

**TOTAL COMPENSATION GROUP
INVESTMENT ADVISORY SERVICES, LP
(dba TCG ADVISORS, LP)**

**900 South Capital of Texas Highway, Suite 350
512.306.9939**

www.tcginvestments.com

March 17, 2016

This Brochure provides information about the qualifications and business practices of TCG ADVISORS, LP. If you have any questions about the contents of this Brochure, please contact David E. Friedman at 512.600.5225 or dfriedman@tcgservices.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

TCG ADVISORS, LP is a registered Investment Advisor. Registration of an Investment Advisor does not imply any level of skill or training. The oral and written communications of an Advisor provide you with information which will help you determine to hire or retain an Advisor.

Additional information about TCG ADVISORS, LP also is available on the SEC's website at www.advisorinfo.sec.gov. Input "Total Compensation Group" to search for us.

Item 2 — Material Changes

Pursuant to new SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

You may request our Brochure by contacting David E. Friedman at 512.600.5225 or dfriedman@tcgservices.com. Our Brochure is also available on our website, www.tcgservices.com, also free of charge.

Additional information about TCG Advisors, LP is also available via the SEC's web site www.adviserinfo.sec.gov. The SEC's web site also provides information about any persons affiliated with TCG Advisors, LP who are registered, or are required to be registered, as investment advisor representatives of TCG Advisors, LP.

TCG Advisors is now a Municipal Advisor registered with the Municipal Securities Rulemaking Board (MSRB). We have a new investment program—the Managed Asset Portfolio Program (MAPP)—available to public entities in Texas.

Item 3 — Table of Contents

Item 2 — Material Changes.....	2
Item 3 — Table of Contents	3
Item 4 — Advisory Business	5
Who We Are	5
Portfolio Management	5
Par 4—USA	6
Par 4—International	7
TCG Select Investors, LLC	7
TCG Select Investors Two, LLC.....	8
TCG Select Investors Three, LLC	9
Transfers of Interests	10
Managed Asset Portfolio Program (MAPP).....	10
Single Member LLCs	11
Retirement and Financial Plans	11
Assets Under Management	11
Item 5 — Fees and Compensation.....	12
Asset Management Fees	12
(MAPP) Fees.....	13
Retirement and Financial Plan Fees.....	13
Item 6 — Performance-Based Fees and Side-By-Side Management	14
Item 7 — Types of Clients	15
Item 8 — Methods of Analysis, Investment Strategies and Risk of Loss	15
Analysis Methods for Individual Client Managed Accounts.....	15
Analysis Methods for Institutional Accounts	16
Item 9 — Disciplinary Information	16
Item 10 — Other Financial Industry Activities and Affiliations	16
TCG Consulting.....	16
Fairway Asset Management, LLC.....	17
TCG Administrators.....	17
TCG Benefits, LLC.....	17
Item 11 — Code of Ethics	17
Personal Securities Transactions.....	17
Trade Order Practices.....	18
Cross Securities Transactions	18
Item 12 — Brokerage Practices	19
Item 13 — Review of Accounts	19
Managed Accounts.....	19
Institutional Accounts.....	19
Accounts with Outside Managers.....	20
Item 14 — Client Referrals and Other Compensation.....	20
Item 15 — Custody	21

Item 16 — Investment Discretion.....	21
Item 17 — Voting Client Securities	22
Item 18 — Financial Information	22
Item 19 — Requirements for State-Registered Advisors.....	22

Item 4 — Advisory Business

Who We Are

TCG ADVISORS, LP (the “Advisor”) has operated since 2001. We are a privately-held partnership owned by Total Compensation Group Holdings, LLP and Total Compensation Group Investment Advisory Services Management, LLC. John J. Pesce, CEO, and Mike W. Cochran, Chairman, are the Founding Partners. John J. Pesce is the single largest partner of TCG Group Holdings, LLP and the single largest member of Total Compensation Group Investment Advisory Services Management, LLC.

We provide investment advisory services and detailed, written financial and retirement plans to individuals, pension and profit-sharing plans, trusts, businesses, individual retirement accounts, state and municipal government retirement plans, public school district general obligation and project development funds, and sub-advisory services to insurance companies and other entities. Occasionally, we provide non-securities related advice to our Clients, such as advice on compensation, retirement plans and benefits for employees. In designing our services, we consider the Client’s financial situation, investment objectives, time horizon, risk tolerance and other Client needs.

Through our affiliate—Total Compensation Group Consulting, LP (“TCG Consulting”)—we also provide consulting services to institutional Clients to analyze and to assist in preparing Requests for Proposals for insurance and investment products, and to employers and employees on the negotiation of terms for employment contracts. Some of these Clients are also investment advisory Clients of TCG ADVISORS, LP.

Portfolio Management

We design and manage eight (8) discretionary investment portfolios for individual Clients—the Managed Account Program (also referred to as “MAP”). “Discretionary” means that the Client, you, gives us permission to make trades in your account(s) without first getting your approval. If you have securities in your account that you do not want traded, we will segregate those securities and only trade the remainder of the account(s).

