



Lepercq Lynx Investment Advisory
Washington • New York

Form ADV Part 2 – Firm Brochure

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Introduction

In July 2010, the SEC adopted amendments to Form ADV and related rules. Lepercq Lynx Investment Advisory is now required to replace the Form ADV Part II and Schedule F Forms which have been serving as our annual disclosure document with this narrative brochure. If you have any questions about the contents of this brochure, please contact us at (202) 833-3700. Please note that this brochure has not been approved by the Securities & Exchange Commission or any state securities authority.

Additional information about Lepercq Lynx Investment Advisory is also available on the SEC's website at www.adviserinfo.sec.gov.

Summary of Material Changes

Since the last annual update of Lynx's brochure (March 19, 2010), the following material changes have taken place:

During 2010, Francois Letaconnoux assumed the title of CEO of the firm while Peter Tanous continues as President. As of January 1, 2011, the firm was renamed Lepercq Lynx Investment Advisory.

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I. Advisory Business

Description

Founded in 1992, Lepercq Lynx Investment Advisory provides investment consulting services to individual and institutional clients and serves as advisor to three multi-manager private funds. Lepercq Lynx is majority owned by Lepercq de Neufelize & Co. with the balance of ownership held by firm employees.

Services

Lepercq Lynx advises clients throughout the investment process and may assist with identifying investment goals, creating an Investment Policy Statement, determining an optimal portfolio asset allocation, researching and choosing investment managers, account opening and funding, performance review and ongoing portfolio monitoring. Lepercq Lynx does not manage model portfolios. All client portfolios are customized to the individual needs of our clients. There are many factors that affect the recommended allocation and manager selection for each client, including but not limited to time horizon, risk tolerance, spending and liquidity needs, and, if appropriate, tax considerations. There may be times when a client may impose a restriction on investing in certain types of securities. We make every attempt to work with the recommended managers to honor such requests. However, sometimes the investment structure (e.g. mutual fund) will preclude Lepercq Lynx from controlling the specific outcome requested by the client. In either case we will discuss the feasibility of the request with the client to ensure that their expectations are met.

Lepercq Lynx does not participate in wrap fee programs.

Discretionary & Non-Discretionary Assets

As of December 31, 2010, Lepercq Lynx had \$150,234,068 in Discretionary Assets. This includes assets in the Lynx Partners, Lynx Global Real Assets and Lynx Managed Equity funds.

As of December 31, 2010, Lepercq Lynx had \$872,156,718 in Non-Discretionary Assets. This includes client accounts held at Schwab, Fidelity and various other custodians. Note that while Lepercq Lynx has the power to place trades in accounts held at Schwab and Fidelity, we request written permission from clients to make allocation changes and place trades in client accounts. The only exception to this is that we do, on occasion, place sell orders to raise cash for checks written on client accounts or to pay Lepercq Lynx quarterly advisory fees.

II. Fees and Compensation

Consulting Services Fees

Lepercq Lynx's standard consulting fees are based on assets under management using the schedule below:

- .60% per year on the first \$5,000,000
 - .50% per year on the next \$15,000,000
 - .40% per year on the next \$30,000,000
 - .30% per year on assets above \$50,000,000
- Minimum annual fee is \$12,000

The amount of the fee for each client is negotiated on a case by case basis. The fees are for Lepercq Lynx's advisory services only and do not include transactions fees, brokerage commissions or other management fees charged by non-affiliated third parties (such as custodians, separate account managers, mutual funds, etc) that Lynx may recommend and with whom the client may invest. Unless there is a client- or manager-specific reason not to, Lepercq Lynx recommends custodians such as Schwab and Fidelity, whose transaction and brokerage fees are typically \$8.95 for equities/ETFs and \$25 for mutual funds. Note that actual trading costs will vary depending on the number of shares traded and the value of client assets held at the particular custodian. When recommending mutual funds, Lepercq Lynx recommends institutional class shares when available, in order to provide the lowest expense ratios

available to the client for a specific fund. Regardless of the share class designation, funds are always no-load.

