

Part 2A of Form ADV: Firm Brochure

Item 1 Cover Page

COMMERCE STREET
Investment Advisor, LLC

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This brochure provides information about the qualifications and business practices of Commerce Street Investment Advisor, LLC. It is prepared pursuant to regulatory requirements. If you have any questions about the contents of this brochure, please contact us at the phone number or website listed above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. Additional information about Commerce Street Investment Advisor, LLC is also available on the SEC's website at www.adviserinfo.sec.gov.

Dated: March 31, 2011

Item 2 Material Changes

This brochure is a new document prepared in response to the 2010 amendments to SEC form ADV. It is materially different from previous Commerce Street Investment Advisor, LLC filings and includes certain new information that our previous filings did not require.

In the future, Item 2 will be used to provide clients with a summary of material changes that are made to this brochure since the last annual update.

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Item 4 Advisory Business

INTRODUCTION

Commerce Street Investment Advisor, LLC is a Registered Investment Advisory firm registered with the U.S. Securities and Exchange Commission (SEC) since January 22, 2008. We are noticed filed in California, Connecticut, DC, Florida, Georgia, Iowa, Illinois, Kansas, Louisiana, Minnesota, Mississippi, New Jersey, New Mexico, New York, Oklahoma, Pennsylvania, South Dakota, Tennessee, Virginia and our home state of Texas which means we are registered to do business in these states. We may conduct business in other states by claiming an exemption from registration. Our registration as an Investment Adviser does not imply any level of skill or training. The oral and written communications we provide you, including this Brochure, is information you can use to evaluate us and other advisers, which are factors in your decision to hire us or to continue to maintain a mutually beneficial relationship. This Brochure provides information about our qualifications and business practices.

OWNERSHIP

Commerce Street Investment Advisor, LLC is a limited liability company headquartered in Dallas, Texas. Commerce Street Holdings, LLC is the sole member of the firm. Dory A. Wiley and James B. Gardner are the equal members of Commerce Street Holdings, LLC.

ADVISORY SERVICES OFFERED

We provide management services for private equity funds and hedge funds ("Funds"), which we will also sponsor. Typically these Funds will be 10 year, closed-end limited partnerships in which investors subscribe for interests.

We also provide management services for proprietary trading strategies offered through our affiliated broker-dealer Commerce Street Capital, LLC. This proprietary trading strategy system utilizes a market-timing model known as the Predictive Path Trading Strategy.

FUND MANAGEMENT SERVICES:

Investors which subscribe to the Funds will be high net worth individuals, trusts, institutions, pension funds, endowments and insurance companies, and typically will be sophisticated investors with substantial investment assets who wish to participate in partnerships formed to invest in professionally managed private equity funds and hedge funds.

Investors typically will be a "qualified client" as defined in Rule 205-3e of the Rules and Regulations promulgated under the Investment Advisers Act of 1940. Typically, the Funds will be invested in bank equity securities, bank debt securities, and commercial real estate mortgage instruments.

Qualified Client

Clients who participate in performance-based portfolios must be "qualified clients." In general, "qualified clients" include:

- (1) any natural person (including any person who holds a joint, community property, or other similar shared ownership interest in an issuer that is excepted under [Section 3\(c\)\(7\)](#) [15 USCS 80a-3(c)(7)] with that person's qualified purchaser spouse) who owns not less than \$ 5,000,000 in investments, as defined by the Commission;
- (2) any company that owns not less than \$ 5,000,000 in investments and that is owned directly or indirectly by or for 2 or more natural persons who are related as siblings or spouse (including former spouses), or direct lineal descendants by birth or adoption, spouses of such persons, the estates of such persons, or foundations, charitable organizations, or trusts established by or for the benefit of such persons;
- (3) any trust that is not covered by clause (ii) and that was not formed for the specific purpose of acquiring

the securities offered, as to which the trustee or other person authorized to make decisions with respect to the trust, and each settlor or other person who has contributed assets to the trust, is a person described in clause (i), (ii), or (iv); or

(4) any person, acting for its own account or the accounts of other qualified purchasers, who in the aggregate owns and invests on a discretionary basis, not less than \$ 25,000,000 in investments.