We seek to manage risk by using a mixture of growth equities (usually exchange traded funds (ETFs), but also mutual funds) and fixed income investments (bonds, fixed income ETFs, bond funds and other cash equivalent funds). The portfolios range from a speculative tactical model invested 100% in growth equities to a conservative preservation tactical model invested 100% in fixed income investments. The models are

- Aggressive Growth
- Growth
- Balanced
- Conservative
- Preservation
- TCG Tactical Model 100% Equities

- TCG Tactical Balanced Model
- TCG Tactical Model 100% Fixed Income

We also have a discretionary model that is a Rotation Model (Sector / Country). The model can be invested 100% in cash. In some instances, this portfolio may be the used as your core investment.

With the exception of the tactical models, you may invest one hundred percent (100%) in one of our other six models as your core asset, or you may choose to have some of your assets in one of our satellite allocations. (When using the satellite with the core assets, the split is usually 80% core and 20% satellite, though this may vary based upon your total investable assets.) The satellite allocation seeks to increase the *Alpha* of your portfolio. *Alpha* is a measurement of the performance of your portfolio on a risk-adjusted basis, comparing the volatility or price risk of your investment to its risk-adjusted performance compared to an appropriate benchmark (e.g., the S&P 500, the Lehman Brothers Aggregate Bond Index, etc.). The higher the *Alpha* is the better the return is for the expected risk. Remember that past performance is not, however, a guarantee of future returns.

We discuss each Client's tolerance for risk when assisting him/her in deciding into which portfolio his/her account(s) should be invested. All Clients are given an Investment Policy Statement that will

- establish reasonable expectations, objectives, and guidelines in the investment of the Portfolio's assets;
- set forth an investment structure detailing permitted asset classes, normal allocations and permissible ranges of exposure for the Portfolio;
- encourage effective communication between the Investor and the Advisor; and
- create the framework for a well diversified asset mix that can be expected to generate acceptable long-term returns at a level of risk suitable to the Investor.

We review accounts on a regular basis and then we discuss that analysis with each Client to determine if he/she should continue in such portfolio or change into a new one based upon current circumstances.

Par 4—USA

Our "Par 4—USA" equity strategy is a domestic large cap equity portfolio designed to generate a flow of steady current income as well as provide the potential for long term capital appreciation. The portfolio is comprised of 25 blue chip common stocks in evenly weighted positions (4% in each stock) to minimize stock specific risk; the Par 4—USA portfolio is broadly diversified among the major industry groups to help minimize economic sector risk. Individual stock positions are selected based on each company's sound fundamentals and its ability to pay substantial regular dividends. We target the

average current yield of the Par 4—USA portfolio at 4%, though there is no guarantee that we will achieve such yield.

Par 4—International

Our “Par 4—International” equity strategy is an international (ex-United States) large cap equity portfolio designed to generate a flow of steady current income as well as provide the potential for long term capital appreciation. The portfolio is comprised of 25 blue chip common stocks in evenly weighted positions (4% in each stock) to minimize stock specific risk; the Par 4—International portfolio is broadly diversified among the major industry groups to help minimize economic sector risk. Individual stock positions are selected based on each company’s sound fundamentals and its ability to pay substantial regular dividends. We target the average current yield of the Par 4—International portfolio at 4%, though there is no guarantee that we will achieve such yield.

TCG Select Investors, LLC

TCG Select Investors, LLC is a limited liability company formed to provide a business loan to Excel Finance Holding Company (“Excel Holdings”), Excel Finance Company, a Texas corporation (“Excel Texas”) and Excel Finance Company, a Louisiana corporation (“Excel Louisiana”). The members of TCG Select Investors, LLC are charged an annual one percent (1.0%) management fee on a monthly basis at a rate of 0.000833333. Only Accredited Investors or Qualified Clients may participate in this alternative investment.

TCG Select Investors, LLC may acquire thinly traded investments that are difficult to dispose of quickly. In addition, investments that were once liquid may become illiquid, making it difficult to acquire or dispose of them at the prices at which they are valued by TCG Select Investors, LLC and/or its administrator and/or its auditor. TCG Select Investors, LLC’s ability to respond to market movements may be impaired and TCG Select Investors, LLC may experience adverse price movements upon liquidation of its investments.

Illiquid securities may sell at a lower price than similar securities that are not illiquid, and the sale of illiquid investments often requires more time and results in higher selling expenses. Any premature sales or dispositions may prevent TCG Select Investors, LLC from realizing as high an overall return on investment as may have been realized if such sales or dispositions had been made at a later date.

General Credit Risks. TCG Select Investors, LLC may be exposed to losses resulting from default and foreclosure. The value of the underlying collateral, if any, the creditworthiness of the borrower and the priority of the lien are each of great importance (although TCG Select Investors, LLC may invest in subordinate or second priority liens). There is no assurance that TCG Select Investors, LLC will correctly evaluate the value of the assets collateralizing the loan or the prospects for a successful reorganization or similar action. In any reorganization or liquidation proceeding relating to borrower, TCG Select Investors, LLC may lose all or part of the amounts advanced to that borrower. TCG Select Investors, LLC cannot guarantee the adequacy of the protection of TCG Select Investors, LLC’s interests, including the validity or enforceability of the loan and the maintenance of the anticipated priority and perfection of the applicable security interests. Furthermore, TCG

Select Investors, LLC cannot assure that claims may not be asserted that might interfere with enforcement of the Company's rights. In the event of a foreclosure, TCG Select Investors, LLC or an affiliate of TCG Select Investors, LLC may assume direct ownership of the underlying asset. The liquidation proceeds upon sale of such asset may not satisfy the entire outstanding balance of principal and interest on the loan, resulting in a loss to TCG Select Investors, LLC. Any costs or delays involved in the effectuation of a foreclosure of the loan or a liquidation of the underlying property will further reduce the proceeds and thus increase the loss.

