

PART II OF FORM ADV

BROCHURE



CS Advisors Inc.

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This Brochure provides information about the qualifications and business practices of CS Advisors Inc. If you have any questions about the contents of this Brochure, please contact us at (561) 353 1604 or ssherman@csadvisorsinc.com. 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.

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Material Changes

On July 28, 2010, the United State Securities and Exchange Commission published "Amendments to Form ADV" which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated March 10, 2011 is a new document prepared according to the SEC's new requirements and rules. As such, this Document is materially different in structure and requires certain new information that our previous brochure did not require.

In the future, this Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Steven Sherman at (561) 353 1604 or ssherman@csadvisorsinc.com . Our Brochure is also available on our web site www.csadvisorsinc.com.

Advisory Business

CS Advisors Inc is a Registered Investment Advisory firm located in Boca Raton, FL and has been managing investments for its clients since 2002. Steven Sherman, President and of CS Advisors, holds a Masters degree in Economics and Finance from State University of New York at Binghamton. He was an options market maker for 9 years and was a member of the American Stock Exchange, New York Futures Exchange, and Commodities Exchange.

Our Philosophy

Invest for the long-term - Our goal is to maximize returns by filtering out the short-term noises that distract many investors. This approach requires patience and a disciplined commitment to a high level of fundamental analysis at the time we first make an investment and for as long as we own that investment.

A disciplined, consistent investment process - Our decisions are based on our objective assessment of an investment's merits based on a thorough quantitative analysis. We combine this research with a qualitative overlay designed to provide investors with portfolios that are appropriate for their individual goals and risk tolerances.

Strategic diversification - We believe that broadly diversified portfolios provide a rational means of achieving desired returns commensurate with our portfolios' pre-defined risk levels.

Tactical strategies – Diversification using traditional investment classes creates a strong foundation for long-term success but is not dynamic enough to withstand short-term market volatility. Tactical asset weighting and option overlay strategies are used prudently to manage the risk and ultimately enhance the returns of our portfolios.

Invest our clients' money as if it was our own - We only implement an investment strategy when we have a high level of conviction in its ability to meet long-term portfolio objectives. We will never invest in a strategy because it is a good marketing idea; we are committed to only offering best-in-class investment strategies that embody the way we think and practice investment management.

Communicate in a timely and candid fashion - It is our belief that we must provide commentary on our portfolios in a consistent, easy-to-understand manner. We also provide full and fair disclosure about our investment strategies and the factors driving our positioning and performance.

Independent thinkers - While it is easy to follow the crowd, it is rare to outperform it by chasing trends. Therefore, we avoid jumping on the latest bandwagon and confidently take positions outside of the mainstream.

Current Assets under management are \$40,000,000.00

Fees and Compensation

BASIC FEE SCHEDULE

1.00% of Assets on the first \$2,000,000
 .75% of Assets on the next \$2,000,000
 .50% of Assets on all additional amounts

Fees are charged quarterly and are calculated on an account's asset value as of the last business day of the quarter for services provided the previous quarter. At CS Advisors' discretion, and often in circumstances involving large accounts, CS Advisors fees are negotiable. No particular ranges or terms of fees have been established with respect to accounts that are the subject of negotiated fees.

CS Advisors furnishes investment management supervision only with respect to client portfolios actually provided to the CS Advisors for investment. While CS Advisors, throughout the relationship, strives to obtain a complete understanding of each client's individual needs and particular or peculiar background information relating to the client's investment objectives, such information is not always divulged by the client. In these circumstances, portfolios are managed without such a comprehensive understanding. Thus, the funds and securities holdings and the establishment of individual needs are determined by the client, based on the client's own appraisal of the nature and amount of his/her other assets, investments, insurance, obligations and personal and family needs.

CS Advisors' fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to CS Advisors fee, and CS Advisors shall not receive any portion of these commissions, fees, and costs.

Performance-Based Fees and Side-By-Side Management

CS Advisors does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

Types of Clients

CS Advisors Inc. provides portfolio management services to individuals, high net worth individuals, corporate pension and profit-sharing plans, Partnerships, charitable institutions, foundations, endowments, private investment funds and trusts.

Methods of Analysis, Investment Strategies and Risk of Loss

Our portfolios begin with creating strategic asset allocations. The strategic allocations for each portfolio have different risk/return profiles. Portfolios are well diversified and designed to meet different investment objectives.

The Strategic Asset Allocation can be thought of as the baseline long-term asset allocation for each portfolio. This gives us a frame of reference in select portfolios against our option overlay positions to enhance the risk/ reward characteristics of each portfolio.