Custody of client accounts for both securities and funds will be maintained at Penson Financial Services, Inc. the designated custodian and clearing firm for Commerce Street Capital, LLC. Neither our Firm nor its advisory agents are affiliates of Penson Financial Services, Inc. (Member FINA/SIPC)

ASSETS UNDER MANAGEMENT:

As of December 31, 2010, Commerce Street Investment Advisor, LLC Inc. has approximately \$238,076,353 in discretionary assets under management.

PREDICTIVE PATH TRADING STRATEGY MANAGEMENT:

The Predictive Path Trading Strategy is the result of computerizing over 30 years of techniques which give traders and advantage in trading markets, timing entry, and what to expect with each passing day. The model constantly fine tunes the very-short to decade-long harmonic cycles in each market giving us insight into how important each subsequent move might be—something profoundly more critical given the financial crisis and the huge percentage and absolute price moves in global markets.

The model uses four pattern recognition algorithms to pre-filter hundreds of domestic and global markets in order to wait on what have been proven setups that lead to key reversals with the greatest return expectations. To minimize risk, the resulting signals are passed through our cycle detectors and ultimately our 'predictive path' model. This allows hundreds of markets to be hewn down to only a few very-select candidates. We then use intraday data on the trades that pass all the tests in order to time our entry and place protective stops. Further, stops are utilized to protect profits as trades become profitable.

Trades will be made pursuant to the Trading Strategy for the sole purpose of providing investment returns for clients invested in this Trading Strategy. The trading position and trading portfolio must be managed with care, skill and diligence of a prudent person familiar with such matters and acting in a like capacity. All trades will be made within the Risk Parameters and Approved Trading Instruments. The Objective of the Trading Strategy is to generate gross returns that average 2% per month over rolling 12-month periods with volatility below that of the S&P 500.

We are responsible for the management of the Trading Strategy in a manner consistent with the Procedures, Objectives, Policies and Restrictions, and other Guidelines. Our primary responsibilities as Manager are:

1. Serve as a due diligence review group to ensure that the Fund is being managed in a manner consistent with the Trading Strategy, Objectives and Risk Parameters outlined.
2. Work with the Manager to determine, review and approve any appropriate changes that need to be made to the policy to achieve the Objectives of the Fund.

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Item 5 Fees and Compensation

FUND MANAGEMENT SERVICE FEE SCHEDULE:

We will receive a management fee based on committed capital in accordance with the terms of the Partnership Agreement. The fee will be calculated and paid quarterly in advance as of the beginning of each calendar quarter. The management fee will be pro-rated for any period less than a full quarter.

Termination:

Agreements are continuous until the earlier of the dissolution of the Partnership or termination by either the Manager or the General Partner on behalf of the Partnership upon at least a thirty (30) days prior written notice. Should the agreement be terminated the Partnership will receive a pro-rated share of any prepaid Management fees.

PREDICTIVE PATH TRADING STRATEGY MANAGEMENT FEE SCHEDULE:

The fees for the Proprietary Trading Strategy also called the Predictive Path Trading Strategy are:

Management Fee: 2%

The management fee is paid 1/12 of 2% Monthly.

Performance Fee: 20% of profits will be paid annually, on the anniversary date. Up to 10% of the total performance fee is subject to payment to the approved Referral Agent. A referral agent will be either a registered agent of Commerce Street Investment Advisor, LLC or a solicitor. The Referral Agent Agreement will be disclosed to the client. See Item 14

Trading Cost: You will pay the cost of execution which will be paid directly to the Clearing Firm, Penson. We do not profit from the execution costs.

Portfolio Management fees do not include certain charges imposed by third-parties which may include, but are not limited to, the following: mutual fund or money market 12b-1 and sub transfer fees, fund or money market management fees and administrative expenses, mutual fund transaction fees, certain deferred sales charges on previously purchased mutual funds transferred into the account, IRA and qualified retirement plan fees, and other charges required by law. Additional fees may be incurred while the funds are in a money market fund or other no-load fund. These fees are charged and collected by the mutual funds and are not refundable to Client. These fees are in addition to the fees charged by us.

Referral Fees: Up to 100% of referral fees can be paid to an approved Referral Agent. The Referral Agent Agreement will be disclosed to the client. This referral arrangement is between Commerce Street Investment Advisor, LLC and the referral agent.

Termination:

The term of the agreement will be continuous until terminated by either party upon giving written 30 days advanced notice to the other party. Refunds would be determined on a case by case basis and would be dependent on the amount of time spent in the data gathering function and writing of the financial plan.