TCG Select Investors Two, LLC

TCG Select Investors Two, LLC is a limited liability company formed to provide a business loan to 1845 Oilfield Services, Inc. Only Accredited Investors or Qualified Clients may participate in this alternative investment.

TCG Select Investors Two, LLC may acquire thinly traded investments that are difficult to dispose of quickly. In addition, investments that were once liquid may become illiquid, making it difficult to acquire or dispose of them at the prices at which they are valued by TCG Select Investors Two, LLC and/or its administrator and/or its auditor. TCG Select Investors Two, LLC's ability to respond to market movements may be impaired and TCG Select Investors Two, LLC may experience adverse price movements upon liquidation of its investments.

Illiquid securities may sell at a lower price than similar securities that are not illiquid, and the sale of illiquid investments often requires more time and results in higher selling expenses. Any premature sales or dispositions may prevent TCG Select Investors Two, LLC from realizing as high an overall return on investment as may have been realized if such sales or dispositions had been made at a later date.

TCG Select Investors Two, LLC Potential Conflict of Interest. An upfront fee in the amount of \$100,000 was paid by a parent company of the issuer of the TCG Select Investors Two, LLC's single holding to the Advisor for management fees that the TCG Select Investors Two, LLC investors would otherwise have paid to the Advisor. There is a potential conflict of interest inherent in the Advisor accepting payment for an investment that was offered to investors. The investors were notified of such payment in the offering documents and the payment was applied to set off all management and administration fees associated with the investment.

Concentration of Investments. TCG Select Investors Two, LLC holds a single investment, which could subject the TCG Select Investors Two, LLC to significant losses if its investment declines in value or is otherwise adversely affected. In addition, the same result might occur if the TCG Select Investors Two, LLC's investment experiences a greater than anticipated correlation.

Lending Risks. TCG Select Investors Two, LLC invests in a single promissory note; ie., a loan. Such lending activities entails a number of risks:

General Credit Risks. TCG Select Investors Two, LLC may be exposed to losses resulting from default and foreclosure. The value of the underlying collateral, if any, the creditworthiness of the borrower and the priority of the lien are each of great importance (although TCG Select Investors Two, LLC may invest in subordinate or second priority liens). There is no assurance that the Company will correctly evaluate the value of the assets collateralizing the loan or the prospects for a successful reorganization or similar action. In any reorganization or liquidation proceeding relating to borrower, TCG Select Investors Two, LLC may lose all or part of the amounts advanced to that borrower. TCG Select Investors Two, LLC cannot guarantee the adequacy of the protection of TCG Select Investors Two, LLC's interests, including the validity or enforceability of the loan and the maintenance of the anticipated priority and perfection of the applicable security interests. Furthermore, TCG Select Investors Two, LLC cannot assure that claims may not be asserted that might interfere with enforcement of TCG Select Investors Two, LLC's rights. In the event of a foreclosure, TCG Select Investors Two, LLC or an affiliate of TCG Select Investors Two, LLC may assume direct ownership of the underlying asset. The liquidation proceeds upon sale of such asset may not satisfy the entire outstanding balance of principal and interest on the loan, resulting in a loss to TCG Select Investors Two, LLC. Any costs or delays involved in the effectuation of a foreclosure of the loan or a liquidation of the underlying property will further reduce the proceeds and thus increase the loss.

Lower Credit Quality Loan. The Loan held by TCG Select Investors Two, LLC may be deemed to have substantial vulnerability to default in payment of interest and/or principal. The loan which TCG Select Investors Two, LLC may fund has uncertainties or risk exposures to adverse conditions, and may be considered to be speculative.

TCG Select Investors Three, LLC

TCG Select Investors Three, LLC is a limited liability company formed to provide a business loan to Michael Dre, LLC. The members of TCG Select Investors Three, LLC are charged an annual one percent (1.0%) management fee on a monthly basis at a rate of 0.000833333. Only Accredited Investors or Qualified Clients may participate in this alternative investment.

TCG Select Investors Three, LLC may acquire thinly traded investments that are difficult to dispose of quickly. In addition, investments that were once liquid may become illiquid, making it difficult to acquire or dispose of them at the prices at which they are valued by TCG Select Investors Three, LLC and/or its administrator and/or its auditor. TCG Select Investors Three, LLC's ability to respond to market movements may be impaired and TCG Select Investors Three, LLC may experience adverse price movements upon liquidation of its investments.

Illiquid securities may sell at a lower price than similar securities that are not illiquid, and the sale of illiquid investments often requires more time and results in higher selling expenses. Any premature sales or dispositions may prevent TCG Select Investors Three, LLC from realizing as high an overall return on investment as may have been realized if such sales or dispositions had been made at a later date.

