

TMF Capital Management LLC
Form ADV Part 2A
March 23, 2011

Part 2A of Form ADV

Item 1. Cover Page

TMF Capital Management LLC
400 North Michigan Avenue, Suite 620
Wrigley Building
Chicago, IL 60611
Tel. No. 312-840-9501
Fax No. 312-264-0104
March 23, 2011

This brochure provides information about the qualifications and business practices of TMF Capital Management LLC. If you have any questions about the contents of this brochure, please contact us at 312-840-9501. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about TMF Capital Management LLC is also available on the SEC’s website at www.adviserinfo.sec.gov.

TMF Capital Management LLC
Form ADV Part 2A
March 23, 2011

Item 2. Material Changes

On July 28, 2010, the SEC published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC rules. This Brochure dated March 23, 2011 is a new document prepared according to the SEC’s new requirements and rules. As such, this Brochure is materially different in structure and contains certain new information that our previous brochure did not require.

In the future, this section will provide a summary of specific material changes that have been made to the Brochure since its last update. We will also reference the date of our last annual update of our Brochure.

Item 3. Table of Contents

Item 1.	Cover Page	1
Item 2.	Material Changes	2
Item 3.	Table of Contents	2
Item 4.	Advisory Business.....	3
Item 5.	Fees and Compensation	3
Item 6.	Performance-Based Fees and Side-By-Side Management.....	4
Item 7.	Types of Clients	4
Item 8.	Methods of Analysis, Investment Strategies and Risk of Loss	4
Item 9.	Disciplinary Information.....	8
Item 10.	Other Financial Industry Activities and Affiliations.....	8
Item 11.	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	8
Item 12.	Brokerage Practices.....	8
Item 13.	Review of Accounts	9
Item 14.	Client Referrals and Other Compensation	9
Item 15.	Custody	9
Item 16.	Investment Discretion	9
Item 17.	Voting Client Securities	9
Item 18.	Financial Information.....	10
	Brochure Supplement Information	11

Item 4. Advisory Business

A. Firm Description. We are an SEC-registered investment adviser formed in 2004. SEC registration does not imply a certain level of skill or training. Michael F. Harron is the founder, the sole owner and the managing member.

B. Advisory Services. We manage two private investment funds of funds: The Managers Fund LLC, a Delaware limited liability company (the “Fund”); and The Managers Fund Offshore, Ltd., a British Virgin Islands business company (the “Offshore Fund,” and together with the Fund, the “Funds”). We manage the Funds according to the investment objectives and investment guidelines set forth in their offering memoranda (the “Offering Documents”).

The Funds are structured as multi-manager, multi-strategy funds of hedge funds. The Funds primarily invest in hedge funds that trade and invest in marketable securities and to a lesser degree in hedge funds that invest in privately placed and individually negotiated instruments. The Funds invest in hedge funds that specialize in relative value, event-driven and opportunistic investment strategies with either a non-directional or a directional bias.

C. Tailored Advice. Our only clients are the Funds. We manage the Funds according to the investment objectives and investment guidelines set forth in the offering memoranda.

D. Wrap Fee Programs. We do not participate in any wrap fee programs.

E. Amount of Assets Managed. As of December 31, 2010, we manage \$70,308,265 of assets on a discretionary basis and \$0.00 on a non-discretionary basis.

Item 5. Fees and Compensation

A. Advisory Fees. The compensation the Funds pay us is set forth in each of their Offering Documents. We, in our sole discretion, may assess a higher or lower management fee or rate of performance-based compensation with respect to certain investors in the Funds.

We reserve the right to waive or reduce any fees or compensation payable to us at any time, provided that any such waiver or reduction does not result in an increase in the management fees or allocations attributable to any other investor’s capital account.

