

**ASA MANAGED ACCOUNT MANAGERS LLC
(and relying advisers)
ASA TAX ADVANTAGED ADVISORS LLC
ASA CONVERGENCE PARTNERS LLC
TF MANAGERS LLC**

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Firm Brochure
(Part 2A of Form ADV)

April 30, 2014

This brochure provides information about the qualifications and business practices of ASA Managed Account Managers LLC and its relying advisers ASA Tax Advantaged Advisors LLC, ASA Convergence Partners LLC, and TF Managers LLC (collectively “ASA”). If you have any questions about the contents of this brochure, please contact us at (952) 847-2450. 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.

While ASA is a registered Investment Adviser, registration does not imply a certain level of skill or training.

Additional information about ASA also is available on the SEC’s website at <http://www.adviserinfo.sec.gov>.

Item 2 **Material Changes**

ASA Managed Account Managers LLC (the “Filing Adviser”) previously filed a Form ADV on its own. Now the Filing Adviser is filing a Form ADV jointly with ASA Tax Advantaged Advisors LLC, ASA Convergence Partners LLC and TF Managers LLC (each, a “Relying Adviser”) in reliance on the position expressed in the No-Action Letter release by the Securities and Exchange Commission Staff dated January 18, 2012. The Filing Adviser and the Relying Advisers will collectively be referred to as “ASA”.

Paul Ferry left Alternative Strategy Advisers LLC, an affiliated entity to ASA as discussed in item 4 below company, in July 2013. Alternative Strategy Advisers LLC hired Matthew Z. Tourville as a Municipal Markets Trader for its various investment advisor businesses.

There have been no other material changes since March 2013, the date of the Filing Adviser’s previous ADV Part 2. The Material Changes section of this Firm Brochure will be updated when material changes occur. In the future, we will provide you with a new Firm Brochure as necessary and required.

If you would like to receive a complete copy of our Firm Brochure at any time, please call us at 952-847-2450 or email tstevens@asallc.com.

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Item 4 **Advisory Business**

ASA Managed Account Managers LLC (“MAM”) Background and Ownership

MAM, a Delaware limited liability company, was formed in 2008 to provide investment advisory services to individual and institutional clients regarding the investment of client funds in municipal bonds, derivatives and other fixed income strategies. Through discussions in which goals and objectives for the portfolio are established, MAM develops a client’s investment strategy and creates and manages a portfolio based on that strategy. The Managing Members of MAM are Robert D. Albright Jr., Roland A. Jacobus, Timothy W. Stevens and Gary G. O’Hagan.

ASA Tax Advantaged Advisors LLC (“TAA”) Background and Ownership

TAA, a Delaware limited liability company, was formed in 2001 to serve as the General Partner and Investment Adviser to ASA Tax Advantaged Relative Value Fund L.P., a private investment fund offered to subscribers who are “Accredited Investors” under Regulation D of the Securities Act of 1933, as amended, and “Qualified Clients” under the Investment Advisers Act of 1940, as amended. The Managing Members of TAA are Robert D. Albright Jr., Roland A. Jacobus, Timothy W. Stevens and Gary G. O’Hagan.

ASA Convergence Partners LLC (“CP”) Background and Ownership

CP, a Delaware limited liability company, was formed in 2011 to serve as the General Partner and Investment Adviser to ASA Municipal Convergence Fund L.P., a private investment fund offered to subscribers who are “Accredited Investors” under Regulation D of the Securities Act of 1933, as amended, and “Qualified Clients” under the Investment Advisers Act of 1940, as amended. The Managing Members of CP are Robert D. Albright Jr., Roland A. Jacobus and Timothy W. Stevens.

TF Managers LLC (“TF”) Background and Ownership

TF, a Delaware limited liability company, was formed in 2012 to serve as the General Partner and Investment Adviser to Transitional Funding Partners L.P., a private investment fund offered to subscribers who are “Accredited Investors” under Regulation D of the Securities Act of 1933, as amended, and “Qualified Clients” under the Investment Advisers Act of 1940, as amended. The Managing Members of TF are Robert D. Albright Jr., Roland A. Jacobus and Timothy W. Stevens.

ASA Managed Account Managers LLC, ASA Tax Advantaged Advisors LLC, ASA Convergence Partners LLC and TF Managers LLC (collectively, “ASA”) are affiliated with each other due to common control and operational integration.

Affiliated Businesses

Alternative Strategy Advisers LLC (“ALT”), a Delaware limited liability company, was formed in 2001 to sponsor and provide administrative services to various investment advisers actively participating in the fixed income markets generally, and the municipal market specifically. ALT provides such services to ASA. In addition, ALT provides administrative services to Enhanced Municipal Managers LLC, a registered investment adviser providing municipal bond portfolio management to individuals, and

Occum Partners LLC, a private investment company. ALT may, from time to time, form additional investment advisers and partnerships to pursue investment strategies it perceives to be attractive. These strategies may be similar to strategies currently employed by ASA but are also likely to include new strategies as well.

A description of the education and qualifications of the managing members of the businesses outlined in this section is provided below.

Key Personnel

ASA relies on the following key personnel to advise clients and operate and manage its investment advisory businesses:

Robert D. Albright Jr.

Mr. Albright is a Managing Member and Portfolio Manager of ASA and has over 20 years of professional experience in equity and fixed income trading, portfolio management, and risk management. Mr. Albright was a founding Managing Member of ALT in 2001 and of Occum Partners LLC in 2007. Prior to 2001, Mr. Albright was a Senior Trader and Desk Manager for Cargill Financial Services Corp. from 1991-1998. Mr. Albright received his B.A. in Engineering Sciences from Dartmouth College in 1989 and an M.S. in Computer Science from the University of Minnesota in 2001. Mr. Albright is completing an MS in Applied Mathematics at the University of Minnesota. Mr. Albright received the Chartered Financial Analyst designation in 2001. Mr. Albright was born in 1967.

