

Turtle Creek Management, LLC
2626 Cole Avenue, Suite 705, Dallas, Texas 75204
www.turtlecreekdallas.com
info@turtlecreekdallas.com
214-468-0100, Fax 214-468-0106

March 31, 2014

This brochure provides information about the qualifications and business practices of Turtle Creek Management, LLC. If you have any questions about the contents of this brochure, please contact us at 214-468-0100 or by email at info@turtlecreekdallas.com. 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.

This brochure does not constitute an offer, solicitation or recommendation to sell or an offer to buy any securities, investment products or investment advisory services. Such an offer may only be made to eligible persons by means of delivery of account documents and other similar materials that contain a description of the material terms relating to such securities, products or services.

Turtle Creek Management, LLC is registered with the SEC. However, this registration, while required by law, does not indicate any established level of skill or training on our part. Additional information about Turtle Creek Management, LLC also is available on the SEC's website at www.adviserinfo.sec.gov. You can search for our firm by using our CRD number which is 140212.

MATERIAL CHANGES

The date of the last annual update to our firm brochure was March 31, 2013. Since the date of our last annual updating amendment, the following material changes have been made to our firm brochure.

- The Proxy Policy has changed to reflect that we now vote client securities as part of the investment management process. The client can opt-out of this service. Please refer to the section on Voting Client Securities in this brochure for more information.
- We have additional disclosure relating to the impact on our clients concerning the management of their assets by us resulting from our affiliation with Turtle Creek Trust Company, LTA. Please refer to the section on Other Financial Industries and Affiliations in this brochure for more information.
- We have added an investment research product that is paid for in soft dollars. Please refer to the section on Soft Dollar Practices for more information.
- We have clarified that losses from trade errors in client accounts will be borne by us and gains will be retained by us in our errors and omissions account. Please refer to the subsection on Trade Errors in the section on Brokerage Practices in this brochure for more information.
- We have clarified the disclosure in the section on Custody in this brochure relating to our being deemed to have custody of some client assets due to certain arrangements. Please refer to this section for more information.

We encourage all clients to carefully review this brochure in its entirety.

TABLE OF CONTENTS

MATERIAL CHANGES	2
TABLE OF CONTENTS.....	3
ADVISORY BUSINESS	4
FEES AND COMPENSATION.....	6
PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT	8
TYPES OF CLIENTS	9
METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS	10
DISCIPLINARY HISTORY	13
OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS	14
CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING....	15
BROKERAGE PRACTICES	16
REVIEW OF ACCOUNTS	20
CLIENT REFERRALS AND OTHER COMPENSATION	21
CUSTODY	22
INVESTMENT DISCRETION	23
VOTING CLIENT SECURITIES	24
FINANCIAL INFORMATION	25
GENERAL INFORMATION	26

ADVISORY BUSINESS

Turtle Creek Management, LLC has been in business since 2006. Our principal owner is TCTC Holdings, LLC, which is owned and controlled by Peter Denker, Philip Kistler, Kevin Hardage and Craig Knocke. We provide our clients with investment management services consisting primarily of discretionary portfolio management under which we determine and implement investment and reinvestment decisions on behalf of our clients primarily through the use of equity, fixed income and balanced (between equity securities such as stocks and fixed income securities such as municipal, corporate or government/federal agency bonds) strategies.

Separately Managed Accounts

We serve as investment manager to clients with respect to assets held in separately managed accounts (the “Accounts”) in accordance with the terms, conditions and limitations set forth in the applicable investment management agreement with each client. As part of these services, we (1) establish each client’s investment objectives after considering such factors as the client’s investment time horizon, liquidity needs and risk tolerance; (2) buy and sell portfolio securities on our clients’ behalf and, from time to time, reallocate the securities in our clients’ portfolios; and (3) periodically meet with our clients regarding their portfolio holdings and their holdings’ valuation, their transactions and their portfolio’s performance. The equity securities we select for our clients derive from our equity strategy which consists of a multi-capitalization approach. Within this diversified equity approach we compose our equity choices based on a research and screening process.

