

# Swan Capital LLC

*a Registered Investment Adviser*

107 West Gregory Street  
Pensacola, FL 32502  
(850) 380-9558

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## Form ADV Part III – Customer Relationship Summary

We are registered with the SEC as an investment adviser. Brokerage and investment advisory services fees differ, and it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at <http://investor.gov/crs>, which also provides educational materials about broker-dealers, investment advisers and investing.

### Relationships and Services

#### What investment services and advice can you provide me?

Our firm offers asset management services, financial planning services, private placement consulting and other consulting services; which are fully described in our Form ADV Part 2A (“Disclosure Brochure”). Our services include asset management to individuals, high net worth individuals, and pooled investment vehicles. We also offer comprehensive financial planning services. Our firm also offers consulting for other financial planning matters, while we host educational seminars on investing. As part of our investment management services, we regularly monitor accounts. There are no material limitations to our monitoring. We only accept discretionary authority to implement the transactions in client accounts. The level of discretion is agreed upon in our agreement and there are no material limitations on the authority. We do not offer advice only with respect to proprietary products. We offer advice on equity securities, investment company-issued securities, fixed-income securities, government-issued securities, and the money market. Where appropriate, we provide advice about any type of legacy position or other investment held in your portfolio; however, you should not assume that these assets are being continuously monitored or otherwise advised on by us unless specifically agreed upon. Our firm does not require a minimum account size.

Additional information about our services can be found in Items 4, 5 and 7 of our Disclosure Brochure and available to all clients or by going here: <https://adviserinfo.sec.gov/firm/summary/125509>

*Let’s discuss...* Given my financial situation, should I choose an investment advisory service? Why or why not? How will you choose investments to recommend to me? What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?

### Fees, Costs, and Standards of Conduct

#### What fees will I pay?

Our fees are generally based on a percentage of the market value of assets we manage. The most a retail customer shall pay is 1.2% of assets under management. Our asset-based investment management fees are generally deducted monthly, in arrears, meaning that we debit client accounts directly based on the average daily market value of the assets in the client account throughout the month. The more assets that are in your account, the more you will pay in fees, and we may therefore have an incentive to encourage you to increase the assets in your account. Financial Planning and Consulting fees are \$250 per hour. In the future, we may charge performance-based fees as agreed with our clients who are qualified investors.

In addition to the advisory fees paid to us, you also incur specific third-party charges. For example, broker-dealers, prime brokers, third-party money managers, and custodians impose charges. These charges may include securities brokerage commissions, transaction fees, custodial fees, fees charged by independent managers, and margin costs, as well as charges imposed directly by a mutual fund, ETF, or venture capital fund in a client’s account as disclosed in the fund’s prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer, and electronic fund fees, and additional fees and taxes on brokerage accounts and securities transactions. We may also charge a performance fee which is based on a share of capital gains on or capital appreciation of the managed assets in your account.

**You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.**

Other costs incurred in your account may include wire transfer and electronic fund transfer fees, and fees and taxes on brokerage accounts and securities transactions. We do not collect any fees or revenue from these products.

*Let's discuss...* Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

**What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?**

*When we act as your investment adviser*, we are obligated to act in your best interests and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. The following is an example to help you understand what this means:

- Our firm and/or its investment advisory representatives may from time-to-time purchase or sell products or investments that they may recommend to clients. In such circumstances, our firm or its investment adviser representatives may have a financial interest in recommending investments that our firm or its representatives also own.

Due to the firm's ownership interest in Cygnet Fund, the firm engages in limited principal transactions in which its advisory clients purchase securities that Swan Capital and its representatives have an ownership interest in. Neither Swan Capital nor its representatives will ever engage in marking up the cost of these transactions or charging a commission.

*Let's discuss...* How might your conflicts of interest affect me, and how will you address them? We have written internal policies and compliance procedures that provide us with guidance on how to manage your account in accordance with your best interest regardless of this conflict.

**How do your financial professionals make money?**

Our financial professionals without equity ownership stakes in our firm receive compensation based upon a percentage of assets under their management or a percentage of a flat-rate fee charged for financial planning services or consulting services. Our firm's President and Chief Investment Officer receives a distribution of our firm's profits.

Our financial professionals may also receive commissions when you purchase insurance products through them, including fixed annuities, variable annuities, life, health, accident, and long-term care insurance.

Additional information about our financial professionals can be found on their respective Form ADV Part 2 Brochure Supplements that you will be provided.

**Do you or your financial professionals have legal or disciplinary history? For what type of conduct?**

Yes. You can visit <http://investor.gov/crs> for a free and simple search tool to research us and our financial professionals.

*Let's discuss...* As a financial professional, do you have any disciplinary history? For what type of conduct?

**Additional Information**

To obtain additional information regarding our services or to request a copy of this relationship summary, please contact Andrew McNair at (850) 380-9558.

*Let's discuss...* Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?

Our Firm and its representatives have a fiduciary duty to all clients. Please contact Andrew McNair at (850) 380-9558 if you have any concerns.

Material Changes:

- This Customer Relationship Summary has been amended to reflect our interest in Private Funds and the conflicts of interest associated.