ERISA and the Pension Protection Act of 2006 (PPA)

We may also have IRA accounts or other retirement accounts which are subject to the Pension Protection Act of 2006 (PPA). In all cases an "eligible investment advice arrangement" or advisory agreement will be executed with the Client. We will be considered a "fiduciary advisor" and will charge fees to the retirement account based on a Level Fees basis which means the fees will not vary depending on the basis of the investment option selected.

Other Compensation Received by our firm or its advisory agents:

Commerce Street Capital, LLC, (Member FINRA/SIPC) is a registered broker-dealer and an affiliated firm through the ownership of Jim Gardner and Dory Wiley. In this capacity, the Advisory Agents of our Firm may sell securities through Commerce Street Capital, LLC, a FINRA broker/dealer and receive normal and customary commissions as a result of such purchases and sales. This presents a conflict of interest to the extent that the agent recommends that a client invest in a security which results in a commission being paid to the agent.

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

Fees are negotiated for each client and may include multiple and different fees. Compensation of personnel of our firm may also be based on the performance of your account through our proprietary trading strategy program and is negotiated with each referral agent.

Performance based fee arrangements may create an incentive for our firm to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. This type of fee arrangement can also create an incentive to favor higher fee paying accounts over other accounts in the allocation of investment opportunities. We have procedures in place to ensure that all clients are treated fairly and equally and to prevent this conflict from influencing the allocation of investment opportunities among our clients.

Item 7 Types of Clients**Client Base:**

Our customer base consists of private equity funds, individuals, pension and profit sharing plans, trusts, estates charitable organizations, endowments, insurance companies, corporations and other business entities. These are the types of clients that we service, but we may not have all these types as current clients.

Conditions for Account Management:

We have no imposed minimum account size to be managed by us unless set forth by a Fund Private Placement Memorandum.

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

Methods of Analysis & Investment Strategies:

We use technical and fundamental analysis compiled by data services. We may use other sources of information that may include, but are not limited to, other professionals, filings with regulatory agencies and other sources.

Fundamental analysis involves using real data to evaluate a security's value. We perform fundamental analysis on a securities value by looking at economic factors, such as interest rates and the overall state of the economy, information about issuers, potential changes in credit ratings, revenues, earnings, future growth, return on equity, profit margins and other data to determine underlying value and potential for future growth.

Technical analysis involves studying supply and demand in the market to determine what direction, or trend will continue in the future by understanding the emotions in the market as opposed to its components. Understanding the benefits and limitations of technical analysis can give a new set of tools or skills that will enable us to be a better trader or investor.

Risk Parameters for the Predictive Path Trading Strategy:

The Predictive Path Trading Strategy intends to pursue a diversified long only strategy. However, and importantly, INVERSE Exchange Traded Funds (ETFs) and Leverage ETFs will serve as non-margined long or short position(s) which can serve as proxies for short or long positions in a variety of assets including, fixed income instruments including treasury, agency and mortgage back securities as well as investment grade and high yield bonds. Further, the Predictive Path Trading Strategy is authorized and will trade in ETFs with underlying assets including commodities, currencies, real estate as well as baskets of stocks, and indices that are designed to generate absolute returns with volatility below the S&P 500. In pursuit of this strategy, specific risk guidelines for the Predictive Path Trading Strategy have been adopted and will be available upon request.

Risk of Loss:

The advice offered by our Firm to clients is determined by the areas of expertise of the agent providing the service and the client's stated objective. Our clients are advised to notify our Firm promptly if there are ever any changes in your financial situation or investment objective or if you wish to impose any reasonable restrictions upon our management services. If you wish to impose any reasonable restrictions upon our management services, you will need to advise us in writing of any restrictions.

We do not represent, warrant, or imply that the services or methods of analysis employed by us can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. All securities trading, whether in stocks, options, or other investment vehicles, is speculative in nature and involves substantial risk of loss that clients should be prepared to bear. Past performance is not necessarily indicative of future results. Clients should make every effort to understand the risks involved.

The Principle Risks of Investing include, but are not limited to:

General Risks: Your investments with us are not a deposit of a bank and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Accordingly, you may lose money by investing with us. When you sell your investments, they may be worth less than what you paid for them because the value of investments will fluctuate reflecting day-to-day changes in market conditions, interest rates and a number of other factors.

