

## Item 1 – Cover Page



### **ADV PART 2A – FIRM BROCHURE**

#### **TIMBERVEST, LLC**

3715 Northside Parkway  
Building 200, Suite 500  
Atlanta, Georgia 30327

(404) 848-7500 (telephone)  
(404) 848-7501 (facsimile)

[www.timbervest.net](http://www.timbervest.net)

April 24, 2012

This ADV Part 2A brochure provides information about the qualifications and business practices of Timbervest, LLC. If you have any questions about the contents of this brochure, please contact us at 404-848-7500 or [shapiro@timbervest.net](mailto:shapiro@timbervest.net). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. Additional information about Timbervest, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). For further information, please contact Joel Shapiro, Chief Executive Officer, or Gordon Jones, President.

Timbervest, LLC is an SEC registered investment adviser. Registration of an investment adviser does not imply that the company or any of its employees have any certain level of skill or training.

## **Item 2 - Summary of Material Changes**

This Brochure is prepared in the revised format required by the SEC beginning in 2011. Registered Investment Advisers are required to use this format in order to inform clients of the nature of advisory services provided, types of clients served, fees charged, potential conflicts of interest and other information. The new Brochure requirements include providing a Summary of Material Changes (the "Summary") reflecting any change to our policies, practices, or conflicts of interest made since our last annual update. This Summary is provided to all clients within 120 days of our fiscal year-end. Our last annual update was filed on March 30, 2012. Of course the complete Brochure is available to clients at any time upon request.

Item 3 – Table of Contents	Page
Item 1 – Cover Page .....	i
Item 2 - Summary of Material Changes .....	i
Item 3 – Table of Contents .....	ii
Item 4 – Advisory Business .....	1
Item 5 – Fees and Compensation .....	2
Item 6 – Performance-Based Fees and Side by Side Management.....	3
Item 7 – Types of Clients .....	4
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss .....	4
Item 9 – Disciplinary Information .....	7
Item 10 – Other Financial Industry Activities and Affiliations .....	8
Item 11 – Code of Ethics .....	8
Item 12 – Brokerage Practices .....	9
Item 13 – Review of Accounts .....	11
Item 14 – Client Referrals and Other Compensation .....	11
Item 15 – Custody.....	12
Item 16 – Investment Discretion.....	12
Item 17 – Voting Client Securities .....	12
Item 18 – Financial Information.....	12
Brochure Supplements.....	Appendix A

#### **Item 4 – Advisory Business**

Timbervest, LLC (“Timbervest”) was established in 1995 as a limited liability company and is headquartered in Atlanta, Georgia. On January 1, 2005, Timbervest’s four managing partners, Joel Shapiro, Gordon Jones, Bill Boden and David Zell, completed a management buyout of Timbervest through a holding company, Ironwood Capital Partners, LLC (“Ironwood”). Ironwood owns 100% of Timbervest. Ironwood is owned equally by Timbervest’s four managing partners, and through Ironwood each managing partner owns an equal 25% interest in Timbervest.

Timbervest has two divisions. First, in its Real Assets division, Timbervest provides professional timberland and timberland-related investment and management services. Timbervest also provides professional investment and management services with respect to investments in environmental and ecological assets (“Crossover Assets”). Second, in 2012 Timbervest launched a new division, Timbervest Securities. This new offering is designed to provide individual investors the opportunity to invest in the global forest products sector through separate accounts.

#### **Real Assets**

Timbervest’s primary timberland strategy is focused on opportunities and investments in timberland parcels in the United States. Timbervest-sponsored limited partnerships and separate accounts typically focus on relatively smaller, non-contiguous timberland parcels generally in the range of 3,000 to 30,000 acres. Timbervest seeks timberland investments (i) that are diverse by geographic locale, botanical species and age classification, (ii) that have significant biological growth and income potential, and (iii) where Timbervest perceives value opportunity from market position or changing market conditions.

Timbervest’s primary environmental and ecological asset investment strategy is focused on real property or other natural resources that have intrinsic but unrealized environmental and/or ecological value due to hydrology, function, biodiversity, habitats, topography, location, historical use, restoration potential, or other similar characteristics. Examples of Crossover Assets are investments in wetland mitigation banks or endangered species conservation banks.

Timbervest provides investment and management services to Timbervest-sponsored limited partnerships consisting of multiple investors and to separate account clients. Timbervest’s sponsored limited partnerships follow a predetermined strategy and are not tailored to the individual needs of any particular investor. Timbervest’s separate accounts generally follow a strategy tailored to the needs of and approved by the separate account client.

#### **Timbervest Securities**

Leveraging the strength and breadth of Timbervest’s collective knowledge of the forest products industry, Timbervest Securities provides investors with multiple securities strategies aimed at providing exposure to the global forest products sector. All securities in the portfolio are selected from the universe of global forest products companies and ancillary forest products companies. More specifically, this universe includes companies which own or lease forested land and harvest the timber from such forested land for commercial use and/or firms which sell wood-based products or benefit directly from the use of wood products, including but not limited to, lumber, pulp or other processed or finished goods such as paper and packaging. It can also include firms which benefit directly from wood use such as energy companies, shipping companies and chemical companies, cellulose product companies, and machinery companies that focus on forest products

and ancillary services. Investments are made in separate accounts on behalf of each individual client.

As of December 31, 2011, Timbervest has approximately \$1.78 billion of client assets under management. All of these assets are managed on a discretionary basis.

## **Item 5 – Fees and Compensation**

### ***REAL ASSETS DIVISION***

#### Separate Accounts

Timbervest typically charges separate account clients a management fee as set forth below based on the size of the separate account. In addition, Timbervest is typically entitled to other performance-based fees, as negotiated with the separate account client.

Timbervest's management fee schedule for separate account clients varies depending on the client mandates and other factors. The standard management fee schedule is as follows:

First \$100 million	1.00%
Next \$100 million	0.85%
Balance	Negotiable

Timbervest may, in its discretion, make exceptions to the foregoing or negotiate special fee arrangements where Timbervest deems it appropriate under the circumstances.

