



SEC No.: 801-66667

Part 2A of Form ADV Firm Brochure

CIG Asset Management, Inc.

December 31, 2014

This brochure provides information about the qualifications and business practices of CIG Asset Management, Inc. If you have any questions about the contents of this brochure, please contact us at (248) 827-1010. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. Additional information about CIG Asset Management, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov.

Please note that references to CIG Asset Management, Inc. as a "Registered Investment Advisor" or descriptions of the firm as being "Registered" do not imply a certain level of skill or training.

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ADVISORY BUSINESS

Our Owners and Principals

CIG Asset Management, Inc. is a Registered Investment Advisor based in Southfield, MI. We are a Michigan corporation founded in 1997 by Osman R. Minkara and are a wholly owned subsidiary of CIG Capital Advisors which is also a Michigan corporation owned by our Managing Principal, Mr. Minkara. We are registered with the Securities and Exchange Commission (SEC) pursuant to the Investment Advisers Act of 1940 (File No. 801-66667).

The following paragraphs describe our investment advisory services and how we tailor our services to your individual needs. As used in this brochure, the words “we”, “our” and “us” refer to CIG Asset Management and the words “you”, “your” and “client” refer to you as either a client or prospective client of our firm. Also, you may see the term “Associated Person” or Investment Advisory Representative “IAR” throughout this brochure. As used in this brochure, our Associated Persons and IARs are individuals providing investment advice on behalf of our firm.

Types of Services Offered – Wealth Management

Comprehensive Financial Plan: We offer financial planning services for individuals and businesses. Our Comprehensive Financial Plans provide an analysis based on your current financial situation, future needs, risk tolerance, and objectives. This analysis is based on the personal financial information you provide to your CIG Wealth Manager. Your Comprehensive Financial Plan may include recommendations on a variety of investment-related areas such as cash flow management, tax planning, risk management, education funding, retirement planning, estate planning, portfolio analysis, and investment plan creation among other services.

Fee Based Program: To assist in the implementation of your plan, we sponsor a Fee Based program, referred to as the “**Program**.” Through the Program, we provide ongoing Asset Management and Financial Planning services to individuals, trusts, estates, charitable organizations, corporations, employee benefit plans, and other business entities in which we direct and manage specified assets of our clients. The Program permits clients to authorize us to purchase and sell various securities on a discretionary basis. Securities utilized for investment in the Program may include fixed income, equities, exchange traded funds, options, mutual funds, real estate investment trusts, variable insurance products, and private investment vehicles in accordance with an asset allocation plan that we design and manage. You may limit our discretionary authority by providing our firm with your restrictions and guidelines in writing. The Program is designed for clients with assets under management greater than \$100,000. When opening a Program account, we obtain the necessary financial data from the client and assist in setting appropriate investment strategies and constraints. During any month that there is activity in a Program account, the client receives a monthly account statement from the fund's custodian or clearing broker-dealer showing account activity as well as positions held in the account at month end. Additionally, the client receives a confirmation of each transaction that occurs within the Program account.

Types of Services Offered – Private Investment Funds

This disclosure does not constitute an offer to sell, nor is it a solicitation of an offer to purchase an interest in any affiliated pooled investment vehicle managed by us.

Either we or one of our related persons manages our pooled investment vehicles. Each of the pooled investment vehicles are formed as a limited liability company or limited partnership. The general partner, in the case of a limited partnership, or managing member, in the case of a limited liability company, of each fund is responsible for the management of the fund. Before investing in any of our pooled investment vehicles, you should carefully read the Confidential Offering Memorandum of that particular fund, including all supplements to such Memorandum. There is no public market for the interests issued by any of our pooled investment vehicles nor is any expected to develop. There are also limitations on transferability as more fully disclosed in the applicable fund's Confidential Private Placement Memorandum. That means that if you invest in a pooled investment vehicle, you may be required to hold the investment for the entire term of the particular fund. Our pooled investment vehicles are as follows:

CIG Capital Partners, LP ("**CIG Capital Partners**") is a Delaware limited partnership. CIG Capital Partners was formed to invest in healthcare companies that have potential to deliver cost-effective services and products and have the ability to gain market share in their segments. CIG Venture Management, LLC, a Michigan limited liability company, is the general partner of CIG Capital Partners. Our Managing Principal, Mr. Minkara is the majority owner and executive officer of CIG Venture Management and, therefore, controls the operations and activities of CIG Capital Partners. We are the investment manager of CIG Capital Partners and have discretionary investment authority over the investment of CIG Capital Partners' assets. CIG Capital Partners is no longer open for new or additional investments.