Allocation Risk: Our allocation of investments among different asset classes, such as equity or fixed-income assets classes, may have a more significant effect on your returns when one of these classes is

performing more poorly than others.

Market Risk: Stock and bond markets often trade in random price patterns, and prices can fall over sustained periods of time. The value of the investments we make for you will fluctuate as the financial markets fluctuate. This could result in your account value(s) declining over short or long term periods of time.

Focused and Concentrated Portfolio Risks: We will often invest your assets in a smaller number of securities than other broadly diversified investment strategies. Our approach is often referred to as “focused, concentrated, or non-diversified”. Accordingly, the money we manage for you may have more volatility and is often considered to have more risk than a strategy that invests in a greater number of securities because changes in the value of a single security may have a more significant effect, either negative or positive, on your overall portfolio value. To the extent we invest your assets in fewer securities, or we investment in non-diversified funds that take a focused or concentrated approach, your assets are subject to greater risk of loss if any of those securities become permanently impaired.

Equity Risk: Your investments will be subjected to the risk that stock prices may fall over short or extended periods of time. Historically, the equity markets have moved in cycles, and the value of equity securities in your portfolio may fluctuate drastically from day to day. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments. The prices of securities issued by such companies may suffer a decline in response. These factors will contribute to the volatility and risk of your assets.

Special Situation Risk: We may invest your assets in special situations. Investments in special situations may involve greater risks when compared to other strategies due to a variety of factors.

Expected changes may not occur, or transactions may take longer than originally anticipated, resulting in lower returns than contemplated at the time of investment. Additionally, failure to anticipate changes in the circumstances affecting these types of investments may result in permanent loss of capital, where we may be unable to recoup some or all of its investment.

Foreign Securities Risk: We have the ability to invest in foreign securities, and, from time to time, a significant percentage of your assets may be composed of foreign investments. Foreign investments involve greater risk in comparison to domestic investments because foreign companies/securities: may have different auditing, accounting, and financial reporting standards; may not be subject to the same degree of regulation as U.S. companies, and may have less publicly available information than U.S. companies; and are often denominated in a currency other than the U.S. dollar.

Currency Risk: Your investments may be subject to currency risk. Currency fluctuations and changes in the exchange rates between foreign currencies and the U.S. dollar could negatively affect the value of your investments in foreign securities.

Interest Rate Risk: Your investments are subject to interest rate risk. Interest rate risk is the risk that the value of a security will decline because of a change in general interest rates. Investments subject to interest rate risk will usually decrease in value when interest rates rise. For example, fixed-income securities with long maturities typically experience a more pronounced change in value when interest rates change.

Credit Risk: Your investments are subject to credit risk. An investments credit quality depends on its ability to pay interest on and repay its debt and other obligations.

Small- to Medium-Capitalization Risk: We may invest your assets in small to medium sized companies. Shares of small to medium sized companies may have more volatile share prices. Furthermore, the securities of small to medium companies often have less market liquidity and their share prices can react with more volatility to changes in the general marketplace.

Junk Bond/High-Yield Security Risk: We may invest your assets in Junk Bonds or High-Yield, lower rated

securities. Investments in fixed-income securities that are rated below Investment grade can be subject to greater risk of loss of principal and interest than investments in higher-rated fixed-income securities. The market for high yield securities may be less liquid than the market for higher-rated securities. High yield securities are also generally considered to be subject to greater market risk than higher-rated securities. The capacity of issuers of high yield securities to pay interest and repay principal is more likely to weaken than is that of issuers of higher-rated securities in times of deteriorating economic conditions or rising interest rates.

Prepayment Risk: Your investments may be subject to prepayment risk. Prepayment risk occurs when the issuer of a security can repay principal prior to the security's maturity. Securities subject to prepayment can offer less potential for gains during a declining interest rate environment and similar or greater potential for loss in a rising interest rate environment. In addition, the potential impact of prepayment features on the price of a security can be difficult to predict and result in greater volatility.

Inflation Risk: This is the risk that the value of your assets or income you're your investments will be less in the future as inflation decreases the value of your money. As inflation increases, the value (purchasing power) of your assets can decline. This risk increases as we invest a greater portion of your assets in fixed-income securities with longer maturities.