Timbervest may deduct management fees for separate account clients from the account of the separate account client or such management fees may be billed to the separate account clients, as Timbervest and the separate account client agree. In either event, Timbervest collects such fees on a quarterly basis, in arrears. If management begins after the start of a quarter, fees will be prorated accordingly. Either Timbervest or the client may terminate their Investment Management Agreement at any time, subject to any written notice requirements in the agreement. Any fees due to Timbervest from the client will be invoiced or deducted from the client's account prior to termination.

#### Timbervest-Sponsored Limited Partnerships

Timbervest typically charges sponsored limited partnerships a management fee. These fees are typically in a range of 1.00% to 1.75% per year based on committed capital during the investment period and, following the investment period, either on the aggregate capital contributed or the fair market value of the managed assets. In addition, Timbervest is typically entitled to a performance-based fee of 20% of returns after the limited partners have realized an 8.0% annualized, compounded return. Performance-based fee arrangements are only available to clients who meet the eligibility requirements of Rule 205-3 under the Investment Advisers Act of 1940. The minimum requirements under the rule state that the client generally is not eligible unless he/she has at least \$1,000,000 under management with Timbervest or has a net worth of at least \$2,000,000. Performance-based fees are calculated and assessed in arrears, and the client should carefully review the fee calculations for accuracy.

Timbervest reserves the right to negotiate fees. The fees that Timbervest charges are described in the management agreement between Timbervest and each of the sponsored limited partnerships it manages.

Timbervest typically deducts management fees for sponsored limited partnerships from the account of the sponsored limited partnerships on a quarterly basis, in arrears.

#### Other Fees or Expenses

In addition to management fees paid to Timbervest, clients will pay other costs and expenses associated with (i) organization of a sponsored limited partnership, (ii) management of their investments and (iii) acquisition, management, and disposition of the assets. Such costs and expenses include, but are not limited to, brokerage fees, legal fees, accounting and audit fees, consultant fees, capital expenditures, costs of improvements, and property taxes.

### ***TIMBERVEST SECURITIES DIVISION***

Clients engaging the services of this division of Timbervest may choose between two fee arrangements. The fee schedule below represents fees paid directly to Timbervest (the “Direct Fees”). The Direct Fees are exclusive of all custodial and transaction costs paid to the client’s custodian, brokers or other third party consultants. The Direct Fees paid to Timbervest are also separate and distinct from the fees and expenses charged by mutual funds, ETFs (exchange traded funds) or other investment pools to their shareholders (generally including a management fee and fund expenses, as described in each fund’s prospectus or offering materials). The client should review all fees charged by funds, brokers, Timbervest and others to fully understand the total amount of fees paid by the client for investment and financial-related services.

The Direct Fee schedule is as follows:

Up to \$4,999,999	1.00%
\$5,000,000 to \$9,999,999	0.85%
Account value over \$10,000,000	0.70%

Alternatively, clients may choose the Timbervest Securities Wrap Program (the “Wrap Program”), which is explained in more detail in Appendix 1. In the Wrap Program, the custodial and transaction costs described above are bundled together with Timbervest’s fee.

Timbervest may, at its discretion, make exceptions to the foregoing or negotiate special fee arrangements where Timbervest deems it appropriate under the circumstances.

Portfolio management fees are generally payable quarterly, in arrears. If management begins after the start of a quarter, fees will be prorated accordingly. Fees are normally debited directly from client account(s), unless other arrangements are made.

Either Timbervest or the client may terminate their Investment Management Agreement at any time, subject to any written notice requirements in the agreement. Any Direct Fees due to Timbervest from the client will be invoiced or deducted from the client’s account prior to termination.

### **Item 6 – Performance-Based Fees and Side by Side Management**

As noted in Item 5, Timbervest may be entitled to performance-based fees in connection with its sponsored limited partnerships and/or separate account clients. Since Timbervest may not be entitled to performance-based fees from all sponsored limited partnerships and/or separate

account clients, Timbervest may encounter conflicts of interest resulting from possible incentives to favor accounts for which Timbervest receives performance-based fees.

Timbervest generally addresses this potential conflict of interest by limiting the number of clients investing in the same strategy. In addition, Timbervest has a detailed asset allocation policy addressing the situation in which Timbervest determines that an investment is suitable for two or more clients. Timbervest will provide this asset allocation policy upon request. These restrictions only pertain to Real Assets Division clients, and do not pertain to Timbervest Securities clients.

### **Item 7 – Types of Clients**

Timbervest provides investment and management services with respect to: (i) timberland and timberland related investments, (ii) Crossover Assets, and (iii) global forest product related securities. Timbervest provides these services to sponsored limited partnerships and separate account clients. The investors in the Timbervest-sponsored limited partnerships and the separate account clients are typically individuals, trusts, investment companies, foundations, endowments, pension plans, and other companies and entities.

The minimum investment for both Real Assets and Timbervest Securities is typically stated as \$1 million, although Timbervest retains the right to accept investments below this threshold. Regarding separate accounts investing in the Real Assets Division, while Timbervest does not impose a minimum investment threshold, it is the opinion of Timbervest that \$25 million is a prudent minimum in order to obtain sufficient investment diversification.

### **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

Timbervest's primary timberland strategy is focused on opportunities and investments in timberland parcels located in the United States. Timbervest-sponsored limited partnerships and separate accounts typically acquire relatively smaller timberland parcels generally in the range of 3,000 to 30,000 acres. Timbervest seeks investments in timberland properties that are diversified by geography, timber species, timber age, and land characteristics, and where Timbervest perceives value opportunities from market position or changing market conditions.

