other Private Funds - The Partnership may invest in private equity, venture capital, mezzanine debt offerings and other similar private investment vehicles such as single name, co-investment vehicles. These investments provide TSWII access to the private small and mid-size company market. These investments may require a significant current or future capital commitment. These interests are not readily redeemable and may depend on specific future events to achieve liquidity or expected value.

Commodity Pools - The Partnership may invest in other partnerships, which invest in commodity futures and options and are commodity pools. These instruments are highly volatile and risky and can be difficult to value.

Cryptocurrency Risk - Cryptocurrency (notably, bitcoin), often referred to as “virtual currency” or “digital currency,” operates as a decentralized, peer-to-peer financial exchange and value storage that is used like money. Cryptocurrency operates without central authority or banks and is not backed by any government. Even indirectly, cryptocurrencies (i.e., bitcoin) may experience very high volatility. Cryptocurrency is also not legal tender. Federal, state or foreign governments may restrict the use and exchange of cryptocurrency, and regulation in the U.S. is still developing. Cryptocurrency exchanges may stop operating or permanently shut down due to fraud, technical glitches, hackers or malware.

Material Risks

The description contained in this brochure is an overview of the material risks associated with TSWII’s investment strategy and is not intended to be complete. All investing involves a risk of loss and the investment strategy offered by TSWII could lose money over short or long periods. Performance could be hurt by a number of different market risks including but not limited to:

Investing in securities is inherently risky - An investment in the Funds could lose money. There is no assurance that TSWII, its affiliated Fund General Partners or Managers will be able to generate returns for limited partners, or that the Funds’ investment objectives will be achieved, or that there will be any return of capital. Therefore, an investor should only invest in a Fund if the investor can withstand a total loss of its investment. The past investment performance of the underlying securities in which TSWII or its Portfolio Managers has invested cannot be taken to guarantee future results of any investment in the Funds. The investments selected by TSWII or its Portfolio Managers should be deemed speculative investments and are not intended as a complete investment program. These types of investments are designed for sophisticated investors who fully understand and are capable of bearing the risk of loss of their entire investment.

TSWII has little control over the activities of any of the investment vehicles in which its Funds invest - Investment managers may take undesirable tax positions, employ excessive leverage or otherwise manage the Portfolio Funds in a manner not anticipated by the Adviser. The operations of the Portfolio Funds are heavily dependent upon their investment managers, and if any manager dies, resigns, becomes legally incompetent or insolvent, or experiences a

significant change in staffing, the operations of that investment vehicle may be adversely affected.

Valuation Risks - With respect to investments in the Portfolio Funds, the valuations of investments in these vehicles are based on the net assets/partner's capital reported by the managers of such vehicles. Accordingly, TSWII relies primarily on information provided by the underlying investment vehicle managers in valuing Client investments in the Funds and determining the value of the Client's portfolio. A Client's investment in a Portfolio Fund will generally be valued in accordance with the net asset value/partner's capital information provided by the managers and/or fund administrators of such Portfolio Funds as part of their periodic investor statements. These investor statements generally will be provided for the respective Portfolio Fund based on the interim unaudited financial records of the Portfolio Fund, and, therefore, could be subject to adjustment (upward or downward) based on the annual independent audit of such financial records.

In addition, generally, TSWII will not have access to detailed information regarding the composition of portfolios of the Portfolio Funds; each relies on the limited information provided to them by the underlying investment manager or their administrators. The failure of the Portfolio Funds or their administrators to appropriately value the investment securities of the Portfolio Funds could adversely affect a Client and performance information that is reported to the Client.

Valuation Estimates - With respect to investments in the Portfolio Funds, in most cases, TSWII has limited ability to assess the accuracy of the valuations received from a Portfolio Funds manager. Furthermore, the net asset values of the Portfolio Funds manager provided to TSWII are unaudited, subject to revision upon conclusion of such Portfolio Fund's annual audit. As note above in the Fees and Compensation section of this brochure, TSWII's billing is based on the most current information available when fees are calculated.