Fees are generally paid quarterly, in advance, based on the value of the client's accounts as of the close of the previous business quarter, unless otherwise negotiated with the client and provided for in their contract. For new client accounts, the fee will begin on the first day of the month following the month in which the Advisor accepts the account. Any contributions made during a calendar quarter will cause an adjustment to the advisory fee. No adjustment or refund will be made with respect to partial withdrawals during any calendar quarter. Lepercq Lynx's service may be terminated by either party upon written notification in accordance with the applicable contractual notice of termination. Upon termination, the fees charged for advisory services will be pro-rated and a refund for any unearned fees will be issued.

In some cases fees may be paid quarterly in arrears. In the event of such a fee schedule, Lepercq Lynx is entitled to the portion of the advisory fee earned during the quarter until the termination of the advisory agreement. From time to time, Lepercq Lynx may offer clients who request it a fixed fee for its services.

Clients may choose to be billed directly or have their fees directly deducted from a custodial account. In both cases, the client will receive a separate copy of each invoice, describing in detail the basis for their fee calculation.

III. Performance-Based Fees

Partnership Fees

Lepercq Lynx provides investment advice to Lynx Onshore Partners L.P., Lepercq-Lynx Partners and Lynx Global Real Asset Fund Onshore LLC, unregistered pooled investment vehicles that are normally referred to as "funds of funds". Investors in these funds are charged asset-based and performance-based fees by Lepercq Lynx. These fees can be waived or changed at our discretion.

Lepercq Lynx takes care to avoid conflicts of interest related to its funds. First and foremost, clients who are invested in any Lepercq Lynx advised funds are only charged the fund fees; they are not charged an additional consulting fee on the assets allocated to a Lepercq Lynx fund. If a proprietary fund is recommended, a client is also presented with alternatives within the same asset class space. The fund performance fees are typical of the vehicle and are disclosed. The client makes the final investment decision whether to invest or not.

The Lepercq Lynx funds have different mandates than a typical advisory client. Fund accounts are not favored over other client accounts.

IV. Types of Clients

Lepercq Lynx's clients generally fall into three categories: individuals, institutional, and fund of funds. Individual clients include high-net worth individuals, families and/or trust accounts. Our institutional clients include endowments, foundations, other non-profits and retirement plans. The funds of funds have been described above.

Lepercq Lynx's minimum account size is \$2 million.

V. Methods of Analysis, Investment Strategies and Risk of Loss

Lepercq Lynx does not have a model portfolio and does not follow one investment strategy. We provide customized investment recommendations based on each client's unique circumstances, including but not limited to, the client's investment goals, risk tolerance, liquidity requirements, spending needs and any other client-specific constraints.

Once an allocation is determined, Lepercq Lynx then recommends managers within each asset class. The vehicles used may be index funds, mutual funds, exchange-traded funds (ETFs), separate account managers, non-publicly traded commingled funds, partnerships and other privately offered funds. These managers have been vetted through Lepercq Lynx's manager research and approval process. Potential managers are initially screened by our research department for style, performance and risk attributes using holdings-based analysis and performance attribution. We then conduct face to face meetings to gain a better understanding of a manager's philosophy, management, process, performance and costs. The final step for manager approval is a review and vote by Lepercq Lynx's investment committee.

Clients should remember that past performance is not an accurate indicator of future results. Inherent in any investment is the possibility of loss.

VI. Disciplinary Information

Lepercq Lynx has not been involved in any legal or disciplinary events.

VII. Other Financial Industry Activities and Affiliations

For the most part, Lepercq Lynx operates completely independently of Lepercq de Neuflyze and its holdings and affiliates, but on occasion, there is some overlap. Related persons of Lepercq de Neuflyze may be investors in the funds of funds. In addition, Francois Letacconnoux, CEO of Lepercq Lynx is also a registered representative of Tocqueville Securities L.P. and Lepercq Lynx has recommended Tocqueville Asset Management on a few occasions. This was an independent investment decision and no compensation was received by Lepercq Lynx for making these recommendations.