Our services and processes are designed to determine and address each client’s specific investment needs and objectives through a series of meetings with that client designed to collect information as to his or her investment and financial circumstances and objectives, investment time horizon and risk tolerance. The client may also impose restrictions on our ability to implement particular types of investments on his or her behalf. We then prepare a written investment policy or guidelines for the client based upon the information.

Trust Company

In addition, we provide non-discretionary investment advisory services to Turtle Creek Trust Company, LTA, a state-chartered limited trust association regulated by the Texas Department of Banking and one of our affiliates (the “Trust Company”). Please refer to “**Other Financial Industry Activities and Affiliations**” below for more information regarding this relationship.

We do not provide legal, tax or accounting advice or services. Also, clients should understand that, generally speaking, securities or other investments for which we provide advice are not deposits or obligations of any bank, are not endorsed or guaranteed by any bank and are not insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board or any other governmental agency and that we are not a trust or banking institution.

As of December 31, 2013, we had a total of approximately \$2,357,047,924 in assets under management. We managed approximately \$708,799,272 on a discretionary basis and approximately \$1,648,248,651 on a non-discretionary basis.

FEES AND COMPENSATION

Description of Compensation and Fee Schedule

In consideration of our advisory services, we generally receive management fees from our clients. The fees applicable to each client are described in detail in the applicable account document. A brief summary of our basic fee schedule is set forth below.

Separately Managed Accounts

With respect to the Accounts, we generally receive a management fee, payable quarterly in arrears, based on the market value of client assets under our management based upon the fee schedule set forth below:

1% on the first \$1 million
0.8% on the next \$2 million
0.7% on the next \$2 million
0.6% on the next \$5 million
0.5% on amounts over \$10 million

We may negotiate the amount of management fees depending upon circumstances of each client including, but not limited to, Account composition and complexity, and other client, employee or family relationships, which may result in different fees being charged for client accounts similar in composition and objectives. Our employees and their family-related Accounts may be charged a reduced fee for our services.

Trust Company

In consideration for investment advisory services we provide to the Trust Company, we receive a fee which is based upon a percentage of the fees that is received by the Trust Company for services to its clients.

Payment of Fees

With respect to the Accounts, fees are billed quarterly in arrears, based upon the market value of the assets at the end of the preceding quarter. A client may pay fees to us directly upon receipt of an invoice or instruct their custodian to debit our fee directly from the Account or Accounts. If a client chooses the latter method, the custodian is under no obligation to verify our fees and may simply pay the amount based on the fee amount communicated to the custodian by us and send it directly to us. Clients receive periodic statements from their custodian showing the amount of fees charged and are encouraged to confirm the accuracy of the charges.

If a client's relationship with us begins or ends on any date other than the last day of a calendar quarter, such client's fees are generally prorated for the appropriate number of days completed or remaining in the quarter.

With respect to the Trust Company, we calculate and issue a quarterly invoice to the Trust Company for the amount of fees charged.

Other Fees and Expenses

In addition to management fees, clients are responsible for all brokerage commissions or other fees or charges associated with securities transactions implemented with or through a brokerage firm, stock exchange fees and other charges mandated by law or regulation. We do not receive any portion of any of the foregoing expenses or fees. Clients should refer to "**Brokerage Practices**" below for more information on how we select or recommend brokerage firms for securities transactions and information related to that process.

Clients should understand that mutual funds, including exchange traded funds, in which client assets may be invested by us or by others, impose separate investment management fees and other operating expenses, described in such fund's prospectus, for which the client will be charged separately from the fee paid to us.

Clients should be aware that similar or comparable services may be available from other firms including other investment management firms at a cost higher or lower than that available through us.

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Not applicable.

TYPES OF CLIENTS

Description

Our clients include individuals, the Trust Company, pension and profit sharing plans, trusts, estates, charitable organizations and corporations or similar business entities.

Account Requirements

In general, the minimum size for an Account is \$1 million, although this may be waived based on considerations such as the Account's relationship to established clients and other factors.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Methods of Analysis and Investment Strategies

We use several methods of investment analysis and several investment strategies in connection with the services to our clients. Our primary method of investment analysis is fundamental analysis, which is the analysis of a company's financial statements, its management, competitive advantages, markets, among other things.

