

Form ADV Part 2A: Firm Brochure

Carriage Services Investment Advisors, Inc.

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Firm Contact

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This brochure provides information about the qualifications and business practices of Carriage Services Investment Advisors, Inc. (Carriage Services Advisors). Carriage Services Advisors is registered as an Investment Adviser with the United States Securities and Exchange Commission (SEC). Registration with the SEC alone does not imply a certain level of skill or training. If you have any questions about the contents of this brochure, please contact us at (713) 332-8400. The information in this brochure has not been approved or verified by the SEC or by any state securities authority. Additional information about Carriage Services Advisors is available on the SEC's website at www.adviserinfo.sec.gov.

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Advisory Business

Carriage Services Investment Advisors, Inc. (Carriage Services Advisors) was formed in 2012 as a registered investment adviser (RIA). The firm is a wholly-owned subsidiary of Carriage Services, Inc., a publicly held company headquartered in Houston, Texas, which is a leading provider of death care services and merchandise in the United States. Those services and merchandise are provided through entities that are directly or indirectly owned and/or controlled by Carriage Services, Inc. As used herein, "CSI" refers to Carriage Services, Inc. and its subsidiaries and affiliates. The business of Carriage Services Advisors will initially be to provide investment advisory and other services to a private fund, Styx Private Fund LLP, a Florida limited liability partnership (the "Fund"). The Fund is organized for the purpose of pooling funds from certain affiliated deathcare trusts created by CSI and making collective investments of such pooled funds.

The Fund will be contracting with Carriage Services Advisors to provide investment advisory services, fund accounting services, fund oversight and investment performance monitoring and other ancillary functions covering Fund assets.

The composition of the investments is dependent upon the investment guidelines of the Fund, and in certain circumstances state law mandating investment of the deathcare trusts, and may be comprised of one or more of the following security types:

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| Equity Securities (exchange listed and OTC, including preferred securities) | Certificates of Deposit/Money Market Instruments |
| Municipal Securities | Partnerships |
| Corporate Debt | Publicly Traded Master Limited Partnerships |
| United States Government Securities | Commercial Paper |
| Mutual Funds/Exchange Traded Funds | |

As of May 31, 2012, the Fund assets managed by Carriage Services Advisors were equal to approximately \$113.9 million. All such assets will be managed on a discretionary basis, whereby Carriage Services Advisors has discretionary authority to engage and terminate sub-advisers, determine the securities to be bought or sold, determine the amount of securities to be bought or sold and select the broker or dealer to be used for the purchase or sale of securities. However, Carriage Services Advisors will follow investment guidelines established by the officer of the Fund, initially Terry E. Sanford, which set forth investment objectives, permitted investments, target asset allocations, diversification guidelines, asset quality and other investment standards for the investment of the Fund assets.

Fees and Compensation

Carriage Services Advisors is customarily compensated on the basis of fees calculated as a percentage of assets under management. Our fee is .75% of assets under management. All such fees are subject to negotiation with the Fund from time to time.

Carriage Services Advisors' fees are assessed and payable monthly in advance, based on the value of portfolio assets at the end of the previous calendar month. In the event that the Fund chooses to cancel its advisory agreement with us before the end of a billing period, any prepaid fees will be prorated through the end of the period and refunded to the client.

Administrative and recordkeeping expenses associated with our investment advisory services to our clients will generally be paid by us out of our fees. Third party administration fees, custodial fees, brokerage fees and investment management fees are paid directly by our clients (including the Fund). The Fund currently has an Administration Agreement with Regions Bank. Carriage Services Advisors does not receive any fee or commission from the sale of investment products that we recommend to our clients, nor do we participate in wrap fee programs. Managing assets on a fee basis, and performing ancillary services also on a fee basis, is our sole business.

No Performance-Based Fees

Carriage Services Advisors' fees are based on the value of portfolio assets at the end of each calendar month. We do not receive any fees or other compensation based upon the investment performance of accounts.

Types of Clients We Serve

Carriage Services Advisors provides investment management services to pooled investment vehicles (other than registered investment companies), specifically to the Fund.

Methods of Analysis, Investment Strategies, and Risk of Loss

Carriage Services Advisors' management team possesses experience in traditional portfolio management, and may retain sub-advisors with similar expertise. Through Carriage Services

Advisors and through sub-advisors (if any), we employ various methods of investment analysis to assist us in formulating investment strategies. Broadly speaking, these methods include fundamental, technical, quantitative and qualitative analysis.

Carriage Services Advisors' primary activities involve the direct management of the assets of the Fund and supervision of service providers to the Fund. The analysis undertaken is primarily based upon Fund investment guidelines, investment manager selection, due diligence into specific investment assets, and performance monitoring.