VIII. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Lepercq Lynx has a Code of Ethics which all employees follow. A copy of the Code can be provided to clients upon request. The overriding theme to the Code is for employees to put the interests of clients and fund investors first. Outside positions (such as board membership or employment) are reviewed to make sure they do not present a conflict of interest. Rules relating to gifts and insider trading and personal trading are described. Lepercq Lynx keeps a list of restricted securities which is updated monthly. These are securities that are traded by Lepercq Lynx in client accounts and/or the fund accounts. Employees are not prohibited from trading in these securities, but in order to avoid a conflict, they must verify (through the compliance officer) that the securities are not being traded at (or near) the same time as Lepercq Lynx's clients.

IX. Brokerage Practices

Lepercq Lynx does not have any soft dollar arrangements and does not receive compensation from any of the custodians that we may recommend clients use. Lepercq Lynx recommends custodians that will hold client assets and execute transactions on terms that are, overall, most advantageous when compared to other available providers and their services. Custodians are evaluated for their trade execution services, capabilities for transfers and payments, breadth of available investment products, trading fees and reputation, financial strength and stability. While Lepercq Lynx prefers to use Fidelity or Schwab (fees described above) as the custodians of client accounts, the decision is ultimately left up to each client. In addition, when Lepercq Lynx recommends managers who have their own preferred custodians, we usually recommend that clients use the manager's preferred custodian, unless the costs are determined to be unreasonable.

In the event that a client chooses their own broker or custodian, the client should consider the following:

- (a) The client may forgo any benefit from savings on execution costs that the money managers may be able to obtain for its clients through negotiating volume discounts on batch transactions (if applicable);

- (b) Though Lepercq Lynx has generally found that the money managers allocate batched transactions on a random basis, execution of orders that have directed a particular broker may be delayed until execution of non-directed orders have been completed;
- (c) Clients who direct a money manager to use a specific broker may pay higher commissions on transactions that might be obtained by the underlying money managers, or may receive less favorable executions of transactions, or both; and
- (d) Clients who direct Lepercq Lynx to use a specific broker for an account holding mutual funds and ETFs may pay higher commissions on transactions that might be obtained by opening the account at one of our preferred custodians (Schwab or Fidelity).

Lepercq Lynx does not aggregate the purchase or sale of securities. The timing of trades will depend on when a recommendation is approved by each individual client.

X. Review of Accounts

At a minimum, client portfolios are evaluated on a quarterly basis, at which time a comprehensive performance report is provided to the client. However, client portfolios are continually monitored, reviewed and analyzed by the client's advisor. Investment manager analysis, performance review, rebalancing, and investment policy changes are all items that are constantly under watch by Lepercq Lynx.

Client quarterly reports are customizable, but generally include the following: market update and commentary, current and historical performance for the portfolio as a whole and each underlying manager/investment, current and historical benchmark returns, asset allocation, manager allocation and performance attribution. These reports can be provided electronically or in hard copy. On a quarterly basis, the client may choose to have a face to face meeting with their advisor to review the portfolio or receive the report with a written analysis of their accounts.

XI. Client Referrals and Other Compensation

Lepercq Lynx may pay referral fees to Aronson & Company and Metis Wealth Strategies LLC. The referral arrangements have been developed in accordance with Rule 206(4)-3 under the Investment Advisers Act of 1940. Among other things, the Rule requires that each prospective client referred by a "solicitor" is furnished with a written statement that includes pertinent information about the referral arrangement.

XII. Custody

Under government regulations Lepercq Lynx is deemed to have custody of your assets if, for example, a client authorizes us to instruct Schwab or Fidelity to deduct our advisory fees directly from your account (or if a client grants us authority to move their money to another person's account). The custodian maintains actual custody of the client assets. Clients will receive monthly statements directly from Schwab and Fidelity at the email or postal mailing address provided to the custodian on the account opening documents. Clients should carefully review the statements promptly when received. We also encourage clients to compare their custodial account statements with the quarterly reports that Lepercq Lynx provides.