Roland A. Jacobus

Mr. Jacobus is a Managing Member and Portfolio Manager of ASA and has over 20 years of professional experience in equity and fixed income trading, portfolio management, and risk management. Mr. Jacobus was a founding Managing Member of ALT in 2001 and of Occum Partners LLC in 2007. Prior to 2001, Mr. Jacobus was a Senior Trader for Cargill Financial Services Corp. from 1987-1991 and a founder/partner of Eagle Capital Management Inc. from 1991-1998. Mr. Jacobus received a B.A. in Economics and Mathematics from Dartmouth College in 1987. Mr. Jacobus is completing an MS in Applied Mathematics at the University of Minnesota. Mr. Jacobus received the Chartered Financial Analyst designation in 1998. Mr. Jacobus was born in 1965.

Gary G. O'Hagan

Mr. O'Hagan is a Member of ASA Managed Account Managers LLC and ASA Tax Advantaged Advisors LLC as well as a founding Managing Member of ALT in 2001. Mr. O'Hagan has over 35 years of professional experience in law, fixed income securities trading, financing, marketing and talent representation. Prior to 2001, Mr. O'Hagan held various management positions in the Salomon Brothers Municipal Bond Department from 1976 to 1986. From 1987 to 1989, Mr. O'Hagan practiced law for Mackall, Crounse & Moore in Minneapolis. From 1989 to 1998 Mr. O'Hagan worked for Cargill as a Vice President in various capacities involving the management

of the U.S. fixed income department and development of new financing opportunities involving municipal securities. From 1998 to 2000, Mr. O'Hagan was the Director of Marketing for EW Blanch Asset Management. Mr. O'Hagan is the President of the Coaches Division of IMG Sports. Mr. O'Hagan received a B.A. in Political Science from Boston College in 1975 and J.D. from Fordham University in 1979. Mr. O'Hagan was born in 1953.

Matthew Z. Tourville

Mr. Tourville joined ALT as a Municipal Markets Trader in 2013 and performs that role for ASA. Mr. Tourville has with over eight years of professional experience in risk management, fixed income trading and institutional investment consulting. From 2005-2007, Mr. Tourville was an Actuarial Assistant at Allianz Life Insurance Company where he performed a variety of roles involving the development of derivative products and pricing tools for investment securities. From 2007-2013, Mr. Tourville was a Risk Manager and Consultant at Jeffrey Slocum & Associates, Inc. As a Risk Manager, Mr. Tourville helped develop and implement risk management models involving quantitative analysis of institutional client portfolios. As a Consultant, Mr. Tourville provided strategic investment advice on investment policy, asset allocation, and investment manager selection decisions for traditional and alternative investments to institutional clients. Mr. Tourville was a candidate for the Minnesota House of Representatives in 2002. Mr. Tourville received his B.A. from Northwestern University in Political Science in 2001 and his B.S. with High Distinction in Economics from the University of Minnesota in 2007. Mr. Tourville is in the process of completing a M.S. in Financial Mathematics at the University of Minnesota. Mr. Tourville was born in 1977.

Timothy W. Stevens

Mr. Stevens is a Managing Member and Chief Financial Officer/Compliance Officer of ALT. Mr. Stevens is also a Managing Member of ASA. Mr. Stevens has over 20 years of experience including auditing, accounting, finance, human resources, consulting, compliance and private fund operations. From 1989–1993, Mr. Stevens was an auditor in the financial services practice group of the New York office of Price Waterhouse. From 1993 to 1997, Mr. Stevens worked for Lehman Brothers in both the New York and London offices where his experiences included performing various middle office financial control and risk management functions with the proprietary trading, international equity desks, and international fixed income desk. In 1997, Mr. Stevens joined Jeffery Slocum & Associates, Inc. in Minneapolis as an Institutional Investment Consultant and Director of Finance and Operations. From 2003–2004, Mr. Stevens was the Chief Financial Officer of Highbar Capital Management LLC, an equity statistical arbitrage private investment fund. Mr. Stevens joined ALT in 2005 and became a Managing Member in 2013. Mr. Stevens received his B.A. in Economics from Princeton University in 1989 and an M.B.A. in Finance from New York University in 2003. Mr. Stevens is a non-practicing CPA certified in the State of New York. Mr. Stevens was born in 1966.

Investment Philosophy and Strategy

ASA Managed Account Managers LLC ("MAM")

MAM specializes in customizing fixed income portfolios for institutional clients with the broad objective of maximizing total return while maintaining the client's desired risk profile. The manager's specific area of expertise is the municipal bond market and related derivatives, as well as US Government or Agency-backed securities and all related futures and OTC derivative rate markets. Accounts may or may not choose to employ notional or actual financial leverage.

MAM clients profit from opportunistically implementing "relative value" strategies in the tax-exempt, taxable and AMT municipal bond markets as well as the US Treasury, Agency, Agency mortgage and related derivatives markets. Relative value discipline entails scanning the markets in which MAM participate to identify cash flows that are cheap relative to other similarly risky cash flows. For market neutral strategies, MAM identifies securities that have been correlated and should remain correlated either on a very short or very long term time horizon. MAM monitors the relationships between these securities and seeks to understand and exploit mispricing which occurs in the short term as a 'market maker' and in the longer term when structural dislocations occur in the marketplace. By purchasing securities that are relatively cheap and selling securities that are relatively rich, positive returns are generated as the securities converge to fair value. Similar discipline is employed in "long-only" or "directional strategies" without implementing an offsetting market or interest rate hedge.

