

Form ADV Part 2A: Firm Brochure

SYNTHESIS ADVISORS, INC.

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This brochure provides information about the qualifications and business practices of Synthesis Advisors, Inc. If you have any questions about the contents of this brochure, please contact us at (615) 256-2556. 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. Registration as an investment advisor with the SEC or any state securities authority does not imply a certain level of skill or training.

Additional information about Synthesis Advisors, Inc. also is available on the SEC's website at www.adviserinfo.sec.gov

MATERIAL CHANGES

Synthesis Advisors, Inc. (“Synthesis Advisors”) most recent update to Part 2 of Form ADV was made on April 25, 2011. Our business activities have not changed materially since the time of that update. However, due to changes required by the passage of the Dodd-Frank bill the SEC has raised the dollar limit that firms must have under management in order to remain registered with the SEC. Therefore Synthesis Advisors, Inc. in 2012 will become a State of Tennessee registered investment advisory firm. This will have cause virtually no change in the day to day operations of the firm or its interactions and dealings with clients.

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ADVISORY BUSINESS

Synthesis Advisors is an investment advisor registered with the State of Tennessee. Synthesis Advisors has been in business since 1991 and is wholly owned by Douglas H. Joyce (“Mr. Joyce”), who is its President. While Synthesis Advisors has three employees related to its business, Mr. Joyce is the only employee who provides investment advisory services.

Primarily through utilization of various managers of privately administered pooled investment funds (many of which are referred to as “hedge funds”), Synthesis Advisors provides portfolio management services for individuals, trusts, and partnerships. We allocate a client’s assets to one or more managers based upon the investment objectives of each client and the characteristics of each pooled investment fund. We do not typically offer advice pertaining to

the selection of individual securities. Generally, we offer advice on the following types of investments (but not exclusively these types):

- Equity securities
- Warrants
- Mutual fund shares
- Municipal securities
- United States government securities
- Interests in partnerships investing in:
 - Real estate
 - Oil and gas interests
- Hedge funds
- Other privately placed securities

We also provide services to certain clients on matters not involving investments or securities, such as management of real and personal property, the incurrence or payment of indebtedness, and management of other day to day personal financial activities.

We tailor our advisory services to the individual needs of our clients, taking into consideration each client's investment objectives, risk tolerance and future needs for capital and liquidity. Clients may limit our ability to invest in certain securities or asset categories.

The total client assets under management as of December 31, 2011 on a non-discretionary basis were \$85,555,537. There were no client assets under management on a discretionary basis.

FEES AND COMPENSATION

Synthesis Advisors tailors its fee arrangements based upon the specific advisory services provided to each client. Client fees are negotiable. Many clients pay a base market fee equal to 0.67% of the value of the assets of the client under management as of September 30 of the previous year. Base market fees are payable on a quarterly basis and are paid in advance.

Some clients may also pay flat fees (paid monthly) or other asset-based fees based upon the percentage of assets under management (paid either monthly or quarterly). These fees are paid in arrears and are either charged to the client's checking account or, for certain clients that are trusts, billed to the institutional trustee for payment. Many of our clients are also charged an additional performance-based fee. See "Performance-Based Fees and Side-By-Side Management" below.

In addition to management advisory fees and performance-based compensation, clients will bear other fees and expenses. For example, clients whose assets are invested in mutual funds will incur brokerage and other transaction costs that are not compensation to Synthesis Advisors. These clients will incur an advisory fee payable to the mutual fund's managers and possibly a 12b-1 fee, which is an operational and marketing expense paid to the brokerage firm for its services and to individual advisers at the firm for their continuing assistance to investors.

The total amount of fees charged by a mutual fund, including 12b-1 fees, will typically range from 1% - 1 ½% annually.