In sum, our overall investment approach is geared toward generating strong long-term investment returns without assuming undue risk, while ensuring that management of the Fund assets are in compliance with any applicable state laws. Risk is inherent in any investment program and, as a result, the investment returns on Fund assets will fluctuate and the Fund may lose value.

Disciplinary Information

While Carriage Services Advisors has only been in business since April 2012, neither the firm nor members of the firm's management have ever been the subject of any legal or disciplinary event that would be material to a client's or a prospective client's evaluation of Carriage Services Advisors' business or the integrity of its management.

Other Financial Industry Activities and Affiliations

Carriage Services Advisors is a wholly owned subsidiary of Carriage Services, Inc., a publicly held company headquartered in Houston, Texas. Carriage Services, Inc. is a leading provider of death care services and merchandise in the United States. Thus, Carriage Services Advisors and its management team are not engaged in other financial industry activities, and do not have any relationship with participants in the financial industry that would be considered material. While Carriage Services Advisors intends to enter into sub-advisory agreements with third parties, Carriage Services Advisors will not receive any direct or indirect compensation from such sub-advisors, and we do not believe such arrangements create any conflict of interests.

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Carriage Services Advisors has adopted a Code of Ethics which applies to all of its management team. A copy of our Code of Ethics is available to any client or prospective client upon request. The Code of Ethics is predicated upon the following principles:

- Carriage Services Advisors and its employees shall always place the interest of our clients ahead of our own interests.
- We shall always be aware of how our actions may look in hindsight, and never take inappropriate advantage of our positions.

The Code of Ethics further provides that all employees must comply with all applicable federal securities laws. It also imposes certain trading restrictions on persons who are likely to know about Carriage Services Advisors' trading activity.

Brokerage Practices

Under our investment advisory agreement with the Fund, we have the ability to select brokers or dealers to execute trades on behalf of the Fund. However, we will not use or recommend brokers or dealers that are related persons. We receive research or other products or services other than execution from a broker-dealer or a third party ("soft dollar benefits") in connection with client securities transactions, provided that all such soft dollar benefits qualify for the safe harbor in section 28(e) of the Securities Exchange Act of 1934. We do not have specific commission requirements that we must meet in order to continue to receive this research or other services, and we do not receive commission credits which are used toward the purchase of this research or services. We use the research and other products or services for the benefit of all clients, including the Fund. Clients with more trades will therefore bear a disproportionate share of the commission costs associated with receiving these benefits. This creates a conflict of interest where we may have an incentive to select a broker based on receipt of these benefits, instead of the best combination of commission and price. When we select brokers that provide these benefits, our clients may pay higher commissions than those charged by some other brokers.

Review of Accounts

Investment, investment manager selections and performance and other service provider selections and performance are reviewed by the Chief Executive Officer. Assets in the funds are

reviewed by the Chief Executive Officer at least quarterly, or more frequently if circumstances warrant. Such circumstances may include unusual market activity, price volatility, security specific issues, or other changes in investment circumstances. All investments under Carriage Services Advisors' management are under diligent supervision.

Detailed written reports, including asset allocation, industry diversification, yield, cost basis, market value, realized gains and losses, income, and transaction activity are provided to our clients quarterly, or as otherwise mutually agreed.

Client Referrals and Other Compensation

Carriage Services Advisors does not have any arrangements with third party firms where we compensate these firms for referring clients to us or where we receive compensation for referring clients.

Custody

Carriage Services Advisors does not serve as custodian for the Fund assets. The Fund has retained a third party custodian, Regions Bank, an Alabama chartered financial institution, to serve this role on their behalf.

The Fund has an annual audit of its financial statements, and such audit is provided to investors in the Fund within 120 days of the end of the Fund's fiscal year. Additionally, the Fund receives account statements from Regions Bank identifying the Fund's assets and transactions in the Fund's account on a monthly basis. The Fund also receives statements from Carriage Services Advisors on a quarterly basis, or as otherwise mutually agreed. We encourage the Fund to compare the account statements received from the custodian with those received from us to ensure that all account transactions are accurate.

Investment Discretion

Pursuant to our investment management agreement with the Fund, all Fund assets will be managed on a discretionary basis, whereby Carriage Services Advisors has discretionary authority to engage and terminate sub-advisers, determine the securities to be bought or sold, determine the amount of securities to be bought or sold and select the broker or dealer to be used for the purchase or sale of securities. However, Carriage Services Advisors will follow investment guidelines established by the officer of the Fund, initially Terry E. Sanford, which set forth investment objectives, permitted investments, target asset allocations, diversification guidelines, asset quality and other investment standards for the investment of the Fund assets.

Voting Client Securities

Carriage Services Advisors does not accept authority to vote proxies relating to securities held in the Fund.

Financial Information

Financial information is only required by firms that engage in certain billing practices, and Carriage Services Advisors does not engage in these practices. In any event, we are aware of no financial circumstances that would prevent us from meeting our contractual obligations to our clients.