Specific Investment strategies MAM employs may include, but are not limited to, the following:

Municipal Bonds

- Tax exempt, AMT or taxable (BABs, QSCBs, RZEDBs) municipal bonds "long only" vs. an index benchmark or interest rate hedged with US Treasuries, LIBOR, or municipal derivatives
- Specialists in niche municipal markets: Housing, non-vanilla structures (zeros, convertible coupons, floaters), 'orphaned' securities (fallen insurance, auction rate securities), A-rated markets
- New deal trading
- Distressed property tax-backed bonds
- Tax exempt index derivatives vs. LIBOR, US Treasuries or municipal swaps
- Municipal derivative basis, ratio trading, and correlation strategies
- Municipal CDS, Municipal index (MCDX), and Corporate (IG) index directional and relative value trading

Taxable Bonds

- Treasury/Agency Bonds vs. Treasury/Agency Bonds
- Treasury/Agency Bonds vs. Libor Swaps, Futures
- Relative value across US interest rate derivatives (eurodollars, etc.)
- Option-related volatility strategies and hedging
- Mortgage TBAs vs. Agencies, Specified pools, Libor Swaps
- Hi-quality CMBS, ABS, and related derivatives (CMBX)

Other

- Short-term, hi-frequency strategies
- Expertise in secured financing techniques and ISDA negotiations
- Expertise in transitional financing and distressed loan purchases

Full back and middle office capability to supplement the needs of clients including an outsourced solution if required.

ASA Tax Advantaged Advisors LLC (“TAA”)

TAA is the General Partner and Investment Adviser of ASA Tax Advantaged Relative Value Fund L.P. (the Partnership), a private investment fund operating under a Limited Partnership Agreement governed by the laws of the State of Delaware. The Partnership’s investment objective is to achieve superior risk-adjusted, after-tax returns by opportunistically implementing “relative value” strategies in tax preferred fixed income securities and related instruments, as well as taxable instruments used primarily to protect against interest rate increases. Relative value trading generally involves taking partially offsetting long and short positions in different financial instruments whose values have historically been, or which theoretically should be, interrelated. TAA attempts to offset asset risk by entering into interest rate swaps, short sales, futures transactions, and other hedging strategies deemed appropriate by the TAA.

TAA is a registered commodity pool operator and the Partnership is a registered commodity pool, both of which are subject to regulation by the Commodity Futures Trading Commission (CFTC), rules of the National Futures Association (NFA), and requirements of commodity exchanges where the Partnership executes transactions.

ASA Convergence Partners LLC (“CP”)

CP is the General Partner and Investment Adviser of ASA Municipal Convergence Fund L.P. (the Partnership), a private investment fund operating under a Limited Partnership Agreement governed by the laws of the State of Delaware. The Partnership is designed for long-term investors who seek to capture the material dislocations in the pricing of investment-grade tax-exempt zero and convertible-to-coupon municipal bonds with maturities longer than ten years (Long-Term Municipal Securities). The Partnership will invest substantially all of its assets in Long-Term Municipal Securities. CP will seek to acquire Long-Term Municipal Securities with yields (without giving consideration of the tax-exempt nature of such yields) at least 2.5% per annum in excess of a U.S. Treasury security with a comparable duration, and generally hold such Long-Term Municipal Securities until pricing relationships return to their historical norms. Actual spreads may vary depending upon the credit, structure, state, and maturity of the individual security. CP will seek to acquire the best risk-reward Long-Term Municipal Securities available in the market that will give the Partnership the best chance of achieving its objectives. The Partnership will not employ leverage in pursuing its investment objective.

CP will attempt to hedge the duration risk of the Partnership's portfolio with U.S. Treasury or LIBOR futures contracts, U.S. Treasury Strips or interest rate swaps with maturities approximately corresponding to the maturities of the Long-Term Municipal Securities held "long" by the Partnership.

CP is a registered commodity pool operator and the Partnership is a registered commodity pool, both of which are subject to regulation by the Commodity Futures Trading Commission (CFTC), rules of the National Futures Association (NFA), and requirements of commodity exchanges where the Partnership executes transactions.

TF Managers LLC ("TF")

TF is the General Partner and Investment Adviser of Transitional Funding Partners L.P. (the Partnership), a private investment fund operating under a Limited Partnership Agreement governed by the laws of the State of Delaware. The objective of the Partnership is to earn high levels of current income for its investors by investing in collateralized, short-duration debt or debt-like instruments (such as bank loans, hard money loans, preferred stock, municipal bonds, U.S. government receivables factoring, inventory or equipment lending and leases, tax liens, etc.; collectively, "Loans"). The Partnership will lend only to U.S.-headquartered businesses. TF intends to build a Loan portfolio for the Partnership that is diversified geographically (within the United States), by borrower and by collateral type. Generally, all Loans will be secured by mortgages, deeds of trust and/or tax liens. The Partnership will seek to make Loans to "non-conventional" borrowers — i.e., smaller private companies or individuals without access to the capital markets — secured by first lien mortgages on real property or other tangible assets. While ordinary interest will be the primary source of income to the Partnership, there may be certain capital gains options associated with the Partnership's Loans — for example, "equity kickers," including stock warrants and options. The Partnership will not employ leverage in pursuing its investment objective.

Assets Under Management

As of March 31, 2014, ASA managed \$455,002,000 on a discretionary basis.

Item 5 Fees and Compensation

ASA Managed Account Manager LLC ("MAM")

MAM normally charges a management fee ("fee") for its investment advisory services based on a percentage of net assets and/or notional value under management, or, in some cases, a set dollar monthly or quarterly fee that could be construed as either a management or consulting/idea generation fee. MAM's fee schedule is negotiable in its sole discretion and varies by type of strategy implemented and size of investment. The range of management fees is from 25-75 basis points annually.

Management fees are normally calculated daily based on the net assets plus notional value of derivatives in the account and is charged monthly or quarterly in arrears. MAM will bill clients who choose not to provide written authorization for MAM to deduct the fees directly. The fee is pro-rated for periods less than one month.

