



## CASHMERE FUND

### STATEMENT OF ADDITIONAL INFORMATION

July 28, 2025

This Statement of Additional Information (“SAI”) of Cashmere Fund (the “**Fund**”) is not a prospectus. You should be read this SAI in conjunction with the Fund’s prospectus, dated July 29, 2025 (as revised from time to time), prior to purchasing Fund shares.

You can obtain a free copy of the Fund’s prospectus by calling us toll-free at 1-888-577-7987 or by visiting the Fund’s website at <https://www.thecashmerefund.com/>. The Fund’s prospectus and other information about the Fund is also available on the Securities and Exchange Commission’s (“SEC”) website at [www.sec.gov](http://www.sec.gov).

Capitalized terms used but not defined in this SAI have the meanings given to them in the Fund’s prospectus. References in this SAI to the Investment Company Act of 1940, as amended (the “**Investment Company Act**”), or other applicable law, will include any rules promulgated thereunder and any guidance, interpretations or modifications by the SEC, SEC staff or other authority with appropriate jurisdiction, including court interpretations, and exemptive, no-action or other relief or permission from the SEC, SEC staff or other authority.

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## GENERAL INFORMATION AND HISTORY

The Fund is registered under the Investment Company Act as a non-diversified, closed-end management investment company that operates as an “interval fund.” The Fund was organized as a Delaware statutory trust on June 17, 2021, pursuant to a Certificate of Trust, governed by the laws of the State of Delaware. Prior to October 28, 2024, the Fund’s name was Sweater Cashmere Fund.

The Fund currently offers one class of shares of beneficial interest in the Fund (“**Shares**”). The Fund may offer additional Share classes in the future, subject to obtaining an exemptive order from the SEC. The Fund may suspend its offering of Shares at any time and may refuse any order to purchase Shares.

Each Share has one vote, with fractional Shares voting proportionally. The Shares are not listed on any securities exchange, there is currently no secondary market for the Shares, and potential shareholders should not rely on a secondary market developing in the future for the Shares. Shareholders do not have the right to redeem their Shares. However, as described in the prospectus, in order to provide some liquidity to shareholders, the Fund conducts periodic repurchase offers for a portion of its outstanding Shares.

The Fund’s Board of Trustees (the “**Board**”) has overall responsibility for monitoring and overseeing the Fund’s management and operations. Sweater Industries LLC is the Fund’s investment adviser (the “**Adviser**”). The Adviser has retained Forma Cashmere LLC, doing business as Cashmere LLC, to act as the Fund’s subadviser (the “**Subadviser**”).

## INVESTMENT OBJECTIVE AND POLICIES

The Fund's investment objective and principal investment strategies, along with the principal risks associated with these investment strategies, are set forth in the Fund's prospectus. Certain additional information regarding the Fund's investment program is set forth below.

### Fundamental Policies

As fundamental investment policies, which may not be changed without the "vote of a majority of the outstanding voting securities" (discussed below), the Fund may not and will not:

1. Concentrate its investments in a particular industry, as "concentrate" is used in the Investment Company Act. This investment restriction does not apply to investments by the Fund in Portfolio Funds (as defined in the prospectus). The Fund may invest in Portfolio Funds that may concentrate their assets in one or more industries.
2. Borrow money, except to the extent permitted by the Investment Company Act.
3. Issue senior securities, except to the extent permitted by the Investment Company Act;
4. Underwrite securities issued by other persons, except to the extent that, in connection with the disposition of its portfolio investments, the Fund may be deemed to be an underwriter under certain federal securities laws.
5. Make loans to the extent prohibited by the Investment Company Act.
6. Purchase or hold real estate, except the Fund may purchase and hold securities or other instruments that are secured by, or linked to, real estate or interests therein, securities of real estate investment trusts, mortgage-related securities and securities of issuers engaged in the real estate business, and the Fund may purchase and hold real estate as a result of the ownership of securities or other instruments (including interests in Portfolio Funds).
7. Engage in short sales, purchases on margin and the writing of put and call options to the extent prohibited by the Investment Company Act.
8. Purchase or sell physical commodities or commodity contracts, except to the extent permitted under the Investment Company Act, the rules and regulations thereunder and any applicable exemptive relief or unless otherwise acquired as a result of the ownership of securities or instruments, but this restriction shall not prohibit the Fund from purchasing and selling foreign currency, options, swaps, futures and forward contracts and other financial instruments and contracts, including those related to indexes, and options on indices, and the Fund may invest in commodity pools and other entities that purchase and sell commodities and commodity contracts. For purposes of the limitation on commodities, the Fund does not consider foreign currencies or forward contracts to be physical commodities.

In addition, as a fundamental policy, the Fund will offer to repurchase between 5% and 25% of its outstanding Shares at net asset value every six months, unless suspended or postponed in accordance with Rule 23c-3 under the Investment Company Act, as may be amended from time to time. Each repurchase pricing shall occur no later than the 14<sup>th</sup> day after the Repurchase Request Deadline (as defined in the prospectus), or the next business day if the 14<sup>th</sup> day is not a business day.

The Investment Company Act provides that a "vote of a majority of the outstanding voting securities" of an investment company means the affirmative vote of the lesser of (1) more than 50% of the outstanding shares of the investment company, or (2) 67% or more of the investment company's shares present at a meeting if more than 50% of the outstanding fund shares are represented at the meeting in person or by proxy.

*Important Notations Regarding the Fund's Fundamental Policies.* The following notations are not considered to be part of the Fund's fundamental policies and, therefore, are subject to change without shareholder approval.

