



## Item 1 – Cover Page

FEG Investors, LLC  
Form ADV Part 2A- June 25, 2013

201 East Fifth Street, Suite 1600  
Cincinnati, Ohio 45202  
513-977-4400  
[www.feg.com](http://www.feg.com)

This Brochure provides information about the qualifications and business practices of FEG Investors, LLC. If you have any questions about the contents of this Brochure, please contact us by phone at 513-977-4400 or by email at our website address [www.feg.com](http://www.feg.com), under the “contact us” section. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission, or by any state securities authority.

FEG Investors, LLC is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about FEG Investors, LLC is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)



**Fund Evaluation Group®**  
investment advisors

## Item 2 – Material Changes

On July 28, 2010, the United States Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC rules. This Brochure dated June, 2012 is a new document prepared according to the SEC’s new requirements and rules. As such, this document is materially different in structure and requires certain new information that our previous Brochure did not require.

In December of 2012, the Fund’s Board of Directors approved a name change of the FEG Equity Access Fund LLC to FEG Directional Access Fund LLC.

In April 2013, FEG Directional Access Fund, LLC became a Registered Investment Company (RIC) under the regulations of the Investment Company Act of 1940.

Effective July 1, 2013, the Fund’s Chief Compliance Officer position will be assumed by Maureen Kiefer-Goldenberg, replacing Cipperman Compliance Services.

In the past we have offered or delivered information on our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Maureen Kiefer-Goldenberg, Chief Compliance Officer at 513-977-4400 or [mkg@feg.com](mailto:mkg@feg.com). Our Brochure is also available on our website [www.feg.com](http://www.feg.com), free of charge.

Additional information about the FEG Investors, LLC is also available via the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site provides information about any persons affiliated with the FEG Investors, LLC who are registered, or are required to be registered, as investment adviser representatives of FEG Investors, LLC.

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## **Item 4 – FEG Advisory Business**

FEG Investors, LLC (referred to hereafter as the “Manager”) was formed in 2008 and is a majority owned subsidiary of Fund Evaluation Group, LLC (“FEG”). The Manager provides investment supervisory services to hedge fund of funds (“Funds”), including portfolio management services, managing the Funds' investing activities, assisting the Funds generally in the conduct of their business, maintaining or causing to be maintained necessary books and records of the Funds, and rendering services on behalf of the Funds (not otherwise provided by third parties) necessary for the Funds' operations. Subject to the Board of Directors' oversight, the Manager has agreed, among other things, to make investment decisions and provide a program of continuous investment management for the Funds.

The Manager is the investment adviser of the FEG Absolute Access Fund, LLC and FEG Directional Access Fund, LLC, both federally registered investment companies subject to the regulatory requirements under the Investment Company Act of 1940.

FEG Absolute Access Fund and the FEG Directional Access Fund (collectively referred to hereafter as the “Companies”) were designed to provide investors the opportunity to gain exposure with a smaller minimum investment than would be required to invest directly with the institutional quality hedge fund managers. The Companies were created using managers from FEG's recommended manager list. The Manager leverages FEG's employees, systems, and investment process for the Funds.

Investors in the Companies should refer to the applicable Private Placement Memorandum and Offering Documents for further information.

As of March 31, 2013, the Manager provided investment supervisory services to approximately \$319 million dollars of assets under management.

The Manager's ownership structure is listed on Schedule 1A of Form ADV Part 1.

## **Item 5 – Fees and Compensation**

The management fee is based on a percent of assets under management at an .85% annualized rate. The management fee is paid monthly in arrears.

Occasionally, the Manager either directly or indirectly, through its affiliates, may enter into side letter arrangements. All arrangements, as such, will be in writing and agreed upon by all parties.

Investors should refer to the applicable Private Placement Memorandum and Offering documents for information regarding termination policies.

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

The Manager does not charge any performance-based fees.