General Credit Risks. TCG Select Investors Three, LLC may be exposed to losses resulting from default and foreclosure. The value of the underlying collateral, if any, the creditworthiness of the borrower and the priority of the lien are each of great importance (although the Company may invest in subordinate or second priority liens). There is no assurance that TCG Select Investors Three, LLC will correctly evaluate the value of the assets collateralizing the loan or the prospects for a successful reorganization or similar action. In any reorganization or liquidation proceeding relating to borrower, TCG Select Investors Three, LLC may lose all or part of the amounts advanced to that borrower. TCG Select Investors Three, LLC cannot guarantee the adequacy of the protection of TCG Select Investors Three, LLC's interests, including the validity or enforceability of the loan and the maintenance of the anticipated priority and perfection of the applicable security interests. Furthermore, TCG Select Investors Three, LLC cannot assure that claims may not be asserted that might interfere with enforcement of TCG Select Investors Three, LLC's rights. In the event of a foreclosure, TCG Select Investors Three, LLC or an affiliate of TCG Select Investors Three, LLC may assume direct ownership of the underlying asset. The liquidation proceeds upon sale of such asset may not satisfy the entire outstanding balance of principal and interest on the loan, resulting in a loss to TCG Select Investors Three, LLC. Any costs or delays involved in the effectuation of a foreclosure of the loan or a liquidation of the underlying property will further reduce the proceeds and thus increase the loss.

Transfers of Interests

TCG Select Investors, LLC, TCG Select Investors Two, LLC, and TCG Select Investors Three, LLC (the "Select Funds") are each pooled investment vehicles that hold a single investment in a high-interest rate promissory note issued by three separate borrowers operating unrelated businesses in unrelated industries. The Select Funds are managed by the Advisor.

Each of the Select Funds purchased its note at a single closing (the "Note Closing Date") on a specific date; i.e., August 30, 2013 in the case of TCG Select Investors, LLC; March 28, 2014 in the case of TCG Select Investors Two, LLC and April 1, 2014 in the case of TCG Select Investors Three, LLC. However, as the Advisor accepted subscription agreements for some time after the Note Closing Date, in each case the amount of subscriptions received exceeded the purchase price of the promissory note purchased by the given Select Fund.

In order to maintain a situation where the total amount of each Select Fund's capital account balance was equal to the purchase amount of its promissory note investment, the Advisor determined that the capital account balances of any affiliated investors in the Select Funds would be reduced accordingly. In addition, with respect only to TCG Select Investors, LLC, a redemption request that was deemed de minimis by the Advisor was processed using similar methodology.

In any future Select Funds or other similar investment vehicles, the Advisor will endeavor to avoid the matter of oversubscriptions as described above by other means, such as turning investors away entirely or reducing all investors' allocations on a pro-rata basis.

Managed Asset Portfolio Program (MAPP)

MAPP is a portfolio management program for municipal entities (i.e., public schools, county governments, etc.) that constructs, invests, and monitors the entity's funds (e.g., general obligation funds, project development funds, etc.), subject to the investment objectives and

risk profiles of such fund and the Texas Public Funds Investment Act. We will develop a Written Investment Strategy for each entity's separate fund account.

Single Member LLCs

TCG provides financial advice to two single member private fund limited liability companies. These funds are not open to Clients other than their respective single members.

Retirement and Financial Plans

Our retirement and financial planning provides a detailed, written plan designed to assist our Clients in achieving their stated objectives and goals. Our plans address some or all of the following areas:

- *Personal*: A review of liquid assets, an analysis of debt and a review of personal savings and spending patterns.
- *Risk Management*: An evaluation of the adequacy of a Client's risk management techniques (with respect to common risks, such as premature death, disability, illness, property loss and/or damage, liability, long-term care and unemployment).
- *Investments*: A review of a Client's investments to ensure they are consistent with the Client's risk tolerance and appropriate in light of the Client's objectives and goals (e.g., time horizon, liquidity and marketability, rate of return and risk).
- *Tax*: A review of the impact of taxes on a Client's portfolio and assistance in selecting appropriate investments based on tax efficiency.
- *Retirement Planning*: An evaluation of a Client's current financial situation and retirement plans/needs and the appropriateness of current investment vehicles and potential investment vehicles, individually or as a composite.
- *Estate Planning*: A review of estate planning techniques to achieve the proper distribution of property, the minimization of estate settlement costs and taxes, and the care of dependents.

When providing retirement and financial plans, we may make general and/or specific product and strategy recommendations. If we make such recommendations, they will be tailored to meet the objectives, goals and risk tolerance of that specific Client. The Client is under no obligation to use our services to implement such recommendations.

Assets Under Management

We currently manage, as of December 31, 2015, the following Client assets:

Discretionary Assets	566,988,199
Non-discretionary Assets	352,827,043
TOTAL	919,815,242

Over 90% of the Non-discretionary Assets are held by institutional Clients that use Investment Advisory Committees. TCG ADVISORS, LP provides information and advice to these Committees, which then make their investment decisions.

Item 5 — Fees and Compensation

We receive an asset management fee based on the Net Assets of each account for which we provide investment advisory services. (“Net Assets” means the market value of your account—or fair market value in the absence of a market value as of a specified date—, plus any credit balance or minus any debit balance.) The asset management fee may vary based on the nature, size and complexity of each Client’s account and is negotiable. The satellite allocations may have a different asset management fee; however, such funds allocated to the satellite position will only be charged that satellite’s asset management fee and not the core asset management fee. You are not charged twice by us on your assets.