With respect to the Fund's fundamental policy regarding industry concentration (policy #1, above), the Investment Company Act does not define what constitutes "concentration" in an industry. The SEC staff has taken the position that investment of more than 25% of a fund's total assets in one or more issuers conducting their principal activities

in the same industry or group of industries (other than securities issued or guaranteed by the U.S. government, its agencies or instrumentalities) constitutes concentration. The policy set forth in #1 above will be interpreted to refer to concentration as that term may be interpreted from time to time. The Fund does not apply this policy restriction to (a) repurchase agreements collateralized by securities issued or guaranteed by the U.S. government, its agencies or instrumentalities, or (b) securities issued or guaranteed by the U.S. government, its agencies or instrumentalities, including U.S. government agency securities. For purposes of determining an issuer's industry classification, the Subadviser determines the appropriate industry categories and assigns issuers to them, informed by a variety of considerations, which may include relevant third party categorization systems. Industry categories and issuer assignments may change over time as industry sectors and issuers evolve. Portfolio allocations shown in Fund shareholder reports and other communications may use broader investment sectors or narrower sub-industry categories. This policy also will be interpreted to give broad authority to the Subadviser as to how to classify issuers within or among industries.

With respect to the fundamental policy relating to borrowing money set forth in policy #2 above, the Investment Company Act, including the rules and regulations thereunder, generally prohibits the Fund from borrowing money (other than certain temporary borrowings) unless immediately after the borrowing the value of the Fund's total assets less all liabilities and indebtedness not represented by senior securities (for these purposes, "total net assets") is at least 300% of the senior securities representing indebtedness. Certain trading practices and investments, such as reverse repurchase agreements, may be considered to be borrowings or involve leverage and thus are subject to the Investment Company Act restrictions. The policy in #2 above will be interpreted to permit the Fund to engage in trading practices and investments that may be considered to be borrowing or to involve leverage to the extent permitted by the Investment Company Act and interpretations by the SEC and its staff, and to permit the Fund to segregate or earmark liquid assets or enter into offsetting positions in accordance with the Investment Company Act and interpretations by the SEC and its staff. Under the Investment Company Act, the Fund may not issue senior securities representing stock unless immediately after such issuance the value of the Fund's total net assets is at least 200% of the liquidation value of the Fund's outstanding senior securities representing stock, plus the aggregate amount of any senior securities representing indebtedness. Practices and investments that may involve leverage but are not considered to be borrowings are not subject to the policy.

For purposes of the Fund's fundamental policies, all percentage limitations on investments will apply at the time of the making of an investment, and will not be deemed violated unless an excess or deficiency occurs immediately after and as a result of such investment.

### **Non-Fundamental Policies**

As a non-fundamental investment policy, which may be changed by the Board without shareholder approval, the Fund will invest no more than 15% of its net assets in pooled investment vehicles, including other venture capital funds, that would be investment companies but for Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act (collectively, "**Private Funds**"). This 15% limitation will apply at the time the Fund makes a commitment to invest in a Private Fund, will assume that the full commitment amount has been invested in the applicable Private Fund, and will not be deemed violated unless the Fund exceeds the 15% limitation immediately after and as a result of such commitment.

The Adviser anticipates that all or nearly all of the Portfolio Funds in which the Fund may invest will be Private Funds subject to this 15% restriction. The Fund has adopted this non-fundamental policy because the SEC staff has taken the position that registered closed-end funds that invest more than 15% of their net assets in Private Funds must be limited to "accredited investors" (as that term is defined under Regulation D adopted under the Securities Act of 1933). Should the SEC staff change its position on this matter in the future, the Fund may request that the Board modify or remove this non-fundamental investment restriction.

In addition, the Fund's investment objective is non-fundamental, and may be changed by the Board without shareholder approval.

## MANAGEMENT OF THE FUND

The business and affairs of the Fund are managed under the direction of the Fund’s Board, which has overall responsibility for monitoring and overseeing the Fund’s management and operations. A majority of the members of the Board are persons who are not “interested persons” (as such term is defined in Section 2(a)(19) of the Investment Company Act, each, an “Independent Trustee” and, collectively, the “**Independent Trustees**”) of the Fund, the Adviser, or the Subdviser. Any vacancy on the Board may be filled by the remaining Trustees, except to the extent the Investment Company Act requires the election of Trustees by shareholders. Subject to the provisions of Delaware law and the Fund’s Agreement and Declaration of Trust, the Trustees will have all powers necessary and convenient to carry out this responsibility.

### Trustees and Officers

The charts below identify the Fund’s Trustees and officers as of the date of this SAI. The address of each Trustee and Fund officer is 2000 Central Ave., Boulder, Colorado 80301.

Name, Year of Birth, Position(s) held with the Fund, and Length of Service <sup>(1)</sup>	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Trustee <sup>(2)</sup>	Other Directorships Held by Trustee
<b><i>Independent Trustees</i></b>			
Jonathan Stanley Bellish (Born 1986), Trustee and Chair of the Board of Trustees since 2022	Executive Director of One Earth Future Foundation, a provider of growth capital and technical assistance to small and medium enterprises in Africa. Previously served as Vice President, Strategy (from 2018 – 2021) and as Director, Future Labs (2017 – 2018) of One Earth Future Foundation.	1	None
William Benjamin Hadley (Born 1970), Trustee since 2022	General Manager of Auctane, Inc., a logistics software company, from 2021-2023. Owner of Hadley Corporate Development, Inc., an M&A and business development consultancy, since 2008. From 2014 to 2020, Senior Vice President Business Development of Cooley LLP, a law firm.	1	None
<b><i>Interested Trustee</i></b>			
Jesse K Randall (Born 1983), Trustee, President and Principal Executive Officer since 2022	Co-Founder and Chief Executive Officer of Sweater Inc., a financial technology firm and parent company of the Adviser, and Co-Founder and Chief Executive Officer of the Adviser. Owner and Chief Executive Officer of Deviant Strategy LLC, a consulting firm serving startup companies. From 2016 to 2019, Chief Executive Officer of Drip LLC, a marketing firm.	1	None

- (1) Each Trustee serves for an indefinite term, until his or her death, resignation, retirement, removal, bankruptcy, adjudicated incompetence or other incapacity to perform the duties of the office.
- (2) The “Fund Complex” consists of the Fund only.
- (3) Mr. Randall is considered to be an “interested person” of the Fund (as that term is defined by Section 2(a)(19) in the Investment Company Act) based on his positions with the Adviser and its parent company, Sweater Inc., and because he is an owner of Sweater Inc.