Clients are to pay base market fees and performance-based fees promptly upon invoice by Synthesis Advisors, and the client's timely confirmation of the underlying fee calculations. To the extent a client establishes a trust or other entity for the purposes of financial affairs or investment activities, and such vehicles have funds, Synthesis Advisors' fees are paid directly from such vehicles upon presentation of invoices to their respective trustee or controlling person and the client's timely confirmation of the underlying fee calculations.

All investment advisory agreements between Synthesis Advisors and its clients may be terminated at any time by either party in writing delivered to the other. Fees for a calendar year in which a fee agreement is not in effect for the whole year shall be prorated for such shorter period. Any prepaid fees for periods after the effective date of the termination will be returned to the client.

Mr. Joyce is a registered representative with Wiley Bros./Aintree Capital, a Nashville based broker-dealer and a member of FINRA and SIPC. In his capacity as a broker he receives commissions and fees, including 12b-1 fees, when he executes trades through Wiley Bros./Aintree Capital on the behalf of a client. In these instances, Mr. Joyce receives an economic benefit from a non-client for his brokerage services, in addition to the economic benefit he receives from a client for his advisory services. This practice presents a conflict of interest that gives Synthesis Advisors an incentive to recommend investment products based on the compensation received rather than on a client's needs. Synthesis Advisors is aware of this conflict and has procedures in place to ensure that actions are taken in accordance with the best interests of clients. See "Brokerage Practices" below.

Synthesis Advisors may also receive solicitation fees from third-parties, including the fund managers or sponsors of hedge funds and other pooled investment vehicles, for referring investors, including advisory clients of Synthesis Advisors. Synthesis Advisors only enters into such arrangements if we conclude that the client is being charged the lowest available fees on their investments by the applicable managers and that our receipt of those solicitation fees does not increase the amount being charged to our clients by such parties. All such fees and other compensation are disclosed in advance to Synthesis Advisors' clients.

When we charge a client for advisory fees and also receive commissions from a third-party in connection with our advisory services, we generally do not reduce our advisory fees to offset the amount received as commissions.

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

In addition to base market fees, flat fees and asset-based fees, most qualified clients also are charged a performance-based fee. The performance-based fee is based upon the growth of the market value of assets under management during the year as compared to a specific index or benchmark specified in each client's investment advisory agreement, such as the S&P 500 Index,

or a composite index weighted to reflect the applicable asset allocation and/or investment strategy.

These performance-based fees are calculated on a calendar year basis, and generally are payable no earlier than the first quarter of the following year. The performance-based fees for certain trust clients are independently calculated by third-party accountants and/or attorneys under the direction of the institutional trustee. All other performance-based fees are independently confirmed by third-party accountants and/or attorneys, under the direction of either Synthesis Advisors or the client, depending on the client's preference.

Synthesis Advisors manages accounts that are charged a performance-based fee, as well as accounts that are charged another type of fee, such as a flat fee or asset-based fee. This does not present a conflict of interest because all investment accounts are subject to performance-based fees. The only accounts we manage that are not subject to performance-based fees are cash accounts that are not related to investment activities. Under the circumstances we have no incentive to favor accounts for which we are paid a performance-based fee.

Synthesis Advisors does not manage or advise either hedge funds or mutual funds, so we do not participate in any side-by-side management or fees.

TYPES OF CLIENTS

Synthesis Advisors generally provides investment advice to individuals, trusts, or partnerships or other companies in which the limited partners and equity owners are trusts. Many of our clients are members of Mr. Joyce's family, or trusts for the benefit of members of his family, including trusts under which Mr. Joyce is a beneficiary, a grantor or trustee. Other clients include personal friends of Mr. Joyce.

We do not have any specific requirements or account minimums for opening or maintaining an account. However, based upon the nature of our advisory services, our advisory clients must be either an "accredited investor," as defined under Rule 501(a) under the Securities Act of 1933, as amended (the "Securities Act"), a "qualified purchaser" as defined under Section 2(a)(51) of the Investment Company Act of 1940 (the "Investment Company Act"), or a "qualified client" as defined under Rule 205-3 of the Investment Company Act.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Generally, our investment advice is directed towards the selection of appropriate fund managers for hedge funds or other pooled investment vehicles. We generally do not provide advice on the identification or selection of specific individual securities, including stocks, bonds or related derivative securities. Synthesis Advisors uses two methods of analysis when formulating investment advice or managing assets. These two methods are charting analysis and fundamental analysis.