We may recommend investments in, among other things, equity securities such as exchange listed securities, securities traded over the counter and foreign issues, warrants, debt securities of corporations and similar entities, certificates of deposit, municipal and government securities, investment company securities such as mutual fund shares including exchange traded funds and options contracts on securities. Our investment strategies include long-term purchases (securities generally held for at least a year) and short-term purchases (securities generally held for less than a year).

Certain Risk Factors

There can be no assurance that clients will achieve their investment objectives. Our investment strategies involve a substantial degree of risk, including risk of complete loss. Nothing in this brochure is intended to imply, and no one is or will be authorized to represent, that our investment strategies are low risk or risk free. Our investment strategies are appropriate only for sophisticated persons who fully understand and are capable of bearing the risks of investment. The various risks outlined below are not the only risks associated with our investment strategies and processes and may not necessarily apply to each client.

General Market Developments. Our success will be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates and economic uncertainty. These and other factors may affect the level and volatility of securities prices and the liquidity of client investments. Volatility or illiquidity could impair our profitability or result in losses. We may maintain substantial trading positions that can be adversely affected by the level of or changes in volatility in the financial markets. Unpredictable or unstable market conditions may also result in reduced opportunities to find suitable investments to deploy assets or make it more difficult to exit and realize value from client investments. As a result, we could experience a reduction in attractive investment opportunities and client investments could be materially impaired in many ways that cannot be predicted. There can be no assurance that general market developments in the future will not have a material adverse effect on us.

Investment Risks in General. Investments, by their nature, involve a high degree of financial risk. Investing in securities such as the types of securities used by us in managing client assets or providing clients investment advice involves the potential risk of loss in the value of the securities both in the amount invested in the securities as well as any profits which have not been realized by selling the

securities. Clients should be prepared to bear the risk of such losses. The degree of risk depends upon the type of security or strategy involved.

Market Volatility. The success of our investment strategy substantially depends upon correctly assessing the future price movements of stocks, bonds and other securities and the movement of interest rates. We cannot guarantee that we will be successful in accurately predicting price movements.

Our Investment Activities. Our investment activities involve a high degree of risk. The performance of any investment is subject to numerous factors which are neither within our control nor predictable. Such factors include a wide range of economic, political, competitive and other conditions that may affect investments in general or specific industries or companies. In recent years, the securities markets have become increasingly volatile, which may adversely affect our ability to realize profits on behalf of clients. As a result of the nature of our investment activities, it is possible that client financial performance may fluctuate substantially from period to period.

Concentration. Although we generally intend to diversify client investments, it is possible that client investments may at times be concentrated in a limited number of companies. If such an investment performs poorly, this concentration could cause a proportionately greater loss than if a larger number of investments were made, and if such proportionately greater loss occurs, it may adversely impact the overall return on investment realized by clients.

Foreign Securities. We may recommend investments in securities of companies domiciled or operating in one or more foreign countries. Investing in foreign securities involves considerations and possible risks not typically involved in investing in securities of companies domiciled and operating in the United States, including instability of some foreign governments, the possibility of expropriation, limitations on the use or removal of funds or other assets, foreign currency risk, changes in governmental administration or economic or monetary policy (in the United States or abroad) or changed circumstances in dealings between nations. The application of foreign tax laws (e.g., the imposition of withholding taxes on dividend or interest payments) or confiscatory taxation may also affect investment in foreign securities. Higher expenses may result from investment in foreign securities than would result from investment in domestic securities because of the costs that must be incurred in connection with conversion between various currencies and foreign brokerage commissions that may be higher than in the United States. Foreign securities markets also may be less liquid, more volatile and subject to less governmental supervision than in the United States, including lack of uniform accounting, auditing and financial reporting standards and potential difficulties in enforcing contractual obligations.

Fixed Income Securities. We may recommend investments in bonds or other fixed income securities of issuers including, without limitation, bonds, notes and debentures issued by corporations; debt securities and commercial paper. Fixed income securities pay fixed, variable or floating rates of interest. The value of fixed income securities will change in response to fluctuations in interest rates. In addition, the value of certain fixed income securities can fluctuate in response to perceptions of creditworthiness, political stability or soundness of economic policies. Fixed income securities are subject to the risk of

the issuer's inability to meet principal and interest payments on its obligations (*i.e.*, credit risk) and are subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (*i.e.*, market risk).