Asset Allocation Process

The first step in our Asset Allocation Process is to establish a strategic (long-term) asset allocation for each portfolio. We believe that at the core of building a diversified and efficient portfolio is Modern Portfolio Theory (MPT). According to the MPT, it's possible to construct an "efficient frontier" of optimal portfolios offering the maximum possible expected return for a given level of risk. We utilize the expected return, correlations, and standard deviation of various asset classes in an effort to design the most efficient growth and income portfolio.

Building Blocks

The first step is to determine the type of asset classes and investments to use in constructing the portfolio. Below is a list of some asset classes we utilize.

US Large Cap Stocks	Real Assets (Commodities, Real Estate)
US Small Cap Stocks	International Bonds
International Stocks	US Taxable Bonds

These broad asset classes can be further broken down into sub asset classes that can be used to create a more efficient portfolio. For example, international stocks would include developed markets and emerging market equities as well as growth and value components.

Tactical Asset Allocation

We use a variety of factors and models to assist our decision making process of when and how to make adjustments to our strategic asset allocation. We are as rigorous with the implementation of tactical portfolio strategies as with our strategic asset allocation process. In addition to employing tactical tilts within the framework of the strategic asset allocation, each portfolio is rebalanced systematically to help ensure alignment with strategic and tactical limits.

Disciplined Tactical Strategy

Our tactical strategy is based on the following technical and fundamental factors in an effort to remove emotional bias:

1. Macro economic trends – Fed Policy , business cycle, Leading Indicators
2. Fundamentals – To measure the attractiveness of the equity market, we use a variety of factors including operating earnings, dividend yield, earnings yield, profit margins, etc
3. Option and Risk Metrics –We measure the level of uncertainty in the markets by evaluating the option pricing. We use both historical and implied volatility as well as the “skew” in various option markets.
4. Technical Indicators - We use volume and price movements of ETF’s to quantify momentum.

Some of our models utilize options with the underlying ETF’s as part of our tactical asset allocation.

NOTE: INVESTING IN SECURITIES INVOLVES RISK OF LOSS THAT CLIENTS SHOULD BE PREPARED TO BEAR.

Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of CS Advisors or the integrity of CS Advisors management. There are no legal or disciplinary events regarding the firm or its management personnel that are material to a client’s evaluation of CS Advisors Inc.

Other Financial Industry Activities and Affiliations

CS Advisors is not affiliated with any other firms and does not receive compensation (commissions, equipment, non research services) from other firms

Code of Ethics

CS Advisors has adopted a Code of Ethics designed to prevent prohibited acts and eliminating potential conflicts of interests. The procedures in the Code of Ethics set forth prescriptions against over-reaching, self-dealing, insider trading and the appearance of actual conflicts of interest. Among other matters, these procedures forbid any member, officer, or employee of CS Advisors (collectively "Employee") from trading, either personally or on behalf of others, on material non-public information or communicating material nonpublic information to others in violation of the law, including information regarding client trades and holdings. The procedures also provide that Clients must always receive the best price in relation to employees on same day transactions. Employees must give first priority on all purchases and sales of securities to the CS Advisors clients and lists several prohibit situations designed to protect the CS Advisors clients.

A copy of CS Advisors Code of Ethics will be provided upon the request of any client or prospective client.

Brokerage Practices

The CS Advisors has authority to determine, without obtaining specific client consent, the securities to be bought or sold, the amount of the securities to be bought or sold and the broker-dealer to be used.

In selecting a broker, CS Advisors will use its best judgment to choose the broker most capable of providing the brokerage services necessary to obtain best available price and most favorable execution. However, the full range and quality of brokerage services available will be considered in making this determination. The range and quality of brokerage services includes: competent block trading coverage, good communications, and ability to position, use of automation, research, arbitrage skills and administrative support.

CS Advisors will make periodic evaluations of the quality of the brokerage services provided by a firm and measure these services against its own standards of service and execution. Brokerage services will be obtained from the firm that meets CS Advisors standards, maintains a reasonable capital position, and can be expected to supply these services reliably and continuously. CS Advisors will develop and maintain brokerage contacts and relationships in the interest of providing its clients with maximum liquidity.

CS Advisors is not obligated to choose the broker that offers the lowest available commission rate if, in CS Advisors' best judgment, there is a possibility that the total cost or proceeds from the transaction might be less favorable than obtainable elsewhere. CS Advisors will make every effort to keep informed of rate structures offered by the brokerage community. In the selection of a broker, CS Advisors will not solicit competitive bids or "shop" the account for a lower rate if this would, in its best judgment, be harmful to the execution process and not be in the best interests of its clients.