Charting analysis involves the study of past performance over a period of time. Evaluating past performance can provide useful data when considering an investment, but past

performance cannot be construed as an assurance of future results. No assurance can be given as to when or whether adverse events might occur that could cause significant and immediate loss in the value of an investment.

Fundamental analysis involves the evaluation of the basic business of a company, or a hedge fund or manager. This includes consideration of the basic business model, management team, specific industry conditions, and any other relevant information relating to the specific investment. Fundamental analysis provides important information about the general structure and sustainability of a target of an investment at a given point in time. However, conditions may change quickly and adversely and any projections based on fundamental analysis are purely speculative.

Synthesis Advisors develops its investment strategies to align with the individual goals of each client, taking into consideration factors such as asset allocation, trading guidelines, tax sensitivity, and risk tolerance. Investment strategies may differ greatly from a rapid growth strategy focused on capital appreciation, to a safety strategy focused on wealth protection. These incorporate both long term investments (securities intended to be held at least a year) and short term investments (securities anticipated to be sold within a year). Investment strategies, once developed, are closely followed by Synthesis Advisors and are reassessed and reevaluated periodically in response to changing circumstances and client preferences.

The main sources of information used in making recommendations are financial newspapers and magazines, research materials prepared by unaffiliated third-parties, corporate rating services and company press releases, as well as relationships with other industry participants. Synthesis Advisors uses these materials, methods of analysis and investment strategies in striving to make the best possible recommendations to its clients. However, investing in securities involves an inherent risk of loss that a client should be prepared to bear. There are no guarantees of successful performance or that a positive return can be achieved. As a general rule, investors can expect that investments with higher return potential will also have higher potential risk of loss of capital or income.

In addition, the investments of advisory clients in hedge funds and other pooled investment vehicles would each be made pursuant to the terms of the respective offerings, including receipt of private placement offering memorandums, and advisory clients must meet applicable eligibility and suitability requirements and execute relevant subscription agreements. Offering memorandums and subscription documentation generally include disclosure of risk factors relating to an investment in a particular hedge fund or pooled investment vehicle. In considering any such investment, we draw those risk factors to the attention of our client.

DISCIPLINARY INFORMATION

Neither Synthesis Advisors nor its management or any employee are or have been subject to any legal or disciplinary action or event.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Mr. Joyce who is our Chief Compliance Officer, is a registered representatives of the broker-dealer Wiley Bros./Aintree Capital. His activities as registered representatives with Wiley Bros./Aintree Capital are generally unrelated to and not material to the advisory business of Synthesis Advisors. See “Fees and Compensation” above.

Other than these affiliations with Wiley Bros./Aintree Capital, Synthesis Advisors and its employees do not have any relationships or arrangements with any other financial services companies that pose a material conflict of interest.

Mr. Joyce, the President and sole shareholder of Synthesis Advisors, also is the beneficiary under certain trusts, is the grantor of other trusts for the benefit of members of his family, is the trustee under other trusts for the benefit of personal friends (which trust(s) is/are advisory clients of Synthesis Advisors), and the general partner of limited partnerships in which the limited partners are trusts for the benefit of members of Mr. Joyce and other members of his family. The relationship between and among Synthesis Advisors, Mr. Joyce and those various partnerships and trusts receiving investment supervisory and advisory services from Synthesis Advisors does not create a material conflict of interest among any clients.

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

Synthesis Advisors has adopted a Code of Ethics to ensure that all its employees perform their duties in compliance with applicable laws and regulations, with loyalty to clients. This Code of Ethics includes policies and procedures regarding legal compliance, conflicts of interest, insider trading, confidentiality, and employee trading and reporting. A copy of the Code of Ethics will be provided to any client or prospective client upon request.