Gen One-CIG, LLC ("**Gen One-CIG**") is a Delaware limited liability company. Gen One-CIG was formed to invest in a healthcare company. The managing member of Gen One-CIG is CIG Venture Management, LLC, a Michigan limited liability company. Our Managing Principal, Mr. Minkara is the majority owner and executive officer of CIG Venture Management and, therefore, controls the operations and activities of Gen One-CIG. Gen One-CIG is no longer open for new or additional investments.

Madison Business Park Investments, LLC ("**Madison Business Park**") is a Michigan limited liability company. Madison Business Park was formed to invest in real estate. The managing member of Madison Business Park is CIG Venture Management, LLC, a Michigan limited liability company. Our Managing Principal, Mr. Minkara is the majority owner and executive officer of CIG Venture Management and, therefore, controls the operations and activities of Madison Business Park. Madison Business Park is no longer open for new or additional investments.

Private Investment Funds, including those managed by us or one of our related persons, charge a variety of fees and charges against the assets invested in the fund by investors. This means that there will be two layers of advisory fees paid - one layer to the Private Investment Fund and one layer to our firm for our advisory services.

Types of Services – Subadvisory Services

In addition to managing our pooled investment vehicles, we may provide investment management services to other persons, including other private investment funds that use an investment program and strategy substantially similar to that used by one of our pooled investment vehicles. If we provide subadvisory services, the terms of our engagement will be set forth in a written sub advisory agreement.

Discretionary and Non-Discretionary Assets under Management

As of December 31, 2014, we manage approximately \$210,000,000 in discretionary assets.

FEES AND COMPENSATION

Fees

Comprehensive Financial Plan: We offer comprehensive financial planning services for individuals and businesses. The fee for a Comprehensive Financial Plan is a flat rate negotiated beforehand with the client and will range from \$2,500 to \$10,000. Rates are based on the expected hours required to produce the plan multiplied by a rate not to exceed \$500/hr. After completing your financial plan, your CIG Wealth Manager may find it necessary to recommend further analysis in a specific area that has not already been considered under this arrangement. If you choose to pursue further analysis, you will be asked to pay an additional fee, which your Wealth Manager will discuss with you prior to rendering these services. Any additional services provided will be billed at not more than \$500/hr.

Fee Based Program: Through the Program, we provide investment advisory services to individuals, trusts, estates, charitable organizations, corporations, employee benefit plans, and other business entities in which we direct and manage specified assets of our clients. Although we may negotiate our fee under certain circumstances, our standard (tiered) Fee Schedule for the Program is as follows:

<u>Assets Under Management</u>	<u>Annual Fee</u>
On amounts up to \$250,000	2.5%*
On amounts from \$250,001 - \$500,000	2.0%
On amounts from \$500,001 - \$750,000	1.8%
On amounts from \$750,001 - \$1,000,000	1.5%
On amounts from \$1,000,001 - \$1,500,000	1.0%
Any amount over \$1,500,000	0.8%

****Minimum Fee: \$750 per quarter***

The Advisory Fees described above cover only the services provided under the Investment Advisory Agreement. The Advisory Fee is negotiable and is paid quarterly, in advance, and is based upon the value of the Program assets under management as of the close of business on the last business day of the preceding quarter as valued by an independent pricing service, where available, or otherwise in good faith as reflected on Client's quarterly portfolio evaluation report. Additional deposits of funds and/or securities will be subject to the same billing procedures. This includes deposits of cash and any other securities approved for investment in the Program Account.

In addition to Advisory Fees, the account may be assessed a transaction charge ("Transaction Charge") to defray the costs associated with trade execution. Although the Transaction Charge is identified under the commission column on the confirmation, it represents a reimbursement of transaction costs and not commissions. The amount of each Transaction Charge is determined by the custodian. A sample Transaction Charge schedule follows:

Equities & Exchange Traded Funds	\$ 10.00/Order
Fixed Income Securities	\$ 14.00/Order
Mutual Funds (Load & No Load)	\$ 10.00/Order

** Transaction Charges subject to change*

Accounts may also be charged standard Brokerage Account fees by the custodian for items such as annual custodial fees for qualified accounts, vault and fees for safekeeping of certificates, ACAT & termination fees, fees charged by the SEC on transactions, etc. Technology costs are a portion of the fees assessed to us by a third party vendor who provides our clients with on-line access to consolidated account and performance reports. We are currently passing through \$6.25 per quarter, per account, to our clients as Technology costs.