With respect to timberland Real Assets, the material risks generally involve the following:

- general risks associated with investing in real estate, including adverse changes to national or international economic conditions, adverse local market conditions, financial condition of buyers and sellers of properties, changes in real estate tax rates and other operating expenses, changes in environmental laws or regulations, governmental rules or fiscal policies, energy and supply shortages, changes in the relative popularity of various types of real estate properties as investment alternatives, acts of God, acts of war and terrorist activity, and uninsured losses;
- the cyclical nature of the forest products industry;
- the highly competitive nature of the forest products industry in terms of price and quality;
- potential limitations on the ability to harvest timber, including weather conditions, timber growth cycles, access limitations; regulatory requirements associated with the

protection of wildlife, wetlands and other water resources; and damage by fire, insect infestation, disease, wind, prolonged drought, and other natural disasters;

- the applicability of federal and state environmental regulations, violations of which may result in civil penalties, remediation expenses, potential injunctions, cease and desist orders, and criminal penalties;
- governmental regulations relating to land use and zoning which could have the effect of restricting or curtailing certain uses of existing properties or structures or requiring that such properties or structures be altered;
- the valuation of timberland investments being based on inputs or data deemed to be Level 3 inputs by Accounting Standards Codification Topic 820, Fair Value Measurements and Disclosures issued by the Financial Accounting Standards Board, and requiring significant judgment of management;
- the potential for Unrelated Business Taxable Income for tax-exempt partners;
- risks associated with the potential use of leverage;
- the identification of suitable investments that meet the limited partnership's or separate account's investment criteria and overall strategy; and
- the illiquidity of investments in timberland assets.

Timbervest's primary Crossover Assets investment strategy is focused on real property or other natural resources that have intrinsic environmental and/or ecological value due to hydrology, function, biodiversity, habitats, topography, location, historical use, restoration potential, or other similar characteristics. The primary investment focus under Timbervest's Crossover Assets investment strategy is investments in wetland and stream mitigation banks and habitat conservation banks and projects. The secondary investment focus is investments in other environmental markets.

With respect to investments in Crossover Assets, the material risks generally involve:

- general risks associated with investing in real estate, including adverse changes to national or international economic conditions, adverse local market conditions, financial condition of buyers and sellers of properties, changes in real estate tax rates and other operating expenses, changes in environmental laws or regulations, governmental rules or fiscal policies, energy and supply shortages, changes in the relative popularity of various types of real estate properties as investment alternatives, acts of God, acts of war and terrorist activity, and uninsured losses;
- governmental regulations relating to land use, zoning, and the environment which could have the effect of restricting or curtailing certain uses of existing properties or structures or requiring that such properties or structures be altered;
- the valuation of Crossover Assets being based on inputs or data deemed to be Level 3 inputs by Accounting Standards Codification Topic 820, Fair Value Measurements and

Disclosures issues by the Financial Accounting Standards Board, and requiring significant judgment of management;

- the potential for Unrelated Business Taxable Income for tax-exempt partners;
- risks associated with the potential use of leverage;
- the identification of suitable investments that meet a limited partnership or separate account's investment criteria and overall strategy; and
- the illiquidity of investments in Crossover Assets.

In addition, with respect to Crossover Assets, more investment-specific material risks include:

- the risk associated with the project being approved by the applicable regulatory agencies and meeting success criteria;
- the risk associated with the amount, quality and reliability of data regarding the market;
- the risk associated with the regulatory agencies governing the area in which the project operates or specific regulations applicable to such area;
- the risk associated with the operating partners providing environmental consulting, engineering and construction, and marketing and sales activities for the project; and
- the relative risk associated with (i) the projected timing and complexity associated with the design and execution of the restoration plan for the project, and (ii) the ecological and environmental complexity of the project.

Timbervest's primary investment strategy for Timbervest Securities is aimed at providing exposure to the global forest products sector. Securities in the portfolio will include global forest products companies, such as those in the lumber, pulp, or paper and packaging industries, and ancillary forest products companies, such as energy and chemical companies and machinery companies focused on forest products and ancillary services.

With respect to investment in Timbervest Securities, the following risks should be considered:

*Management Risks.* While Timbervest manages client investment portfolios based on Timbervest's experience, research and proprietary methods, the value of client investment portfolios will change daily based on the performance of the underlying securities in which they are invested. Accordingly, client investment portfolios are subject to the risk that Timbervest allocates assets to asset classes that are adversely affected by unanticipated market movements, and the risk that Timbervest's specific investment choices could underperform their relevant indexes.

*Concentrated Positions Risks.* Timbervest Securities will invest client assets in securities in the global forest products sector. While Timbervest will seek diversification within this sector, investments will nevertheless be concentrated in securities that are all connected to the timber industry. Any downturn in the timber industry may therefore adversely impact such investments.

*Equity Market Risks.* Timbervest may invest portions of client assets directly into equity investments, primarily stocks, or into pooled investment funds that invest in the stock market. As noted above, while pooled investments have diversified portfolios that may make them less risky than investments in individual securities, funds that invest in stocks and other equity securities are nevertheless subject to the risks of the stock market. These risks include, without limitation, the risks that stock values will decline due to daily fluctuations in the markets, and that stock values will decline over longer periods (e.g., bear markets) due to general market declines in the stock prices for all companies, regardless of any individual security's prospects.

*Fixed Income Risks.* Timbervest may invest portions of client assets directly into fixed income instruments, such as bonds and notes, or may invest in pooled investment funds that invest in bonds and notes. Such investment is almost always limited to money market investments, which are primarily used as a temporary holding place as funds are being invested. While investing in fixed income instruments, either directly or through pooled investment funds, is generally less volatile than investing in stock (equity) markets, fixed income investments nevertheless are subject to risks. These risks include, without limitation, interest rate risks (risks that changes in interest rates will devalue the investments), credit risks (risks of default by borrowers), or maturity risk (risks that bonds or notes will change value from the time of issuance to maturity).