Liquidity Risk: Liquidity risk exists when particular investments are difficult to purchase or sell, possibly preventing us from selling out of these illiquid securities at an advantageous price.

Item 9 Disciplinary Information

Your confidence and trust placed in our Firm and its advisory agents is something we value and endeavor to protect and we want to ask any questions that you may have on the disclosures presented.

Item 10 Other Financial Industry Activities and Affiliations

Commerce Street Capital, LLC Relationship:

Commerce Street Capital, LLC, (Member FINRA/SIPC) is a registered broker-dealer and an affiliated firm through the ownership of Jim Gardner and Dory Wiley. In this capacity, the Advisory Agents of our Firm may sell securities through Commerce Street Capital, LLC, a FINRA broker/dealer and receive normal and customary commissions as a result of such purchases and sales. This presents a conflict of interest to the extent that the agent recommends that a client invest in a security which results in a commission being paid to the agent.

Custody of client accounts for both securities and funds will be maintained at Penson Financial Services, Inc. the designated custodian and clearing firm for Commerce Street Capital, LLC. Neither our Firm nor its advisory agents are affiliates of Penson Financial Services, Inc.

General Partner Relationships:

Our related persons are general partners of various private equity funds. These Related persons will be permitted by us to invest in the funds.

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

Code of Ethics:

We have adopted a Code of Ethics Policy to prohibit conflicts of interest from personal trading by our advisory personnel and have established standards of conduct expected of our advisory personnel. We have set forth in the Code of Ethics Policy statements of general principles, required course of conduct, reporting obligations, and review and enforcement of the Code of Ethics Policy. We will provide a copy of the Code of Ethics Policy to our clients or prospective client's upon written request.

Participation or Interest in Client Transactions / Personal Trading:

Our advisory agents are also registered securities representatives of Commerce Street Capital, LLC, (Member FINRA/SIPC), an affiliated broker-dealer firm. The advisory agents will receive commissions, 12b1 fees and other compensation from Commerce Street Capital, LLC in connection with security transactions effected for the accounts the advisory agents manage for our firm. Therefore there is a financial incentive to use Commerce Street Capital, LLC to effect security transactions for your accounts.

We anticipates that, from time to time, certain of our clients, including clients that are members of our staff and/or our related persons and such clients' family members, may be offered the opportunity to invest in partnerships organized by us or related persons to invest in securities of public companies.

If we do provide investment advisory services, we anticipates that we would buy and sell positions in securities and allocate a percentage of each position among our clients, some of whom would be members of our staff and/or the staff of its related persons and, therefore, related persons, pursuant to established formulas.

Item 12 Brokerage Practices

Brokerage Selection:

We will have discretion as to what securities are bought and sold, the amount of securities to be bought or sold, the commission rates paid and the brokers or dealers to handle securities transactions. We utilize Commerce Street Capital, LLC, (Member FINRA/SIPC), as the broker-dealer for the execution of securities transactions. Custody of your accounts for both securities and funds will be maintained at Penson Financial Services, Inc. the designated custodian and clearing firm for Commerce Street Capital, LLC.

Factors which we consider when recommending Commerce Street Capital, LLC include their respective financial strength, reputation, execution, pricing, research and service. We understand and acknowledge that at all times we owe a fiduciary duty to you to obtain best execution for your transactions. We believe that our relationships with Commerce Street Capital, LLC, Inc. helps us to execute securities transactions for you in such a manner that your total cost in each transaction is as favorable as possible under prevailing market conditions.

Because of the above considerations, we may pay a brokerage commission in excess of that which another broker might have charged for effecting the same transactions in recognition of the value of brokerage or research services provided by the broker. Brokerage commissions would be negotiated to competitive rates based on the type of trade and skill involved. We anticipate that we would aggregate trades for client accounts whenever possible. Such aggregation would be done in an effort to reduce the overall cost of trade execution for client portfolios. In circumstances where only a portion of the total order was executed, shares would be allocated proportionally in accordance with the distribution that was intended from the total order.

It is our policy to select brokers on the basis of the best combination of cost and execution capability. Subject to its best execution obligations, we intend to use the broker-dealer to effect all or substantially all client securities transactions. We may develop other broker-dealer arrangements with other unaffiliated broker-dealer firm's at our discretion.