All expenses incurred directly in connection with transactions effected or positions held in the account on behalf of the client (including without limitation, trading losses, brokerage commissions, custodian fees, accounting and auditing services – if any, withholding or transfer taxes – if any) shall be paid directly from the account or billed to the client by MAM. In general, as the accounts are actually held and maintained by the client, MAM is not involved in the settlement of these expenses. Please see Item 12 for further discussion of brokerage services utilized by MAM.

All fees paid to MAM for investment advisory services are separate and distinct from the fees and expenses charged by open or closed-end mutual funds to their shareholders. These fees and expenses are described in each fund's prospectus.

ASA Tax Advantaged Advisors LLC ("TAA")

TAA charges a management fee ("fee") to ASA Tax Advantaged Relative Value Fund L.P. (the Partnership). The fee is charged monthly to each investor in the Partnership, equal to one-twelfth of 1.0%, based on each investor's capital balance as of the beginning of each calendar month. TAA may waive or reduce the management fee for certain investors at its discretion.

The Partnership is responsible for all of the expenses it incurs in connection with carrying out the investment strategy of the Partnership including, but not limited to, its management fee, transactional expenses associated with its investment activities (e.g., interest expense, brokerage commissions, custody fees, trust fees, and bank fees), corporate or registration fees under applicable federal or state laws, and professional fees (e.g., legal, audit, and tax).

Administration services are provided to the Partnership by TAA through its affiliate, Alternative Strategy Advisers LLC (ASA). ASA charges the Partnership a monthly administration fee equal to one-twelfth of 0.50%, based on the Partnership's beginning of the month net assets.

ASA Convergence Partners LLC ("CP")

CP charges a management fee ("fee") to ASA Municipal Convergence Fund L.P. (the Partnership). The fee is charged quarterly to each investor in the Partnership, equal to one-quarter of 0.50%, based on each investor's capital balance as of the last day of each calendar quarter-end, not reduced by the fee being calculated. CP may waive or reduce the management fee for certain investors at its discretion.

The Partnership is responsible for all of the expenses it incurs in connection with carrying out the investment strategy of the Partnership including, but not limited to, its management fee, transactional expenses associated with its investment activities (e.g., interest expense, brokerage commissions, custody fees, trust fees, and bank fees), corporate or registration fees under applicable federal or state laws, and professional fees (e.g., legal, audit, and tax). CP nor any of its related parties are not paid a fee to administer the Partnership.

TF Managers LLC ("TF")

TF charges a management fee ("fee") to Transitional Funding Partners L.P. (the Partnership). The fee is charged monthly to each investor in the Partnership, equal to one-twelfth of 1.0%, based on each investor's capital balance as of the beginning of each calendar month. TF may waive or reduce the management fee for certain investors at its discretion.

The Partnership is responsible for operating expenses it incurs in connection with its third-party service providers. These expenses include professional fees (e.g., legal, audit, and tax) and corporate or registration fees under applicable federal or state laws. The Partnership is also responsible for expenses incurred related to its loan portfolio which may include upfront due diligence costs, transaction processing fees, loan close-out costs or expenses related to working out non-performing loans. TF nor any of its related parties are not paid a fee to administer the Partnership.

Item 6 Performance-Based Fees and Side-by-Side Management

ASA Managed Account Manager LLC ("MAM")

MAM normally charges a performance-based fee which is a set percentage of profits after all expenses and management fees. The range of performance-based fees for existing accounts is 16-20% of net profits achieved. This fee is either paid on a periodic basis with a high water mark taken into consideration, in arrears once the investment goals of the account have been achieved as defined and agreed to in writing by the client and MAM, or upon termination of the investment advisory agreement.

ASA Tax Advantaged Advisors LLC ("TAA")

TAA charges an annual fee based on performance. The performance-based fee is equal to 20.0% of the difference between an investor's capital account balance at the end of the year (or capital withdrawal date) and the investor's "high water mark". An investor's "high water mark" is generally the highest balance of an investor's capital account on any prior December 31 (after reduction for any performance-based fee then made) or the amount of such investor's net capital contributions, if higher. TAA has the ability to waive or reduce the performance-based fee for certain investors at its discretion.

ASA Convergence Partners LLC ("CP")

CP charges a fee based on performance at the time an investor withdraws its investment. The performance-based fee is equal to 16.0% of the withdrawal proceeds in excess of the investor's net capital contribution. CP has the ability to waive or reduce the performance-based fee for certain investors at its discretion.

TF Managers LLC ("TF")

TF charges an annual fee based on performance. The performance-based fee is equal to 12.5% of the difference between an investor's capital account balance at the end of the year (or capital withdrawal date) and the investor's "high water mark" provided that the performance-based fee will only be made to the extent that, after doing so, the increase in the investor's capital account during the fiscal year then ended equals 10% of the capital account as of the beginning of such fiscal year. An investor's "high water mark" is generally the highest balance of an investor's capital account on any prior December 31

(after reduction for any performance-based fee then made) or the amount of such investor's net capital contributions, if higher. TF has the ability to waive or reduce the performance-based fee for certain investors at its discretion.

Item 7 Types of Clients

ASA clients include high net worth individuals, trusts, charitable organizations, private investment partnerships, individual retirement plans, insurance companies and fund-of-funds. The minimum balance to open an account ranges from \$500,000 to \$25,000,000 depending on the investment vehicle, type of account, and investment strategy employed. ASA may allow a lower account minimum at its discretion.

Item 8 Methods of Analysis, Investment Strategies and Risk Factors

Methods of Analysis and Investment Strategies

ASA does fundamental research on the individual credits purchased for its accounts. This analysis includes assessing quality of the revenue stream used for repayment, any assets securing the loan, debt service coverage ratio, and strength of the obligation of the issuer, among other factors. Additionally, diversification criteria, specified by each client, for issuer concentration and state-specific geographic exposure serve to mitigate risk. Finally, ASA seeks to manage interest rate risk exposure with guidance from each client. ASA's fundamental discipline and expertise in identifying portfolio holdings is relative value analysis. Specifically, ASA seeks to hold and actively trade into the securities in the municipal and related markets that it perceives as 'cheapest' after all credit, issuer, structure, optionality, tax characteristics, etc. are analyzed and priced. Extensive historical series and statistical analytics are also used in selecting assets and hedges/liabilities.