Commissions and Mark Ups

We are affiliated with CIG Securities, Inc. ("**CIG Securities**"), an SEC registered broker-dealer and FINRA member. Our principal executive officers and other related employees are generally officers, managers, and/or registered representatives of CIG Securities. We also have an affiliate, CIG Risk Management, Inc. ("**CIG Risk Management**"), which is a licensed insurance agency. Some of our employees are also insurance agents of CIG Risk Management. CIG Securities and its registered representatives may effect limited securities transactions for our advisory clients and receive customary compensation for some of these transactions. If you participate in our Program, payment of commissions for certain non-traded limited partnerships will not increase the fee that you pay, however it can decrease the amount you have invested in the partnership. If you buy an insurance product from CIG Securities or CIG Risk Management, the companies and/or its representatives/agents may receive a commission. In order to mitigate any potential conflict which would exist when we recommend you purchase insurance products which pay us a commission, we will waive our investment advisory fee on those assets for the first year in which they are invested.

Other Fees and Expenses

Mutual funds, exchange-traded funds and notes, as well as the separate accounts of variable insurance products charge their investors various advisory fees and expenses associated with their establishment and operations. These fees and expenses generally include a management fee, shareholder servicing fees, portfolio transaction costs, other fund expenses, and sometimes a distribution fee. With regard to mutual funds, you may have also paid a sales charge on your investment in the fund. All of these separate fees are disclosed in each investment's current prospectus, which you may obtain from the issuer or, upon request, from us.

Consequently, for any of these kinds of investments, it is important for you to understand that you may directly, and/or indirectly, be paying two levels of advisory fees and expenses: one layer of fees at the investment product level and one layer of advisory fees to us. Generally speaking, most of these investment types may be purchased directly without using our services and incurring our advisory fees.

Fees on Our Private Investment Funds

If you invest in one of our Private Investment Funds, you will pay two layers of fees to us. You will pay an Advisory Fee based upon the value of the Program assets under management as described above and you will pay a fee to the manager of the private fund, who is our affiliate. The fee to the manager of the private investment fund is typically an asset based fee and some funds charge a performance fee as more specifically described in the Confidential Private Placement Memorandum as may be supplemented.

Termination

The Investment Advisory Agreement may be terminated by either party effective upon receipt of 30 days prior written notice to the other party. Your death, disability, or incompetence will not terminate or change the terms of the Investment Advisory Agreement. However, your executor, guardian, attorney-in-fact, or other authorized representative may terminate our Investment Advisory Agreement with you by providing us with proper written notice. Termination will not affect (i) the validity of any action we previously took under the Investment Advisory Agreement; (ii) liabilities or obligations of the parties from transactions initiated before termination; or (iii) your obligation to pay our fees already incurred. Upon termination, we prorate your fee through the date of termination and refund you any remaining balance, as appropriate.

PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT

We do not accept performance-based fees or participate in side-by-side management. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Our fees are calculated as described in the Fees and Compensation section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

TYPES OF CLIENTS

We provide our services to individuals, trusts, estates, charitable organizations, corporations, employee benefit plans, and other business entities. Generally, we require you to have assets under management greater than \$100,000 to open an account in the Program.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS

Methods of Analysis

We work with our clients to identify the appropriate level of risk and required rate of return needed to achieve their agreed upon long-term financial goals. We believe in the importance of diversifying investments in our clients' portfolios in order to best aid in achieving their goals. We do this primarily through our asset allocation methodology. This is the process of dividing investments among asset classes in an effort to achieve diversification, improve returns and reduce risk over time. At the core of our allocation approach is a methodology known as *strategic* asset allocation. Strategic asset allocation is the method by which we set long-term target allocations to applicable investable asset classes with the highest likelihood of meeting long-term investment goals. Strategic asset allocation is the beta decision or risk associated with market exposure.

Our approach to asset allocation is as follows:

- Identify relevant asset classes
- Estimate the returns, risks, and correlations of the relevant asset classes based on capital market conditions.
- Use mean-variance optimization to create an efficient frontier.
- Select a point on the efficient frontier or select a mix of the risk-free asset and the optimum risky asset allocation based on an estimated risk tolerance level.

Selecting asset classes - asset classes have been appropriately specified if:

- Assets in the class are similar from a descriptive as well as a statistical perspective;
- They are not highly correlated so they provide the desired diversification;
- Individual assets cannot be classified into more than one class;
- They cover the majority of all possible investable assets;
- They contain a sufficiently large percentage of liquid assets in order to rebalance.

We utilize up to eight main asset classes to target our allocations. Each asset class has been carefully selected to their different return and risk characteristics and the fact that they have a low correlation to each other. Low correlation helps to reduce the volatility of the overall portfolio returns. We often use Exchange Traded Funds (ETFs) as a proxy for gaining asset class exposure because we feel they are more liquid, generally have lower expense ratios than mutual funds, and can provide real-time market performance.