*Foreign Securities Risks.* Timbervest may invest portions of client assets directly in international securities. While foreign investments are important to the diversification of client investment portfolios, they carry risks that may be different from U.S. investments. For example, foreign investments may not be subject to uniform audit, financial reporting or disclosure standards, practices or requirements comparable to those found in the U.S. Foreign investments are also subject to foreign withholding taxes and the risk of adverse changes in investment or exchange control regulations. Finally, foreign investments may involve currency risk, which is the risk that the value of the foreign security will decrease due to changes in the relative value of the U.S. dollar and the security's underlying foreign currency.

As with all investments, there are inherent risks associated with investing in Real Assets or Timbervest Securities investments, including possible loss of principal. Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment will either be suitable or profitable for a client or prospective client's investment portfolio. In addition to risks described above, please see the more detailed discussion of risks set forth in the private placement memorandum for the applicable Timbervest investment product.

Investment in a Timbervest-sponsored limited partnership or separate account entails a high degree of risk and is suitable only for sophisticated investors for whom an investment in a Timbervest-sponsored limited partnership or separate account does not represent a complete investment program and who fully understand and are capable of bearing the risks of such an investment and the loss of all or a substantial part of such investment.

## **Item 9 – Disciplinary Information**

As a registered investment adviser, we are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Timbervest or the integrity of Timbervest's management.

Timbervest has no legal or disciplinary events to report.

## **Item 10 – Other Financial Industry Activities and Affiliations**

Timbervest is not registered and does not have any pending applications to register as a securities broker-dealer, a futures commission merchant, commodity pool operator, or commodity trading advisor.

Timbervest does not have any arrangements that are material to our advisory business or our clients with a related person who is a broker-dealer, investment company, other investment adviser, financial planning firm, futures commission merchant, commodity pool operator, commodity trading advisor, banking or thrift institution, accounting firm, law firm, insurance company or agency, pension consultant, real estate broker, or dealer.

Timbervest does employ attorneys in its legal department, as well as accountants in its accounting department, but does not believe that these relationships present any material conflict of interest for our clients. In addition, an affiliate of Timbervest acts as the general partner of all Timbervest sponsored limited partnerships, but Timbervest does not believe that this relationship presents any material conflict of interest for our clients.

Timbervest does not recommend or select other investment advisers for our clients.

## **Item 11 – Code of Ethics**

### Code of Ethics and Personal Trading

Timbervest has adopted a Code of Ethics (“the Code”), the full text of which is available to you upon request. Timbervest’s Code has several goals. First, the Code is designed to assist Timbervest in complying with applicable laws and regulations governing its investment advisory business. Under the Investment Advisers Act of 1940, Timbervest owes fiduciary duties to its clients. Pursuant to these fiduciary duties, the Code requires Timbervest associated persons to act with honesty, good faith and fair dealing in working with clients. In addition, the Code prohibits associated persons from trading or otherwise acting on insider information.

Next, the Code sets forth guidelines for professional standards for Timbervest’s associated persons (managers, officers and employees). Under the Code’s Professional Standards, Timbervest expects its associated persons to put the interests of its clients first, ahead of personal interests. In this regard, Timbervest associated persons are not to take inappropriate advantage of their positions in relation to Timbervest clients.

Third, the Code sets forth policies and procedures to monitor and review the personal trading activities of associated persons. From time to time Timbervest’s associated persons may invest in the same securities recommended to clients. Under its Code, Timbervest has adopted procedures designed to reduce or eliminate conflicts of interest that this could potentially cause. The Code’s personal trading policies include procedures for limitations on personal securities transactions of associated persons, reporting and review of trading by access persons and pre-clearance of certain types of personal trading activities. These policies are designed to discourage and prohibit personal trading that would disadvantage clients. The Code also provides for disciplinary action as appropriate for violations.

### Participation or Interest in Client Transactions

As outlined above, Timbervest has adopted procedures to protect client interests when its associated persons invest in the same securities as those selected for or recommended to clients. In

the event of any identified potential trading conflicts of interest, Timbervest's goal is to place client interests first.

Consistent with the foregoing, Timbervest maintains policies regarding participation in initial public offerings (IPOs) and private placements in order to comply with applicable laws and avoid conflicts with client transactions. If a Timbervest associated person wishes to participate in an IPO or invest in a private placement, he or she must submit a pre-clearance request and obtain the approval of the Chief Compliance Officer.

Timbervest's principals (generally through Timbervest's parent company, Ironwood Capital Partners, LLC) invest in all Timbervest sponsored limited partnerships as a limited partner. Through this arrangement, Timbervest invests in all Timbervest sponsored limited partnerships on the same terms and conditions as all other limited partners, with the exception that it does not pay management fees. In addition, an affiliate of Timbervest acts as the general partner of all Timbervest sponsored limited partnerships.

## **Item 12 – Brokerage Practices**

The following disclosures apply to investments in the Timbervest Securities division of Timbervest.

### Best Execution and Benefits of Brokerage Selection

When given discretion to select the brokerage firm that will execute orders in client accounts, Timbervest seeks "best execution" for client trades, which is a combination of a number of factors, including, without limitation, quality of execution, services provided and commission rates. Therefore, Timbervest may use or recommend the use of brokers who do not charge the lowest available commission in the recognition of research and securities transaction services, or quality of execution. Research services received with transactions may include proprietary or third party research (or any combination), and may be used in servicing any or all of Timbervest's clients. Therefore, research services received may not be used for the account for which the particular transaction was effected.

Additionally, Timbervest may recommend that clients establish brokerage accounts with the Schwab Advisor Services division of Charles Schwab & Co., Inc. (Schwab), a FINRA registered broker-dealer, member SIPC, to maintain custody of clients' assets. Timbervest may also effect trades for client accounts at Schwab, or may in some instances, consistent with Timbervest's duty of best execution and specific agreement with each client, elect to execute trades elsewhere. Although Timbervest may recommend that clients establish accounts at Schwab, it is ultimately the client's decision to custody assets with Schwab. Timbervest is independently owned and operated and is not affiliated with Schwab.