## **Item 7 – Types of Clients**

The clients of the Manager are FEG Absolute Access Fund, LLC and FEG Directional Access Fund, LLC, both federally registered investment companies.

## **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

The Manager's investment objective is to offer alternative vehicles to help diversify client portfolios. The Manager was formed to capitalize on the experience of FEG's principals with evaluating and recommending to investors, non-traditional investment funds (i.e., hedge funds) by creating fund-of-funds products which offer professional portfolio manager due diligence, selection and monitoring, consolidated reporting, risk monitoring and access to portfolio managers for a smaller minimum investment than would be required for direct investment.

### **Manager Selection**

Proper portfolio manager sourcing is a key component to a successful research effort. Each analyst is expected to actively source and seek out top tier managers.

Portfolio managers are sourced in a variety of ways including:

- Direct solicitation
- Industry databases
- Fund-of-Fund managers
- Clients
- Select placement agents
- Other limited partners
- Industry news
- Conferences

The Manager believes that it is able to gain access and capacity with premier funds that may be closed to other investors due the desired client base of its parent company, Fund Evaluation Group, LLC. If proper sourcing is done, the analyst should already be starting from a position of strength by beginning the comprehensive due diligence process with an institutional quality manager.

## **Due Diligence**

Prior to allocating assets to a portfolio manager, the Manager conducts extensive qualitative and quantitative due diligence on potential portfolio managers and generally conducts on-site visits (which include meetings with a portfolio manager's investment, operations and risk management professionals). The Manager will review and evaluate a portfolio manager's investment strategies and investment process, performance record, stability of organizational structure and team of investment professionals (including firm history and ownership, employee and client retention and turn-over) and fee structure. The Manager seeks to understand the portfolio manager's sourcing and evaluation of investments, including the relationship of investments to each other in the portfolio and exit strategies with respect to such investments. The Manager also seeks to understand the portfolio manager's "back office" operations, including its operating, valuation and reporting policies and procedures. The Manager will evaluate the checks and balances within a portfolio manager's "back office" operations as well as the responsibilities and qualifications of key professionals monitoring these operations. All initial portfolio fund manager allocations are approved by the Manager's Investment Policy Committee. Once the Manager allocates assets to a portfolio fund manager, the Manager begins the ongoing monitoring process, which includes receiving and reviewing performance updates and maintaining an ongoing continuing dialogue with the portfolio fund manager.

## **Risk of Loss**

The purchase of interests in hedge funds involves certain risks and is suitable only for persons of substantial financial means who have no need for liquidity in their investment, and who can bear the risk of the potential loss of their entire investment. No guarantee or representation is made that the investment program of the Companies or any investment fund will be successful, that the various investment funds selected will produce positive returns, or that the Companies will achieve their investment objectives.

Investors should refer to the applicable Private Placement Memorandum and Offering Documents for further information concerning risks.

## **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 the Manager or the integrity of its management. The Manager has no information applicable to this item.

## **Item 10 – Other Financial Industry Activities and Affiliations**

The Manager is affiliated with the following entities who all share the same principal address at 201 East Fifth Street, Suite 1600, Cincinnati, Ohio 45202:

- Fund Evaluation Group, LLC, a federally registered investment adviser
- FEG Private Investors, LLC, a federally registered investment adviser
- FEG POF, LLC, a Delaware limited liability company
- FEG Private Opportunities Fund, LP, an unregistered private fund
- FEG Absolute Access TEI Fund, LLC, a federally registered investment company
- FEG Equity Access Ltd., an unregistered hedge fund of funds
- FEG Private Opportunities AIV, LLC, a Delaware limited liability company

Management does not believe that any of the affiliations listed are, or will become, a potential conflict of interest.

## **Item 11 – Code of Ethics**

The Manager has adopted a Code of Ethics which expresses the firm's commitment to ethical conduct and describing the firm's fiduciary duties and responsibility to clients, particularly with respect to conflicts of interest. The Code requires that all individuals must act in accordance with all applicable federal and state regulations governing registered investment advisory practices. Any individual who violates the Code of Ethics may be subject to disciplinary actions.