The types of asset classes applied to client portfolios are based on several factors such as liquidity, tax rates, and risk profile. These are discussed in more detail below:

Cash: we may use a multiple of cash instruments as part of the portfolio allocation including, but not limited to money markets, CDs, and treasuries;

Fixed Income: we may use actual bond holdings as well as ETFs that track fixed income exposure, closed end funds, and preferred stocks as part of our portfolio allocation. Types of Fixed Income holdings may include, but are not limited to government, government agencies, corporate, and municipal fixed income securities. We allocate between these security types given current bond market conditions;

Equities: we may use individual equity securities as well as an assortment of ETFs that track specific equity style exposure. Our allocations include large-cap growth, large-cap value, small-cap growth, small-cap value, and sector based ETFs that target specific industries like biotechnology, semiconductors, etc.;

International Equities: we may use international equity securities as well as an assortment of ETFs that track developed and emerging markets. From time to time we may target individual country-specific indexes if we feel it is advantageous to do if a number of fundamental, macroeconomic, and technical conditions exist.

Options: we may, from time to time, utilize options on individual equity securities or exchange traded ETFs in our portfolios. Options may be more risky than owning an individual equity or ETF, however, they may be beneficial to a portfolio depending on certain market conditions for use in hedging strategies, etc.;

REITs: we may use publically traded as well as non-traded public REITs as part of our portfolio allocation. We may diversify client holdings among various vendors as well as different types of real estate held based on factors such as geographic locations and leverage employed. Although, non-traded public REITs tend be illiquid (7+ yr. time frame), some providers allow put back provisions on an annual basis. Publically traded REIT ETFs may be used to invest in real estate holdings which allows for maintaining the liquidity and flexibility of exchange traded stocks.

Commodities: we may use broad-based Exchange Traded Notes (ETN) that track different types of commodities held in the Dow Jones UBS Commodity Index as part of our portfolio allocation. Commodities tracked may include oil, gold, soybeans, corn, copper, natural gas, wheat, aluminum, silver, and live cattle. We may also use managed futures as part of our strategy to gain access to commodities.

Other Alternative Assets: we may use various programs such as Absolute Return Funds, Long/ Short US Equity funds, Private Equity Funds, etc. as a non-market correlated equity exposure within our portfolio allocation.

Investment Strategies

Our Strategic Model

Within our Strategic Model strategy assets are invested in accordance with an asset allocation plan that we design and manage. Portfolios under our Strategic Model will be periodically repositioned based on pre-set allocation drift parameters. We manage these assets utilizing a strategic allocation approach that seeks to target exposure to a set of non-correlated asset classes based on the tenants of modern portfolio theory, a theory of investment which attempts to maximize portfolio expected return for a given amount of portfolio risk, which is anticipated to provide an optimal level of diversification over the long term. Risk Management under our Strategic Model is managed two ways: Through our strategic allocation process where we attempt to distribute risk across a variety of distinct and low correlated asset classes which is intended to give the portfolio cushion to weather any expected, or unexpected volatility swings. We may also control concentration risk by utilizing broad-based index ETFs within each asset class.

Strategic Allocation Models – periodic rebalancing based on allocation drift parameters:

- CIG Strategic: Aggressive Growth - An aggressive portfolio that is appropriate for an investor with a high risk tolerance and generally a time horizon greater than 10 years. The model seeks long-term capital growth through investments across major asset classes including, but not limited to U.S. equities, international equities, bonds and cash.
- CIG Strategic: Growth – A growth-oriented portfolio that is generally designed for investors with an investment time horizon of seven years to 10 years who seek the potential for capital growth and diversification across multiple asset classes and investment strategies. The model seeks capital appreciation using securities allocated across major asset classes including, but not limited to U.S. equities, international equities, bonds and cash. Under this model Investors are prepared to accept a moderate risk of capital loss to achieve this objective.
- CIG Strategic: Balanced – A balanced portfolio is generally appropriate for an investor with a moderate risk tolerance and a time horizon approximately five to seven years. Balanced investors are willing to accept periods of moderate market volatility in exchange for the possibility of receiving returns that outpace inflation by a significant margin. The Fund seeks long-term capital growth and current income through investments allocated across major asset classes including, but not limited to U.S. equities, international equities, bonds and cash.
- CIG Strategic: Capital Preservation - A conservative portfolio that is appropriate for an investor with a low risk tolerance. Conservative investors are not willing to accept periods of extreme market volatility and are seeking returns that match or slightly outpace inflation. This portfolio is designed for investors whose main objective is stability of income and capital protection. A lower risk of capital loss can be expected, but overall returns are also likely to be lower.