### *Additional Officers of the Fund*

<b>Name, Year of Birth, Position(s) Held with Fund</b>	<b>Length of Service with the Fund</b>	<b>Principal Occupation(s) During the Past 5 Years</b>
Gordon Jones (Born 1988), Treasurer and Principal Financial Officer	Since 2024	Member of Gryphon Fund Group, LLC since 2021; Treasurer of IDX Funds since 2021; Director of Fund Administration and Tax, Winbridge Partners, LLC (2020 – 2021); Senior Tax Manager, Cohen & Company, Ltd (2010 – 2020).
Robin Riddell (Born 1986), Secretary	Since 2025	Director of Operations & Valuations. Previously led teams at Carta (June 2017 – December 2022) and PitchBook (November 2012 – May 2017), with a focus on private company valuations, product strategy, finance, and operations. Holds a Master of Finance from the University of St Andrews.
Jonathan Van Duren (Born 1982), Chief Compliance Officer	Since 2025	Founder and Principal of JVD Consulting LLC (2024 – Present); Counsel at Greenberg Traurig LLP (2021 – 2024); Associate at Bryan Cave Leighton Paisner LLP (2018 – 2021).

As of July 16, 2025, the Trustees and Officers of the Fund as a group owned less than one percent of the Fund's outstanding Shares.

### **Board Leadership and Structure**

The Board is currently comprised of three Trustees, two of whom are Independent Trustees, which means they are not interested persons of the Fund, the Adviser, or the Subadviser. The Board meets periodically throughout the year to discuss and consider matters concerning the Fund and to oversee the Fund's activities, including its investment performance, compliance program and risks associated with the Fund's activities. An Independent Trustee currently serves as Chair of the Board.

### **Board Standing Committees**

The Board has established two standing committees to facilitate the Trustees' oversight of the management of the Fund: an Audit Committee and a Nomination and Compensation Committee. Each Committee is chaired by an Independent Trustee. The scope of each committee's responsibilities is discussed in greater detail below:

- ***Audit Committee.*** The Audit Committee's responsibilities include, but are not limited to, assisting the Board's oversight of the preparation of the Fund's financial statements and internal audit functions, and evaluating and reviewing all matters pertaining to the Fund's independent auditors, including their independence. The Committee discharges this oversight by meeting periodically with the Fund's management and with the Fund's independent auditors, and by keeping current on industry developments.

The Committee is comprised of the Fund's two Independent Trustees. Mr. Bellish currently serves as Chair of the Committee. During the fiscal year ended March 31, 2025, the Audit Committee held four meetings.

- ***Nomination and Compensation Committee.*** The Nomination and Compensation Committee is responsible for (i) determining requisite standards or qualifications for nominees to serve as Trustees on the Board; (ii) identifying possible candidates to become members of the Board in the event that a Trustee position is vacated or created, and/or in contemplation of a shareholders' meeting at which one or more Trustees are to be elected; (iii) considering and evaluating such candidates and recommending Trustee nominees for the Board's approval; and (iv) considering and evaluating nominee candidates properly submitted by shareholders on the same basis as it considers and evaluates candidates recommended by other sources.

Shareholders who wish to recommend a nominee to serve as a Trustee on the Board should send nominations to the Secretary of the Fund. Shareholder nomination submissions must be accompanied by all information relating to the recommended nominee that is required to be disclosed in solicitations or proxy statements for the election of Trustees, as well as information sufficient to evaluate the individual's qualifications. Nomination submissions must also be accompanied by a written consent of the individual to stand for election if nominated by the Board and to serve if elected by Fund shareholders.

The Committee may also request additional information deemed reasonably necessary for the Committee to evaluate such nominee. The Committee will consider nomination recommendations by Fund shareholders for up to one year from receipt.

In addition, the Committee is responsible for recommending for approval by the Board the structure and levels of compensation and other related benefits to be paid or provided by the Fund to Board members.

The Committee is comprised of the Fund's two Independent Trustees. Mr. Bellish currently serves as Chair of the Committee. The Nomination and Compensation Committee did not meet during the fiscal year ended March 31, 2025.

The Board has determined that this committee structure allows it to focus more effectively on the oversight of risk as part of its broader oversight of the Fund's affairs. While risk management is the primary responsibility of the Fund's Adviser and Subadviser, the Board regularly receives reports regarding Fund investment risks and compliance risks. The Board's committee structure allows its separate committees to focus on different aspects of these risks and their potential impact on the Fund, and to discuss with the Fund's Adviser and Subadviser how they monitor and control such risks. The Board has adopted a written charter for each Committee. The Board reviews its leadership and committee structure periodically, and believes that its structure is appropriate to enable the Board to exercise its oversight of the Fund.

### Trustee Qualifications

The Board has determined that each Trustee is qualified to serve as a Trustee of the Fund, based on a review of the experience, qualifications, attributes and skills ("**Qualifications**") of each Trustee, including those listed in the table above and those summarized below. Among the Qualifications common to all Trustees are the ability to review, evaluate and discuss information and proposals provided to them regarding the Fund, the ability to interact effectively with the Adviser and other Fund service providers, and the ability to exercise independent business judgment. Each Trustee's ability to perform his or her duties effectively has been attained through the individual's business and professional experience and accomplishments and the individual's educational background, professional training, and/or other life experiences. Generally, no one factor was decisive in determining that an individual should serve as a Trustee.

The following is a brief summary of certain Qualifications of each Trustee (in addition to the principal occupation(s) during the past five years noted in the table above) that support the conclusion that each individual is qualified to serve as a Trustee:

- Jonathan Stanley Bellish — Mr. Bellish's experience working with various small businesses, experience as Executive Officer and Chief Operating Officer of a global non-profit, and training as an attorney.
- William Benjamin Hadley — Mr. Hadley's operations, corporate development, business development and legal experience.
- Jesse K Randall — Mr. Randall's experience as Chief Executive Officer of the Adviser and experience working with startup companies.

### Trustee Ownership of Fund Shares

The table below shows the dollar range of Fund Shares owned by each Trustee, directly and/or indirectly, as of December 31, 2024.

