

ITEM 1 – COVER PAGE

PART 2A OF FORM ADV

FIRM BROCHURE

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THIS BROCHURE PROVIDES INFORMATION ABOUT THE QUALIFICATIONS AND BUSINESS PRACTICES OF TACHYON PARTNERS, L.L.C. (“TACHYON”). THE INFORMATION IN THIS BROCHURE HAS NOT BEEN APPROVED OR VERIFIED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION (THE “SEC”) OR BY ANY STATE SECURITIES AUTHORITY.

TACHYON IS A REGISTERED INVESTMENT ADVISER WITH THE SEC. REGISTRATION OF AN INVESTMENT ADVISER DOES NOT IMPLY ANY LEVEL OF SKILL OR TRAINING.

IF YOU HAVE ANY QUESTIONS ABOUT THE CONTENT OF THIS BROCHURE, PLEASE CONTACT TACHYON AT (609) 683-8200. ADDITIONAL INFORMATION ABOUT TACHYON IS AVAILABLE ON THE SEC’S WEBSITE AT www.adviserinfo.sec.gov.

ITEM 2 – MATERIAL CHANGES

There are no material changes since the Annual Update of the Brochure on March 30, 2016. Changes in this update reflect a reorganization of the investment advisor's fund client into a master-feeder structure.

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ITEM 4 – ADVISORY BUSINESS

A. Advisory Business

Tachyon Partners, L.L.C. (“Tachyon”) is a Delaware limited liability company that has provided trading advisory services since 1988. Currently, Tachyon provides trading advisory services to Parsec Trading Corp. (“Parsec” or the “Fund”) and to one of its feeder funds. Parsec is a British Virgin Islands (“BVI”) company established on July 25, 1990. Parsec has two BVI feeder entities (collectively, the “Feeder Funds”), both established on March 11, 2016. Parsec Institutional Fund, Ltd. (“PIF”) is denominated in U.S. dollars. Parsec Australian Dollar Fund, Ltd. (“PAD”) is denominated in Australian dollars and currently has no U.S. investors. PIF cannot hold positions other than its investment in Parsec and therefore is not separately managed from Parsec. Tachyon serves as PAD’s trading advisor in order to oversee currency hedging transactions necessary to denominate PAD in Australian Dollars, otherwise PAD cannot hold positions other than its investment in Parsec.

An affiliate of Tachyon, Watermark Management Corporation (the “Affiliate”), provides management services to Parsec and the Feeder Funds.

Tachyon’s principal owner is Andrew Okun, a Managing Member. Four other Managing Members and one non-Managing Member have ownership interests in Tachyon.

B. Advisory Services

Tachyon makes all trading decisions for Parsec and PAD pursuant to Investment Management Agreements, dated March 26, 2015 and April 1, 2016, respectively (the “IMAs”). Under the IMAs, Tachyon has sole discretion to direct the Fund’s trades in fixed income securities and derivatives. Specifically, Tachyon may: (i) buy or sell fixed-income securities (both foreign and domestic); (ii) negotiate the terms of interest rate swap and other fixed income contractual commitments (in all currencies); (iii) buy or sell derivative products relating to the above items, including futures, options on futures and bonds collateralized or backed by such items; (iv) invest cash in high quality money market instruments; (v) execute spot foreign exchange transactions as necessary to meet obligations or to receive payments in foreign currency; and (vi) enter into currency forwards and futures to hedge the Fund against changes in the exchange rates between U.S. dollars and other currencies.

C. Customized Client Services

Tachyon customizes its trading advisory services to the needs of its clients. Tachyon currently offers customized services to Parsec and PAD, which are prescribed by the guidelines and restrictions set forth in their respective IMAs.

D. Wrap Fee Programs

Tachyon does not participate in wrap fee programs.

E. Assets Under Management

As of April 30, 2016, the assets under Tachyon's management on a discretionary basis were \$1,061,501,330.

ITEM 5 – FEES AND COMPENSATION

A. Advisory Fees and Compensation

Tachyon charges an incentive fee based on the performance of the Fund and a fixed management fee based on net assets is paid to the Affiliate. The incentive fee is currently 20% of any growth in value of each share in excess of the hurdle rate (the U.S. Fed Funds rate) payable annually. The management fee currently accrues at a daily rate of 0.00273973% (approximately 1.0% annually) and is payable quarterly in arrears. PAD and PIF are not subject to direct Management or Incentive Fees.

B. Payment of Fees

Pursuant to Parsec's IMA, Tachyon is required to submit calculations for any fee to the Fund's Administrator, MUFG Fund Services (Bermuda) Fund, formerly Butterfield Fulcrum Group (Bermuda) Limited (the "Administrator"), at the end of any period in which the fee is payable. After performing an independent review, the Administrator authorizes payment of such fees, which are charged to the Fund. Fees are established under Parsec's IMA and not negotiable on an investor by investor basis.

C. Other Fees and Expenses

All other fees and expenses for Parsec and the Feeder Funds, including administrative, transactional, professional and brokerage commissions, are borne by the Fund and the Feeder Funds. Tachyon does not receive any portion of or benefit from these fees and expenses.