Our Dynamic Model

Within our Dynamic Model strategy we will employ tactical repositioning of the asset classes, in accordance with our dynamic asset modeling. Tactical changes within the portfolio may involve the rotation among approved securities within each asset class as well as varying the exposure levels at the asset class level, above or below our strategic allocation guidelines. This strategy allows us to potentially create extra value to the client by taking advantage of current economic conditions and asset class return/risk assumptions due to market price anomalies or other situations in the marketplace. Our Dynamic model is designed as a moderately active strategy since the intent is to return to the portfolio's long-term strategic asset mix when desired short-to-intermediate-term objectives are achieved. Risk Management under the Dynamic Model is managed several ways: First, through our strategic allocation process where we attempt to distribute risk across a variety of distinct and low correlated asset classes - this is intended to give the portfolio cushion to weather any expected or unexpected volatility swings. Secondly, exposure levels are controlled at the asset class level with target levels of exposure varied based on perceived near term risk. This may result in exposure levels ranging from highly concentrated to zero exposure depending on the risk/reward characteristics of the short-to-intermediate-term outlook for each asset class. We may also control concentration risk by utilizing broad-based index ETFs within each asset class.

Dynamic Allocation Models – active rebalancing:

- CIG Dynamic: Aggressive Growth - An aggressive portfolio that is appropriate for an investor with a high risk tolerance and generally a time horizon greater than 10 years. The model seeks long-term capital growth through investments across major asset classes including, but not limited to U.S. equities, international equities, bonds and cash.
- CIG Dynamic: Growth - A growth-oriented portfolio that is generally designed for investors with an investment time horizon of seven years to 10 years who seek the potential for capital growth and diversification across multiple asset classes and investment strategies. The model seeks capital appreciation using securities allocated across major asset classes including, but not limited to U.S. equities, international equities, bonds and cash. Under this model Investors are prepared to accept a moderate risk of capital loss to achieve this objective.
- CIG Dynamic: Balanced - A balanced portfolio is generally appropriate for an investor with a moderate risk tolerance and a time horizon approximately five to seven years. Balanced investors are willing to accept periods of moderate market volatility in exchange for the possibility of receiving returns that outpace inflation by a significant margin. The Fund seeks long-term capital growth and current income through investments allocated across major asset classes including, but not limited to U.S. equities, international equities, bonds and cash.

- CIG Dynamic: Capital Preservation - A conservative portfolio that is appropriate for an investor with a low risk tolerance. Conservative investors are not willing to accept periods of extreme market volatility and are seeking returns that match or slightly outpace inflation. This portfolio is designed for investors whose main objective is stability of income and capital protection. A lower risk of capital loss can be expected, but overall returns are also likely to be lower.

Risk of Loss

In general, investing in securities involves risk of loss that clients should be prepared to bear. Investing involves substantial risks, including possible loss of principal or other losses and may not be suitable for many members of the public. Different securities carry different types and degrees of risk and you should familiarize yourself with the risks involved in the particular market instruments you intend to invest in. While we strive to render our best judgment on your behalf, many economic and market variables beyond our control can affect the performance of your investments and we cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

DISCIPLINARY INFORMATION

As a registered investment advisor, we must inform you of all material facts regarding any legal or disciplinary events that would be material to your evaluation of our firm or the integrity of our management. We have no legal or disciplinary events to disclose.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Our Affiliated Broker-Dealer

We are under common control and ownership, and therefore affiliated with, CIG Securities, an SEC registered broker-dealer and FINRA member. Osman Minkara is the Chief Executive Officer of both our firm and CIG Securities and is sole owner of both companies by virtue of his ownership in our parent company CIG Capital Advisors. Many, but not necessarily all of our IARs also may conduct general securities business as Registered Representatives of CIG Securities. These activities are fully disclosed to the client. Osman Minkara, Chief Executive Officer, Richard Gonzales, Chief Operating Officer, Paul Schapira, Alternative Investments and Kenneth Chaput, Chief Compliance Officer are all registered representatives of CIG Securities.

Our Affiliated Insurance Agency

We are under common control and ownership, and therefore affiliated with, CIG Risk Management, a licensed insurance agency. Osman Minkara is the Chief Executive Officer of both our firm and CIG Risk Management and is sole owner of both companies by virtue of his ownership in our parent company CIG Capital Advisors. Many, but not necessarily all of our IARs also may conduct insurance business as agents of CIG Risk Management. These activities are fully disclosed to the client. As licensed insurance agents, individuals may sell life and disability insurance policies to you. In that event, CIG Risk Management receives separate and customary compensation for the sale of insurance and may pay a portion of the compensation to the licensed insurance agent, who is also our IAR. This creates a conflict of interest because premiums on insurance policies are generally higher in the first year than our investment advisory fees for the same level of assets. We mitigate this potential conflict by not requiring you to use an affiliated insurance agent, and you are free to purchase any recommended insurance products from an unaffiliated insurance agent.