<b>Name of Trustee</b>	<b>Dollar Range of Fund Shares Owned<sup>(1)</sup></b>	<b>Aggregate Dollar Range of Equity Securities in All Funds Overseen by Trustee in Family of Investment Companies<sup>(1)</sup></b>
<b><i>Independent Trustees</i></b>		
Jonathan Stanley Bellish	\$1 – \$10,000	\$1 – \$10,000
William Benjamin Hadley	None	None
<b><i>Interested Trustee</i></b>		
Jesse K Randall	\$1 – \$10,000	\$1 – \$10,000

(1) The "Family of Investment Companies" consists of the Fund only.



## Trustee Compensation

The Fund pays each Independent Trustee an annual retainer of \$25,000, which includes compensation for all regular and special Board and Committee meetings. Independent Trustees are also reimbursed by the Fund for expenses they incur relating to their services as Trustees, including travel and other expenses incurred in connection with attendance at in-person Board and Committee meetings. The Independent Trustees do not receive any other compensation from the Fund.

Mr. Randall, the Fund's sole Interested Trustee, receives no compensation from the Fund for his services.

The table below provides information regarding compensation that the Fund paid to each Independent Trustee during the Fund's fiscal year ended March 31, 2025.

Name of Independent Trustee	Aggregate Compensation from the Fund <sup>(1)</sup>	Total Compensation from Fund and Fund Complex Paid to Trustees <sup>(1)</sup>
Jonathan Stanley Bellish . . . . .	\$ 25,000	\$ 25,000
William Benjamin Hadley . . . . .	\$ 25,000	\$ 25,000

(1) The "Family of Investment Companies" consists of the Fund only.

## Contacting the Fund's Trustees

Fund shareholders desiring to send communications to the Board (or to individual Trustees) should address their correspondence to:

The Cashmere Fund Trustees  
2000 Central Ave.  
Boulder, Colorado 80301

## Indemnification of Trustees and Officers

The Fund's Agreement and Declaration of Trust provides that the Fund will indemnify its Trustees and officers against liabilities and expenses incurred in connection with litigation in which they may be involved because of their offices with the Fund, except if it is determined in the manner specified in the Agreement and Declaration of Trust that they have not acted in good faith in the reasonable belief that their actions were in the best interests of the Fund or that such indemnification would relieve any officer or Trustee of any liability to the Fund or its shareholders by reason of willful misfeasance, bad faith, gross negligence or reckless disregard of his or her duties. The Fund, at its expense, provides liability insurance for the benefit of its Trustees and officers.

## The Fund's Adviser and Subadviser

### The Adviser

Sweater Industries LLC (the Adviser) serves as the Fund's investment adviser. The Adviser was formed in July 2021 and is located at 2000 Central Ave., Boulder, Colorado 80301.

The Adviser is a wholly-owned subsidiary of Sweater Inc., which is controlled by Jesse Randall. Mr. Randall, an affiliate of the Fund by virtue of his position as an officer and Trustee of the Fund as identified above, is presumed to control the Adviser because of his ownership of the outstanding voting securities of Sweater Inc., the Adviser's parent company.

Mr. Randall and Mr. Riddell are also officers or employees of the Adviser and its affiliates, and will benefit from the management fees paid by the Fund.

### The Subadviser

The Adviser has entered into a subadvisory contract with Cashmere LLC (the Subadviser) pursuant to which the Subadviser manages the Fund's portfolio and makes investment decisions (the "**Subadvisory Contract**"). The Subadviser was formed in 2024 and is located at 166 Geary St., STE 1500, #1577, San Francisco, California 94108.

Elia Infascelli, Mary Owen, Ari Schottenstein, Bruce Popko, and Josh Feine are presumed to control the Subadviser because of their respective ownership of the outstanding voting securities of the Subadviser.

### **Management Contract and Subadvisory Contract**

#### Management Contract

Under a Management Contract between the Fund and the Adviser that was approved by the Board and by shareholders, the Adviser furnishes and manages a continuous investment program for the Fund. In this regard, and subject to the supervision of the Board, the Adviser is responsible for (i) developing, implementing and supervising the investment program of the Fund and the composition of its portfolio; (ii) determining the timing and amount of commitments, investments and/or disposals to be made by the Fund, the securities and other investments to be purchased or sold by the Fund in connection therewith; and (iii) arranging for the purchase of securities and other investments for the Fund and the sale or redemption of securities and other investments held in the portfolio of the Fund. Subject to the control of the Board, and except for the functions carried out by Fund officers, the Adviser also manages, supervises, and conducts the other affairs and business of the Fund and matters incidental thereto. The Management Contract permits the Adviser to engage a subadviser to manage the Fund's portfolio, subject to Board and shareholder approval.

The Management Contract sets the fees the Fund pays to the Adviser (described below), describes the expenses that the Fund is responsible to pay to conduct its business, and provides for the Fund to reimburse the Adviser for any third-party charges and out-of-pocket expenses that the Adviser pays that would be the responsibility of the Fund under the Management Contract (unless such reimbursement is waived by the Adviser). For additional information about the expenses borne by the Fund, please see the "Fund Expenses" section of this SAI.

The Management Contract provides that the Adviser will not be liable to the Fund for any error of judgement or mistake of law or for any loss suffered by the Fund, except a loss resulting from a breach of the Adviser's fiduciary duty with respect to the receipt of compensation for services or a loss resulting from the willful misfeasance, bad faith or gross negligence on its part in the performance of its duties or from reckless disregard by it of its duties under the Management Contract. The Management Contract also provides for the Fund to indemnify the Adviser (including any member, director, officer, or employee of the Adviser, and certain of their affiliates), to the fullest extent permitted by law, against any liability or expense to which the person may be liable that arises in connection with the performance of services to the Fund, so long as the liability or expense is not incurred by reason of the person's willful misfeasance, bad faith, or gross negligence, or from reckless disregard by such party of its duties to the Fund. The Management Contract provides that the rights of indemnification provided therein shall not be construed so as to provide for indemnification of any aforementioned persons for any losses (including any liability under federal securities laws which, under certain circumstances, impose liability even on persons that act in good faith) to the extent (but only to the extent) that such indemnification would be in violation of applicable law.