In no event will CS Advisors enter into agreements, expressed or implied, with broker-dealers pursuant to which it would select a firm for execution as a means of remuneration for recommending CS Advisors as an investment adviser to prospective or present clients. It is possible that CS Advisors may pay, or be deemed to have paid, commission rates higher than could have otherwise been paid in order to be assured of continuing to receive research that it considers useful. Such higher commissions would be paid in accordance with Section 28(e) of the Securities Exchange Act of 1934, which requires CS Advisors to determine in good faith that the commission paid is reasonable in relation to the value of the research provided. This determination may be based either in terms of the particular transaction involved or the overall responsibilities of CS Advisors with respect to all accounts over which it exercises discretion. Accordingly, the research that is obtained normally benefits many accounts rather than just the one(s) for which the order is being executed, and not all research may be used by CS Advisors in connection with the account which paid commissions to the broker providing research.

The research received by CS Advisors may include, without limitation, information on the United States and other world economies; information on specific industries, groups of securities, individual companies, political and other relevant news developments affecting markets and specific securities; and technical and quantitative information about markets. Research is received in the form of written reports, telephone contacts, e-mails, facsimiles, personal meetings, research seminars, and access to computer databases.

Review of Accounts

Accounts are monitored daily and reviewed at least once each month. Accounts are assigned to an account manager who monitors news and research on all securities invested in by any of the assigned accounts. Any material matter affecting such security(ies) shall trigger a review of the account(s) holding such security(ies). Based on the client's individual situation, the account manager will determine whether the position should be maintained. Additionally, accounts are reviewed monthly to ensure that the account is invested according to the client's objectives. Each account manager who is responsible for individual accounts may be assigned up to 300 accounts (for purposes of this section an "account" is defined as a unique portfolio which may be made up of several individual or joint accounts owned by an individual or family members).

Client Referrals and Other Compensation

CS Advisors has agreed to directly compensate one or more individuals for client referrals pursuant to one or more written agreements under which the applicant pays the referring individual a percentage of the fees actually received by the CS Advisors on an on-going basis. CS Advisors may enter into similar agreements in the future.

Custody

The Firm does not maintain custody of any client funds or securities, other than solely as a consequence of its authority to deduct advisory fees from client accounts.

Client funds and securities shall be maintained by qualified custodians. Each qualified custodian, whether a broker-dealer, bank or other qualified custodian, shall send account statements directly to the Firm's clients quarterly, or more frequent. As a client, you should carefully review those statements.

At the end of each quarter, CS Advisors provides each client with a report on their account listing holdings with quarter-end values, costs and estimated yields.

Investment Discretion

CS Advisors furnishes investment management supervision only with respect to client portfolios actually provided to the CS Advisors for investment. While CS Advisors, throughout the relationship, strives to obtain a complete understanding of each client's individual needs and particular or peculiar background information relating to the client's investment objectives, such information is not always divulged by the client. In these circumstances, often by client directive, portfolios are managed without such a comprehensive understanding. Thus, the funds and securities holdings and the establishment of individual needs are determined by the client based on the client's own appraisal of the nature and amount of his/her other assets, investments, insurance, obligations and personal and family needs.

CS Advisors usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. The Firm will require the client to execute a written trading authority or other similar document (e.g., a power of attorney) prior to accepting discretionary authority. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, CS Advisors observes the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies, CS Advisors authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Investment guidelines and restrictions must be provided to CS Advisors in writing.

Voting Client Securities

As a matter of firm policy and practice, CS Advisors does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. CS Advisors may provide general information and answer general client questions regarding the voting of proxies to the extent that the Firm has relevant knowledge or information; however, the Firm will not provide advice to clients regarding the clients' voting of proxies.

Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about CS Advisors financial condition. The Firm does not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance, or otherwise believe that any financial condition exists that is reasonably likely to impair the Firm's ability to meet contractual commitments to clients. Neither CS Advisors nor its principal have been the subject of a bankruptcy proceeding.

Principal Executive Officers and Management Persons

Name: Steven Sherman

Date of Birth: March 1, 1963

Formal Education after High School:

State University of New York at Binghamton 1981-1985

Degree: B.S. Economics

State University of New York at Binghamton 1985-1986

Degree: M.A. Economics and Finance

Business Background for Preceding Five Years:

06/2005 - Present: Managing Member, MRIF Management, LLC, General Partner to Mortgage and Real Estate Income Fund, Ltd.

08/2002 – Present: President, CS Advisors, Inc.

06/2001 – Present: President, Mango Bay Property and Investments, Inc.

Other Business Activities of the Firm

The Firm is not engaged in any other business.