The Funds have limited liquidity and no transferability of interests - An investment in the Funds involves limited liquidity and interests are not transferable. Some, and potentially all, of the private funds in which TSWII has or its relevant Portfolio Manager has invested and intends to invest impose substantial limitations on TSWII's ability to withdraw assets invested. Consequently, to the extent that a withdrawal of an investor's investment in a Fund would require a liquidation of a portion of an underlying fund, such investor may not be able to withdraw from a Fund in a timely manner. Also, there is no market for interests in the Funds and none is ever expected to develop. Consequently, investors may not be able to liquidate their investments expeditiously in the event of an emergency or for any other reason. In order to accommodate any limited partner facing an emergency requiring immediate liquidity, the General Partner or Manager, in its sole discretion, may permit such limited partner to pledge his interest as collateral for a loan from a financial institution. Thereupon, a Fund's General Partner or Manager may liquidate such pledged interest and may charge up to 3% of the value of the pledged interest to defray expenses incurred by the Fund.

Additionally, the Funds, in the sole discretion of a Fund's General Partner or Manager, allow investors (including the Chairman, President, Portfolio Managers and other related parties) to

redeem all or a portion of their interests in the Funds on shorter notice and/or with greater frequency than upon the terms described in the offering documents.

The use of leverage increases the risk of loss - Many of the investment partnerships in which the Funds invest utilize leverage, and TSWII itself may borrow. To the extent the investment managers to the underlying funds purchase securities with borrowed funds, net assets will tend to increase or decrease at a greater rate than if borrowed funds are not used. Leverage strategies increase the risk of loss. Furthermore, a Fund's General Partner or Manager may borrow on behalf of the Funds for any partnership purpose, for example, by borrowing on a short-term basis to fund a withdrawal of capital by a limited partner, and may secure such borrowings by the pledge of all or any portion of the Fund's assets. Assets of the Funds that have been pledged or used as collateral for the loans are assigned to the bank. In the event that the Funds are not able to repay the loan, the bank will be entitled to those assets. The effect of such leverage under adverse conditions could result in a significant loss of the Fund's assets.

There is a possibility of an inadvertent lack of diversification - More than one underlying investment fund may invest in the same securities causing the Funds to have an undue concentration in one particular security, sector or type of security. In addition, the diversification policies of the underlying investment funds may vary from time to time and, consequently, they may not maintain the level of diversification anticipated by the Adviser. The diversification policy of TSWII and the Funds may change, in which event limited partners may not achieve the degree of diversification among strategies that they anticipated. Different investment managers could also take opposite positions in the same security.

A strategy that invests in privately offered pooled investment vehicles may result in high expenses - The compensation paid to the investment managers of the underlying investment funds, which in many cases may be in excess of 20% of net profits of an investment fund, may constitute a higher percentage of net assets and profits than is the case with other investment entities. TSWII's, its affiliated General Partner's or Manager's compensation will be in addition to such fees.

Highly competitive market for investment opportunities - The activity of identifying attractive investment opportunities is highly competitive and involves a high degree of uncertainty. TSWII and its Portfolio Managers face competition for investments from a variety of other investment vehicles, as well as individuals, financial institutions and other institutional investors. Additional funds with similar investment objectives may be formed in the future by other unrelated parties. There can be no assurance that TSWII or its Portfolio Managers will be able to identify investment opportunities which satisfy the investment objectives of the Funds.

Short sales are inherently risky - The sale of a security that one does not own, in hopes of buying it back later at a lower price, involves a potentially unlimited liability. TSWII, however, will not employ this strategy for its own Funds, so its exposure to short sale liability will be limited to its investment as a limited partner in vehicles employing this strategy.

The Fund General Partners and Managers have claimed exemption from registration with the CFTC as a commodity pool operator - As a result the Partnership is not subject to certain disclosure and reporting requirements otherwise imposed on commodity pools.