TF Managers LLC ("TF")

TF's primary focus in evaluating a loan for its portfolio is performing due diligence/analysis on the value of the underlying collateral for each loan based upon comparable sales, replacement value, and cash flow. Considerable time is spent ascertaining how liquid the collateral is and what would it cost to carry it for a reasonable holding period should the loan default. These factors determine loan to value and any required escrows. TF also performs detailed title work on the collateral to ascertain what, if any, liens may be on the collateral, whether there are any outstanding taxes owed on the collateral, and that the property is adequately insured. TF will contract for appraisals or structural, engineering and environmental inspections of the underlying collateral as needed. TF normally performs site visits to meet the borrower and evaluate the underlying collateral when it originates loans.

TF also performs due diligence on the borrower to confirm they are in good standing with the applicable state and have no felony history. TF reviews the borrower's financial statements and tax returns. TF may perform reference, credit and background checks as it deems necessary. TF's typical list of legal documents a borrower must provide or sign is as follows:

- Corporate Formation Documents
- Authorized Signatory Documents

- Unanimous Written Consent
- Borrower's Affidavit
- Promissory Note
- Trust Deed (s) with Assignment of Leases and Rents
- Security Agreement (Plans)
- Security Agreement (Collateral)
- Personal Guaranty
- Compliance Agreement and Limited Power of Attorney
- Closing Instructions

Risk Factors

ASA will attempt to attain the investment objectives set by the client through its research and portfolio management skills, but there is no guarantee of successful performance, that the investment objectives can be reached or that a positive return will be achieved. As a general rule, clients should expect that investments with higher return potential will also have higher potential of risk of loss to capital and/or income. The client's investments may fluctuate in market value from day to day and as such the value of a client's account may decrease as well as increase. ASA'S investment program does not constitute a balanced investment program for purposes of a client's portfolio diversification needs and, therefore, clients should consult with their own financial advisers for the appropriateness of an investment with ASA for their overall investment program. A prospective client should consider the following factors and other considerations. The following risk factors do not purport to be a complete examination of all of the risks involved in investments typically considered by ASA.

General Risks:

- Limited Operating History. Some of the ASA adviser entities have limited operating histories. There is no assurance that ASA will achieve the stated investment objective. The past investment experience of the key personnel provides no assurance of the results of an investment in ASA. Past performance is not necessarily indicative of future results.
- Risk of Loss. No guarantee or representation is made that ASA's efforts will be successful. The Client may lose all or substantially all of his or her investment.
- Government Intervention; Market Disruptions. The global financial markets have recently undergone pervasive and fundamental disruptions that led to extensive and unprecedented governmental intervention and/or new regulation. Such intervention and regulation has in certain cases been implemented on an "emergency" basis, suddenly and substantially eliminating market participants' ability, at least on a temporary basis, to continue to implement certain strategies or manage the risk of their outstanding positions. In addition — as one would expect given the complexities of the financial markets and the limited time frame within which governments have taken such actions — these interventions typically have been unclear in scope and application, resulting in confusion and uncertainty which in itself has been materially detrimental to the efficient functioning of the markets as well as certain previously successful

investment strategies. It is impossible to predict what additional interim or permanent governmental restrictions may be imposed on the markets and/or the effect of such restrictions on the ASA's strategies.

- Tax Shortfalls. One of the consequences of the recent "financial crisis" has been a dramatic drop in state and local tax revenues. This could lead to a material increase in defaults on Municipal Securities. A rise in Municipal Securities default rates (in excess of the limited capacity of bond issuers to cover such defaults) may be directly adverse to the long-only investment objectives of a client's account.
- The Client's Reliance on ASA. The client's investments will be managed by ASA. Clients will not make decisions with respect to the selection, management, disposition or other realization of any investment, or any other decisions regarding the account. Consequently, the success of the account will depend, in large part, upon the skill and expertise of ASA's investment professionals. There is no assurance that such investment professionals will continue to be involved in the management of the account. Were the services of ASA or of certain of such the ASA investment professionals to become unavailable, the effect on the account could be material and adverse.
- Competition. ASA will be competing against entities with financial and personnel resources many times those available to ASA. The limited resources of ASA may be a particularly important competitive disadvantage given the research-intensive nature of certain of its strategies and the limited availability of attractive fixed income securities.
- Market Risks In General. Certain general market conditions could materially affect the client's profit potential. The particular or general types of market conditions in which the client may incur losses or experience unexpected performance volatility cannot be predicted, and ASA may materially underperform other investment funds with substantially similar investment objectives and approaches.
- Market Disruptions. The client may incur major losses in the event of disrupted markets and other extraordinary events. In disrupted markets many positions become illiquid, making it difficult or impossible to close out positions against which the markets are moving.
- Importance of Market Judgment. While ASA does make use of quantitative analysis and computer models to assist its trading, the Portfolio Manager(s) will rely heavily on their market judgment and experience in investing the client's portfolio. Their discretionary trading decisions may be less disciplined than, and may materially underperform, a more systematic approach.

Strategy Risks:

- Municipal Market Risk. Various factors may adversely affect the value and yield of Municipal Securities. These factors include imbalances in demand, potential legislative changes as well as uncertainties related to the tax status of Municipal Securities or the rights of investors holding these securities. Any of these factors could cause losses for the client.
- Convexity. Municipal Securities are not without a convexity feature — although this is materially less important in their pricing than in the case of mortgage-backed securities. For example, when zero-coupon Municipal Securities are purchased at a discount, the recovery of

the discount is taxable. Consequently, as interest rates rise and this discount is created, the decline in the value of these securities accelerates, as not only is the implied coupon below market, but the discount will be taxable, not tax-exempt.