The Management Contract provides for an initial one-year term, and will continue in effect thereafter only so long as its continuance is approved at least annually by vote of either the Board or of Fund shareholders and, in either case, by a vote of a majority of the Independent Trustees. The Management Contract may be terminated at any time, without penalty, by vote of the Board or Fund shareholders, or by the Adviser, in each case upon at least 60 days' prior written notice to the Adviser or the Fund (as applicable). This 60-day notice requirement may be waived. In general, the Management Contract may be amended only by a vote of Fund shareholders. The Management Contract also terminates without payment of any penalty in the event of its assignment.

In each of the foregoing cases, the vote of Fund shareholders is the affirmative vote of a "majority of the outstanding voting securities" of the Fund as defined in the Investment Company Act.

A discussion regarding the basis for the Board's approval of the Management Contract is included in the Fund's annual report to shareholders dated March 31, 2025.

### Subadvisory Contract

The Management Contract between the Fund and the Adviser permits the Adviser to engage a subadviser to manage the Fund's portfolio, subject to Board and shareholder approval. Under this authority, and with the Board's and shareholder approval, the Adviser has entered into a Subadvisory Contract with the Subadviser pursuant to which the Adviser has delegated its discretionary investment management responsibilities with respect to the Fund to the Subadviser, subject to oversight of the Adviser.

In connection therewith, and subject to the supervision of the Board and the Adviser, the Subadviser is responsible for: (i) implementing and supervising the investment program of the Fund and the composition of its portfolio; (ii) determining the timing and amount of commitments, investments and/or disposals to be made by the Fund, the securities and other investments to be purchased or sold by the Fund in connection therewith and (iii) arranging for the purchase of securities and other investments for the Fund and the sale or redemption of securities and other investments held in the portfolio of the Fund; all on behalf of the Fund and as described in the Fund's most current effective registration statement on Form N-2 and as the same may thereafter be amended from time to time. The Subadvisory Contract further requires the Subadviser, in the performance of its duties, to in all material respects: (a) satisfy any applicable fiduciary duties it may have to the Fund; (b) monitor the Fund's investments; (c) comply with the provisions of the Fund's Declaration of Trust and By-laws, the stated investment objectives, policies and restrictions of the Fund as such objectives, policies and restrictions may subsequently be changed by the Board and communicated by the Fund or the Adviser to the Sub-Adviser in writing, and those requirements applicable to regulated investment companies under Subchapter M of the Internal Revenue Code of 1986, as amended; and (d) assist in the valuation of portfolio securities held by the Fund as reasonably requested by the Adviser or the Fund.

Under the Subadvisory Contract, the Adviser (and not the Fund) pays the Subadviser for its subadvisory services out of the Adviser's management fee that the Adviser receives from the Fund. The Subadvisory Contract describes the expenses that the Subadviser is not responsible for paying (i.e., items that are Fund expenses, as described below in the "Fund Expenses" section), and provides for the Fund to reimburse the Subadviser for any third-party charges and out-of-pocket expenses that the Subadviser pays that would be the responsibility of the Fund under the Management Contract (unless such reimbursement is waived by the Subadviser). For additional information about the expenses borne by the Fund, please see the "Fund Expenses" section of this SAI.

The Subadvisory Contract provides that the Subadviser will not be liable to the Fund for any error of judgement or mistake of law or for any loss suffered by the Fund in connection with the Subadviser's performance under the Subadvisory Contract, except a loss resulting from a breach of the Subadviser's fiduciary duty with respect to the receipt of compensation for services or a loss resulting from the willful misfeasance, bad faith or gross negligence on its part in the performance of its duties or from reckless disregard by it of its duties under the Subadvisory Contract. The Subadvisory Contract also provides for the Fund to indemnify the Adviser (including any member, director, officer, or employee of the Subadviser, and certain of their affiliates), to the fullest extent permitted by law, against any liability or expense to which the person may be liable that arises in connection with the performance of services to the Fund, so long as the liability or expense is not incurred by reason of the person's willful misfeasance, bad faith, or gross negligence, or from reckless disregard by such party of its duties to the Fund. The Subadvisory Contract provides that the rights of indemnification provided therein shall not be construed so as to provide for indemnification of any aforementioned persons for any losses (including any liability under federal securities laws which, under certain circumstances, impose liability even on persons that act in good faith) to the extent (but only to the extent) that such indemnification would be in violation of applicable law.

The Subadvisory Contract provides for an initial two-year term, and will continue in effect thereafter only so long as its continuance is approved at least annually by vote of either the Board or of Fund shareholders and, in either case, by a vote of a majority of the Independent Trustees. The Subadvisory Contract may be terminated at any time, without penalty, by the Adviser or the Fund upon giving the Subadviser 60 days' advance written notice thereof, provided that, if terminated by the Fund, such termination must be directed or approved by a vote of a majority of the Fund's Trustees or by the vote of Fund shareholders. The Subadviser may waive this 60 days' prior written notice requirement. The Subadviser may also terminate the Subadvisory Contract at any time, without penalty, upon 60 days' advance written notice to the Fund and the Adviser. The Subadvisory Contract also terminates without payment of any penalty in the event of its assignment.

In each of the foregoing cases, the vote of Fund shareholders is the affirmative vote of a "majority of the outstanding voting securities" of the Fund as defined in the Investment Company Act.

A discussion regarding the basis for the Board's approval of the Subadvisory Contract is included in the Fund's semiannual report to shareholders dated September 30, 2024.

## Management Fee and Subadvisory Fee

### The Management Fee

The Management Contract provides for the Fund to pay a management fee to the Adviser, computed and paid monthly, at the annual rate of 2.50% of the Average Daily Net Assets of the Fund (the “**Management Fee**”). Under the Management Contract and the Subadvisory Contract, the “**Average Daily Net Assets of the Fund**” for each month are determined by taking an average of all of the determinations of such amount during such the month at the close of business on each business day during the month. The Management Fee is payable for each month within 15 business days after the end of such month.