Corporate Debt. We recommend investments in bonds, notes and debentures issued by corporations. These instruments may pay fixed, variable or floating rates of interest, and may include zero coupon obligations. Credit ratings evaluate the safety of the principal and interest payments, not the market value risk of lower-rated instruments. Such ratings also do not reflect macroeconomic or systemic risk, including the risk of increased illiquidity in the credit markets. It is also possible that a rating agency might not change its rating of a particular issue on a timely basis and, as a result, outstanding ratings may not reflect the issuer's current credit standing. Conversely, rating agencies may re-rate an instrument which could cause substantial loss as the ratings are downgraded. Client investments may experience significant credit rating volatility.

Equity and Equity-linked Securities. We may recommend investments in equity and equity-linked securities. The value of these securities generally will vary with the performance of the issuer and movements in the equity markets. As a result, clients may suffer losses if it invests in equity securities of issuers whose performance diverges from our expectations or if equity markets generally move in a single direction and clients have not hedged against such a general move.

THE FOREGOING RISK FACTORS DO NOT PURPORT TO BE A COMPLETE DESCRIPTION OF ALL OF THE RISKS ASSOCIATED WITH OUR INVESTMENT STRATEGIES. PROSPECTIVE CLIENTS SHOULD READ THIS BROCHURE AND ALL OTHER APPLICABLE DISCLOSURE MATERIALS IN THEIR ENTIRETY BEFORE MAKING ANY INVESTMENT DECISIONS.

DISCIPLINARY HISTORY

Neither we nor any of our employees have been involved in any legal or disciplinary events related to past or present investment clients.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

We provide investment advisory services to the Trust Company, our affiliate. In return, we receive compensation which is based upon a percentage of fees received by the Trust Company for services to its clients. No other advisers provide investment advisory services to the Trust Company. We and the Trust Company have common clients. Some of our employees are also employees of the Trust Company, and we share office space with the Trust Company. Our employees may recommend the services of the Trust Company to our clients. This presents a conflict of interest since our owners or employees who also have an ownership interest in the Trust Company will have a financial interest to recommend the trust or related services of the Trust Company. We address this conflict of interest by full and fair disclosure to clients.

In addition, two of the directors of the Trust Company are on the board of directors of HollyFrontier Corporation, a publicly-traded company. Our clients may own, and have owned, the stock of HollyFrontier Corporation in their Accounts pursuant to the exercise of our discretionary authority over such Accounts from time to time. In addition, clients of the Trust Company also may own, and have owned, the stock of HollyFrontier Corporation from time to time. This presents a conflict of interest due to the affiliation of the directors of the Trust Company with HollyFrontier Corporation which causes us, Turtle Creek Management, LLC, to be deemed “company insiders” of HollyFrontier Corporation subject to certain “blackout” periods restricting the purchase or sale of the stock of HollyFrontier which may delay the purchase or sale of the stock in the accounts of our clients and the accounts of Trust Company clients. We address this conflict of interest by full and fair disclosure to clients.

Certain of our principals and employees may serve as directors, officers or committee members of other public companies and their activities on behalf of those companies may present actual and/or potential conflicts of interest (including conflicting fiduciary duties).

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

Code of Ethics

We have adopted and implemented a Code of Ethics, which sets forth standards of business conduct for our employees. Our code of ethics is primarily designed to educate employees about our philosophy regarding ethics and professionalism, emphasize our fiduciary duties to clients, encourage employees to comply with applicable laws, prevent the misuse of material non-public information, the circulation of rumors and other forms of market abuse and address conflicts of interest that arise from personal trading by our employees. Among other things, we impose restrictions on all employees and the purchase and sale of securities for their personal accounts in order to seek to avoid conflicts of interest with transactions being effected in the Accounts. Pre-approval must also be obtained by employees before investing in a private placement of securities and employees are prohibited from investing in initial public offerings of securities. Our employees are required to submit quarterly reports relating to their personal transactions and an annual report of their personal securities holdings to us. A copy of our Code of Ethics is available to clients or prospective clients upon request by contacting us through the contact information provided on the cover page of this brochure.