B. Payment of Fees.

- (1) The Managers Fund LLC The Fund’s management fee is paid monthly, payable in advance and calculated as of the beginning of each month. The Allocation is calculated as of: (i) each December 31 and (ii) each capital withdrawal by such member.
- (2) The Managers Fund Offshore, Ltd. The Offshore Fund’s incentive fee is calculated as of the end of each fiscal year and upon the redemption of shares.

C. Other Fees or Expenses. The Funds bear their own expenses on a pro rata basis, including, but not limited to, marketing expenses and expenses associated with the distribution and sale of shares; fees in connection with the custody of assets of the Fund; securities brokerage commissions and other transaction costs; margin and interest expenses; legal, accounting, consulting, valuation and other

professional fees; computer service costs; “key man” insurance; the costs of research and execution services which are of benefit to the Funds and are not otherwise provided by brokers; due diligence expenses including travel and lodging; audit and tax preparation fees; directors’ fees; regulatory and filing expenses; and extraordinary expenses, such as litigation costs and the cost of proceedings or examinations by or involving governmental bodies or self-regulatory organizations. Such costs reduce appreciation and do not include any of our allocable overhead.

More information regarding our brokerage practices is contained below in Item 12.

D. Other Compensation. Our firm and our employees do not accept compensation for the sale of securities or other investment products.

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

The Funds provide us with performance-based incentive fees. These incentive fees are disclosed to investors in the relevant Offering Documents. Where fund investors pay for services by means of performance-based compensation, there is an incentive for us to make investments that are riskier or more speculative than would be the case in the absence of the performance-based compensation. In addition, the performance on which performance-based compensation is calculated will include unrealized appreciation and depreciation of investments, which may not ultimately be realized.

We do not have client accounts managed in the same strategies as the Funds and which only pay asset-based fees. As a result, we have no conflicts of interest between accounts that pay asset-based fees and accounts that pay performance-based fees (known as “side-by-side management”).

Item 7. Types of Clients

Our only clients are the Funds. Fund minimum investment requirements are set forth in the applicable Fund Offering Documents.

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

A. Investment Strategies and Methods of Analysis.

Our investment strategy is to generate long-term superior risk-adjusted returns with low correlations to major market, fixed income and commodity indices while protecting capital over a wide range of probable and improbable markets through judicious manager selection and strategic portfolio diversification.

The Funds are structured as multi-manager, multi-strategy funds of hedge funds. The Funds primarily invest in hedge funds that trade and invest in marketable securities and to a lesser degree in hedge funds that invest in privately placed and individually negotiated instruments. The Funds invest in hedge funds that specialize in relative value, event-driven and opportunistic investment strategies with either a non-directional or a directional bias.

Our investment process takes into account each manager’s experience, track record, references, portfolio management skills, risk management skills, business management skills, personal commitment, operating controls, management structure, employee compensation plans as well as additional factors such as the

quality and reputation of outside service providers and the ability of the manager to provide long term stability and leadership at his fund.

We rely on a mentoring business model that ensures that each new manager has significant exposure to an established, talented and experienced mentor to learn essential investment, portfolio and risk management skills.

Our due diligence process includes, but is not limited to:

- Fund Overview – legal structure, assets under management, investor concentration, subscription & redemption terms, service provider history, fee structure and assessment history, advisory board, audited financial statements, FASB 157 valuations and liquidity and independent administrator reporting.
- Management Company Overview – principal ownership, compensation structures, business plan, insurance coverage, employee/key employee history and retention, legal and regulatory history and policies, assets under management & history, management investment in the fund, physical & intellectual security, SEC audit records, ADV filings, information technology controls and disaster recovery, and compliance controls and history.
- Investment Style and Strategy – investment style and strategy approach to portfolio management, use of leverage, derivatives, hedging, sizing and liquidity.
- Risk Management – overview of risk monitoring function, key risk factors of strategy and control of risk, use of stop-loss and/or limits, collateral policies, portfolio allocation process and guidelines, liquidity risk, market risk, counterparty credit risk, VAR and prime supplied risk analysis systems.
- Trading Process – key employees, adherence to investment restrictions and mandates, restrictions and guidelines, trade authorization process, execution of trades, history of errors and resolutions, accounting and reconciliation procedures and frequency, separation of duties, valuation policies and procedures, and fund administration procedures.