The table below sets forth the Management Fees paid by the Fund, as well as any fee waiver and expense reimbursement, for the periods indicated:

	<b>Gross Management Fees</b>	<b>Expenses Reimbursed and Management Fees Waived</b>	<b>Net Management Fees Paid</b>
Fiscal Year Ended March 31, 2025 .....	\$ 367,479	\$ 906,325	\$ 0
Fiscal Year Ended March 31, 2024 .....	\$ 330,672	\$ 1,070,349	\$ 0
Fiscal Period Ended March 31, 2023 <sup>(1)</sup> .....	\$ 203,896	\$ 2,455,821	\$ 0

(1) For the Fund's fiscal period beginning April 14, 2022 (commencement of operations) through March 31, 2023.

Please see “Fund Expenses — Expense Limitation Agreement” below for information about the Adviser's obligation to waive its Management Fee and/or bear certain Fund expenses under certain circumstances.

### Subadvisory Fee

The Subadvisory Contract provides for the Adviser (and not the Fund) to pay a subadvisory fee to the Subadviser, computed and paid monthly, based on the Average Daily Net Assets of the Fund, at the annual rates set forth below:

<b>Average Daily Net Assets of the Fund</b>	<b>Subadvisory Fee Payable to the Subadviser</b>
\$1 – \$50,000,000. ....	1.55%
\$50,000,001 – \$100,000,000. ....	1.65%
\$100,000,000 – \$250,000,000. ....	1.75%
\$250,000,000 – \$500,000,000. ....	1.84%
\$500,000,000. ....	1.94%

## Portfolio Management

### Other Accounts Managed by the Portfolio Managers

The following table shows the number and approximate assets of other investment accounts (or portions of investment accounts) (the “**Other Accounts**”) that the Fund's portfolio managers managed as of June 30, 2025. Except as noted, none of the other accounts pays a fee based on the account's performance.

<b>Portfolio Managers</b>	<b>Other SEC-Registered Investment Companies</b>		<b>Other Pooled Investment Vehicles</b>		<b>Other Accounts</b>	
	<b>Number of Accounts</b>	<b>Assets</b>	<b>Number of Accounts</b>	<b>Assets</b>	<b>Number of Accounts</b>	<b>Assets</b>
Elia Infascelli .....	0	\$ 0	1*	\$ 1,000,000*	0	\$ 0
Mary Owen .....	0	\$ 0	1*	\$ 1,000,000*	0	\$ 0

\* For this one account, the advisory fee is based on the performance of the account.

The portfolio managers may have conflicts of interest in managing the Fund and the Other Clients, at least one of which invests in the same type of or similar securities as the Fund. For example, the portfolio managers may have conflicts of interest in allocating their time and activity between the Fund and the Other Clients. The portfolio managers may at times give advice or take action with respect to the Other Clients that differs from the advice given with respect to the Fund because of, among other things, differences between the Fund's and the Other Clients' investment policies and limitations, tax ramifications, available capital, and risk constraints. The portfolio managers also face conflicts of interest because one Other Client pays a performance-based fee, which may incentivize the portfolio managers to allocate the most attractive investments to that Other Client, and not the Fund, in order to maximize advisory fees. However, as a policy, the Subadviser and its affiliates will endeavor to allocate investment opportunities among its various client accounts — including the Fund — in a manner they believe to be as equitable as feasible, considering each account's objectives, programs, limitations, and capital available for investment. This may mean that a particular opportunity available to the portfolio managers may not be allocated to the Fund, but to Other Clients.

The Subadviser believes the above conflicts are mitigated to an extent because it has written policies and procedures regarding investment allocation intended to address the fair and equitable treatment of all accounts. The portfolio managers are obligated to adhere to these policies and procedures in their management of the Fund and the Other Clients. There is no guarantee, however, that the Fund will not be limited in its investment opportunities as a result of the portfolio managers management of Other Accounts.

#### Portfolio Manager Compensation

The portfolio managers receive from the Subadviser a fixed annual salary. Because each portfolio manager holds an equity interest in the Subadviser, each portfolio manager will also benefit from any profits generated by the Subadviser and will be entitled to distributions made by the Subadviser. Mr. Infascelli is also entitled to distributions from the Subadviser based on a percentage of the Subadvisory Fees received by the Subadviser, which are contingent upon the Fund first meeting a specific total net asset value threshold.

#### Portfolio Manager Ownership of Fund Shares

The dollar range of Fund Shares beneficially owned by each portfolio manager as of June 30, 2025 was as follows:

<b>Portfolio Managers</b>	<b>Dollar Range of Fund Shares Owned</b>
Elia Infascelli	\$1 – \$10,000
Mary Owen	\$0

#### **Code of Ethics**

The Fund, the Adviser, and the Subadviser have each adopted codes of ethics pursuant to Rule 17j-1 under the Investment Company Act. These codes permit personnel subject to the respective codes of ethics to invest in securities, including securities that may be purchased or held by the Fund.

The codes of ethics of the Fund, the Adviser, and the Subadviser are each available on the EDGAR Database on the SEC's website at <http://www.sec.gov>, and copies of these codes may also be obtained, after paying a duplicating fee, by electronic request at the following e-mail address: [publicinfo@sec.gov](mailto:publicinfo@sec.gov).

#### **Proxy Voting Policies**

The Fund's venture capital investments in Portfolio Companies and investments in Portfolio Funds do not typically convey traditional voting rights, and the occurrence of corporate governance or other consent or voting matters for this type of investment is substantially less than that encountered in connection with registered securities. The Fund may on occasion, however, receive notices or proposals from Portfolio Companies or Portfolio Funds seeking the consent of or voting by holders, and may also be solicited to vote on other matters relating to Fund investments.