Personal Trading

Our employees may buy or sell the same securities that we recommend that our clients invest in or that we purchase or sell on our clients' behalf. Allowing employees and principals to purchase these securities may motivate those employees or principals to engage in "scalping," which is the practice of attempting to benefit from the increase in price resulting from recommendations to clients. To prevent this practice, we closely monitor the investments made by our employees and principals.

Subject to various restrictions set forth in our code of ethics, our employees, principals and affiliates generally are permitted to co-invest alongside a client in a covered security. Allowing employees, principals and affiliates to invest in a security for their own accounts at the same time, or about the same time, as they invest in such security for a client presents a conflict of interest between our employees' own financial interest and the best interest of our clients. We have addressed this conflict of interest by imposing trading restrictions under our Code of Ethics under which our employees are only permitted to only buy or sell securities in their personal accounts simultaneously with, or after completion of, a purchase or sale of the same security in the Accounts.

BROKERAGE PRACTICES

Selecting Brokerage Firms

Except for Accounts where the client directs that trades be executed by a particular brokerage firm, we generally have the authority to determine the brokerage firm through whom, and the commission rate at which, securities transactions for Accounts are executed.

We consider the following factors in selecting or recommending brokerage firms for our clients' transactions and in determining the reasonableness of the compensation or other remuneration paid to the brokerage firms: (i) promptness and quality of overall execution services provided by the broker-dealer; (ii) financial condition, creditworthiness and business reputation of the broker-dealer; (iii) research (if any) provided by the broker-dealer; (iv) promptness and accuracy of oral, hard copy or electronic reports of execution; (v) ability and willingness to correct errors; (vi) promptness and accuracy of confirmation statements; (vii) ability to access various market centers; (viii) the brokerage firm's facilities, including software or hardware provided to the adviser; (ix) the market where the security trades; (x) broker-dealer expertise in executing trades for the particular type of security; (xi) commission charged by the broker-dealer; (xii) reliability of the broker-dealer; (xiii) ability of the broker-dealer to use ECNs to gain liquidity, price improvement, lower commission rates and anonymity; (xiv) soft dollar program of the broker-dealer; and (xv) operational capabilities of the broker-dealer.

We may pay a commission in excess of that which another broker might have charged for effecting the same transactions, in recognition of the value of the brokerage or research services provided by the broker. Because commission rates in the United States as well as other jurisdictions are negotiable, selecting brokers on the basis of considerations which are not limited to applicable commission rates may at times result in higher transaction costs than would otherwise be obtainable. We have established a Brokerage Committee that periodically reviews our brokerage practices and the reasonableness of compensation or other remuneration paid to brokerage firms and monitors our efforts to seek best execution of client transactions.

Best Execution

In placing orders to purchase and sell securities, our policy is to seek the best net execution, which includes both commissions and execution prices. Orders are placed with brokers or dealers, which we believe are responsible and provide effective execution of such orders under conditions most favorable to the Accounts.

Soft Dollars Practices

We may use soft dollars generated by the Accounts to pay for certain investment research and/or related services provided by brokers described above. The term "soft dollars" refers to the receipt by an investment manager of products and services (including research) provided by brokers without any cash payment by the investment manager, based on the volume of revenues generated from brokerage commissions for transactions executed for clients of the investment manager. The products and

services available from brokers include both internally generated items (such as research reports prepared by employees of the broker) as well as items acquired by the broker from third parties (such as quotation equipment).

Our use of client brokerage commissions or similar costs for transactions to obtain research services and products creates a conflict of interest because we do not have to produce or purchase the service or product. If we are able to acquire these products and services without expending our own resources (including management fees paid by clients), our use of soft dollars would tend to increase our profitability. This also means that we will have a financial incentive to select or recommend brokerage firms which provide us such brokerage and research services or products rather than based on a consideration of the lowest commission cost to our clients. To address these conflicts, we have a commission review process in place to review the reasonableness of commission rates used to obtain brokerage and research services and products described above. This review is conducted during meetings of our Brokerage Committee.

We have made a good faith determination that the amount of commission is reasonable in relation to the value of the brokerage and research services or products provided by the brokerage firm(s) which we consider to be a significant benefit to our clients. We use soft dollar benefits to service all of the Accounts.