The material risks associated with such investment strategies and methods of analysis are disclosed in Item C below.

B. Primarily Recommended Securities.

We invest in other private investment funds. Such securities are generally subject to the risks disclosed in Item C below.

C. Material Risks.

The material risks presented by our investment strategies, our methods of analysis and our investments in private funds are set forth below. Additional information is contained in the Offering Documents related to the Funds. This Brochure does not purport to contain a complete disclosure of all risks that may be relevant to a prospective investor in the Funds. Investing involves risk of loss that an investor should be prepared to bear.

Market, Strategy and Management Risk

Market, strategy and management risk are the three broad categories of risk to which the Funds are subject. Market risk is inherent in any investment or trading strategy. In the case of the Funds, this risk is on a portfolio manager by portfolio manager basis, significant and exacerbated by the high degree of leverage at which many portfolio managers trade. On a Fund-wide basis, we attempt to address market

risk by broad diversification, multiplying profit opportunities as well as decreasing the risk of a significant portion of the Funds' positions incurring losses at or about the same time.

Strategy risk relates to the deterioration of the economic viability of an entire strategy. Strategy specific losses can result from excessive concentration by multiple managers in the same investment approach or general economic events that adversely affect particular strategies (*e.g.*, illiquidity within a given market). The decline of mortgage-backed/U.S. Treasury arbitrage following the disruptions in the mortgage-backed market in early 1994 and the significant losses sustained by a number of relative value strategies during the liquidity and credit tightening in the third and fourth quarters of 1998 are examples of the possible materially adverse effects of strategy risk.

Management risk is a common problem for multi-manager strategies. We have no immediate control over the Funds' actual trading, but rather sub-contract out the management of such trading to third-party portfolio managers. Short of such unusual problems such as fraud or self-dealing by advisors, there is the more common problem of strategies evolving over time, and perhaps changing materially, in ways in which it is difficult for us to determine. The cooperative structure of the Funds is an attempt to materially mitigate management risk, but is may not be successful in doing so.

Restrictions on Reallocations Among Portfolio Funds

Among the principal disadvantages and risks inherent in a fund of hedge funds structure are the restrictions imposed on the asset allocation flexibility and risk control capability of the manager of the Funds as a result of the limited liquidity of the portfolio funds in which the Funds invest.

The Funds could be unable to withdraw their capital from a portfolio fund for some months after the manager has determined that the portfolio manager operating such fund has begun to deviate from its trading policies and strategy.

Certain portfolio funds may suspend redemptions (and calculation of net asset values), especially during periods of market disruption, preventing the Funds from liquidating their investments.

Estimates

We have no ability to assess the accuracy of the valuations received from the portfolio managers of the portfolio funds in which the Funds invest. Furthermore, the net asset values we receive from such funds are typically estimates only subject to revision through the end of each such fund's annual audit. Any adjustments made to published net asset values are made to the current month's profit or loss, unless such amount is material, in which case the estimated net asset values are adjusted. In the event that a portfolio fund makes a correction to its valuations after an investor has withdrawn completely from the Funds, we may demand that such investor repay to the Funds, or may cause the Funds to pay to such investor, an amount corresponding to such investor's proportionate share of such correction, but we are not required to do so if the adjustment affects the overall net asset value of such investor's interest by five percent or less. In the event that a portfolio fund makes a correction to its valuations after an investor has made a partial withdrawal, such investor's capital account may be adjusted to reflect such corrected valuations.