D. Other Compensation and Conflicts of Interest

Neither Tachyon nor its supervised persons accept compensation for the sale of securities or other products from any third party.

ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Tachyon's performance-based fee is structured subject to Rule 205-3 under the Investment Advisers Act of 1940, as amended ("Investment Advisers Act"). In determining Parsec's assets for the calculation of performance-based fees, Tachyon includes realized and unrealized capital gains and losses. The performance-based fee arrangement may create an incentive for Tachyon to select trades that may be riskier or more speculative than those that otherwise might be selected under a different fee arrangement. Tachyon has a fiduciary duty to Parsec and PAD to exercise good faith and fairness in all dealings involving Parsec and PAD and seek to take account of such duty in dealing with this conflict of interest.

ITEM 7 – TYPES OF CLIENTS

Parsec and the Feeder Funds require that all investors be “qualified investors,” *i.e.*, persons who are (i) “accredited investors,” within the meaning of Rule 501(a) of Regulation D under the United States (U.S.) Securities Act of 1933, as amended, and (ii) either “qualified purchasers,” or “knowledgeable employees” as defined in the Investment Company Act of 1940, as amended, or the rules and regulations thereunder, and “qualified eligible persons” as defined in Rule 4.7 of the U.S. Commodity Futures Trading Commission, adopted under the Commodity Exchange Act. The Fund also requires that all investors be “professional investors”, as defined under the Securities and Investment Business Act, 2010 of the British Virgin Islands. Minimum initial capital contributions are \$5,000,000. Parsec’s and the Feeder Funds’ respective Board of Directors retain the right to waive the minimum initial capital requirement.

ITEM 8 – METHODS OF ANALYSIS, TRADING STRATEGIES AND RISK OF LOSS

A. Methods of Analysis

Tachyon uses proprietary software to analyze various market parameters and uses such information to develop its trading strategy. Tachyon also makes use of various market reporting services (*e.g.*, Bloomberg), financial newspapers, financial magazines and research materials prepared by other entities, in addition to broker screens and quotes to monitor current and past market conditions.

B. Investment Strategies

Tachyon’s trading strategy is to profit from pricing inefficiencies among fixed income instruments. Tachyon will seek to identify situations in the interest rate markets in which price relationships are temporarily distorted and to establish positions that result in profits when normal price relationships return (the “Strategy”). In pursuing the Strategy, Tachyon may take positions in instruments, including U.S. and foreign government and governmental agency securities, mortgage-backed securities, corporate bonds, and interest rate swaps, as well as related derivative products, such as futures and options on futures, denominated in any currency. Tachyon does not take positions in equity securities.

C. Risks Associated with Particular Types of Securities and Related Derivative Products

Trading securities involves risk of loss that investors and prospective investors in the Fund should be prepared to bear. In evaluating Tachyon’s Strategy, Investors should consider the following risk factors:

- (i) Market, Strategy and Trading Risk, including the risk that prices of financial instruments traded by the Fund will move adversely to the Fund, resulting in trading losses, as well as the risk that the Fund will be unable to liquidate or offset a position, either at any price or at the desired price, because of lack of counterparties in the market or regulatory trading suspension;
- (ii) Institutional Risk, including credit risk (*e.g.*, the risk of an issuer of a financial instrument held by the Fund failing to perform or fulfill its obligations to the Fund under that instrument), settlement risk (*e.g.*, the risk of unenforceability of contracts);

(iii) Fund Structure Risk, including risks associated with reliance on the services of key individuals or service providers;

(iv) Operational Risk (*e.g.*, the risk of trading loss resulting from deficiencies in systems or controls or in applying them); and

(v) Security Risk relating to traded products, including among others:

Government Bonds. These are debt securities issued by the national governments of the U.S. and foreign countries. There is a risk of default by the sovereign parties that issue such debt.

Interest Rate Swaps. These are contractual commitments whereby two parties agree to exchange interest rate payments on a specified “notional” value. As an example, one party agrees to pay the other a fixed rate of interest on the notional amount and the other party agrees to pay the first party a floating (periodically reset to market) rate. These contracts are entered into with various third parties and thus there is risk due to counterparty non-performance.

Futures Contracts on Non-U.S. Exchanges. In addition to the futures contracts on domestic U.S. futures exchanges, Tachyon often trades interest rate futures contracts on non-U.S. exchanges, which are subject to different regulatory requirements and have different investor protections than U.S. futures exchanges.

There also is a risk that Tachyon may, in the course of implementing the Strategy, make errors from time to time in trading (“trade errors”). Absent gross negligence, trade errors will be borne by Parsec. Existing and eligible prospective investors should read the full discussion with regard to Parsec’s trading strategies and risks in Parsec’s and the Feeder Funds’ respective Confidential Private Placement Memoranda.

ITEM 9 – DISCIPLINARY INFORMATION

Tachyon and its management are not and have not been the subject of any legal or disciplinary events.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Tachyon is registered with the SEC as an investment adviser and with the Commodity Futures Trading Commission as both a Commodity Pool Operator and Commodity Trading Advisor. Tachyon also is a member of the National Futures Association (“NFA”) and is registered as an NFA Swap Firm.