Schwab provides Timbervest with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as Timbervest maintains a pre-established minimum amount of client assets in accounts at Schwab Advisor Services. Because Timbervest does not use client commissions to pay for research or other products or services, and does not otherwise receive any benefits based directly on client transactions, Timbervest does not consider its participation in Schwab's program to represent a soft dollar arrangement. Schwab's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are

otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For Timbervest client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts. Schwab Advisor Services also makes available to Timbervest other products and services that benefit Timbervest but may not directly benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of Timbervest accounts, including accounts not maintained at Schwab.

Schwab's products and services that assist Timbervest in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of Timbervest's fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Schwab Advisor Services also offers other services intended to help Timbervest manage and further develop its business enterprise. These services may include: (i) compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession; and (iii) access to employee benefits providers, human capital consultants and insurance providers. Schwab may make available, arrange and/or pay third-party vendors for the types of services rendered to Timbervest. Schwab Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to Timbervest. Schwab Advisor Services may also provide other benefits such as educational events or occasional business entertainment of Timbervest personnel. In evaluating whether to recommend that clients custody their assets at Schwab, Timbervest may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors it considers and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

#### Directed Brokerage

Clients may direct Timbervest to use a particular broker for custodial or transaction services on behalf of the client's portfolio. In directed brokerage arrangements, the client is responsible for negotiating the commission rates and other fees to be paid to the broker. Accordingly, a client who directs brokerage should consider whether such designation may result in certain costs or disadvantages to the client, either because the client may pay higher commissions or obtain less favorable execution, or the designation limits the investment options available to the client.

The arrangement that Timbervest has with Schwab is designed to maximize efficiency and to be cost effective. By directing brokerage arrangements, the client acknowledges that these economies of scale and levels of efficiency are generally compromised when alternative brokers are used. While every effort is made to treat clients fairly over time, the fact that a client chooses to use the brokerage and/or custodial services of these alternative service providers may in fact result in a certain degree of delay in executing trades for their account(s) and otherwise adversely affect management of their account(s).

By directing Timbervest to use a specific broker or dealer, clients who are subject to ERISA confirm and agree with Timbervest that they have the authority to make the direction, that there are no

provisions in any client or plan document which are inconsistent with the direction, that the brokerage and other goods and services provided by the broker or dealer through the brokerage transactions are provided solely to and for the benefit of the client's plan, plan participants and their beneficiaries, that the amount paid for the brokerage and other services have been determined by the client and the plan to be reasonable, that any expenses paid by the broker on behalf of the plan are expenses that the plan would otherwise be obligated to pay, and that the specific broker or dealer is not a party in interest of the client or the plan as defined under applicable ERISA regulations.

## **Item 13 – Review of Accounts**

### **Real Assets Division Accounts**

Timbervest conducts reviews of client accounts on a quarterly basis. Timbervest management reviews and values each investment in each Timbervest-sponsored limited partnership and separate account on a quarterly basis. Timbervest provides financial statements, quarterly reports and investor statements to each investor in writing on a quarterly basis. For investors in a Timbervest sponsored limited partnership, the investor statements contain a breakdown of each investor's capital account, including committed capital, called capital and uncalled capital, as well as the investor's percentage interest in the particular limited partnership. An independent accounting firm prepares audited financial statements which Timbervest delivers in writing to each investor in a Timbervest sponsored limited partnership and separate account on an annual basis.

In addition, Timbervest conducts formal annual meetings of the limited partners in its sponsored limited partnerships, as well as of the appointed advisory committee of each sponsored limited partnership. During these annual meetings, Timbervest discusses partnership investments and values in detail. Timbervest conducts annual meetings with its separate account clients on a less formal basis to discuss investments, values, and related matters.

### **Timbervest Securities Division Accounts**

Portfolios are reviewed at least quarterly, but may be reviewed more often if requested by the client, upon receipt of information material to the management of the portfolio, or at any time such review is deemed necessary or advisable by Timbervest. These factors may include, but are not limited to, the following: change in general client circumstances (marriage, divorce, retirement); or economic, political or market conditions. Mark Feinberg, Timbervest Securities' Director, Portfolio Manager, and Joel Shapiro, Timbervest's Chief Executive Officer, review all accounts.

Account custodians are responsible for providing monthly or quarterly account statements which reflect the positions (and current pricing) in each account as well as transactions in each account, including fees paid from an account. Account custodians also provide prompt confirmation of all trading activity, and year-end tax statements, such as 1099 forms. In addition, Timbervest provides at least a quarterly report for each managed portfolio. This written report normally includes a summary of portfolio holdings and performance results. Additional reports are available at the request of the client.

## **Item 14 – Client Referrals and Other Compensation**

Timbervest's clients are its sponsored limited partnerships and separate account clients, and Timbervest does not compensate third parties for referrals of these clients. Timbervest generally does not compensate third parties for referring the limited partners who invest in the sponsored

limited partnerships except for an arrangement with a timberland consultant based in Denmark. Timbervest has paid the Danish consultant for referrals of certain Denmark-domiciled limited partners that invested in the sponsored limited partnerships. Timbervest compensates the Danish consultant with 25% of the management fees attributable to those limited partners. Timbervest bears sole responsibility for paying such referral fees. Timbervest expects that this Danish consultant may continue to make referrals in the future that would result in Timbervest paying a referral fee to the consultant.

### **Item 15 – Custody**

With respect to Real Assets Division clients, Timbervest typically maintains custody of certain client funds prior to investment and following disposition prior to distribution back to the investors. Timbervest deposits these funds with banks that are qualified custodians.

Timbervest's separate account clients, whether in Real Assets or Timbervest Securities, will receive account statements directly from the qualified custodian with whom these funds are deposited. Timbervest's separate account clients should carefully review the statements they receive from the qualified custodian. Timbervest's separate account clients receive quarterly reports directly from Timbervest. Clients are urged to compare the quarterly reports received from Timbervest to those received from the qualified custodian.

