

Logic Capital Management, LLP

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This brochure provides information about the qualifications and business practices of Logic Capital Management, LLP. If you have any questions about the contents of this brochure, please contact us at (713) 781-1475 and/or toby.whitby@logiccapital.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.

Additional information about Logic Capital Management, LLP also is available on the SEC's website at www.adviserinfo.sec.gov.

Material Changes

Since the last filing of the ADV 2A brochure in March 2011, the Firm has applied for registration with the State of Texas. Per recent regulatory changes, the firm is no longer eligible to remain SEC registered due to changes in requirements for investment advisers to remain SEC registered.

LCM has established an affiliated entity, Logic Real Estate, LLC, which is the general partner for a real estate partnership. More details are included in the brochure under the sections "Other Financial Industry Activities and Affiliations" and "Custody."

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ADVISORY BUSINESS

Advisory Firm Description

Logic Capital Management, LLP ("Logic" or the "Firm") has been in business since January 26, 2006. The principal owner is Thomas "Toby" H. Whitby III.

Types of Advisory Services

Logic provides its clients with investment advisory services using the Firm's Logical Behavior™ Strategy.

Client accounts are managed by the Firm on a discretionary basis according to an agreement to provide advisory services with each client.

The Firm provides continuous investment advisory services to its clients. These services include:

- Developing an asset allocation strategy using our Logical Behavior™ investment philosophy while taking into consideration a client's risk tolerance and economic objectives.
- Providing specific investment recommendations.
- Placing trades in the client's account as appropriate.
- Providing ongoing support:
 - Support to new clients for the establishing the new account and/or transfer assistance.
 - Portfolio monitoring
 - Support to existing clients in the event of changes in their investment objective, risk tolerance or financial situation.

NOTE: The Firm's services do not include:

- Tax preparation.
- Tax advice.
- Legal counsel.

Tailored Advisory Services

Clients may instruct Logic not to purchase or sell certain investments on their behalf or to limit such trades to specified amounts.

Client Assets Under Management

At December 31, 2011, the Firm had approximately \$53 million of discretionary assets under management and \$2 million of non-discretionary assets under management.

FEES AND COMPENSATION

Investment Management Fees

The Firm charges an annual fee that is based on the amount of the client's assets under management (see table below). The fee is negotiable, is determined at the time the client signs the client agreement, and is based on the complexity of each client's individual situation. Portfolios generally are aggregated by family.

<u>Portion of Investment Portfolio</u>	<u>Annual Rate</u>
First \$1,000,000	1.00%
Next \$4,000,000	0.75%
Next \$5,000,000	0.50%
\$10,000,000 or more	Negotiable

Fees are calculated on a cumulative basis, so that a client with \$1,600,000 under management would pay 1.00% on \$1,000,000 and 0.75% on \$600,000. Fees are calculated based on the portfolio valuation as determined by the account custodian at the close of market on the last business day of each period. Fees are billed quarterly in advance at the rate of one fourth of the annual fee shown above and are deducted from clients' accounts.

Other Fees

The annual fee generally is separate from transaction, exchange, wire transfer, margin interest or account fees charged by the custodian.

Implementation with Mutual Funds, ETFs or Money Market Funds

When Logic recommends a mutual fund for a client's account, three separate fees may be charged to the client, either directly or indirectly. The first fee is Logic's investment management fee where the fund is included in the asset base for the quarterly fee calculation. The second is the set of internal fees charged by the investment company for the fund's investment management, marketing, administration and marketing assistance. These internal expenses are disclosed in each fund's prospectus which is provided to each client by the custodian. (This set of fees also applies to any money market fund or ETF purchased in the client's account.) The third fee may be a transaction fee which is assessed by the custodian for its service of providing access to a universe of mutual fund families through one account. To avoid such fees a client would be required to open a separate account with each individual mutual fund company instead of using the custodian Logic recommended, which would also negatively affect Logic's ability to deliver its services efficiently. Not all mutual fund trades enacted by Logic incur this transaction fee. When recommending mutual funds for client portfolios, Logic only recommends no-load funds.

Hourly Consulting Fees

In the rare event that clients request additional consultation on matters not pertaining to their managed account, Mr. Whitby may charge a negotiable hourly consulting fee of \$175 per hour, which is due immediately upon conclusion of the consulting engagement.

The scope of services to be completed on an hourly basis is outlined in an Addendum to the Client Agreement.