The asset management fee does not include brokerage commissions, ticket charges, interest charges, exchange fees, wire transfer fees, or other costs or fees associated with securities transactions or those required by law. The Client, you, may incur charges imposed by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in the fund’s prospectus.

Item 12 below further describes the factors that we consider in selecting or recommending broker/dealers for *Client* transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

Such charges, fees and commissions are exclusive of and in addition to our asset management fee, and we do not receive any portion of these commissions, fees, and costs.

Asset Management Fees

Our standard annual asset management fee schedule for individuals is as follows:

Net Assets			Management Fee
\$	0	— \$ 99,999.99	1.50 %
\$	100,000	— \$ 999,999.99	1.25 %
\$	1,000,000	— \$ 2,999,999.99	1.00 %
\$	3,000,000	— \$ 6,999,999.99	0.75 %
\$	7,000,000	— \$ 9,999,999.99	0.50 %
\$10,000,000 and over			Negotiated

There may be an annual management fee charged by a third-party advisor for certain sub-accounts of our Managed Account Program. This amount is passed on directly to the outside advisor. This fee is in addition to our standard annual asset management fee and is charged only to those Clients who are invested in such sub-account.

Asset management fees are typically payable in advance on the first day of the specified period. The fees are based on the Net Assets of the account on the last day of the prior period and are a proportionate share of the annual management fee (e.g., $\frac{1}{4}$ of the annual fee for quarterly deductions, etc.). The specified period may be monthly, quarterly or semiannually. Typically, asset management fees are deducted by the custodian of your account(s) quarterly. Alternate fee-payment arrangements (i.e., payment by check) may be made. Asset management fees shall not be prorated for each capital contribution and withdrawal made during the applicable calendar quarter.

If you open or terminate an Account during a calendar quarter, you will be charged a prorated asset management fee. Such prorated asset management fee for the initial or terminal quarter is calculated as of the first day of a month based on the Net Asset value of the account on the last day of the prior month and is proportionate for the remaining number of months in the quarter. For example, when opening an account in the first month of the quarter, the proportionate asset management fee is calculated on the first day of the second month and then $\frac{2}{3}$ of such fee is payable for the quarter. Upon termination of any account, any prepaid, unearned asset management fees, calculated in the same manner, will be promptly refunded, and any earned, unpaid fees will be due and payable.

(MAPP) Fees

TCG receives a Management Fee and a Performance Fee (the Performance Fee will be explained under Item 6 below). The Management Fee is 0.1% (10 basis points) billed monthly at a rate of 0.0000833333 for MAPP accounts of \$50 million or less. Accounts over \$50 million are charged under the following schedule:

<u>Assets</u>	<u>Management Fee</u>
\$ 0.00 — \$ 50,000,000	0.10 %
\$ 50,000,000.01 — \$ 100,000,000	0.08 %
\$ 100,000,000.01 — \$ 150,000,000	0.06 %
\$ 150,000,000.01 and over	0.05 %

We may negotiate the Management and Performance Fees based on the size, duration and number of the municipality's account(s).

Retirement and Financial Plan Fees

Retirement/financial planning services fees may be an hourly rate, a flat fee and/or a percentage of the assets under management. We charge \$1,750 for a full financial plan, \$850 for a retirement plan and \$500 for an investment plan. These fees may vary based on the nature, size and complexity of each Client's account and are negotiable. All fees are agreed to in advance of us entering into an agreement with any Client. Such fees are payable only after the plan has been delivered to the Client; however, alternative fee-payment arrangements may be made.

An agreement for retirement/financial planning services may usually be terminated, for any reason, upon written notice by either party. Since, however, these are often longer-term contracts negotiated with employers and other institutions, these contracts may have more restrictive termination provisions. If cancellation occurs, any unearned fees will be refunded promptly to the Client, and any unpaid fees become due and payable as of the date of the termination.

Item 6 — Performance-Based Fees and Side-By-Side Management

TCG ADVISORS, LP has no trading portfolios for individuals that charge a performance-based fee (fees based on a share of capital gains on or capital appreciation of the assets of a Client). Our affiliated investment advisor—Fairway Asset Management, LLC—, has investments that it offers which do charge a performance-based fee. We may recommend these investment opportunities to some of our Clients. Investments with performance-based fees are only available to Qualified Clients.

The MAPP accounts are charged a Performance Fee. The Performance Fee is ten percent (10%) on the amount over the benchmark. The benchmark for these accounts is the US Government 1-Year Treasury rate determined on the Anniversary Date for each account. The Anniversary Date is the last day of the month for the month in which the entity's account is fully allocated. To be fully allocated the funds in the account will have purchased all investments determined as needed under the Written Investment Strategy for that account.