As investment advisor to Lynx Onshore Partners L.P., Lepercq-Lynx Partners and Lynx Global Real Asset Fund Onshore LLC, Lepercq Lynx is deemed to have custody of the assets of these funds. Citigroup is the custodian and administrator of the funds. Citi prepares monthly statements and sends them directly to each investor. In addition, on an annual basis, an independent audit is performed for each fund and audited financial statements are prepared in accordance with U.S. GAAP. The financials for these funds of funds are provided to each investor within 180 days of fiscal year end.

XIII. Investment Discretion

As mentioned above (Section I- Advisory Business), Lepercq Lynx does accept discretion of client accounts when cash needs to be raised for checks that clients have written on an account or to pay our advisor fees. In these cases, Lepercq Lynx will not seek permission from the client before we trade a security. This trading authority may be granted to us by clients in their Schwab or Fidelity account opening documents.

Lepercq Lynx also has discretion to manage the assets in each of the funds of funds we advise.

Finally, in early 2011, some clients gave Lepercq Lynx written authorization to accept discretion on separately managed accounts that were opened with proceeds from the Lynx Global Real Asset Fund Offshore Ltd., with the stipulation that the account is managed with a similar strategy as the prior fund.

XIV. Voting Client Securities – Proxy Voting

Generally, Lepercq Lynx does not have authority to vote client securities and proxy voting is done by the separate account managers. In the rare case that a proxy vote is required for a mutual fund or ETF that Lepercq Lynx has recommended, the research department will do the appropriate analysis, determine what vote is in the best interest of the client, and vote any proxies on behalf of the client.

XV. Advisory Personnel

Below is a list of Lepercq Lynx personnel who are directly responsible for advisory services at the firm. Peter Tanous, President, serves as supervisor of these individuals and he can be contacted at (202) 833-3700. In addition to Mr. Tanous' supervision, the advice provided by these individuals is formally reviewed by the Client Review Committee on a semi-annual basis and monitored on a day to day basis by operations and performance personnel.

Peter J. Tanous

Year of Birth: 1938

Formal education after high school: Georgetown University – BA Economics (1960)

Business background for the preceding 5 years: President, Lepercq Lynx Investment Advisory (1/93 – Present)

Heather T. Errigo, CFA*

Year of Birth: 1967

Formal education after high school: State University of New York -BS Intl. Business (1989)

Business background for the preceding 5 years:

Managing Director – Consulting, Lepercq Lynx Investment Advisory (2/04 – Present)

Vice President, ASB Capital Management (3/96 – 2/04)

Adrian B. Kutko, CFA*

Year of birth: 1965

Formal education after high school: BS Finance, University of Delaware (1988)

MBA, University of Maryland College Park (2000)

Business background for the preceding 5 years:

Managing Director - Consulting, Lepercq Lynx Investment Advisory (1/10 – present)

Investment Officer - GenSpring Family Offices, (3/07 – 5/09)

Managing Director - Consulting, Lepercq Lynx Investment Advisory (5/01 – 2/07)

Ryan M. Tie

Year of Birth: 1975

Formal education after high school: University of Colorado – BA Economics (1999)

Business background for the preceding 5 years:

Managing Director and CIO - Funds, Lepercq Lynx Investment Advisory (1/07 – Present)

Vice President, Lepercq Lynx Investment Advisory (12/02-12/06)

Analyst, Monticello Associates (2000-2001)

Vipin Sahjwani, CFA*

Year of Birth: 1971

Formal education after high school: The University of Delhi, India - BA Economics (1992)
Center for Management Development in India – MA Market Research and Forecasting (1994)
The George Washington University – MBA Finance (2002)

Business background for the preceding 5 years:

Managing Director and CIO - Consulting, Lepercq Lynx Investment Advisory (1/07-Present)

Portfolio Manager, Arithmetics LLC (1/05 – 12/06)

Brian Conway

Year of Birth: 1981

Formal education after high school: Penn State University – Erie – BS Finance (2003)

Business background for the preceding 5 years:

Assistant Vice President, Consulting, Lepercq Lynx Investment Advisory (11/06-Present)

Senior Analyst, Cambridge Associates (3/04-10/06)

*The CFA designation is a globally recognized, graduate-level investment credential. The CFA charter is earned through a self-study program that combines a broad curriculum with professional conduct requirements, culminating in three sequential exams.