### **Item 16 – Investment Discretion**

As described above under *Advisory Business*, Timbervest manages separate account portfolios and Timbervest-sponsored limited partnerships on a discretionary basis. This means that Timbervest will execute trades without specific consent from the client for each transaction. For discretionary accounts, a Limited Power of Attorney ("LPOA") or other appropriate agreement is executed by the client, giving Timbervest the authority to carry out various activities in the account, generally including the following: trade execution; the ability to request checks on behalf of the client; and, the withdrawal of advisory fees directly from the account. Timbervest then directs investment of the client's portfolio using its discretionary authority. The client may limit the terms of the LPOA to the extent consistent with the client's investment advisory agreement with Timbervest and the requirements of the client's custodian. The discretionary relationship is further described in the agreement between Timbervest and the client.

### **Item 17 – Voting Client Securities**

As a policy and in accordance with Timbervest's client agreement, Timbervest does not vote proxies related to securities held in client accounts. The custodian of the account will normally provide proxy materials directly to the client. Clients may contact Timbervest with questions relating to proxy procedures and proposals; however, Timbervest generally does not research particular proxy proposals.

### **Item 18 – Financial Information**

Timbervest is not required to provide our firm's balance sheet for our most recent fiscal year because we do not require or solicit (1) prepayment of more than \$1,200 in fees from any of our clients or (ii) advance payment of any type of client fees that cover a period of six months or more.

Timbervest maintains a line of credit for working capital purposes, but Timbervest does not believe that this is a financial commitment that impairs its ability to meet its contractual and fiduciary commitments to its clients. Timbervest has never been the subject of any bankruptcy proceeding.

## Item 1 – Cover Page



### **FORM ADV APPENDIX 1, WRAP PROGRAM BROCHURE**

#### **TIMBERVEST, LLC**

3715 Northside Parkway  
Building 200, Suite 500  
Atlanta, Georgia 30327

(404) 848-7500 (telephone)  
(404) 848-7501 (facsimile)

[www.timbervest.net](http://www.timbervest.net)

April 24, 2012

For further information, please contact either Joel Shapiro – Chief Executive Officer, or Gordon Jones – President.

This wrap program brochure provides information about the qualifications and business practices of Timbervest, LLC. If you have any questions about the contents of this brochure, please contact us at 404-848-7500 or [shapiro@timbervest.net](mailto:shapiro@timbervest.net). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. Additional information about Timbervest, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Timbervest, LLC is an SEC registered investment adviser. Registration of an investment adviser does not imply that the company or any of its employees have any certain level of skill or training.

## **Item 2 – Summary of Material Changes**

This Wrap Program Brochure is prepared in the revised format required by the SEC beginning in 2011. Registered Investment Advisers are required to use this format in order to inform clients of the nature of advisory services provided, types of clients served, fees charged, potential conflicts of interest and other information. The new Wrap Program Brochure requirements include providing a Summary of Material Changes (the "Summary") reflecting any change to our policies, practices, or conflicts of interest made since our last annual update. This Summary is provided to all clients within 120 days of our fiscal year-end. Our last annual update was filed on March 30, 2012. Of course the complete Brochure is available to clients at any time upon request.

Item 3 – Table of Contents	Page
Item 1 – Cover Page .....	i
Item 2 – Summary of Material Changes.....	i
Item 3 – Table of Contents .....	ii
Item 4 – Services, Fees and Compensation .....	1
Item 5 – Account Requirements and Types of Clients.....	2
Item 6 – Portfolio Manager Selection and Evaluation .....	2
Item 7 – Client Information Provided to Portfolio Managers.....	2
Item 8 – Client Contact with Portfolio Managers .....	2
Item 9 – Additional Information.....	2

## **Item 4 – Services, Fees and Compensation**

Timbervest, LLC (“Timbervest”) was established in 1995 as a limited liability company and is headquartered in Atlanta, Georgia. On January 1, 2005, Timbervest’s four managing partners, Joel Shapiro, Gordon Jones, Bill Boden and David Zell, completed a management buyout of Timbervest through a holding company, Ironwood Capital Partners, LLC (“Ironwood”). Ironwood owns 100% of Timbervest. Ironwood is owned equally by Timbervest’s four managing partners, and through Ironwood each managing partner owns an equal 25% interest in Timbervest.

In 2012 Timbervest launched a new division, Timbervest Securities. This offering is designed to provide individual investors the opportunity to invest in the global forest products sector through separate accounts. As described in the Brochure of Timbervest, clients participating in the Timbervest Securities division may elect one of two ways to pay for this service. Clients may elect Direct Fee arrangements, in which commissions and other brokerage expenses are assessed by the account custodian and/or executing broker in addition to the advisory fee assessed by Timbervest. Alternatively, clients may choose to pay one all-inclusive fee to Timbervest. This fee would cover both advisory service fees and brokerage/execution expenses. This arrangement is offered through the “Timbervest Securities Wrap Program” or the “Wrap Program”, which has been designed to simplify the payment of management fees and brokerage expenses.

### **Timbervest Securities**

Leveraging the strength and breadth of Timbervest’s collective knowledge of the forest products industry, Timbervest Securities provides investors with multiple securities strategies aimed at providing exposure to the global forest products sector. All securities in the portfolio are selected from the universe of global forest products companies and ancillary forest products companies. More specifically, this universe includes companies which own or lease forested land and harvest the timber from such forested land for commercial use and/or firms which sell wood-based products or benefit directly from the use of wood products, including but not limited to, lumber, pulp or other processed or finished goods such as paper and packaging. It can also include firms which benefit directly from wood use such as energy companies, shipping companies and chemical companies, cellulose product companies, and machinery companies that focus on forest products and ancillary services. Investments are made in separate accounts on behalf of each individual client. As a discretionary investment adviser, Timbervest will have the authority to supervise and direct a client’s portfolio without prior consultation with the client.