A complete copy of the firm's Code of Ethics is available upon request to the Chief Compliance Officer.

## **Item 12 – Brokerage Practices**

The Manager will not use Brokers for distribution. In addition, the Manager does not utilize brokers in executing portfolio transactions or participate in soft dollar arrangements.

## **Item 13 – Review of Accounts**

The Manager's portfolio managers will receive and review monthly and quarterly performance updates and maintain an ongoing continuing dialogue with the independent investment advisers ("Portfolio Managers"). The Manager's Investment Policy Committee (IPC) will also meet quarterly to discuss portfolio performance and composition. The Manager's Directors also review the quarterly performance updates.



## **Review and Monitoring**

All portfolio manager allocations are approved by the Manager's IPC, which is comprised of four senior professionals of FEG and a senior member of InterOcean. Once the Manager allocates assets to a portfolio manager, the Manager begins the ongoing monitoring process, which includes receiving and reviewing performance updates and maintaining an ongoing continuing dialogue with the portfolio manager.

The Manager may terminate a portfolio manager for a variety of reasons, which may include lack of performance, asset growth, style drift, decline of institutional controls and key personnel departures. The Manager may also terminate a portfolio manager to allocate assets to another portfolio manager that the Manager considers a more attractive investment opportunity for the Funds. All portfolio manager terminations are approved by the Manager's IPC.

## **Reporting**

The Fund administrator, acting at the discretion of the Manager will send any investors in the funds, a monthly statement reflecting their balance, activity/transactions and performance of the individual capital accounts. The Manager will also send investors a quarterly narrative, market commentary summarizing performance of the underlying portfolio managers.

## **Item 14 – Client Referrals and Other Compensation**

The Manager, Sub-Adviser and/or their affiliates may make payments to selected affiliated or unaffiliated third parties from time to time in connection with the distribution of Interests and/or the servicing of Members and/or the Fund. These payments will be made out of the Manager's, Sub-Adviser's and/or affiliates' own assets and will not represent an additional charge to the Fund. The amount of such payments may be significant in amount and the prospect of receiving any such payments may provide such third parties or their employees with an incentive to favor sales of Interests of the Fund over other investment options. Contact your financial intermediary for details about revenue sharing payments it receives or may receive.

InterOcean Capital, LLC, an investment adviser registered under the Investment Advisers Act of 1940, serves as sub-adviser to the Companies. The sub-adviser participates by appointing a member to the Manager's IPC, thereby assisting in providing for oversight of the Manager's investments, approving investment fund selection recommendations, and reviewing other matters that come before the Manager.

The Manager will compensate the sub-adviser with a fee equal to 10% of FEG Investors, LLC management fee receivable, on a monthly basis, for as long as the Agreement is in effect.



### **Item 15 – Custody**

The Adviser may be deemed to have custody over the accounts of the Companies that are not registered as investment companies under the Investment Company Act of 1940 because certain of the principals of the Adviser constitute the Boards of Directors of those Companies. With respect to those Companies, the Adviser complies with Rule 206(4)-2 by delivering US GAAP audited financial statements within 180 days of each fiscal year end.

### **Item 16 – Investment Discretion**

The Manager has discretionary authority pursuant to the advisory agreement. Such discretion is to be exercised in a manner consistent with the stated investment objectives for the Companies. Investors should refer to the Private Placement Memorandum or the Offering Documents for further information.

### **Item 17 – Voting Client Securities**

The Manager will accept discretionary authority over the client's proxy voting. The Manager may utilize a third party service provider for voting proxy matters. In voting proxies, the Manager will vote strictly in accordance with the best interest of the beneficiaries and in light of the purpose for which each individual account was created.

### **Item 18 – Financial Information**

The Manager is required to provide you with certain financial information or disclosures about the Manager's financial condition. The Manager has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.