The Board has delegated the voting of proxies and exercise of consent and similar rights with respect to securities held in the Fund's portfolio to the Adviser, pursuant to the Adviser's proxy voting policies and procedures. The Adviser has, in turn, pursuant to the Subadvisory Contract, delegated the voting of proxies and exercise of consent and similar rights with respect to securities held in the Fund's portfolio to the Subadviser, to be voted pursuant to the Adviser's proxy voting policies and procedures. Under these policies, the Subadviser will vote proxies, amendments, consents or similar resolutions related to Fund securities in the best interests of the Fund and its Shareholders.

A copy of the Adviser's proxy voting policies and procedures are attached as Appendix A to this SAI.

Information on how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 will be available:

- without charge, upon request, by calling the Fund toll-free at 1-888-577-7987; and
- on the SEC's website at *www.sec.gov*.

You may also obtain a free copy of the Adviser's proxy voting policies and procedures by calling 1-888-577-7987.



## FUND EXPENSES

The Management Contract provides for the Adviser to pay all of its ordinary and usual office overhead expenses (including expenses such as office rent) in connection with the Adviser's performance of its duties under the Management Contract, and the salaries or other compensation of the employees of the Adviser. The Subadvisory Contract similarly provides for the Subadviser to pay all of its ordinary and usual office overhead expenses in connection with the Subadviser's performance of its duties under the Subadvisory Contract, including salaries and other compensation of the employees of the Subadviser. As described below, however, the Fund bears all other expenses incurred in the business and operation of the Fund, including any third party charges and out-of-pocket costs and expenses that are related to the organization, business or operation of the Fund.

In addition to the Management Fee, expenses borne directly by the Fund include, but are not limited to: (i) interest and taxes related to the Fund's operations and purchase and sale of Fund assets; (ii) brokerage commissions and other transaction expenses in connection with the Fund's purchase and sale of assets; (iii) fees and expenses related to the formation of the Fund, the offering of the Fund's shares, including Fund marketing costs and expenses, and the admission of investors in the Fund; (iv) fees and expenses related to the formation and operation of any subsidiaries of the Fund; (v) fees and expenses related to the investigation and evaluation of Fund investment opportunities (whether or not consummated); (vi) fees and expense related to the acquisition, ownership, management, financing, hedging of interest rates on financings, or sale of portfolio investments; (vii) travel costs associated with investigating and evaluating investment opportunities (whether or not consummated) or making, monitoring, managing or disposing of portfolio investments; (viii) Fund costs of borrowings; (ix) costs of any third parties retained to provide services to the Fund; (x) premiums for fidelity and other insurance coverage requisite to the Fund's operations; (xi) fees and expenses of the Fund's Independent Trustees (including compensation of the Independent Trustees); (xii) legal, audit and fund accounting expenses; (xiii) custodian and transfer agent fees and expenses; (xiv) expenses incident to the repurchase of the Fund's shares; (xv) fees and expenses related to the registration under federal and state securities laws of Fund Shares; (xvi) expenses of printing and mailing Fund prospectuses, reports, notices and proxy material to shareholders of the Fund; (xvii) all other expenses incidental to holding meetings of the Fund's shareholders; and (xviii) such extraordinary non-recurring expenses as may arise, including litigation affecting the Fund and any obligation which the Fund may have to indemnify its officers and trustees with respect thereto.

The Fund is required to reimburse the Adviser and the Subadviser, as applicable, for any of the costs and expenses that are an obligation of the Fund that the Adviser or the Subadviser, as applicable, or one of their respective affiliates pays or otherwise incurs on behalf of the Fund, including the costs and expenses described above.

### Expense Limitation Agreement

The Adviser has contractually agreed to waive its Management Fee and/or reimburse Fund expenses to the extent necessary so that the Fund's total annual operating expenses (excluding any taxes, interest, brokerage commissions, acquired fund fees and expenses, and extraordinary expenses, such as litigation or reorganization costs, but inclusive of organizational costs and offering costs) ("**Operating Expenses**") do not exceed 5.90% of the Fund's average daily net assets.

The Adviser is entitled to seek reimbursement from the Fund of Management Fees waived and/or Fund expenses paid or reimbursed by the Adviser for a period ending three years after such waiver, payment or reimbursement, provided the repayments do not cause the Fund's Operating Expenses to exceed the expense limitation in place at the time the Management Fees were waived and/or the Fund expenses were paid or reimbursed, or any expense limitation in place at the time the Fund would repay the Adviser, whichever is lower.

This contractual expense limitation will remain in effect through at least August 15, 2026, unless the Board terminates it earlier upon not less than 30 days' prior written notice to the Adviser.

## **PORTFOLIO TRANSACTIONS AND BROKERAGE**

Subject to policies established by the Board and the terms of the Subadvisory Contract, the Subadviser is currently responsible for arranging the execution of portfolio transactions on behalf of the Fund. The Subadviser anticipates that a substantial portion of the Fund's purchases of securities will be made directly from the issuer in privately negotiated transactions (*e.g.*, directly from Portfolio Companies and Portfolio Funds). Certain of these transactions may require the Fund to pay a fee or commission to a broker-dealer. The Subadviser may also engage broker-dealers and finders to source potential private investments.

The Subadviser is also authorized to select broker-dealers to execute Fund transactions in publicly-traded securities. The Subadviser is not required and does not execute transactions through any particular broker or dealer, but seeks to obtain the best net results for the Fund, taking into account such factors as price (including the applicable brokerage commission or dealer spread), size of the order, execution capability, trading expertise, accuracy of execution, reputation and integrity, fairness in resolving disputes, financial responsibility and responsiveness. While the Subadviser generally seeks reasonable trade execution costs, the Fund will not necessarily pay the lowest spread or commission available, and payment of the lowest commission or spread is not necessarily consistent with obtaining the best price and execution in particular transactions. Subject to applicable legal requirements, the Subadviser may select a broker based partly upon brokerage or research services provided to the Subadviser and the Fund. In return for such services, the Subadviser may cause the Fund to pay a higher commission than other brokers would charge if the Subadviser determines in good faith that the commission is reasonable in relation to the services provided.

Brokers or dealers executing a portfolio transaction on behalf of the Fund may receive a commission in excess of the amount of commission another broker or dealer would have charged for executing the transaction if the Subadviser determines in good faith that such commission is reasonable in relation to the value of brokerage and research services provided to the Fund.