The portfolio's benchmark for the purposes of fee calculations will be the stated daily current rate of either a) TexPool, an investment pool overseen by the Texas State Comptrollers of Public Accounts, b) Lone Star Investment Pool, an investment pool sponsored by the Texas Association of School Boards, or c) the US Government 1-Year Treasury rate. The benchmark used will be at the Investor's discretion. On each successive anniversary, we will review the Portfolio Yield and Benchmark rate, and if the current Benchmark Rate is higher than the last year's Benchmark rate, we will adjust the Benchmark to the new rate. If the current Benchmark rate is equal to or lower than last year's Benchmark rate, then the Benchmark will not be changed. If the Portfolio Yield over the Benchmark is zero or less, then no Performance Fee will be paid for the year.

Both TCG ADVISORS, LP and Fairway Asset Management will structure any performance or incentive fee arrangement subject to Section 205(a)(1) of the Investment Advisors Act of 1940 (The Advisors Act) in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3. Performance based fee arrangements may create an incentive for us to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Such fee arrangements also create an incentive to favor higher fee paying accounts over other accounts in the allocation of investment opportunities. TCG ADVISORS, LP and Fairway Asset Management have procedures designed and implemented to ensure that all

investors are treated fairly and equally, and to prevent this conflict from influencing the allocation of investment opportunities among investors.

Item 7 — Types of Clients

We provide portfolio management and retirement/financial planning services to individuals, high net worth individuals, corporate pension and profit-sharing plans, state and municipal entities, foundations, trusts, estates, and private investment funds, all considered our advisory clients (“Client” or “Clients”). The minimum account size for Clients in our Core/Satellite Managed Account Program is \$100,000 without the Satellite allocation. With the Satellite allocation, the minimum account size is \$125,000. TCG Select Investors, LLC has a minimum of \$50,000. The TCG Tactical Model Managed Account Program has a recommended minimum of \$50,000. We may, at our sole discretion, waive these minimums. We also provide educational seminars and send periodicals related to advisory services.

TCG Consulting, our affiliate, provides consulting services to financial services companies, public school administrators, pension consultants, and insurance companies that may provide products and services to Clients.

Item 8 — Methods of Analysis, Investment Strategies and Risk of Loss

Our investment strategy seeks to achieve higher returns while managing risk. While we cannot remove all risk, we seek to keep the level of risk low to the potential gains. Past performance is not, however, a guarantee of future returns.

Analysis Methods for Individual Client Managed Accounts

Accounts in the Managed Account Program are reviewed and evaluated quarterly. From time-to-time, market conditions may cause the Programs’ investments to vary from our established allocation. To remain consistent with our asset allocation guidelines, we rebalance the investments back to the guideline weighting (what percentage each investment is of the total allocation) if the actual weighting varies by five percent (5%) or more from the guidelines.

We use various analysis methods to determine the investments that should be part of the model portfolios. These methods are technical analysis and cyclical analysis, using charts and fundamentals.

Technical analysis forecasts the direction of prices through the study of past market data. Charting allows us to see visually how a security is trending, so we can decide whether or not to keep that security in our portfolios.

Cyclical analysis looks at economic conditions to determine whether the country is prospering or in recession. Certain securities will follow these trends both up and down, while others will run in a contrary manner, so we can determine which securities to put in or to remove from our portfolios.

The investments in our MAP portfolios are also compared to appropriate benchmarks to evaluate how they are doing in relation to other similar investments. We also review how well the investments line up with the MAP Investment Policy Statements.

Analysis Methods for Institutional Accounts

Institutional accounts, where we serve as a non-discretionary advisor, are reviewed and evaluated quarterly. The securities and their performance are compared to the institution's investment policy statement. The evaluation process includes the following:

- Comparing the rate of return for each security (net of investment manager fees and fund expenses) to its benchmark (peer group universe);
- Determining the progress made in achieving the goals in the investment policy statement;
- Noting deviations from the investment policy;
- Reviewing market and economic conditions;
- Making projections for the coming quarter's market and economic conditions;
- Preparing recommendations for each fund—hold, remove, or place on the watch list; and
- Recommending new funds to add, if any.

If, based upon the evaluation, we believe that changes are necessary, we take those recommendations to the institution's investment committee to vote on the changes. Changes may be to remove a security, to place it on a watch list (or remove from the watch list) or to add a security.

Item 9 — Disciplinary Information

Registered investment advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of TCG ADVISORS, LP or the integrity of our management. None of our management or Partners has any disciplinary information to disclose.

Item 10 — Other Financial Industry Activities and Affiliations

TCG ADVISORS, LP is a part of TCG Group Holdings, LLP. We have various affiliates (wholly-owned subsidiaries of TCG Group Holdings, LLP) that sometimes provide services to our Clients. These affiliates are Total Compensation Group Consulting, LP; Fairway Asset Management, LLC; TCG Administrators, LP; TCG Benefits (f/k/a The Paragon Group, LP; Paragon National, LP; and Paragon Benefits, LP, collectively).

TCG Consulting

Total Compensation Group Consulting, LP ("TCG Consulting") provides consulting services for a fee to institutional Clients (*e.g.* school districts, municipalities, etc.), including analyzing a Client's needs, assisting in the preparation of Request for Proposals for insurance and investment products and assisting in the evaluation of responses as well as

in providing evaluation services with respect to existing programs.

Additionally, TCG Consulting provides consulting services to employers and employees with respect to the negotiation and terms of employment agreements. TCG Consulting provides consulting services to some of the Clients for which TCG ADVISORS, LP serves as an investment advisor. TCG ADVISORS, LP and TCG Consulting may recommend the other company's services, as appropriate, to meet the needs of Clients.