- Trade Execution Risk. The ability of ASA to exit a position successfully often depends on efficient and timely trade execution.
- Liquidity Risk. Illiquid markets create the risk of ASA being unable to close out positions so as to recognize profits or limit losses. The client's portfolio is subject to liquidity risk because of the fragmentation of the municipal and related securities markets. However, even exchange-traded securities may be subject to trading suspensions and low transaction volume.
- Uncertain Valuation. ASA investments may have a material degree of uncertainty in their valuation which could cause material economic dilution to investors based on the timing of their contributions and withdrawals from ASA.
- Issuer and Counterparty Credit Risk. The issuer or the guarantor of a debt security may, in certain circumstances, be unable or unwilling to make timely principal and/or interest payments, or to otherwise honor its obligations.
- Financial Intermediary Credit Risk. The institutions, including brokerage firms, banks and futures commission merchants, with which ASA does business, or to which client securities have been entrusted for custodial purposes, may encounter financial difficulties that impair their operational capabilities or result in losses to the client.
- Foreclosure and Bankruptcy Risk. If it becomes necessary to foreclose on or make a claim in bankruptcy court against the assets underlying a loan or debt obligation, significant uncertainty may arise as to the outcome of the proceeding due to the time and costs involved in reaching a resolution.

Structural Risks:

- Possibility of Additional Government or Market Regulation. There have recently been certain well-publicized incidents of regulators unexpectedly announcing regulatory changes or interpretations that prohibited strategies that had been implemented in a variety of formats for many years. For instance, in September 2008 the SEC and various non-U.S. regulatory bodies imposed temporary bans on short-selling in a variety of stocks, and adopted permanent regulations that may have the effect of making short-selling more difficult or costly. These actions were generally regarded as disrupting market fundamentals and causing unexpected, and volatile, increases in the stock prices of a variety of issuers, as short sellers closed out their positions by buying securities. More recently, new Dodd-Frank regulation and intense regulatory scrutiny of major financial institutions has made the free functioning of markets and capital providers much more difficult.
- Limited Regulatory Oversight. ASA is not registered as an investment company under the Investment Company Act of 1940, as amended ("Company Act"). Accordingly, the provisions of the Company Act, which among other things require investment companies to have a majority of disinterested directors, require securities held in custody at all times to be maintained in

segregated accounts and regulate the relationship between the investment company and its asset managers, are not applicable to an investment with ASA. Neither ASA nor the Managing Members are subject to comparable regulation in any non-U.S. jurisdiction. Therefore, clients of ASA do not have the benefits of the protections afforded by, nor is ASA subject to the restrictions contained in, such registration and regulation.

- Dependence on the Portfolio Managers. ASA has the sole authority to invest and trade the assets of the account and is dependent on the services of a limited number of Portfolio Managers. Furthermore, ASA's strategies are primarily discretionary, based on the market experience of the Portfolio Managers. If for any reason ASA were to lose the services of one or more of the Portfolio Managers, the client could be adversely affected.
- Risk of Litigation. In the ordinary course of its business, ASA may be subject to litigation from time to time. Any litigation may consume substantial amounts of ASA's time and attention, and that time and the devotion of these resources to litigation may, at times, be disproportionate to the amounts at stake in the litigation.
- Changes in Tax Law. The tax law could at any time be changed in a manner materially adverse to a client's account.
- Conflicts of Interest. ASA and its Managing Members will be subject to certain actual and potential conflicts of interest in managing client accounts and affiliated entities as discussed in Item 4 above.
- Counsel. Sidley Austin LLP acts as counsel to ASA.
- Other Risks. Adverse changes in market and economic conditions, securities or other laws or regulations or accounting standards may have an adverse effect on the value of the client's investments. However, it cannot be predicted whether such changes will occur and to what extent these changes may adversely affect the business of ASA.

Item 9 Disciplinary Information

There are no legal or disciplinary events involving ASA, its affiliates or the employees of its affiliates.

Item 10 Other Financial Industry Activities and Affiliations

As described in Item 4 above, ASA Managed Account Managers LLC, ASA Tax Advantaged Advisors LLC, ASA Convergence Partners LLC and TF Managers LLC are affiliated investment advisers each registered with the SEC. ASA Managed Account Managers LLC serves as an adviser to individual and institutional clients. ASA Tax Advantaged Advisors LLC is the general partner and adviser to ASA Tax Advantaged Relative Value Fund L.P. ASA Convergence Partners LLC is the general partner and adviser to ASA Municipal Convergence Fund L.P. TF Managers LLC is the general partner and adviser to Transitional Funding Partners L.P. All supervised persons of each of the affiliated advisers are subject to a single compliance manual and code of ethics.

The Managing Members of ASA are also principals and officers of Alternative Strategy Advisers LLC ("ALT"), a sponsor and provider of administrative services to various investment advisers actively participating in the fixed income markets generally, and the municipal market specifically. Some Managing Members of ASA and ALT are also Managing Members of Enhanced Municipal Managers LLC, an investment adviser for separately managed accounts for high net worth individuals. Some Managing

Members of ASA and ALT are also Managing Members of Occum Partners LLC, a business involved in real estate acquisition and financing.

The amount of time any particular Managing Member or key personnel will spend with a particular firm will vary based on the needs of the clients of the various firms. One Managing Member is also the President of the Coaches Division of IMG Sports, a firm that advises athletic coaches on their career paths and opportunities, which constitutes his principal business. Another Managing Member serves on the board of a company not involved in the financial services business. This activity is not the principal business activity of this Managing Member.