During the last fiscal year, we acquired the following types of products and services (i.e., soft dollar items) with client brokerage commissions:

- New York Stock Exchange: Provides real time pricing feeds to our Market Services, i.e., Bloomberg
- Thomson Financial LLC- Baseline: Provides fundamental company data and historical pricing; and
- Bloomberg Finance LP – Bloomberg Anywhere: Provides real-time market data and information, including market news and stock quotations and trading connection FIX.
- Value line - Investment research.
- General investment research.

Some of the brokerage and research services or products received by us may have other uses such as client presentations, marketing or other administrative uses. If that is the case, we will make a good faith allocation as to the percentage of the service or product used for brokerage and research services and the percentage used for such other purposes. The percentage attributed to such other purposes will be paid for directly by us in “hard dollars” as a cash expense. Since “hard dollar” costs are a direct expense of ours, there is a conflict of interest in our determination of the appropriate allocation between soft dollar and “hard dollar” use of the brokerage and research services or products. We address this conflict through use of the good faith allocation described above.

Section 28(e) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), provides a safe harbor to advisers who use soft dollars generated by client accounts to obtain investment research and brokerage services that provide lawful and appropriate assistance to us in the performance of investment decision-making responsibilities. We intend that any soft dollars that we receive in connection with client-related matters would be within the limitations set forth in Section 28(e) of the Exchange Act.

Brokerage for Client Referrals

In selecting or recommending brokers, we do not consider whether we or our related persons receive client or investor referrals from such brokers.

Directed Brokerage

We may permit clients to direct us to execute transactions through a particular brokerage firm. In this situation, the client will be responsible for negotiating the commission rates it pays, not us. If brokerage is directed by a client, clients should be aware that we will be unable to negotiate commissions and obtain volume discounts on their behalf and that best execution may not be achieved for transactions in their Account(s). As a result, transactions in accounts directed by clients to a particular brokerage firm may result in higher commissions, greater spreads or less favorable net prices than would be the case if we were authorized to choose the brokerage firm through which to execute transactions.

Clients should also be aware that disparities in commission charges for similar transactions in Accounts in different clients of ours may exist and that there is a conflict of interest arising from such directed brokerage practices. Clients should be aware that transactions for Accounts which we have been instructed by a client to direct to a specified brokerage firm may be placed subsequent to transactions we enter for Accounts where we determine the brokerage firm through which to execute transactions for clients. This may result in less favorable execution for those Accounts where we have been instructed by a client to direct trades to a specified brokerage firm for execution.

Order Aggregation and Allocation of Investment Opportunities

We may group or block orders from time to time for the same security for more than one Account in order to more effectively execute the orders. This is known as a “block transaction”. This process can create trading efficiencies, prompt increased attention to the order and improve price execution since the block transaction may be executed at various prices but averaged as to price. Therefore, clients whose transactions are part of the block transaction will receive the same average price and trading costs. Where such block transactions are not fully executed, we will seek to allocate the executed portion of the block transaction on a basis which we consider fair to our clients over time. Generally, this will mean a pro rata allocation or allocation on a rotational basis although we may, in certain circumstances, allocate purchases or sales on some other basis, after consideration of factors such as taxability of the Account, cash available for investment, asset mix of the Account, objectives and restrictions of the Account, company and industry concentrations, broker designations specified by the client, size of the execution versus the total order size, and partial positions versus full positions.

Cross Transactions

We may, from time to time, buy or sell securities from one Account managed by us to another Account managed by us, referred to as a “cross transaction” but will do so only when we have a reasonable belief that our obligation to seek best execution can be satisfied for all clients involved in the transaction and subject to all requirements for these transactions. We receive no transaction based remuneration such as a fee or commission from these transactions.

Trade Errors

Errors in executing client transactions may occur from time to time which we will seek to correct on a timely basis so that clients will not incur a loss or other costs as a result of any such errors. Any loss or costs incurred as a result of the corrections of such errors will be borne by us or by a client’s broker/custodian while any market gains resulting from the correction of such errors will usually be retained by Turtle Creek Management in an errors and omissions account.