Fairway Asset Management, LLC

Fairway Asset Management, LLC is an affiliated investment advisor, which we own 100% of the member interests. Fairway Asset Management currently has four subsidiaries ("Funds")—Fairway Fund, LP, Fairway Masters Fund, LP, Fairway Eagle Fund, LP and Bull Creek Credit Opportunity Fund, LLC—that offer products and services to qualified purchasers or accredited investors only. Some of our qualified purchaser Clients are invested in the Fairway Asset Management funds, and we may recommend the Fairway Asset Management funds to some of our Clients.

TCG Administrators

TCG Administrators, ("TCGA"), an affiliate of TCG Advisors, LP provides third-party administrative services to certain Clients of the Advisor, including TCG Select Investors, LLC, TCG Select Investors Two, LLC and TCG Select Investors Three, LLC (individually, a "Company", or collectively, the "Select Funds"). From time to time, the Advisor recommends TCGA's services to Clients. The Advisor employs TCGA in those situations where it believes that it is appropriate and in the Client's best interest to use those services. TCGA is a fee-only administrator and does not sell any investment products. TCGA has engaged its auditor to perform an internal controls report (SSAE 16) that will comply with Rule 206(4)-2(a)(6)(A) and which will contain an opinion of an independent public accountant as to the control objectives relating to custodial services, including the safeguarding of funds and securities held by either the Advisor or a related person on behalf of Clients. The Select Funds do not pay a fee for TCGA's services.

TCG Benefits, LLC

TCG Benefits, LLC sells insurance products in the same markets as TCG ADVISORS, LP. We may use the products of TCG Benefits, as appropriate, to meet the needs of our financial planning Clients.

Item 11 — Code of Ethics

We have adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct and fiduciary duty to its Clients. The Code of Ethics includes provisions relating to the confidentiality of Client information and a prohibition on insider trading, among other things. All associated and supervised persons must acknowledge the terms of the Code of Ethics annually, or as amended. You may request a copy of our Code of Ethics by contacting David E. Friedman.

Personal Securities Transactions

We anticipate that, in appropriate circumstances and consistent with Clients' investment objectives, we will recommend to investment advisory Clients or prospective Clients, the purchase or sale of securities in which we, our affiliates and/or our Clients, directly or indirectly, have a position of interest. Our employees and persons associated with us are required to follow our Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of TCG ADVISORS, LP and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for our Clients.

We designed the Code of Ethics to ensure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory Clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would not materially interfere with the best interest of our Clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to Client trading activity.

Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as Clients, there is a possibility that employees might benefit from market activity by a Client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between us and our Clients.

Trade Order Practices

Certain affiliated accounts may trade in the same securities with Client accounts on an aggregated basis when consistent with our obligation of best execution. In such circumstances, the affiliated and Client accounts will share commission costs equally and receive securities at a total average price. We retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the order.

Cross Securities Transactions

Generally, it is our policy that the firm will not effect any principal or agency cross securities transactions for Client accounts. We will also not cross trades between Client accounts. Principal transactions are generally defined as transactions where an advisor, acting as principal for its own account or the account of an affiliated broker/dealer, buys from or sells any security to any advisory Client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another Client account. An agency cross transaction is defined as a transaction where a person acts as an investment advisor in relation to a transaction in which the investment advisor, or any person controlled by or under common control with the investment advisor, acts as broker for both the advisory Client and for another person on the other side of the transaction. To the extent that the firm does participate in a cross trade, prior to execution, approval must be obtained from the Chief Compliance Officer in writing, which shall set forth the reasons why the transaction is suitable for each Client or Investor

involved (e.g., differences in invested positions, investment objectives, risk tolerances, tax situations, etc.).

Agency cross transactions may arise where an advisor is dually registered as a broker/dealer or has an affiliated broker/dealer.

Item 12 — Brokerage Practices

We do not receive any soft dollar benefits from broker/dealers for placing trades through such broker/dealer. We recommend broker/dealers with whom we have an approved selling agreement and who, in our opinion, are able to provide the best price and execution. We evaluate broker/dealers on a variety of factors: the ability to achieve prompt and reliable executions; the executed trades are done at favorable prices; the operational efficiency with which the broker/dealer executes the transactions; the financial strength, integrity and stability of the broker/dealer; and the competitiveness of commission rates in comparison with other brokers satisfying our other selection criteria.

Many broker/dealers offer research services. This is an additional component in our choosing with which broker/dealers to enter into a selling arrangement. We look at the quality, comprehensiveness and frequency of such research services to determine who we select as broker/dealers for our managed account program. The research services that these broker/dealers provide supplements the other tools that we use to analyze the securities that we recommend.

Item 13 — Review of Accounts

Under current securities law we are required to periodically review Client accounts.

Managed Accounts

Managed accounts are reviewed on a regular basis by appropriate supervisory personnel. We review and evaluate each account's performance on a quarterly basis and review each account's portfolio and individual investments. For investment management accounts, we require that each account be reviewed annually and most accounts are reviewed quarterly. The nature and frequency of the reports to Clients are determined primarily by the particular needs of each Client. Generally, we provide quarterly reports detailing the individual assets and performance of the managed portfolio, unless the Client requests information on a more frequent basis, to supplement the reports from the custodian.