Termination

Each client agreement allows for either party to terminate the agreement immediately upon receipt of written notice to such effect. Clients may terminate the agreement without penalty within five (5) business days after entering the agreement. Otherwise, at the date of termination, any prepaid and unearned fees will be refunded to the client on a pro rata basis.

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

This section does not apply to Logic Capital Management, LLP, as it does not charge fees based upon capital appreciation of a client's account.

TYPES OF CLIENTS

Logic provides investment advisory services to:

- Individuals
- High net worth individuals
- Trusts, estates or charitable organizations

The Firm has a negotiable minimum account size of \$500,000.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Logic uses a combination of the following types of analysis in evaluating investments for client accounts:

- Fundamental—Analysis of financial attributes of a company, such as revenue growth, debt to equity ratio, inventory turnover, etc.
- Cyclical
- Logical Behavior™

The Firm uses its Logical Behavior™ strategy when investing in equities and mutual funds. This deep value style of investing focuses on the Firm's proprietary measure of relative value, Logical Yield™. The Firm generally rebalances equity accounts quarterly. Tax efficiency is taken into consideration for taxable accounts

The investment strategies Logic uses to implement investment advice include the following:

- Long-term purchases (securities held at least a year)
- Short-term purchases (securities sold within a year)

Logic does not guarantee the future performance of the account or any specific level of performance, the success of any investment decision or strategy that the Firm may use, or the success of the Firm's overall management of the account. The client understands

that investment decisions made for the client's account by the Firm are subject to various market, currency, economic, political and business risks, and that those investment decisions will not always be profitable. Trading in mutual funds incurs additional expenses that may create lower performance than if the underlying assets had been purchased directly. The client understands that investing in any security entails risk of loss.

DISCIPLINARY INFORMATION

There have been no disciplinary actions against Logic Capital Management, LLP or Mr. Whitby.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Logic has an affiliated entity, Logic Real Estate, LLC, the general partner for a limited partnership which has invested in real estate. Several Logic clients are limited partners in this investment, and the capital contribution in this investment is counted in those clients' assets under management number when LCM charges its investment advisory fee. The general partner, which is wholly owned by Mr. Whitby, may receive a share of the distributions above a stated expected yield, putting himself in a potential conflict of interest with the clients who invested in this partnership. The conflict exists because Mr. Whitby may profit from an investment he recommended to clients. This conflict is mitigated by full disclosure in this brochure and in the partnership documents.

Mr. Whitby may sell insurance through MetLife, ING, and West Coast Life (and others). As an insurance "writing" agent Mr. Whitby may receive initial and continuing commissions on insurance products he recommends to clients. This service creates a conflict of interest with Logic clients if Mr. Whitby recommends the purchase of insurance products from which sale he will receive a commission. This conflict is mitigated through the fact that clients are free to purchase insurance products Mr. Whitby recommends elsewhere.

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

Code of Ethics

Logic has adopted a Code of Ethics which describes the general standards of conduct that the Firm expects of all Firm personnel (collectively referred to as "employees") and focuses on three specific areas where employee conduct has the potential to adversely affect the client:

- Misuse of nonpublic information
- Personal securities trading
- Outside business activities

Failure to uphold the Code of Ethics may result in disciplinary sanctions, including termination with the Firm. Any client or prospective client may request a copy of the Firm's Code of Ethics which will be provided at no cost.

The following basic principles guide all aspects of the Firm's business and represent the minimum requirements to which the Firm expects employees to adhere:

- Clients' interests come before employees' personal interests and before the Firm's interests.
- The Firm must fully disclose all material facts about conflicts of interest of which it is aware between itself and clients as well as between Firm employees and clients.
- Employees must operate on the Firm's behalf and on their own behalf consistently with the Firm's disclosures and to manage the impacts of those conflicts.
- The Firm and its employees must not take inappropriate advantage of their positions of trust with or responsibility to clients.
- The Firm and its employees must always comply with all applicable securities laws.

Misuse of Nonpublic Information

The Code of Ethics contains a policy against the use of nonpublic information in conducting business for the Firm. Employees may not convey nonpublic information nor depend upon it in placing personal or clients' securities trades.

Logic shares or sublets its office with two individuals, each of whom has executed a confidentiality agreement. One individual may have access to client information and is also required to abide by Logic's Code of Ethics. Clients may opt out of allowing this person access to their private information. The sub lessee has no access to Logic's private client information.

Personal Securities Trading

Logic or individuals associated with the Firm may buy, sell or hold in their personal accounts the same securities the Firm recommends to its clients. Such trades will occur after trades placed on behalf of clients, unless employees participate in block trades with clients.