Our Private Investment Funds

We are an investment manager for the pooled investment vehicles or funds described under “**Types of Services Offered – Private Investment Funds**” beginning on page 2. Each of the pooled investment vehicles are formed as a limited liability companies or limited partnerships.

We, as investment manager, or the general partner of the funds receive payment of a percentage of assets invested in and/or performance fees based on the performance of the assets invested in the pooled vehicle. The performance of the management functions present conflicts of interest. We, along with our affiliates who are acting as the manager of the funds, will attempt to resolve these conflicts of interest in a manner consistent with their fiduciary duties to the respective entities with which they are affiliated.

For additional information on the conflicts of interests relating to our private investment funds, please read the Confidential Private Placement Memorandum, as may be supplemented, relating to each fund.

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

Code of Ethics Description

Along with CIG Capital Advisors, our holding company, and CIG Securities, our affiliated broker/dealer, we have adopted a joint Code of Ethics (the “Code”) in compliance with Rule 204A-1 of the Investment Advisers Act of 1940. The Code establishes rules of conduct for our employees and is designed to, among other things; govern personal securities trading activities in the accounts of our employees. The Code contains general ethical principles and personal securities reporting provisions for our employees. In summary, the Code prohibits our

employees from taking inappropriate advantage of their positions and the access to information concerning the investments or investment intentions of our clients, or their ability to influence such investment intentions, for personal gain or in a manner detrimental to the interests of its clients. Rule 204A-1 makes it unlawful for our employees to engage in conduct which is deceitful, fraudulent, or manipulative, or which involve false or misleading statements in connection with the purchase or sale of securities. The Code acknowledges the general principles that we, along with our employees: (1) owe a fiduciary obligation to its clients; (2) have the duty at all times to place the interests of their clients first; (3) must conduct all personal securities transactions in such a manner as to avoid any actual or potential conflict of interest or abuse of an individual's position of trust and responsibility; (4) should not take inappropriate advantage of their positions in relation to client accounts; (5) must comply with the federal securities laws; and (6) must safeguard nonpublic information.

Additional Procedures

In addition to our Code of Ethics, we have adopted the following procedures to help identify any potential conflicts of interest:

- We maintain records of all securities holdings for our clients, our employees, and affiliated parties. These holdings are reviewed on a regular basis by our compliance personnel.
- No persons shall cause, or attempt to cause, any of our clients to purchase, sell, or hold any interest in a security in a manner calculated to create any personal benefit or benefit of any employee account. None of our associated persons shall buy or sell securities for their personal portfolio(s) when their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also readily available to the investing public.
- We require our employees to submit quarterly reports, and acknowledge the firm's policies and procedures with respect to the Code on an annual basis.
- Our compliance personnel review each employee's personal trading accounts on a regular basis.
- Any employee not in observance of the above may be subject to disciplinary action, and possible termination.

BROKERAGE PRACTICES

Directed Brokerage in our Fee Based Program

If you participate in our Program, we recommend you utilize the services of CIG Securities, Inc., our affiliated broker dealer for brokerage services. Not all investment advisors recommend their clients use a particular broker-dealer.

Our Program creates a conflict of interest, because our fee may include fees that our affiliate, CIG Securities, is entitled to receive with respect to the placing of trades on behalf of our clients participating in the Program. Thus, because CIG Securities is our affiliate, and because we may absorb transaction costs for some of our clients, we may have a financial incentive to infrequently trade our Program client accounts because infrequent trades would increase our net fee. To mitigate this conflict of interest in our Program, we have implemented policies and procedures to review accounts in the program regularly for inactivity and/or infrequent trading. In addition, prior to your participation in the Program, we will determine if a fee based arrangement is suitable for you. We also have policies and procedures in place to monitor for best execution.

If you choose not to utilize the services of CIG Securities, for use in the Program, you may direct us to utilize a specified broker dealer of your choice to effect transactions for, or with your account. You should understand that, in the case of such a directed brokerage arrangement:

- You will be solely responsible for negotiating the terms and arrangements on which those brokers and dealers are engaged, and we will have no responsibility for reviewing the fairness of those terms and arrangements;
- We will not seek better execution services or prices from other brokers and dealers in connection with transactions for your account;
- We will not be able to “batch” or “aggregate” transactions for your account with transactions for our other clients not subject to a similar such arrangement;
- We will not monitor the performance of or the services provided by the brokers and dealers so designated;
- We have negotiated discount transaction costs and do not charge commissions or mark ups on trades directed through our affiliated broker-dealer; therefore you may pay higher commissions or other transaction costs, greater spreads, or receive less favorable net prices on transactions for the account than would otherwise be the case.