Cybersecurity - TSWII and its service providers are subject to risks associated with a breach in cybersecurity. Cybersecurity is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs and data from both intentional cyber-attacks and hacking by other computer users as well as unintentional damage or interruption that, in either case, can result in damage or interruption from computer viruses, network failures, computer and telecommunications failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. A cybersecurity breach could expose both TSWII and the Funds to substantial costs (including, without limitation, those associated with forensic analysis of the origin and scope of the breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, litigation, adverse investor reaction, the dissemination of confidential and proprietary information and reputational damage), civil liability as well as regulatory inquiry and/or action. In addition, any such breach could cause substantial withdrawals from a Fund. While TSWII has established a business continuity plan in the event of, and risk management strategies, systems, policies and procedures to seek to prevent, cybersecurity breaches, there are inherent limitations in such plans, strategies, systems, policies and procedures including the possibility that certain risks have not been identified. Furthermore, TSWII, and the Funds cannot control the cybersecurity plans, strategies, systems, policies and procedures put in place by other service providers to the Funds and/or the issuers in which the Funds invests.

Epidemics and Pandemics – Many countries have been susceptible to epidemics, such as severe acute respiratory syndrome, avian flu, H1N1/09 flu and, currently, COVID-19 (commonly known as the “Coronavirus”). The epidemic or pandemic outbreak of an infectious disease in a country or region of the world or globally, together with any resulting restrictions on travel, transportation or production of goods or quarantines imposed, could have a negative impact on the national, regional or global economy and business activity in any of the countries in which TSWII and its Portfolio Managers may invest (some economists have warned that global economic growth could be cut by more than half and that countries and the global economy could be plunged into recession) and thereby adversely affect the performance of Client investments. While the economic impact of the ongoing global outbreak of the Coronavirus is presently uncertain, such outbreak and any future outbreak of an infectious disease or any other serious public health concern in a country, region or globally could materially harm Client investments. In addition, the Coronavirus has led to significant volatility in the securities markets and the Coronavirus and any future outbreak of an infectious disease or any other serious public health concern may lead to additional volatility and illiquidity of the Client investments. Furthermore, the Coronavirus and any future outbreak of an infectious disease or any other serious public health concern may lead to significant interruption in normal business activity of TSWII and the Clients’ other service providers which could negatively affect the performance of Client accounts.

Disciplinary Information

Neither TSWII nor any of its officers, directors, or employees (“Employees”) have been involved in any legal or disciplinary events that would be material to an investor’s evaluation of the Adviser or its personnel.

Other Financial Industry Activities and Affiliations

TSWII Management is a relying adviser and an affiliate of TSWII, serves as the General Partner of the TSWII Funds and provides all administrative services for all Funds by agreement. TSWII Management is owned by Hacker Caldwell, Katharine Caldwell, and Kate Nevin. TSWII is owned by Hacker Caldwell and Kate Nevin. TSWII has no other business relationships or arrangements with a related entity.

Depending on the Fund, TSWII, its affiliated General Partners or its Managers have directed the Funds to invest in certain private investment funds that are managed by entities that are investors in the Funds. TSWII, its affiliated Fund General Partner or Manager receives the normal and customary investment management fees associated with the underlying investment manager’s investment in the Funds. This business practice may present a conflict of interest in that TSWII, its affiliated General Partners and Managers may have a financial incentive to invest Fund assets with underlying investment managers in return for their investment in the Fund. However, in accordance with its fiduciary duty, TSWII, or its affiliates, will not let the receipt of investment management fees influence its investment decision-making process. All investment decisions are made based on a thorough evaluation of the merits of an investment, and not based on management fees that we may receive from any of the underlying investment managers.

Some of our investors are employees in other investment advisers that manage private funds whose products are allocated to the Funds we manage. We recognize our fiduciary duty to act in the best interests of all of our Clients. Any recommendation regarding investment offerings or services must go through our due diligence process. We do not allow the fact that one of our investors who may be an employee in a firm to influence our due diligence process.

One of our investors provides broker services to the Funds. TSWII selects its service providers in accordance with its fiduciary obligations to the Funds. We have adopted policies and procedures to address these types of conflicts. For a description of our best execution policy, please see the “Brokerage Practices – Best Execution Reviews” section of this brochure.