To mitigate conflicts of interest, the Firm has established the following policies:

- A person with access to trading information for Logic Capital Management LLP or its clients shall not buy or sell securities for a personal portfolio when the decision to purchase is substantially derived, in whole or in part, by reason of knowledge of Firm trades, unless the information is also available to the investing public on reasonable inquiry.
- No person associated with Logic Capital Management, LLP shall prefer his or her own interest to that of any client.
- The purchase of IPOs or private placements are allowed only with prior permission from Mr. Whitby, the Firm's Chief Compliance Officer.
- The Firm does not permit front running client trades.

Employees are required to submit reports of personal securities trades on a quarterly basis, and securities holdings annually. These are reviewed by the Chief Compliance Officer to ensure compliance with the Firm's policies.

Outside Business Activities

Employees are required to report any outside business activities generating revenue. If any are deemed to be in conflict with clients, such conflicts will be fully disclosed or the employee will be directed to cease this activity.

BROKERAGE PRACTICES

Selection of Brokers and/or Custodians

In recommending a custodian, Logic considers:

- the range and quality of the products the custodian offers,
- the technical support provided,
- execution quality,
- commission rates,
- the financial responsibility and responsiveness of the custodian to both The Firm and its clients
- and the range of mutual funds available with no transaction fee.

The Firm recognizes its responsibility to attain best execution, and recognizes that limiting its custodial relationships may affect its ability to provide best execution on a trade by trade basis. However, the Firm evaluates its entire custodial relationships in assessing best execution on a client by client basis.

The Firm has an arrangement with National Financial Services LLC and Fidelity Brokerage Services LLC (collectively, and together with all affiliates, "Fidelity") through which Fidelity provides the Firm with "institutional platform services." The institutional platform services include, among others, brokerage, custody, and other related services. Fidelity's institutional platform services that assist the Firm 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 fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Research and Other Soft-Dollar Benefits

Fidelity also offers other services intended to help the Firm manage and further develop its advisory practice. Such services include, but are not limited to, performance reporting, financial planning, contact management systems, third party research, publications, access to educational conferences, roundtables and webinars, practice management resources, access to consultants and other third party service providers

who provide a wide array of business related services and technology with whom the Firm may contract directly.

The Firm is independently operated and owned and is not affiliated with Fidelity.

Fidelity generally does not charge its advisor clients 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 Fidelity or that settle into Fidelity accounts (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity provides access to many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges.

Brokerage for Client Referrals

The Firm does not receive referrals from a broker/dealer or third party providing service to Logic.

Directed Brokerage

Logic selects broker-dealers to execute transactions involving the account, *unless the client directs otherwise in writing*. If this is the case, the client is reminded that Logic may be unable to attain best execution for that account, and will be unable to aggregate that account with others when aggregating trades.

Order Aggregation

To the extent that trades are enacted on the same day in the same security across several client accounts, Logic makes every effort to aggregate trades in order for clients to receive the same price. However, the custodian still charges commissions on a per account basis, which are paid directly by the client's account. Logic personnel may participate in block trade with clients. If such a block order should be partially filled, client orders will be filled before those of Logic personnel.

REVIEW OF ACCOUNTS

Mr. Whitby, sole member of LCM's general partner, conducts all reviews of managed accounts. Reviews are conducted as a matter of course at least quarterly. All clients are encouraged to meet with the Firm at least annually. Additional reviews may be triggered by events such as a client meeting, change in a client's risk tolerance, financial position or circumstances or other unforeseen events.

The Firm may provide clients with quarterly performance reports as requested. The Firm will provide summary financial statements on a year to date basis in the event of termination during a quarter.

CLIENT REFERRALS AND OTHER COMPENSATION

The Firm does not provide compensation for client referrals.

CUSTODY

The Firm recommends “qualified custodians” for clients’ accounts, with each client signing a separate agreement with the custodian.

Custody is defined as having any access to client funds or securities. Because Logic generally has the authority to instruct the account custodian to deduct the investment management fee directly from the client’s account, Logic is considered to have “custody” of client assets. This limited access is monitored by the client through receipt of account statements directly from the custodian. These statements all show the deduction of the management fee from the account. Otherwise, Logic may only direct the movement of funds from one account in the client’s name to another such titled account, but has no other access to funds.

The limited partners of the real estate partnership have continuous access to the Fund’s bank account information.