When persons associated with us effect securities transactions as registered representatives of CIG Securities, CIG Securities may receive separate and customary compensation for this activity and may pay a portion of the compensation to these individuals. In some circumstances, CIG Securities may receive customary compensation from mutual fund companies, insurance companies or other investment companies including 12b-1 fees, for performing certain administrative and/or shareholder servicing related tasks associated with your investments in such securities. Any such compensation or fees received by CIG Securities will not be credited against the fees otherwise payable by you to us, but will be in addition to those fees unless described otherwise above.

Trade Aggregation, Allocation Policy, and Partial Fills

We may aggregate (combine) orders for securities transactions on a portfolio model basis such that all client accounts invested in accordance with the same portfolio model will be traded in a block trade. In doing so, we strive to treat each client fairly and will not favor one client over another client. Each account that participates in a block order will participate at the average share price for all transactions ordered by us in that security on a given business Day. If a block order is partially filled, it may be allocated among participating accounts on a pro-rata basis. However, if the partial fill is determined to be inappropriate for an account such that the number of shares for a particular account would be too few to warrant the investment or result in partial shares, then the shares will not be allocated to that account. If the security is so thinly traded that we are unable to obtain sufficient shares for all clients, it is possible that the entire trade would be cancelled.

We will not aggregate trades for your accounts if you have placed restrictions on your accounts or when your account is subject to customized management. We have some accounts where the clients have required that we implement exceptions to trading the account in accordance with our model portfolios and those accounts are not subject to block trading. We are unable to include these accounts in our block trade because the restrictions placed on the account by the client require individual review before we make any trades. Thus, if you place restrictions on your account, we will not aggregate your trades with that of our other clients.

Trade Error Policy

It is our policy not to pass on any trade losses to any of the Company's clients. We have the responsibility to effect orders correctly, promptly, and in the best interests of our clients. In the event any error occurs in the handling of any client transactions due to our actions or inaction, or actions of others, our policy is to seek to identify and correct any errors as promptly as possible without disadvantaging the client or benefiting ourselves in any way.

Errors may occur either in the investment decision-making process (e.g. a decision may be to purchase a security or an amount of security that violates the client's investment restrictions) or in the trading process (e.g. buy order may be executed as a sell or a security other than that which the portfolio manager ordered may be purchased or sold). For purposes of this policy, errors in both investment decision making and/or trading are referred to as trade errors. Internal or clerical mistakes that affect the investment or trading process and have a financial impact on the client also will be treated as trade errors. If the error is a result of our error, any client transaction will be immediately corrected. We will reimburse the client for any loss resulting from an inaccurate or erroneous order that is a result of our error. If a gain results from an error, we may retain such gain in our trade error account or, at our discretion, allocate the gain to the client's account affected by the error.

Our management team generally meets, as necessary, to review reported errors. Possible errors may be identified by us, our clients, financial representatives, or others. Management will review the facts surrounding each circumstance to determine whether an error has occurred. If Management determines an error has occurred, it will consider (i) the

nature and cause of the error, (ii) whether the client has been disadvantaged by the error, and (iii) suitability of the allocations resulting from an error. Unsuitable trades will always be resolved in the client's favor. If necessary, we will perform calculations to determine whether the client has experienced a loss resulting from our error and we will offset any losses against gains resulting from the same error. Generally, we will credit the affected client's next advisory fee invoice for the amount of a loss determined to be our responsibility. In cases where we determine it is not appropriate to credit advisory fees, we may issue a check to the client's custodian for the amount of the loss to be deposited into the client's account, or under some circumstances a check may be sent directly to the client. We will notify clients of errors caused by us that resulted in a loss of more than \$50. Errors less than \$50 will be corrected in the client's account, but no notification will be sent to the client.

Our policy and practice is to monitor and reconcile all trading activity, identify and resolve any trade errors promptly, document each trade error with appropriate supervisory approval, and maintain a trade error file. Any errors in the trade memoranda will be flagged either by the custodian(s) or by our staff and shall be corrected by transmitting a revised trade sheet. Any trade correction or order allocation error will be reported to the CCO and will be corrected on the same day, by the custodian, at the instruction of the our staff. Any error in trading or any trade not carried out in accordance with the procedures described herein must be reported to the CCO using the Error Report Form.

Soft Dollars

We have not and do not intend to enter into any contractual third-party soft-dollar arrangements, such as where we commit to place a specific level of brokerage with a specific firm in return for which the brokerage firm will pay for various research related products or services for us, such as communications links or services, computer hardware or software, investment publication subscriptions, or other research related products/services that are generally available for cash purchase.