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

TSWII has adopted a written Code of Ethics (the “Code”) pursuant to Rule 204A-1 under the Investment Advisers Act of 1940 that is based on the principal that TSWII owes a fiduciary duty to its clients (the Funds). TSWII’s Code sets forth standards of business conduct and compliance with federal securities laws by all of TSWII’s Employees. Among other things, the Code requires

TSWII and its Employees to act with integrity and in an ethical manner, act in Clients' best interests, abide by all applicable regulations, avoid even the appearance of insider trading, and promptly report any suspected Code violations to the Compliance Officer. The Code also requires Employees to report on many types of personal securities transactions, and seek pre-clearance from a Compliance Officer before personally purchasing a security in an IPO or transacting in any privately offered security. TSWII's restrictions on personal securities trading apply to all Employees, as well as Employees' family members living in the same household.

TSWII Employees and Portfolio Managers may invest in private offerings, including investments in which the Funds also invest. Any investment by an Employee or Portfolio Manager in a private offering requires pre-clearance from TSWII's CCO. An Employee or Portfolio Manager investment alongside a TSWII Fund is prohibited if the investment has limited capacity and the Employee receives terms that are more favorable than those a TSWII Fund receives. In accordance with our fiduciary duty to Clients, all investment decisions are made based on a thorough evaluation of the merits of the investment.

A TSWII Portfolio Manager has issued promissory notes to certain individuals who are also TSW3 Fund Investors. The Portfolio Manager used the proceeds from the notes to invest in a private offering. The private offering is invested in a private company that TSW3 also invested in via a separate, unrelated private offering. The note creates a conflict of interest because the Portfolio Manager may have incentive to provide favorable treatment to the Investors to whom the note was issued. TSWII has implemented policies and procedures to seek to ensure all Clients and investors are treated fairly and equitably, and to prevent this conflict from influencing investment decisions.

TSWII, its Employees or a related entity will have an investment in the Funds. TSWII, its Employees, or a related entity will have an economic interest in transactions that are effected for the Funds.

A copy of the Code will be provided to any client or prospective client upon request to Christopher Fehr at 423-267-1430 or chris@tswii.com.

Brokerage Practices

As previously mentioned, TSWII primarily utilizes a "fund-of-funds" approach to investing on behalf of the TSWII Funds. The TSWII Funds conduct their trading primarily by investing in other private investment funds. Therefore, traditional securities execution decisions are typically not made by TSWII; rather they are made by the investment managers who are responsible for the underlying private investment funds in which the TSWII Funds invest. As part of its due diligence reviews and monitoring process, TSWII considers the investment manager's reported execution capabilities.

From time to time, TSWII and its Funds may receive distributions in-kind from underlying private investment funds. TSWII generally will attempt to liquidate these securities promptly in while complying with any restrictions or holding periods. However, TSWII, its Fund General Partners or Managers may choose to hold a distributed security if, in its sole discretion, it is deemed to be in the best interest of the Client Fund.

In rare instances, TSWII may desire to invest in securities directly, rather than through investment in a private investment vehicle. In such case, TSWII shall select brokers to effect securities transactions for the TSWII Funds. In an effort to make well-informed trade execution decisions, TSWII shall consider the following factors, as applicable based on the particular facts and circumstances involved: (i) the ability of brokers to execute transactions efficiently; (ii) the responsiveness of the broker to TSWII's instructions; (iii) the brokers' facilities, reliability, reputation for diligence, adequacy of trading infrastructure and financial responsibility; (iv) the likely market impact of the order and TSWII's opinion as to which broker dealer is best able to handle the order with minimum adverse market impact; (v) the brokers' expertise in the specific securities or sectors in which TSWII seeks to trade; (vi) the brokers' ability to accommodate any special execution or order handling requirements that may surround the particular transaction; and (vii) the value of any research or other services or products they provide, subject to the requirements of Section 28 (e) of the Securities Exchange Act of 1934.

Best Execution Reviews

In seeking to obtain best execution, TSWII shall seek the most advantageous terms for the securities transactions placed on behalf of the TSWII, TSW3 and TSWS Funds. TSWII investment professionals shall consider the fees, liquidity, and transparency of the underlying funds when evaluating investment opportunities.