### **General Wrap Program Fee Information**

Fees paid by clients to participate in the Wrap Program generally include brokerage expenses (e.g., commissions, ticket charges, etc) as well as the management fee paid to Timbervest. Under the all-inclusive billing alternative, Timbervest will assess one client fee that captures the management, brokerage and administrative portions collectively. The standard rate schedule is set forth below.

Fees paid to Timbervest are exclusive of and distinct from the fees and expenses charged by mutual funds, ETFs (exchange traded funds) or other investment pools to their shareholders (generally including a management fee and fund expenses, as described in each fund’s prospectus or offering materials). Timbervest Wrap Program fees which Timbervest does not pay to third parties in connection with transaction and execution expenses are retained by Timbervest. Because of this, Timbervest may have a disincentive to trade securities in client accounts in the Wrap Program.

The Wrap Fee schedule is as follows:

\$0 to \$4,999,999.99	1.35%
\$5,000,000 to \$9,999,999.99	1.20%
\$10,000,000 and Above	1.05%

The client should review all fees charged by funds, Timbervest and others to fully understand the total amount of fees paid by the client for investment and financial-related services. Clients participating in the Wrap Program may pay higher or lower fees than clients purchasing such services separately, depending on the cost of services if provided separately and the level of trading in a particular client's account.

### **Item 5 – Account Requirements and Types of Clients**

Timbervest typically serves individuals, trusts, investment companies, foundations, endowments, pension plans, and other companies and entities.

The minimum investment is typically stated as \$1 million, although Timbervest may under certain circumstances accept investments below this threshold.

### **Item 6 – Portfolio Manager Selection and Evaluation**

The Timbervest Wrap Program was designed to simplify for clients the payment of management fees and brokerage expenses. The Wrap Program does not select advisers in addition to Timbervest Securities, which is the only Portfolio Manager for the Wrap Program.

### **Item 7 – Client Information Provided to Portfolio Managers**

Timbervest Securities is the only portfolio manager under the Timbervest Wrap Program. No information is shared with any other portfolio manager.

### **Item 8 – Client Contact with Portfolio Managers**

Timbervest Securities is the only portfolio manager under the Timbervest Wrap Program. No restrictions are placed on client's ability to contact or consult with Timbervest Securities.

### **Item 9 – Additional Information**

Neither Timbervest nor its Management Persons have any disciplinary disclosure required. Please see ADV Part 2A, for more information in the following areas: ***Other Financial Industry Activities and Affiliations, Code of Ethics, Review of Accounts, Client Referrals and Other Compensation, and Financial Information.***

**Brochure Supplement for**

**Joel B. Shapiro**

**CRD# 1540722**

**of**

**Timbervest, LLC**

3715 Northside Parkway, NW  
Building 200, Suite 500  
Atlanta, Georgia 30327

404-848-7500

[www.Timbervest.net](http://www.Timbervest.net)

September 8, 2012

This brochure supplement provides information about Joel Shapiro, and supplements the Timbervest, LLC ("Timbervest") brochure. You should have received a copy of that brochure. Please contact Timbervest at 404-848-7500 if you did not receive Timbervest's brochure, or if you have any questions about the contents of this supplement.

Additional information about Joel Shapiro is available on the SEC's website at  
[www.AdviserInfo.sec.gov](http://www.AdviserInfo.sec.gov).

---

***Educational Background and Business Experience***

Joel Shapiro (year of birth 1963) joined Timbervest in October of 2002 and serves as Chief Executive Officer. He is also Chief Investment Officer and a member of the investment committee for Timbervest Securities, a division of Timbervest. Mr. Shapiro has been an Investment Consultant (1999-2002), where he consulted with various investment companies that he considered buying; Timbervest was one such company. He has been Investor Relations for Shapiro & Co, LLC and President of Three Ring Holdings (1995-1998), both personal asset management firms. He founded Shapiro Capital Management (1990-1995), a leading "small-cap" money management firm, where he was also the founder and president of The Atlanta Growth Fund, a publicly traded mutual fund, deploying a regionally focused investment strategy.

Mr. Shapiro graduated from the University of Georgia in 1986. He has also attained the Series 65 license.

***Disciplinary Information***

There is no disciplinary information to report regarding Mr. Shapiro.

***Other Business Activities***

Mr. Shapiro is not engaged in any other investment-related business or occupation, and does not earn compensation for the sale of any other products or services.

***Additional Compensation***

As stated above, Joel has no other income or compensation to disclose.

***Supervision***

Joel Shapiro, Chief Executive Officer, and Mark Feinberg, Director, Portfolio Manager, respectively, are both also members of the investment committee for Timbervest Securities, a division of Timbervest. Overall investment decisions are made as a team by the investment committee, and portfolio activity based on these decisions will be carried by these individuals, as assisted by other staff members of the firm.

As Chief Compliance Officer of Timbervest, Todd Smallwood is responsible for providing compliance oversight to the staff. He also participates as a team member in the investment process, and may be contacted at (404)-848-7500.

**Brochure Supplement for**

**Mark L. Feinberg**

**CRD# 5749152**

**of**

**Timbervest, LLC**

3715 Northside Parkway, NW  
Building 200, Suite 500  
Atlanta, Georgia 30327

404-848-7500

[www.Timbervest.net](http://www.Timbervest.net)

September 8, 2012

This brochure supplement provides information about Mark Feinberg, and supplements the Timbervest, LLC ("Timbervest") brochure. You should have received a copy of that brochure. Please contact Timbervest at 404-848-7500 if you did not receive Timbervest's brochure, or if you have any questions about the contents of this supplement.

Additional information about Mark Feinberg is available on the SEC's website at  
[www.AdviserInfo.sec.gov](http://www.AdviserInfo.sec.gov).