REVIEW OF ACCOUNTS

Account Reviews

We review managed accounts regularly; however, unusual market conditions, client requests, and a change in client circumstances may trigger more frequent reviews. Wealth Managers are responsible for account reviews. Our Chief Compliance Officer also initiates random reviews for proper suitability. Financial planning agreements usually terminate upon delivery of the plan; however, advisors may perform additional reviews at the client's request for an additional charge or under a new agreement.

Our senior portfolio manager reviews each strategy, the relative strength, momentum and price movement of each asset class and client allocations are weighted to best meet individual risk tolerances and objectives based on the client's selected investment management service. During the daily analysis of economic indicators, should it determine major allocation movements may be necessary, our risk management committee will be consulted to review

recommendations for approval. Our senior portfolio manager is responsible for monitoring the asset allocations on a daily basis.

All Fee Based clients are asked to meet with their Investment Advisor Representative on at least an annual basis. Together, the client and the IAR determine whether a change in their objectives warrants a change in the criteria used to manage their assets. If the information is current, no changes are required. If any information has changed, clients must promptly advise us of these changes. Your client arrangement includes periodic consultations at no additional charge.

We facilitate account reviews through an arrangement with Tamarac-Envestnet (“**Tamarac**”). We have engaged Tamarac to provide certain “back office” systems, which enable us to gather and aggregate client data from multiple platforms and providers, maintain portfolio models, review models and accounts for variances, analyze account performance, generate quarterly reports, facilitate the trading of client accounts and make information available to clients, on-line, in a secure manner.

Client Reports

Your custodian will provide you with an account statement, at least quarterly, identifying the amount of funds and of each security in your account at the end of the reporting period and detailing all transactions in your account during the reporting period. We also make various reports and performance evaluations accessible to you via secure internet access. We ask that you compare the information contained in any of the reports that we provide to you, to the account statement you received from the custodian in order to verify the information we have provided. Please notify us should you have any concerns regarding such statements and reports or note any discrepancies.

CLIENT REFERRALS AND OTHER COMPENSATION

We do not receive an economic benefit for providing referrals for investment advice or other advisory services to our clients. We do not directly or indirectly compensate any person who is not a supervised person for client referrals; however, we may compensate employees for referrals.

CUSTODY

We directly debit your account(s) for the payment of our advisory fees. This ability to deduct advisory fees from your accounts causes our firm to exercise limited custody over your funds or securities. We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with another broker-dealer or other independent qualified custodian. You will receive account statements from the custodian holding your funds and securities at least quarterly. The account statements from your custodian will indicate the amount of the advisory fees we deducted from your accounts each billing period. You should carefully review the account statements for accuracy.

We also make available, for our clients, electronic aggregated account reports. We recommend that you compare the information contained in this report to the statement you received from your custodian in order to verify the information we have provided and prior to using any portion for tax reporting purposes.

We are deemed to have custody of the assets held in the private investment vehicles managed by us, or one of our affiliates. To comply with Rule 206(4)-2 of the Investment Advisers Act of 1940, each of our private investment vehicles is audited by a certified public accounting firm registered with the Public Company Accounting Oversight Board. Investors in our private investment vehicles receive annual audited financial statements from the private investment vehicle.

INVESTMENT DISCRETION

We accept discretionary authority to manage securities accounts on behalf of our clients. You generally grant us this discretionary authority in our written Investment Advisory Agreement. Discretionary authority grants us the ability to determine, without obtaining your specific consent, the securities to be bought or sold for your portfolio, the amount of securities to be bought or sold, and in what account (if applicable) securities are bought and sold. You may limit the extent of discretionary authority given to specific accounts, actions, or types of investments by providing us with such limitations and restrictions in writing at the time we execute our Investment Advisory Agreement. You give and/or restrict discretionary authority via execution of our Investment Advisory Agreement and any addendum(s).

VOTING CLIENT SECURITIES

We do not receive proxies for securities held in client accounts. Unless otherwise agreed to in writing, it is our policy not to vote, nor give any advice regarding how to vote, proxies for securities held in your accounts. Proxies for securities held in your accounts will be received by you directly from the custodian of your assets, or will be handled as otherwise agreed between you and the custodian.

FINANCIAL INFORMATION

As a registered investment advisor, we must provide you with certain financial information or disclosures about our financial condition if we have financial commitments that impair our ability to meet contractual and fiduciary commitments to you. We have not been the subject of a bankruptcy proceeding and do not have any financial commitments that would impair our ability to meet any contractual or fiduciary commitments to you.

REQUIREMENTS FOR STATE-REGISTERED ADVISORS

This section is intentionally left blank - our firm is SEC registered.