REVIEW OF ACCOUNTS

Accounts are reviewed no less frequently than annually by members of our account review committee, although the sequence and frequency of reviews may vary depending upon the particular needs or objectives of the client, or nature of the portfolio. Our account review committee is composed of Peter Denker, CIC, Philip Kistler, CFA, Kevin Hardage, CFA, and Craig Knocke, CFA. Factors which may trigger more frequent reviews include changes in client investment objectives or circumstances such as retirement or a large contribution or withdrawal to or from an Account, significant developments or events specific to a particular security held in the Account, or significant market, economic or political developments.

We do not provide written reports concerning Account(s) on a set schedule but we do review Account(s) with our clients depending upon the particular needs of each client when we meet with them periodically. This review will typically be conducted using the clients' custodial statements. Clients should also receive written reports directly from their custodian concerning their Account(s) which generally contain information relating to all transactions and other Account activity. See "**Custody**" below.

CLIENT REFERRALS AND OTHER COMPENSATION

We may from time to time enter into written agreements with other persons or companies who refer potential clients to us in exchange for a referral or solicitor fee which typically is a percentage of the fee we receive from the referred client for our services. This means that the persons or companies who refer potential clients to us as described will have a financial interest in the selection of us to provide services to such clients. If a client is referred to us through an arrangement like this, the client will receive a written document which will disclose that we have an arrangement with the solicitor, any affiliation between us and the solicitor, and a description of the compensation the solicitor will receive from us if the client establishes an account with us. The fee we charge the client for our services will not be increased as a result of our use of these referral arrangements.

Please refer to “**Brokerage Practices**” above for information on other economic benefits we may receive for providing services to our clients.

CUSTODY

A qualified custodian holds or custodies all of our clients' assets. Although the qualified custodian has actual custody of the client assets, in certain circumstances, we may be deemed to have custody as a result of certain arrangements. In addition to any Account reports clients may receive from us, clients will receive Account statements directly from their qualified custodian on a monthly or quarterly basis. Clients should carefully review these for any discrepancies. Clients should also remember that the statements they receive from their qualified custodian are their official record of their Accounts and assets for tax purposes.

INVESTMENT DISCRETION

We will accept discretionary investment authority over client assets if the client agrees to such an arrangement. This is typically accomplished through execution of a limited trading authority or similar written authority contained in the client agreement with us or the client's custodian. When executing the client agreement with us, a client can further limit the extent of discretionary investment authority to be granted to us although this may impact the level of services we can provide such client. A client may also place restrictions on our authority such as instructions not to make investments in certain industries or to not sell certain investments due to possible adverse tax consequences.

VOTING CLIENT SECURITIES

We will accept authority, as part of our investment management services, to review and vote the annual proxy statements for securities held in client accounts. We have retained Institutional Shareholder Services (“ISS”) to act as the voting agent. We have adopted a proxy policy which is generally, to vote in a manner which is in the shareholder’s best economic interests, basically in the spirit of making money for shareholders, and good corporate governance. Clients can access our full policy for review at <http://www.issgovernance.com/files/ISSUSSummaryGuidelines2014Jan31.pdf> or you may contact us at 214-382-4811 or swood@turtlecreekdallas.com and we can provide you with a copy.

A Proxy Committee has been established for the purpose of adopting and reviewing the proxy policy, ensuring that proxies are voted in the client’s best interest. Functions of the Proxy Committee include addressing how TCM will vote certain matters such as corporate governance, compensation plans and social issues and also how TCM will resolve any conflicts of interest that might arise when voting client proxies. The Committee will meet at least annually or when necessary to review the proxy policy and ensure that it remains current.

FINANCIAL INFORMATION

Not Applicable.

GENERAL INFORMATION

Privacy Policy

We have adopted policies and procedures reasonably designed to protect various records and information of our clients. Except as otherwise authorized by each client, private information about our clients is disclosed only as permitted by applicable law to our affiliates and service providers, including our accountants, attorneys, brokers, custodians, transfer agents and any other parties whose services are necessary or convenient to the operation of our investment advisory business. Notice of our privacy policy is provided on an annual basis to our clients and is available upon request by contacting us through the contact information provided on the cover page of this brochure.