Additional Services Received by our Firm:

Trades may be done with brokers who are selected on the basis of on line research products or services. These may be used for the benefit of all clients and are not necessarily used exclusively by the account for which the transaction was made. The types of products and services include written and oral reports concerning current or prospective portfolio holdings, economic interpretations, and portfolio strategy. You are not charged for these services and the information received may be used to benefit all clients of our Firm.

Brokerage for Client Referrals:

Neither our Firm nor our Advisory Agents receive client referrals from a broker dealer or other third party when recommending to you a broker-dealer for the execution of securities transactions.

Directed Brokerage:

We do not allow for directed brokerage by clients.

Neither this Firm nor our advisory agents receive any products, research or services other than those disclosed.

Trade Aggregation:

We provide investment management services to various clients. We may, in our sole discretion,

aggregate purchases or sales of any security, instrument or obligation effected for various client accounts with purchases or sales, as the case may be, of the same security, instrument or obligation effected on the same day for the accounts of one or more of our other clients. Although such concurrent aggregations potentially could be either advantageous or disadvantageous to any one or more particular accounts, they will be effected only when we believe that to do so will be in the best interest of the affected accounts. When transactions are so aggregated, (a) the actual prices applicable to the aggregated transaction will be averaged, and each client account participating in the aggregated transaction will be deemed to have purchased or sold its share of the security, instrument or obligation involved at that average price and (b) all transaction costs incurred in effecting the aggregated transaction, except to the extent that certain broker-dealers that also furnish custody services may impose minimum transaction charges applicable to some of the participating accounts. When such concurrent aggregation occurs, the objective will be to allocate executions in a manner that is deemed equitable to the accounts involved.

Item 13 Review of Accounts

Fund accounts will be reviewed on a quarterly basis by the CCO and COO/CFO. Annually each fund will have an annual audit which will be provided to each investor along with a K-1 for tax reporting purposes. We also provide quarterly reports to the fund and/or client for all assets under management. Reviewers include Dory Wiley, CCO and Tina Schirle, Chief Operating Officer/Chief Financial Officer. All reviewers are aware of our investment philosophy and strategies.

Item 14 Client Referrals and Other Compensation

Client Referrals:

You will receive a Solicitor's Disclosure Statement, pursuant to SEC Rule 206(4)-3. The Solicitor's Disclosure Statement provides, among other things, disclosure regarding the affiliation, if any, between our Firm and the third-party adviser: the terms of the solicitation agreement between our Firm and the third-party adviser, including the amount of compensation to be paid to our Firm for the solicitation; and the additional cost to you if any, as a result of the solicitation agreement.

Other Compensation:

No other compensation is received other than what is already disclosed.

Item 15 Custody

Your funds and securities will be maintained with a "qualified custodian" as required under Rule 206(4)-2 under the Advisers Act and we will not take physical possession of any client funds or securities. Custody of client accounts for both securities and funds will be maintained at Penson Financial Services, Inc. the designated custodian and clearing firm for Commerce Street Capital, LLC, (Member FINRA/SIPC).

All funds are audited on an annual basis by a qualified accounting firm. Copies of the fund audit will be provided to all investors in a timely manner.

Item 16 Investment Discretion

You have granted our Firm sole and absolute discretion in the management of your portfolio and periodic re-balancing to the asset class target percentages as outlined in the Funds prospectus. In the exercise of our authority we are fully authorized and empowered to place orders to brokers, dealers, mutual funds, or other persons with respect to the purchase, sale, exchange, disposition or liquidation of any assets held in your portfolio.

Item 17 Voting Client Securities

If we provide investment advisory services, each individual client of our Firm will vote its own securities and we will not, in the capacity of investment adviser, vote any proxy on behalf of any client. We will direct that all proxy statements and materials be directly forwarded to the security holder of record. If we receive any proxy materials for our clients, we will promptly forward such materials to the security holder of record for voting. IP Fund Managers are licensed with our Firm. In their capacity as a fund manager, they vote proxies. Procedures have been established for the firm and are set forth in the firm's Policies and Procedures Manual. A copy of the proxy voting policy is available upon request. You can contact our office at 214-545-6800 for any questions about a particular solicitation.

Item 18 Financial Information

We do not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. We do not have any financial condition that is reasonably likely to impair the ability to meet contractual commitments to you.

Item 19 Requirements for State Registered Advisers

Not applicable, we are an SEC registered investment adviser.