To the extent that TSWII may select brokers to effect securities transactions for the TSWII, TSW3 and TSWS Funds, TSWII shall conduct the following types of reviews to evaluate the qualitative and quantitative factors that influence securities execution quality: (i) initial and periodic reviews of individual trading counterparties; (ii) contemporaneous reviews of execution quality by TSWII's investment professionals; and (iii) a periodic aggregate review of the execution quality obtained on behalf of Funds.

Soft Dollar Benefits

TSWII does not currently have any soft dollar agreements in place.

Review of Accounts

The TSWII, TSW3 and TSWS Funds are reviewed by the responsible investment professionals on an ongoing basis in order to determine the appropriate investment actions for the Funds. TSWII and its Portfolio Managers perform regular and recurring evaluations of all underlying investment funds in which the Funds are invested and monitors such factors as performance, volatility, performance attribution, leverage, correlations, adherence to investment guidelines and organizational/portfolio management changes. The Portfolio Managers and investment professionals meet frequently to discuss positions, asset allocations, geographical exposure, investment ideas, investment strategies, economic developments, general operations and current events. TSWII and its Portfolio Managers communicate with and update investors about the Funds' portfolio on a regular basis.

TSWII will provide limited partners with monthly reports that include a statement of the net asset value of the investor's interest in the Fund, and annual audited financial statements prepared in accordance with generally accepted accounting principles.

Client Referrals and Other Compensation

TSWII does not compensate any third parties for client referrals.

TSWII does not receive any other economic benefits from non-clients in connection with the provision of investment advice to clients.

Custody

TSWII Management Company's role as General Partner to the TSWII Funds enables TSWII to access Fund assets, and TSWII has developed procedures that ensure the safeguarding and protection of Fund assets. Such procedures include among other things, the separation of functions and at least two parties involved in the distribution of Fund capital. In addition, the Funds are subject to an annual audit and the audited financial statements are distributed to each investor. The audited financial statements are prepared in accordance with generally accepted accounting principles, issued with an unqualified opinion, and distributed within 180 days of the Funds' fiscal year ends.

Investment Discretion

TSWII, its affiliated Fund General Partners and Managers have discretionary authority to determine, without obtaining specific consent from the Funds or its limited partners, the securities and the amounts to be bought or sold on behalf of the Funds. Any limitations on authority are included in the respective Funds' private offering memorandum, limited partnership agreement, and other governing documents.

Voting Client Securities

Proxy Voting

As noted, TSWII, its affiliated Fund General Partners and Managers primarily invest Fund assets in privately offered pooled investment vehicles that are managed by third party investment managers. As a result, TSWII does not possess the ability to vote the proxies relating to the securities traded by the underlying investment managers. Nevertheless, TSWII recognizes the importance of strong corporate governance and shall ensure that to the extent practicable, its investment managers have developed a proxy voting policy and procedures in accordance with Rule 206(4)-6 under the Advisers Act.

As TSWII and its Portfolio Managers invest Client assets in other privately offered pooled investment vehicles, it is unusual for to be requested to vote the proxies of traditional operating companies. TSWII may, from time to time, receive a request to vote on behalf of the Funds with respect to an investment in an underlying investment fund. TSWII will take action in the interest of maximizing value for the Funds and the investors in the Funds. TSWII endeavors to act in the manner that it determines in good faith will be the most likely to cause the Funds' investments to increase the most or decline the least in value.

Class Action Lawsuits

It is expected to be unusual for a Fund to be eligible to participate in class action lawsuits (i.e., securities litigation) involving any of its investments. However, upon notification of a class action lawsuit involving any of its current or past investments, TSWII will determine if it is eligible to participate in the class and take actions guided by its general duties as a fiduciary.

Limited partners in the Funds may contact TSWII at the address or telephone number listed on the first page of this document, for a copy of the TSWII's proxy voting and class action policies and procedures, or for information with respect to a specific proxy vote or class action, at no cost.

Financial Information

TSWII has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage Client accounts.