---

***Educational Background and Business Experience***

Mark Feinberg (year of birth 1974) joined Timbervest in January of 2012 and serves as Director, Portfolio Manager for Timbervest Securities, a division of Timbervest. Mr. Feinberg founded Feinberg Capital Advisors, LLC in 2009, and operated the firm until joining Timbervest in 2012. Mark was the General Partner of Feinberg Capital Partners, LP (2009-2011), and served as a Partner for Feinberg Investment Group (2004-2012). Prior to that, he also managed investment portfolios for the IBM Corporation (2002-2004)

Mr. Feinberg received both Bachelor of Business Administration in 1996 and a Master of Business Administration in 2002 from Goizueta Business School of Emory University. He has also attained the Series 65 license.

***Disciplinary Information***

There is no disciplinary information to report regarding Mr. Feinberg.

***Other Business Activities***

Mr. Feinberg is not engaged in any other investment-related business or occupation, and does not earn compensation for the sale of any other products or services.

***Additional Compensation***

As stated above, Mark has no other income or compensation to disclose.

***Supervision***

Joel Shapiro, Chief Executive Officer, and Mark Feinberg, Director, Portfolio Manager, respectively, are both also members of the investment committee for Timbervest Securities, a division of Timbervest. Overall investment decisions are made as a team by the investment committee, and portfolio activity based on these decisions will be carried by these individuals, as assisted by other staff members of the firm.

As Chief Compliance Officer of Timbervest, Todd Smallwood is responsible for providing compliance oversight to the staff. He also participates as a team member in the investment process, and may be contacted at (404)-848-7500.

**Brochure Supplement for**

**Todd J. Smallwood**

**CRD# 2131710**

**of**

**Timbervest, LLC**

3715 Northside Parkway, NW  
Building 200, Suite 500  
Atlanta, Georgia 30327

404-848-7500

[www.Timbervest.net](http://www.Timbervest.net)

September 8, 2012

This brochure supplement provides information about Todd Smallwood, and supplements the Timbervest, LLC ("Timbervest") brochure. You should have received a copy of that brochure. Please contact Timbervest at 404-848-7500 if you did not receive Timbervest's brochure, or if you have any questions about the contents of this supplement.

---

***Educational Background and Business Experience***

Todd Smallwood (year of birth 1966) joined Timbervest in February of 2012, and serves as Chief Compliance Officer and Director of Trading and Operations. Mr. Smallwood was Director of Trading for Iron Capital Advisors (2010-2011), and was a Senior International Equity Trader for Invesco Ltd. (1998-2008). Prior to that, at Merrill Lynch, Mr. Smallwood was an Institutional Equity Sales Trader (1992-1998), a Customer Service Representative (1989-1992); and held various internships (1984-1989).

Mr. Smallwood received both a Bachelor of Science in Economics and a Bachelor of Arts in Philosophy from Syracuse University in 1988.

***Disciplinary Information***

There is no disciplinary information to report regarding Mr. Smallwood.

***Other Business Activities***

Mr. Smallwood is not engaged in any other investment-related business or occupation, and does not earn compensation for the sale of any other products or services.

***Additional Compensation***

As stated above, Mr. Smallwood has no other income or compensation to disclose.

***Supervision***

Todd Smallwood is Chief Compliance Officer (“CCO”) and Director of Trading and Operations for Timbervest. As a Trader, Mr. Smallwood reports to Mark Feinberg, the Director, Portfolio Manager for Timbervest Securities, a division of Timbervest, and to Joel Shapiro, Chief Executive Officer of Timbervest. In his role as CCO, Mr. Smallwood reports to Gordon Jones, President of Timbervest. Mr. Smallwood participates as a team member in the investment process, and may be contacted at (404)-848-7500.

**Brochure Supplement for**  
**Stephanie Hammond**

**CRD# 5852486**

**of**

**Timbervest, LLC**

3715 Northside Parkway, NW  
Building 200, Suite 500  
Atlanta, Georgia 30327

404-848-7500

[www.Timbervest.net](http://www.Timbervest.net)

September 8, 2012

This brochure supplement provides information about Stephanie Hammond, and supplements the Timbervest, LLC ("Timbervest") brochure. You should have received a copy of that brochure. Please contact Timbervest at 404-848-7500 if you did not receive Timbervest's brochure, or if you have any questions about the contents of this supplement.

Additional information about Stephanie Hammond is available on the SEC's website at  
[www.AdviserInfo.sec.gov](http://www.AdviserInfo.sec.gov).

---

***Educational Background and Business Experience***

Stephanie Hammond (year of birth 1968) joined Timbervest in February of 2012 as Director of Business Development and Client Services. Ms. Hammond was a Financial Advisor for Morgan Stanley Smith Barney (2010-2011), working with high net worth individuals to create financial plans and implement appropriate asset allocation of their portfolios. Prior to that, she was Manager of Investor Relations at Scientific-Atlanta, Inc (1997-2000) and Assistant Vice President of Commercial Lending at SunTrust Banks, Inc (1991-1997).

Ms. Hammond received her Bachelor of Science degree in Finance from the University of Florida in 1990 and a Master's of Business Administration with a concentration in Finance from Georgia State University in 1997.

***Disciplinary Information***

There is no disciplinary information to report regarding Ms. Hammond.

***Other Business Activities***

Ms. Hammond has obtained securities licenses and is a Registered Representatives and Investment Advisory Representatives of New England Securities, an SEC investment adviser and registered Broker/Dealer, member FINRA and SIPC. She may also be a licensed insurance agent and offer various insurance products for which she will be paid a commission. In such instances, there is no advisory fee associated with these insurance products.

Other than selling insurance/investment products, Ms. Hammond is not engaged in any other investment-related business or occupation, and does not earn compensation for the sale of any other products or services.

***Additional Compensation***

Other than as stated above, Ms. Hammond has no other income or compensation to disclose.

***Supervision***

Joel Shapiro, Chief Executive Officer, is responsible for providing supervisory oversight to the Ms. Hammond. He may be contacted at (404)-848-7500.