

**ITEM 1 – COVER PAGE**

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**PART 2A OF FORM ADV**

**FIRM BROCHURE**

**TACHYON PARTNERS, L.L.C.**

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*The date of this Brochure Date is March 28, 2013*

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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](http://www.adviserinfo.sec.gov).**

## ***ITEM 2 – MATERIAL CHANGES***

Pursuant to the U.S. Securities and Exchange Commission (the “SEC”) rules and regulations with regard to Annual Updates to Form ADV, Tachyon Partners, L.L.C. (“Tachyon”) is required to provide clients with a summary of any material changes to this and subsequent Brochures. In addition, Tachyon is required to provide clients with other ongoing disclosure information about material changes, as necessary, and a new Brochure based on changes or new information, at any time.

As of March 28, 2013, Tachyon has no material changes to report in this Annual Update of the Brochure. The date of Tachyon’s last Annual Update of the Brochure was March 29, 2012.

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## ***ITEM 4 – ADVISORY BUSINESS***

### ***A. Advisory Business***

Tachyon is a Delaware limited liability company that has provided investment advisory services since 1988. Currently, Tachyon provides investment advisory services to one client, Parsec Trading Corp. (the “Fund”). An affiliate of Tachyon, Watermark Management Corporation (the “Affiliate”), provides management services to the Fund. Tachyon’s principal owner is Andrew Okun.

### ***B. Advisory Services***

Tachyon serves as the investment advisor for the Fund pursuant to an Investment Management Agreement (the “IMA”). Under the IMA, Tachyon has sole discretion to direct the Fund’s investments 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 investment advisory services to the individual needs of clients. Tachyon currently offers customized services to its single client, the Fund, which are prescribed by the investment guidelines and restrictions set forth in the IMA.

### ***D. Wrap Fee Programs***

Tachyon does not participate in wrap fee programs.

### ***E. Assets Under Management***

As of December 31, 2012, the assets under Tachyon’s management on a discretionary basis were \$836,381,786.00 (on a U.S. Generally Accepted Accounting Principles basis).

## ***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 plus 250 basis points) payable annually. The management fee currently accrues at a daily rate of 0.00410959% (approximately 1.5% annually) and is payable quarterly in arrears.

### ***B. Payment of Fees***

Pursuant to the IMA, Tachyon is required to submit calculations for any fee to the Fund's Administrator, 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 the IMA and not negotiable on an investor by investor basis.

### ***C. Other Fees and Expenses***

All other Fund-related fees and expenses, including administrative, transactional, professional and brokerage commissions, are borne by the Fund. 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 investment 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 the Fund'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 investments that may be riskier or more speculative than those which otherwise would be selected under a different fee arrangement. Tachyon has a fiduciary duty to the Fund to exercise good faith and fairness in all dealings involving the Fund and seeks to take account of such duty in dealing with this conflict of interest.

Tachyon has only one client and therefore does not have the conflicts of interest inherent in managing multiple accounts with different fee structures.

## ***ITEM 7 – TYPES OF CLIENTS***

Tachyon's single client is a private investment fund. The Fund requires that all investors be "accredited investors," as defined in Rule 501(a) of Regulation D under the Securities Act of 1933, as amended, and "qualified purchasers," as defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended. 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. The Fund's Board of Directors retains the right to waive the minimum initial capital requirement; provided, however, that the minimum initial investment must be at least \$100,000.

## ***ITEM 8 – METHODS OF ANALYSIS, INVESTMENT 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 investment 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 investment 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***

Investing in securities involves risk of loss that investors and prospective investors in the Fund should be prepared to bear. In evaluating investments the following are some considerations and risk factors relating to the Strategy:

(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;

(iv) Operational Risk (*e.g.*, the risk of trading loss resulting from human error or deficiencies in systems or controls); 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 Fund’s Strategy, make errors from time to time in investment management or trading (“trade errors”). Absent gross negligence, trade errors will be borne by the Fund.

#### ***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”), the self-regulatory body having authority over participants in the U.S. commodity futures industry.

Tachyon’s Managing Members are each registered with the NFA as Associated Persons of Tachyon under the Commodity Exchange Act. The Managing Members are not engaged in any financial industry activities or affiliated with any 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 invest in 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 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 the Fund'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, reliability, financial responsibility and commissions; and (iv) 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 Tachyon, 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 they will be competitive under the circumstances.



### ***ITEM 13 – REVIEW OF ACCOUNTS***

Tachyon currently manages only one account. 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 the Fund, which include the Fund's monthly and year-to-date performance and the current net asset value of the investor's holdings in the Fund.

### ***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 investment 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 – INVESTMENT DISCRETION***

Tachyon, subject to the objectives, guidelines and restrictions of the Fund's IMA, has complete discretion to buy or sell investments for the Fund 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 invest 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 the Fund, and is and has not been the subject of any bankruptcy proceeding during the past ten years.