The Firm may provide written quarterly performance reports to clients as requested. When clients receive their statements from the account custodian, clients should carefully review those statements and take the time to compare them with those they receive from Logic, if any. If the client finds significant discrepancies, the client should notify both Logic and the custodian.

INVESTMENT DISCRETION

For discretionary accounts, the Firm has full trading authority under a limited power of attorney assigned to Logic through the client agreement. As a result, Logic will determine both the investments, and how much of each, should be purchased or sold on each client’s behalf.

Nondiscretionary accounts are managed for clients not willing or unable to provide limited power of attorney to Logic.

VOTING CLIENT SECURITIES

The Firm votes proxies for its clients and joins class action shareholder suits on behalf of its clients and uses Glass, Lewis & Co. to vote proxies and maintain proxy voting records for the Firm. Any client may request a copy of the Firm’s Proxy Policy and to see or receive records showing how the Firm has voted on the client’s behalf.

FINANCIAL INFORMATION

There is no financial condition that is reasonably likely to impair Logic’s ability to meet its contractual commitments to its clients.

REQUIREMENT FOR STATE-REGISTERED ADVISERS

Thomas “Toby” H. Whitby III is the principal executive officer and management person of Logic Capital Management, LLP.

Information regarding the formal education and business background for Mr. Whitby is provided in the Brochure Supplement.

We are required to disclose all material facts regarding certain legal or disciplinary events pertaining to arbitration awards or other civil, regulatory or administrative proceedings in which our firm or management personnel were found liable or against whom an award was granted. The firm and management personnel have no reportable disciplinary events to disclose.

Logic Capital Management, LLP nor Mr. Whitby has a relationship or arrangement with any issuer of securities.

Thomas “Toby” H. Whitby III

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This brochure supplement provides information about Thomas H. Whitby III (“Toby”) that supplements the Logic Capital Management, LLP brochure. You should have received a copy of that brochure. Please contact Toby Whitby at (713) 781-1475 if you did not receive Logic Capital Management, LLP’s brochure or if you have any questions about the contents of this supplement.

Additional information about Thomas H. Whitby III (“Toby”) is available on the SEC’s website at www.adviserinfo.sec.gov.

EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Thomas H. Whitby III (“Toby”), born 1965

Business Background:

Logic Capital Management, LLP, President and Chief Compliance Officer, November 2005 – present

Logic Real Estate, LLC, Sole Member, December 2011 – present

Education:

Baylor University, BBA, 1987

Baylor University, MBA, 1990

CFP® (Certified Financial Planner), 1993

Group 1 Insurance License - Texas

Certified Financial Planner® Certification

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education, (2) stringent code of conduct and standards of practice and (3) ethical requirements that govern professional engagements with clients.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary.
- Examination – Pass the comprehensive CFP® Certification Examination, a 10-hour exam.
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year).
- Ethics – Agree to be bound by CFP Board’s *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years.
- Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board’s enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

DISCIPLINARY INFORMATION

Mr. Whitby has had no disciplinary or legal events that would be material to a client or prospective client.

OTHER BUSINESS ACTIVITIES

Logic has an affiliated entity, Logic Real Estate, LLC, the general partner for a limited partnership which has invested in real estate. Several Logic clients are limited partners in this investment. The general partner, which is wholly owned by Mr. Whitby, may receive a share of the distributions above a stated expected yield. This puts Mr. Whitby in a potential conflict of interest with those clients investing in this partnership, as he may be profiting from a recommendation made to clients. This conflict is mitigated by disclosures in the brochure and the partnership documents.

Mr. Whitby may sell insurance through MetLife, ING, and West Coast Life (and others). As an insurance "writing" agent he may receive initial and continuing commissions on insurance products he recommends to clients. This service may create a conflict of interest with Logic clients, which is mitigated by the fact that clients may purchase recommended insurance products elsewhere. At no time will a client of any service provided by the Firm or Mr. Whitby pay both commission and investment management fees on the same asset.

The general partner of Logic Capital Management, LLP, Logic Capital Management GP, LLC, is wholly owned by Mr. Whitby.

ADDITIONAL COMPENSATION

Mr. Whitby receives no compensation beyond that disclosed above under Other Business Activities.

SUPERVISION

Mr. Whitby is the senior person at Logic Capital Management, LLP, so does not have a supervisor.

REQUIREMENTS FOR STATE-REGISTERED ADVISERS

Mr. Whitby has not been the subject of a bankruptcy petition.