ASA's related persons may offer qualified ASA clients the opportunity to invest in any of ASA or its affiliates' investment vehicles. All compensation to ASA's related persons as a result of client investment in more than one of ASA's or its affiliates' investment vehicles is entirely separate and distinct from ASA's advisory fees. No client of ASA is obligated to invest in any of ASA or its affiliates' investment vehicles.

Neither ASA nor any of its affiliates is registered under any financial regulatory authority outside the United States.

Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

ASA has adopted a Code of Ethics pursuant to SEC Rule 402A-1. This Code of Ethics expresses ASA's commitment to ethical conduct. ASA's Code of Ethics describes the firm's fiduciary duties and responsibilities to clients, and sets forth ASA's practice of supervising the personal securities transactions of supervised persons with access to client information. Individuals associated with ASA may buy or sell securities for their personal accounts identical to or different than those recommended to clients. It is the expressed policy of ASA that no person employed by ASA shall prefer his or her own interest to that of an advisory client or make personal investment decisions based on the investment decisions of advisory clients.

To supervise compliance with its Code of Ethics, ASA requires that anyone associated with this advisory practice with access to advisory recommendations provide annual securities holdings reports and quarterly transaction reports to the firm's Chief Compliance Officer. ASA requires such access persons to also receive approval from the Chief Compliance Officer prior to investing in any IPO's or private placements (limited offerings).

ASA requires that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. ASA's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. Any individual not in observance of the above may be subject to discipline.

ASA will provide a complete copy of its Code of Ethics to any client or prospective client upon request to the Chief Compliance Officer at ASA's principal address.

Item 12 Brokerage Practices

ASA maintains relationships with a large number of executing brokers or dealers. ASA will endeavor to select those executing brokers or dealers which will provide the best services at the lowest commission rates possible. The reasonableness of commissions are based on the broker's ability to provide

professional services, competitive commission rates, research and other services which will help ASA in providing investment management services to clients. ASA does not receive so-called “soft dollar” benefits from any broker other than research. ASA may, therefore recommend (or use) the use of a broker who provides useful research and securities transaction services even though a lower commission may be charged by a broker who offers no research services and minimal securities transaction assistance. Research services may be useful in servicing all ASA clients, and not all of such research may be useful for the account for which the particular transaction was effected. Brokers or dealers that ASA selects to execute transactions may from time to time refer clients to ASA. ASA will not make commitments to any broker or dealer to compensate that broker or dealer through brokerage or dealer transactions for client referrals; however, a potential conflict of interest may arise between the client's interest in obtaining best price and execution and ASA's interest in receiving future referrals.

When undertaking an advisory relationship, a client may already have a pre-established relationship with a broker and they will instruct ASA to execute all transactions through that broker. In the event that a client directs ASA to use a particular broker or dealer, it should be understood that under those circumstances ASA will not have authority to negotiate commissions, obtain volume discounts and best execution may not be achieved. In addition, under these circumstances a disparity in commission charges may exist between the commissions charged to other clients.

ASA will block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block. Block trading allows ASA to execute trades in a timely, equitable manner and to reduce overall commission charges to clients. In certain circumstances, ASA may include trades for accounts managed by ASA's related persons in blocks with client accounts. In this situation, trades will be allocated first by determining the entity or entities for which a particular security is appropriate. If the security is appropriate for more than one entity, generally, an allocation between or among such entities will be made pro rata based on the net asset value of such entity, giving appropriate consideration to the current capital exposure (as well as leverage) to the applicable strategy utilized by the entities. Under certain circumstances, other criteria will be used in the allocation process. These criteria include but are not limited to those set forth below:

1. An entity or account already having sufficient exposure to the securities, issuer or market in question;
2. The different liquidity positions and requirements of the participating entities;
3. Tax considerations;
4. Regulatory considerations;
5. The relative capitalization and cash availability of the participating Entities or accounts;
6. The relative risk and value-at-risk profiles of the participating entities or accounts;
7. Different strategies;
8. Portfolio concentration considerations;
9. Informal diversification requirements;
10. Borrowing base considerations;
11. Different historical and anticipated subscription and redemption patterns;
12. Minimum investment criteria; and/or
13. Investment time horizon.

It is anticipated that by aggregating these trades, ASA's investors will have access to investment opportunities that might not otherwise be available. However, because the investment opportunities selected for block trading may be limited in size, it is possible that ASA's client may receive a smaller share of the opportunity that they would if ASA were to exclude the accounts managed by ASA's related persons from the blocked trade.

ASA Managed Account Managers LLC ("MAM")

MAM clients are responsible for opening and maintaining their own custodial and brokerage accounts. However, for some clients, MAM participates in the Schwab Institutional (SI) services program offered to independent investment advisers by Charles Schwab & Co., Inc. ("Charles Schwab"), a FINRA registered broker-dealer. Clients in need of custodial services may have Charles Schwab recommended to them. As part of the SI program, MAM receives benefits that it would not receive if it did not offer investment advice. While there is no direct linkage between the investment advice given and participation in the SI program, economic benefits are received which would not be received if MAM did not give investment advice to clients. These benefits include: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk serving SI participants exclusively; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; ability to have investment advisory fees deducted directly from client account; access, for a fee, to an electronic communication network for client order entry and account information; receipt of compliance publications; and access to mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors. The benefits received through participation in the SI program may or may not depend upon the amount of transactions directed to, or amount of MAM client assets held in custodial accounts at Charles Schwab. Charles Schwab also makes available to MAM other products and services that benefit MAM but may not benefit its clients' accounts.

Some of these other products and services assist MAM in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of MAM's fees from its clients' accounts, and assist with back-office functions, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of MAM's accounts, including accounts not maintained at Schwab Institutional (if any). Charles Schwab also makes available to MAM other services intended to help MAM manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, Charles Schwab may make available, arrange and/or pay for these types of services rendered to MAM by independent third parties. Charles Schwab 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 MAM. While as a fiduciary, MAM endeavors to act in its clients' best interests. MAM's recommendation that clients maintain their assets in accounts at Charles Schwab may be based in part on the benefit to MAM of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by Charles Schwab, which may create a potential conflict of interest.