Related persons of Synthesis Advisors may invest in funds or other securities that are held by, or have been recommended to, Synthesis Advisors’ clients. A conflict of interest may arise when an investment opportunity creates a situation in which competing interests exist between the client and a related person. To address any potential conflict, an investment by a related person may only be made after it has been determined that (i) it will not have a material adverse effect on any of Synthesis Advisors’ clients and (ii) no related person of Synthesis Advisors will receive any special advantage with respect to that investment.

Related persons of Synthesis Advisors may also buy or sell securities for client accounts at or about the same time that they buy or sell the same securities for their own account. Market dynamics dictate that the price of a security is affected by both supply and demand. When demand increases, such as when a security is purchased, prices typically also increase. In order to ensure that the client does not incur any negative effects in connection with any trades executed by a related person for his own account, any trades for a related person will always be made after any client trades, and will always be consistent with client trades (i.e., the related person will not do the opposite of what Synthesis Advisors does for its clients). In all cases, the investor must strictly comply with Synthesis Advisors’ Code of Ethics and general compliance policy.

BROKERAGE PRACTICES

The majority of Synthesis Advisors' accounts are trusts where assets are held by the trust department of SunTrust Bank, a regional bank. The broker for any trades executed for these accounts is determined by the trust department of SunTrust Bank. Neither Synthesis Advisors nor any employee receives any commissions on these trades.

In other instances, Synthesis Advisors may recommend a broker to its clients. Synthesis Advisors bases its recommendation upon the reasonableness of commissions charged, rates customarily charged in the industry, types of securities products offered, and on the availability and the value of services provided.

While Mr. Joyce is a securities broker with Wiley Bros./Aintree Capital, his activities in that capacity are generally unrelated to the advisory services offered to our clients. To the extent that trades need to be executed on behalf of a client, Mr. Joyce generally will execute through Wiley Bros./Aintree Capital unless a client requests that another broker/dealer be used. Synthesis Advisors believes that Wiley Bros./Aintree Capital has competitive commissions and other fees and offers excellent execution of trades. In order to ensure that clients receive favorable execution of transactions, Synthesis Advisors conducts at least annually a systematic evaluation of Wiley Bros./Aintree Capital trade execution services.

On those occasions when a trade is to be made on behalf of a client, at the time each trade order is placed, Synthesis Advisors checks the prevailing market price(s) for the security as reported by one or more unaffiliated, publicly available sources, and then compares those market prices to the actual trade price quoted and obtained by the broker. Synthesis Advisors also conducts an annual evaluation of services and fees levels offered by other brokerage firms.

Clients may purchase investment products that Synthesis Advisors recommends through other brokers or agents that are not affiliated with any related person of Synthesis Advisors. If a client directs us to use a broker other than Wiley Bros./Aintree Capital, the client may be subject to higher commissions and transaction costs and we may not be able to achieve the most favorable execution of the transaction.

Synthesis Advisors does not receive any soft dollar benefits from any broker-dealer or third party in connection with client securities transactions and does not do any aggregate trades.

REVIEW OF ACCOUNTS

Synthesis Advisors client accounts are monitored on an on-going basis by Mr. Joyce.

Synthesis Advisors prepares regular performance review reports for its clients using information taken from account statements provided by the private fund manager or brokerage firm. These reports include information necessary to track capital account balances and month-to-date and year-to-date returns, and to compare the performance of the various client investments with an outside benchmark such as the S&P 500 or NASDAQ, depending on the type of investment. They are prepared electronically using a spreadsheet program and are

reviewed by the client during an in-person meeting with a representative of Synthesis Advisors. These reports are updated monthly and include a statement urging the client to compare the account statements they receive from other sources with statements provided by Synthesis Advisors. We do not prepare reports for clients whose assets are held by the trust department of SunTrust Bank, as the trust department prepares comprehensive consolidated statements of activity for those accounts.