Financing Arrangements

We may cause the Funds to borrow capital totaling up to 25% of their net asset value (calculated as the time of each borrowing). The Funds may borrow to facilitate allocations and reallocations of capital among the portfolio funds and for payment of distributions and/or capital withdrawals. From time to time, the Funds may also borrow capital for the purpose of making additional investments in portfolio funds. This practice, depending upon the extent to which it is employed, may significantly increase the Funds'

market exposure and risk. When the Funds have borrowed money for leverage and their investments increase or decrease in value, their net asset value will increase or decrease more (possibly by multiples, depending upon the degree of leverage employed by each) than if they had not borrowed money.

General Economic Conditions

The success of any investment activity is affected by general economic conditions that affect the level and volatility of prices as well as the liquidity of the markets. The prices of many securities and derivative instruments are highly volatile. The price movements of many of the instruments in which the Funds trade are influenced by, among other things, interest rates, changing supply and demand relationships, the trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events. Governments from time to time intervene, directly and by regulation, in certain markets, particularly those in currencies and interest rates, disrupting strategies focusing on these sectors. On the other hand, certain strategies are “long” volatility, and their profit potential is severely diminished or eliminated in settled market conditions. Unexpected changes (in either direction) in the volatility or liquidity of the markets in which portfolio managers hold positions could cause significant losses.

Absence of Regulation

Neither the Funds nor the portfolio managers’ funds are registered as investment companies under the Investment Company Act. Furthermore, neither we nor most of the portfolio managers are registered as investment advisers under the Investment Advisers Act or any comparable legislation. Consequently, investors do not have the benefit of the protection provisions of such regulation.

The Funds are not registered as investment companies under the Investment Company Act or any comparable regulatory requirements, and they do not intend to do so. Accordingly, the provisions of such regulations, which among other things generally require investment companies to have a majority of disinterested directors, require securities held in custody at all times to be maintained in segregated accounts and regulate the relationship between the investment company and its asset manager, are not applicable to an investment in the Funds.

Limited Liquidity

An investment in the Funds has limited liquidity. The interests are not transferable, and withdrawals may be made only as of the end of each quarter. Furthermore, the payment of withdrawal proceeds may be delayed by us if we believe that such payment would cause adverse consequences to the remaining investors, and are subject to any restrictions or charges imposed upon redemptions by the portfolio funds in which the Funds invest.

The Manager

The success of the Funds depends on the ability of Mr. Harron to select portfolio managers which are profitable. There can be no assurance that he will be able to do so.

Sole Principal of the Manager

We are dependent on the services of Mr. Harron. Were Mr. Harron’s services no longer available, the Funds would dissolve.

Substantial Charges

The overall expenses of the Funds, including our management fees and our allocations, the portfolio managers’ compensation (usually based both on a percentage of assets managed as well as on

performance) and transaction costs are substantial. These charges must be offset by market gains or the interests will decline in value.

The Funds are subject to a layering of fees and expenses. The same assets and profits on which portfolio managers assess management and incentive fees are also subject to management fees and allocations at the fund level. The fund of funds structure also increases overall administrative costs.

The overall transaction costs of the Funds (including their allocable share of portfolio funds' transaction costs) have to date been, and are anticipated to continue to be, higher than those incurred by many investment companies, due to the non-traditional and highly leveraged strategies implemented by many of the portfolio managers.

Item 9. Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of us or the integrity of our management. We have no such legal or disciplinary events to disclose.

Item 10. Other Financial Industry Activities and Affiliations

This item requests information about our other financial services business and relationships with affiliates. We have no other financial services business and no such affiliates.

The Founding Managers, as disclosed in Item 6 above, are investors and participate in fees. This arrangement does not result in a material conflict of interest.

Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

We have adopted and will maintain and enforce a code of ethics (the "Code") which sets forth the standards of conduct expected of employees and requires compliance with the federal securities laws and our fiduciary duties, including the duties to put client interests first at all times and to maintain the confidentiality of client information.