Item 13 Review of Accounts

Securities held in client accounts of ASA are reviewed continuously. Client accounts are reviewed at least quarterly and as frequently as monthly if a client so requests. More frequent reviews may be triggered by material market, economic or political events, or by changes in the client's situation. All accounts are reviewed by Robert D. Albright, Jr., Member, or Randy A. Jacobus, Member. Clients will receive, at a minimum, monthly or quarterly written account reports showing the total return of the account. Some accounts receive daily reports.

Clients of ASA Managed Account Managers LLC ("MAM") will receive monthly or quarterly account statements from the custodian. Clients should compare the account statements they receive from MAM to the account statements they receive from the custodian.

Item 14 Client Referrals and Other Compensation

ASA does not pay a third party for client referrals. However, ASA may do so in the future and it is aware of the special considerations promulgated pursuant to Rule 206(4)-3 under the Investment Advisers Act of 1940. As such, appropriate disclosure shall be made, all written instruments will be maintained by ASA and all applicable Federal and/or State laws will be observed.

Item 15 Custody

ASA Managed Account Managers LLC ("MAM") does not have custody of its clients' assets. Clients of MAM receive monthly or quarterly statements from their custodian. MAM provides, daily, weekly, monthly or quarterly reports as specified by the client. Cash balances held by a custodian are monitored and reconciled on a periodic basis as determined between MAM and the Client. Clients should compare the account statements they receive from MAM to the account report they receive from the custodian.

ASA Tax Advantaged Advisors LLC, ASA Convergence Partners LLC and TF Managers LLC each have custody of the assets of the investment vehicles for which they serve as General Partners. Investors in these entities do not receive account statements from the custodian; rather, such entities are subject to an annual audit by an independent accounting firm that is registered with and subject to review by the Public Company Accounting Oversight Board and the audited financial statements are distributed to each investor within 120 days of the end of each entity's fiscal year.

Item 16 Investment Discretion

For discretionary clients, ASA requests that it be provided with written authority to determine which securities and the amounts of securities that are bought or sold, the broker or dealer to be used, and the commission to be paid. The investment management or subscription agreement (the "Agreements"), as applicable, between ASA and the client outlines the discretionary authority given to ASA. Any limitations on this discretionary authority shall be included in the Agreements. Clients may change/amend these limitations as required. Such amendments shall be submitted in writing.

Item 17 Voting Client Securities

Clients may elect to have ASA vote proxies on their behalf. In such cases, ASA, as a matter of policy and as a fiduciary to its clients, has responsibility for voting proxies for portfolio securities consistent with the best economic interests of its clients. ASA maintains written policies and procedures as to the

handling, research, voting and reporting of proxy voting and makes appropriate disclosures about our firm's proxy policies and practices. ASA's policy and practice includes the responsibility to monitor corporate actions, receive and vote client proxies and disclose any potential conflicts of interest as well as making information available to clients about the voting of proxies for their portfolio securities and maintaining relevant and required records. A copy of ASA's proxy voting policy is available upon request.

ASA has adopted procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

Voting Procedures

All employees of ASA or its affiliates will forward any proxy materials received on behalf of clients to ASA management;

- ASA management will determine which client accounts hold the security to which the proxy relates;
- Absent material conflicts, ASA management will determine how ASA should vote the proxy in accordance with applicable voting guidelines, complete the proxy and vote the proxy in a timely and appropriate manner.

Voting Guidelines

- In the absence of specific voting guidelines from the client, ASA will vote proxies in the best interests of each particular client. ASA's policy is to vote all proxies from a specific issuer the same way for each client absent qualifying restrictions from a client. Clients are permitted to place reasonable restrictions on ASA's voting authority in the same manner that they may place such restrictions on the actual selection of account securities.
- ASA will generally vote in favor of routine corporate housekeeping proposals such as the election of directors and selection of an auditor absent conflicts of interest raised by an auditor's non-audit services.
- ASA will generally vote against proposals that cause board members to become entrenched or cause unequal voting rights.
- In reviewing proposals, ASA will further consider the opinion of management and the effect on management, and the effect on shareholder value and the issuer's business practices.

Conflicts of Interest

- ASA will identify any conflicts that exist between the interests of the adviser and the client by reviewing the relationship of ASA with the issuer of each security to determine if ASA or any of its employees has any financial, business or personal relationship with the issuer.
- If a material conflict of interest exists, ASA management will determine whether it is appropriate to disclose the conflict to the affected clients, to give the clients an opportunity to vote the proxies themselves, or to address the voting issue through other objective means such as voting

in a manner consistent with a predetermined voting policy or receiving an independent third party voting recommendation.

- ASA will maintain a record of the voting resolution of any conflict of interest.

Recordkeeping

ASA shall retain the following proxy records in accordance with the SEC's five-year retention requirement.

- The policies and procedures and any amendments;
- Each proxy statement that ASA receives;
- A record of each vote that ASA casts;
- Any document ASA created that was material to making a decision how to vote proxies, or that memorializes that decision including periodic reports to or proxy committee, if applicable.
- A copy of each written request from a client for information on how ASA voted such client's proxies, and a copy of any written response.

Clients may make a request in writing to ASA to review copies of the documentation on how ASA voted proxies on portfolio securities in their account.

Item 18 Financial Information

ASA does not solicit the prepayment of fees from clients six months or more in advance. There is no financial condition that is reasonably likely to impair ASA's ability to meet its contractual commitments to its clients.

ASA has never been the subject of a bankruptcy petition.

Item 19 Requirements for Stat-Registered Advisers

ASA is not registered with any state securities authority.