The Fund did not pay any brokerage commissions during the fiscal periods ending March 31, 2025, March 31, 2024, or March 31, 2023.

## **CONTROL PERSONS AND PRINCIPAL SHAREHOLDERS**

A principal shareholder is any person who owns (either of record or beneficially) 5% or more of the outstanding Shares of any class of a fund. A "control person" generally is a person who beneficially owns more than 25% of the voting securities of a company or has the power to exercise control over the management or policies of such company. A control person may be able to determine the outcome of a matter put to a shareholder vote.

To the knowledge of the Fund, as of July 16, 2025, no persons owned of record or beneficially 5% or more of the Fund's outstanding shares.



## **CUSTODIAN**

UMB Bank, N.A. serves as the custodian of the assets of the Fund and may maintain custody of such assets with U.S. and non-U.S. sub-custodians (which may be banks and trust companies), securities depositories and clearing agencies in accordance with the requirements of Section 17(f) of the Investment Company Act and the rules thereunder. Assets of the Fund are not held by the Adviser or commingled with the assets of other accounts other than to the extent that securities are held in the name of the UMB Bank, N.A. or U.S. or non-U.S. sub-custodians in a securities depository, clearing agency or omnibus customer account of such custodian. UMB Bank, N.A.'s principal business address is 928 Grand Blvd., 10<sup>th</sup> Floor Kansas City, Missouri 64106.

## **INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM AND FINANCIAL STATEMENTS**

Tait, Weller & Baker LLP, located at Two Liberty Place, 50 South 16<sup>th</sup> Street, Suite 2900, Philadelphia, Pennsylvania 19102, is the Fund's independent registered public accounting firm. The Report of Independent Registered Public Accounting Firm and financial statements contained in the Fund's annual report for its fiscal year ended March 31, 2025 are incorporated by reference into this SAI. The Fund's annual report is available, without charge, by calling us at 1-888-577-7987, by emailing us at [support@sweaterventures.com](mailto:support@sweaterventures.com), or by visiting the Fund's website at <https://www.thecashmerefund.com/>.

**ADVISER PROXY VOTING POLICIES AND PROCEDURES**

Under Rule 206(4)-6 of the Investment Advisers Act of 1940, it is a fraudulent, deceptive, or manipulative course of business for an investment adviser to exercise voting authority with respect to client securities, unless the adviser has adopted and implemented written policies and procedures that are reasonably designed to ensure that the adviser votes proxies in the best interests of its clients. Under the Rule, the adviser must also disclose its proxy voting policies and procedures to clients and provide them to clients upon request. In addition, the adviser must also provide clients with information on how the adviser voted the proxies on their securities, upon request.

Sweater Industries LLC's ("Sweater") authority to vote proxies for its clients is established through the delegation of discretionary authority under its investment advisory contracts or as otherwise delegated to Sweater by the client. These policies and procedures are designed to satisfy Sweater's duties of care and loyalty to its clients with respect to monitoring corporate events and exercising proxy authority in the best interests of such clients. The policies and procedures seek to address potential complexities which may arise in cases where Sweater's interest conflicts or appears to conflict with the interests of its clients and to communicate with clients the methods and rationale whereby Sweater exercises proxy voting authority.

Sweater will reach its voting decisions independently, after appropriate investigation. It does not generally intend to delegate its decision making or to rely on the recommendations of any third party, although it may take such recommendations into consideration. Sweater may consult with such other experts, such as CPA's, investment bankers, attorneys, etc., as it regards necessary to help it reach informed decisions.

Sweater may determine not to vote a proxy if: (1) the effect on the applicable client's economic interests or the value of the portfolio holding is insignificant in relation to its portfolio; (2) the cost of voting the proxy outweighs the possible benefit to the applicable client, including without limitation situations where a jurisdiction imposes share blocking restrictions which may affect the ability to effect transactions in the related securities; or (3) Sweater otherwise has determined that it is consistent with its fiduciary obligations not to vote the proxy.

Sweater serves as the adviser to a closed-end fund under the Investment Company Act of 1940, as amended (the "1940 Act"). The fund does not typically invest in other mutual funds or exchange traded funds. The fund does not typically invest in registered equities. If the Fund were to invest in registered equities, this Proxy Voting Policy will be amended to appropriately address the Fund's proxy policy as relevant to registered equities to the extent different than these policies. The fund primarily invests in private companies and, to a lesser extent, private funds, in each case that do not involve many proxy items requiring the Adviser to vote.

If the fund invests in mutual funds (*i.e.*, a fund of funds), Sweater seeks to benefit from the safe harbor of Section 12(d)(1)(F) under the 1940 Act. Section 12(d)(1)(F) requires that shares of underlying investment companies be voted "in the same proportion as the vote of all other holders of such security" ("echo" or "mirror" voting). Accordingly, when voting proxies for the mutual fund, Sweater will vote in the same proportion as all other voting shareholders of the underlying funds.

Sweater will use its internal policies and procedures when collecting information for the Fund to complete and file Form N-PX which is used by the Fund to file reports with the SEC containing the Fund's proxy voting record for the most recent 12-month period ending June 30. This form contains the relevant information to identify the securities issuer, ticker, cusip or other identifying information, dates to include shareholder meeting date and reporting period, the subject matter of the vote, the proposal type, and whether the Firm voted on the matter, a summary of the vote cast (*i.e.*, noting mirror voting). Where a proxy proposal raises a material conflict between the interests of Sweater, any affiliated person(s) of Sweater, or any affiliated person of the Fund, on the one hand, and the Fund's and the Fund's shareholder's interests, on the other, Sweater will resolve the conflict by voting in accordance with the policy guidelines or at the Fund's directive using the recommendation of an independent third party. If the third party's recommendations are not received in a timely fashion, Sweater will abstain from voting.

The CCO or designee is responsible for maintaining accurate records of all proxies voted to include any analysis or supporting document used in completing the Form N-PX. The proxy voting records are maintained in accordance with the Firm's Books and Records requirements.