CLIENT REFERRALS AND OTHER COMPENSATION

Mr. Joyce will receive commissions and fees, including 12b-1 fees, to the extent he acts in his capacity as a broker for Wiley Bros./Aintree Capital with respect to transactions involving advisory clients. See “Fees and Compensation” and “Brokerage Practices” above.

Synthesis Advisors may receive solicitation fees from fund managers or sponsors of hedge funds and other investment vehicles for referring investors, including advisory clients of Synthesis Advisors, to those funds. See “Fees and Compensation” above.

Synthesis Advisors does not compensate any party for client referrals. Synthesis Advisors does not offer, or receive, any sales awards or other prizes.

CUSTODY

Synthesis Advisors does not have constructive custody of any client securities or assets, except as described in the next paragraph. The assets and securities of our advisory clients are held by the respective fund and its managers, or held in street name for the benefit of the advisory client at the brokerage firm. Certain assets of trust accounts are held through the trust department of SunTrust Bank.

Synthesis Advisors does have custody of client funds or securities, as defined in the SEC Rules for investment advisers, due to Mr. Joyce serving as general partner or trustee for certain advisory clients, or his holding a power of attorney or a letter of instruction in connection with certain client accounts. However, a qualified custodian holds all client funds and securities and sends statements directly to the clients. Clients should receive account statements directly from the broker-dealer, bank or other qualified custodian. These statements are delivered to clients physically or made available electronically on a monthly and/or quarterly basis. All accounts are audited on an annual basis and an applicable report of any discrepancies must be filed with the applicable regulatory body.

Synthesis Advisors encourages all clients to carefully review these statements upon receipt. Clients are also urged to compare any spreadsheets or reports they receive from Synthesis Advisors with the statements they receive from the qualified custodian. If you do not wish to receive statements or reports directly from the custodian holding your funds or securities, you should contact Synthesis Advisors to discuss alternate arrangements that would comply with the SEC’s and/or State’s custody rules.

INVESTMENT DISCRETION

Synthesis Advisors accepts discretionary authority to manage securities and investment accounts on behalf of its clients. While clients may place whatever limitations they prefer on this discretionary authority, they customarily do not place any limitation on this authority. While the firm has this authority in place it currently only manages assets in a non-discretionary fashion.

For accounts for individual clients, we obtain an executed power of attorney or a signed letter of instruction for this authority. We do not have discretionary authority over any accounts for trusts other than those of which Mr. Joyce is the trustee.

VOTING CLIENT SECURITIES

Synthesis Advisors will not accept authority to vote securities held in clients' accounts. Clients will receive proxies and other solicitations material directly from their custodian or transfer agent. Any proxy solicitation received by Synthesis Advisors is forwarded promptly to the client for the client to act on the voting of that proxy. In the event a client has a question regarding a particular proxy solicitation, the client may call Synthesis Advisors to discuss the matter.

FINANCIAL INFORMATION

Synthesis Advisors does not require or solicit its clients to prepay fees for six months or more in advance. Synthesis Advisors has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage client accounts.

REQUIREMENTS FOR STATE REGISTERED ADVISERS

Synthesis Advisors currently has only one management person/executive officer; Douglas H. Joyce. Douglas H. Joyce's education and business background can be found on the Supplemental ADV Part 2B form.

Synthesis Advisors accepts performance based fees, fees based on a share of capital gains on or capital appreciation of the assets of a client. Clients that are paying a performance based fee should be aware that investment advisors have an incentive to invest in riskier investments when paid a performance based fee due to the higher risk/higher reward attributes.

No management person at Synthesis Advisors or Synthesis Advisors has been involved in an arbitration claim or been found liable in a civil, self-regulatory organization, or administrative proceeding that is material to the client's evaluation of the firm or its management. Neither Synthesis Advisors, nor its management persons, has any relationship or arrangement with issuers of securities.