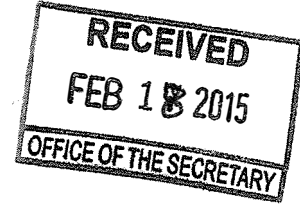


UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

ADMINISTRATIVE PROCEEDING
File No. 3-16344



In the Matter of

EDGAR LEE
GIOVANNETTI,

Respondent.

ANSWER OF
EDGAR LEE GIOVANNETTI

Comes Now Respondent, Edgar Lee Giovannetti (“Respondent” or “Giovannetti”) and responds to the Order Instituting Administrative and Cease-and-Desist Proceedings (the “OIP”) Pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”), Section 203(f) and 203(k) of the Investment Advisers Act of 1940 (“Advisers Act”), and Section 9(b) of the Investment Company Act of 1940 (“Investment Company Act”) as follows:

FIRST DEFENSE

The Commission’s claims are barred by the applicable statute of limitations and/or repose, including, but not limited to, those contained in 28 U.S.C. § 2462.

SECOND DEFENSE

In response to the specific allegations in the OIP, Giovannetti states as follows:

1. The allegations in Paragraph 1 are admitted.
2. Giovannetti admits that he was the Chief Executive Officer (“CEO”) of Consulting Services Group, LLC (“CSG”) until the formation of CSG’s parent holding company, CSG Holdings, LLC (“CSGH”) in December 2008. Thereafter, Giovannetti served as CEO and

Chairman of the Executive Management Committee of CSGH until his resignation on December 30, 2011. The remainder of the allegations in Paragraph 2 are admitted.

3. The allegations in Paragraph 3 are admitted.

4. Giovannetti admits that he submitted an Acceptance, Waiver and Consent to FINRA on July 10, 2012, pursuant to which Giovannetti consented to the imposition upon him of a three-month suspension from association in all capacities with any FINRA member firm, plus a \$15,000 fine, for three separate episodes of alleged misconduct that violated certain NASD and FINRA Rules and By-Laws, without admitting or denying the findings. The Acceptance, Waiver and Consent was accepted by FINRA on July 19, 2012.

5. Giovannetti admits that he was associated with LW Partners Capital Group, LLC on the date that this proceeding was instituted and states that he subsequently resigned from his association with LW Partners Capital Group, LLC.

6. The allegations in Paragraph 6 are admitted.

7. Giovannetti admits that he was a control person of CSG from 1990 until his resignation on December 30, 2011 due to his management positions and ownership interests in CSG and CSG's parent entity. Giovannetti admits that he held the second largest equity interest in CSG and later in CSG's parent entity. The remaining allegations of Paragraph 7 are denied.

8. The allegations in Paragraph 8 are admitted.

9. The allegations in Paragraph 9 are admitted.

10. The allegations in Paragraph 10 are admitted.

11. Giovannetti admits the allegations contained in Footnote 1 to Paragraph 11 but denies that CSG's policies and procedures required disclosure of the existence of the loan to CSG's Compliance Group.

12. The allegations in Paragraph 12 are admitted.

13. The allegations in Paragraph 13 are admitted.

14. Giovannetti admits that he sent an email to CSG's Chief Compliance Officer on August 8, 2009, stating, among other things, that he had paid off the loan from the New York Investment Adviser. At the time of this email, Giovannetti believed that the proceeds received from the recent redemption of his investment in the New York Investment Adviser's fund were net of the amount needed to pay off the loan. Giovannetti later learned that his belief was mistaken.

15. Giovannetti incorporates his response to Paragraph 14 and states the New York Investment Adviser did not net the loan against his redemption proceeds as he believed on August 8, 2009, the date of his communication to CSG's Chief Compliance Officer.

16. Giovannetti admits that after he learned the loan had not been netted against his redemption proceeds that he acknowledged in confirmation letters from the New York Investment Adviser's accountants that he had not paid back the loan from the New York Investment Adviser. After learning that the loan had not been netted against his redemption proceeds, Giovannetti overlooked advising CSG's Compliance that the loan had not been repaid.

17. Giovannetti admits that the loan was not disclosed in the Firm's Forms ADV Part II, dated August 6, 2009, and July 6, 2010 nor in the Form ADV Part 2A, dated March 31, 2011. Giovannetti denies the remaining allegations in Paragraph 17.

18. Giovannetti admits that he was interviewed in August 2011 by staff of the Commission in connection with an examination of CSG and that he informed the Commission staff and CSG Compliance personnel that his loan owed to the New York Investment Adviser was still outstanding. Giovannetti denies the remaining allegations in Paragraph 18.

19. Giovannetti admits that CSG disclosed the existence of Giovannetti's loan from the New York Investment Adviser in its Form ADV Part 2A dated August 24, 2011 and the language quoted in Paragraph 19 accurately reflects the disclosure prepared by CSG Compliance.

20. Giovannetti admits that the disclosure made by CSG in its Form ADV Part II dated August 24, 2011 was prepared by CSG Compliance and did not mention the items listed in Paragraph 20.

21. The allegations in Paragraph 21 are denied.

22. Giovannetti admits that CSG repeated the disclosures regarding his loan from the New York Investment Adviser previously made in its Form ADV Part 2A dated August 24, 2011 in CSG's subsequent Form ADV Part 2A dated March 28, 2012. The remaining allegations in Paragraph 22 are denied.

23. The allegations in Paragraph 23 are admitted.

24. The allegations in Paragraph 24 are denied.

25. The allegations in Paragraph 25 are denied.

26. The allegations in Paragraph 26 are denied.

27. The allegations in Paragraph 27 are denied.

WHEREFORE, Giovannetti requests that this Court find that no remedial action is appropriate in the public interest against Respondent and grant all other and further relief to which he may be entitled.

MARTIN, TATE, MORROW & MARSTON, P.C.

ATTORNEYS AND COUNSELORS

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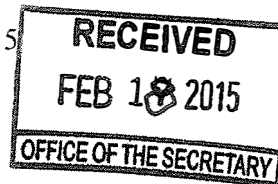
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February 17, 2015



Secretary Brent J. Fields
Securities and Exchange Commission
100 F Street N.E., Mail Stop 1090
Washington, DC 20549-1090

Re: In the Matter of Edgar Lee Giovannetti, Administrative Proceeding
File No. 3-16344

Dear Mr. Fields:

I have enclosed the original and three (3) copies of the Answer of Edgar Lee Giovannetti and the Notice of Appearance in the above referenced matter. I would appreciate receiving a stamped "filed" copy of the Answer and Notice of Appearance via e-mail at the e-mail address shown above.

Thank you for your assistance in this matter.

Very truly yours,

A handwritten signature in cursive script that reads "Robert E. Orians".

Robert E. Orians

REO/kc

Enclosures

c: Pat Huddleston II (via email and U.S. Mail)
Paul T. Kim (via email and U.S. Mail)