The Code also addresses the personal securities trading activities of all employees, including Mr. Harron who is invested in the Funds under identical terms as all other non-founding investors, in an effort to detect and prevent illegal or improper personal securities transactions and requires initial and annual holdings reports as well as quarterly personal securities transaction reports.

To mitigate the potential for conflicts of interest, the Code contains a number of restrictions related to the activities of employees, including limits on the provision and receipt of gifts or entertainment and limits on outside activities. The Code provides that all employees are to certify their compliance on an ongoing basis and makes the Chief Compliance Officer responsible for administering and enforcing the Code and maintaining all records the Code requires. A copy of the Code is available upon request.

Item 12. Brokerage Practices

We invest only in other private investment funds. Given the nature of our investments, we have no broker-dealer relationships.

Item 13. Review of Accounts

- A. Timing of Review.** The Funds are subject to continuous review by Mr. Harron.
- B. Reports to Clients.** On a monthly basis, we update our website with each investor's monthly account statement, monthly fund performance, and other important updates, including portfolio information. Additionally, all records are updated for legal documents, investor documents, and K1 information. The website is available at all times to all investors via password-protected accounts.

Item 14. Client Referrals and Other Compensation

- A. Receipt of Economic Benefit from Non-client.** We do not receive any economic benefit (*e.g.* sales awards or other prizes) from non-clients for providing investment advice or advisory services to our clients.
- B. Payment for Client Referrals.** We do not directly or indirectly compensate any person for client referrals.

Item 15. Custody

We do not serve as the qualified custodian of assets of the Funds and do not maintain physical custody of their liquid assets. We are deemed by the applicable regulatory rules to have constructive custody of the assets of the Funds. We satisfy the applicable regulatory requirements related to custody by, among other things, ensuring that the Funds are subject to an annual audit by an independent, PCAOB –registered and examined accounting firm, and that such audited financial statements are provided to fund investors within 180 days of a Fund's fiscal year end.

Item 16. Investment Discretion

Pursuant to their governing documents, the Funds retain us to exercise broad investment discretion in accordance with their investment objectives and investment mandates without investor consultation or consent, all as set forth in the applicable Offering Documents. This authority to exercise broad investment discretion is established through the subscription documents filled out and signed by each of the Funds.

The exercise of such discretion includes the determination of:

- Which underlying funds to buy or sell;
- The total amount of underlying funds to buy or sell; and
- The prices at which such underlying funds are to be bought or sold.

Item 17. Voting Client Securities

Because we invest all of assets in securities such as privately-placed hedge funds that do not have traditional equity-like voting rights, as a practical matter, we do not engage in proxy voting. In the event equity-like voting issues are presented to us, we will adopt a proxy voting policy and otherwise comply with the requirements of Rule 206(4)-6.

Item 18. Financial Information

This Item requires us to disclose certain financial information about us. We have no responsive information to disclose.

Brochure Supplement Information

This section provides information required by Form ADV Part 2B regarding Mr. Michael F. Harron.

1. Contact Information.

Mr. Michael F. Harron
400 North Michigan Avenue, Suite 620
Wrigley Building
Chicago, IL 60611
Tel. No. 312-840-9501
Fax No. 312-264-0104

2. Educational Background and Business Experience.

Michael F. Harron

Education:

International School of Geneva, Geneva, Switzerland 1974
University of Denver, Denver, Colorado; BA Political Science, 1978

Experience:

TMF Capital Management LLC, Managing Partner, 2004 to present

3. Discipline Information.

There is no disciplinary history to report.

4. Other Business Activities.

There are no outside business activities to report.

5. Additional Compensation.

There is no additional compensation to report.

6. Supervision.

Mr. Harron is subject to written compliance and supervisory procedures and the related ongoing compliance monitoring and testing. Such procedures address, among other things, the provision of investment advice. However, Mr. Harron is the sole principal of the firm and as such is not subject to anyone else's supervision.