Tachyon’s Managing Members are each registered with the NFA as Associated Swap Persons of Tachyon under the Commodity Exchange Act. The Managing Members are not engaged in any financial industry activities or affiliated with any market participants other than those described herein. Tachyon does not recommend or select other investment advisers for the Fund.

***ITEM 11 – CODE OF ETHICS, PARTICIPATION OR
INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING***

Tachyon has adopted a Code of Ethics (“Code”) pursuant to Rule 204A-1 under the Investment Advisers Act. The portion of the Code that governs personal securities transactions is applicable to all “Access Persons”, including the Managing Members and members of their households.

The Code requires all Access Persons to exercise their authority and responsibility for the benefit of the Fund and to refrain from activities that may conflict with the interests of the Fund. The Code contains policies and procedures that, among other things:

- prohibit Access Persons from taking personal advantage of opportunities belonging to the Fund;
- prohibit trading on the basis of material, nonpublic information;
- impose limits on personal trading by Access Persons, including pre-clearance and reporting obligations with respect to such trading;
- impose limits on the giving or receiving of gifts and entertainment; and
- restrict employees’ outside business activities.

Tachyon’s Policies permit Access Persons to trade the same securities as the Fund, subject to pre-clearance procedures that are intended to minimize any potential impact on the Fund or benefit to Access Persons, in connection with any Fund transactions. All trades by Access Persons in securities or instruments that are frequently used by the Fund must be pre-approved by Tachyon’s Chief Compliance Officer. Approval will be withheld whenever Tachyon is attempting (or seriously considering) a transaction in the same securities or instruments. Due to the nature of Tachyon’s advisory business, the following transactions are subject to particular scrutiny: (i) any transaction involving interest rate derivatives, such as interest rate futures, interest rate swaps, options on fixed income securities and interest rate derivatives; (ii) the purchase of any fixed income security on a margined or leveraged basis; and (iii) any short sale of a fixed income security.

All trades, except trades in certain exempt securities, must be reported. Such reports are monitored by the Chief Compliance Officer or his designee.

Tachyon’s supervised persons must acknowledge the terms of the Code annually or as amended.

A copy of Tachyon’s Code may be obtained from Chief Compliance Officer Dougin Walker at (609) 683-8200.

ITEM 12 – BROKERAGE PRACTICES

Tachyon selects the broker-dealers that execute Parsec’s transactions. In selecting broker-dealers, Tachyon, subject to its overall duty to obtain “best execution” of Fund transactions, has authority to and may consider the full range and quality of the services and products provided by such broker-dealers. As a part of this selection process, Tachyon may consider such factors as: (i) the ability of the broker-dealers to execute transactions efficiently; (ii) their responsiveness to Tachyon’s instructions; (iii) their facilities; (iv) their financial responsibility and reliability; (v) their commissions; and (vi) the value of any research or other services and products they provide to Tachyon or the Fund.

Tachyon receives no third party research for which it is obligated to direct execution business to broker-dealers. Tachyon may receive research generated by broker-dealer firms and available to all clients, which may be considered as one of many factors in the broker-dealer selection process. This may give Tachyon an incentive to select a broker-dealer that it would not have selected but for the benefits provided to the Fund, and an incentive not to negotiate the lowest possible commission rate with such broker-dealer. Tachyon, however, uses only those broker-dealers that it believes will provide the Fund with high-quality services and competitive execution costs, taking into consideration the services and products received by Tachyon or the Fund. While the rates paid by the Fund may not be the lowest rates the Fund could obtain, Tachyon believes that the benefit of the overall relationship with those broker-dealers will nonetheless benefit the Fund on the whole.

ITEM 13 – REVIEW OF ACCOUNTS

Parsec's and the Feeder Funds' account positions are continuously reviewed during each trading day for margin requirements, profit/loss, risk exposure and price relationships between account positions and general market conditions. The review is performed by Tachyon's Managing Members who manage and formulate its trading recommendations and Strategy. Written statements are provided monthly to each investor in Parsec and the Feeder Funds, which include the Fund's and Feeder Funds' monthly and year-to-date performance and the current net asset value of the investor's holdings in Parsec and the Feeder Funds.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

Tachyon has not entered into any oral or written agreements under which it is paid cash by, or receives economic benefit from, any third parties for providing trading advice or compensating such third parties, directly or indirectly, for client referrals.

ITEM 15 – CUSTODY

Tachyon does not have custody of any client funds or securities.

ITEM 16 – TRADING DISCRETION

Tachyon, subject to the objectives, guidelines and restrictions of Parsec's and PAD's respective IMAs, has complete discretion to buy or sell securities or other products for Parsec and PAD and to select counterparties that execute such transactions.

ITEM 17 – VOTING CLIENT SECURITIES

Tachyon does not have a Proxy Voting Policy as it does not trade in equity positions or debt securities that confer voting rights.

ITEM 18 – FINANCIAL INFORMATION

Tachyon has no financial commitments that impair its ability to meet its contractual and fiduciary commitments to Parsec or to PAD, and is and has not been the subject of any bankruptcy proceeding during the past ten years.