Institutional Accounts

For institutional Clients, reviews are made by appropriate supervisory personnel. These individuals conduct Client portfolio reviews on a quarterly basis. Performance is measured and evaluated. Each Client is expected to complete an investment policy statement outlining the investment objectives, expectations, and guidelines. This investment policy statement then serves as the benchmark, providing investment guidance to the Client. Allocations are reviewed against the investment policy statement to insure compliance within the framework of the Client's stated objectives.

Accounts with Outside Managers

When outside professional managers are used in an account, the following evaluation process will be followed:

- 1) Measure rates of return for each fund net of investment manager fees and all fund expenses relative to a peer group universe (benchmark) and other relevant market indices on a quarterly basis;
- 2) Determine progress towards achieving stated objectives in the investment policy statement—the primary goal is to fulfill the values and goals as outlined;
- 3) Review fund characteristics including duration of manager with the fund, fund objective, style and description of fund performance.
- 4) Provide comments and observations as it relates to funds investment objectives, style and performance. Note deviations from stated policy, objectives and/or style. Note also any change in key personnel (fund manager or research team);
- 5) Make recommendations for each fund (Hold-Remove-Watch List);
- 6) Recommend any new funds (if applicable) on a quarterly basis; and
- 7) Provide market and economic summary comments from the prior quarter and accompany it with as a forecast for the coming period.

If we believe that an allocation change is appropriate based on its account review, we will promptly advise the Client and make recommendations to effect such changes. To supplement the reports from the custodian, we generally provide Clients with a quarterly review of their accounts, unless the Client requests reviews on a more frequent basis.

We review discretionary accounts quarterly. Written quarterly performance reports are provided to each investor. The reports list the individual holdings, sector weightings, and quarterly performance. Benchmark comparisons are provided. Additional reports may include:

Transaction Reports	Income & Expense Reports
Performance by Security	Performance History
Realized Gains and Losses	Unrealized Gains and Losses
Portfolio Appraisal	

Item 14 — Client Referrals and Other Compensation

We do not receive any economic benefit, including sales awards or prizes, from any third party for providing advisory services to our Clients.

We are a paying sponsor of certain associations and organizations, and may receive Client referrals from these relationships. We currently provide direct or indirect compensation as a corporate partner to the Texas Association of School Administrators, the Urban Superintendents Association of America, the National Association of Governmental Defined Contribution Administrators, the National Center for Education Research and Technology,

the American Latino Superintendents and Administrators, the Association of Educational Service Agencies (AESA), the Virginia Association of School Superintendents, the Lake County (Illinois) Superintendents Association, the Center for Quality Leadership, the Texas Association of Suburban/Mid-Urban Superintendents, and various other state and local educational organizations and associations, which allows us to market our services through our interactions with fellow association members. We have a contract with Association of California School Administrators (ACSA) under which we provide discounted fees for our retirement planning services to its members. We do not have any relationships with third-party placement agents.

Item 15 — Custody

In the case of our Fund Clients, while it is our practice not to accept or maintain physical possession of any Client assets, we are deemed to have custody of the Funds' assets, because we have the authority to deduct fees from Clients accounts and its affiliate acts as general partner of the Funds.

In order to comply with Rule 206(4)-2, we utilize the services of a bank or qualified custodian (as defined under Rule 206(4)-2) to hold all of Clients' assets. In accordance with Rule 206(4)-2, the Advisor also (1) engages an outside auditor to audit our Clients at the end of each fiscal year and (2) distributes the results of the audit in audited financial statements that are prepared in accordance with United States generally accepted accounting principles to all investors in our Clients within 120 days after the end of the fiscal year. In some special situations an audit is not available. In that case, we engage our PCAOB registered auditor to conduct a surprise examination and statements are sent from the qualified custodian quarterly.

In the case of our individual and institutional Clients, we do not have nor are we deemed to have custody of Client assets. For institutional accounts, our affiliate, JNT Resource Partners, LP (dba TCG Administrators ("TCGA")), may act as a qualified custodian through its receipt and temporary custody of advisory clients' funds. TCGA immediately forwards such funds to the appropriate qualified custodian for those accounts. TCGA has engaged its auditor to perform an internal controls report (SSAE 16) that will comply with Rule 206(4)-2(a)(6)(A) and which will contain an opinion of an independent public accountant as to the control objectives relating to custodial services, including the safeguarding of funds and securities held by either the Adviser or a related person on behalf of Clients.

Item 16 — Investment Discretion

We usually receive discretionary authority from our Clients at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular Client account.

When selecting securities and determining amounts to be invested in specific securities or sectors, we observe the investment policies, limitations and restrictions of the Clients for

which the advice applies. For registered investment companies, our authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Item 17 — Voting Client Securities

As a matter of firm policy and practice, we do not vote proxies on behalf of advisory Clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in Client portfolios. We may provide advice to Clients regarding the CClients' voting of proxies.

Item 18 — Financial Information

We do not require or solicit prepayment of any fees greater than 6 months in advance. We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to our Clients, and have not been the subject of a bankruptcy proceeding.

Item 19 — Requirements for State-Registered Advisors

This Item is not applicable.